

**RESOLUTION NUMBER 3193**

***A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PERRIS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, TO AUTHORIZE THE AMENDMENT OF ARTICLE 19(c) OF THE AMENDED AND RESTATED JOINT POWERS AGREEMENT (“JPA”) OF THE PUBLIC ENTITY RISK MANAGEMENT AUTHORITY (“PERMA”) TO INCREASE THE NOTICE REQUIRED FOR A MEMBER’S WITHDRAWAL FROM A COVERAGE PROGRAM FROM NINETY (90) DAYS TO SIX (6) MONTHS AND VESTING WITH THE EXECUTIVE COMMITTEE THE AUTHORITY TO ASSESS AN EARLY-WITHDRAWAL CHARGE TO A MEMBER THAT DOES NOT PROVIDE THE REQUIRED SIX MONTH NOTICE***

**WHEREAS**, Article 1, Chapter 5, Division 7, Title 1 of the California Government Code permits two or more public agencies by agreement to exercise jointly powers common to the contracting parties; and

**WHEREAS**, California Government Code Section 990.4 provides that a local public entity may self-insure, purchase insurance through an authorized carrier, or purchase insurance through a surplus line broker, or any combination of these; and

**WHEREAS**, Article 24 of the JPA allows the JPA to be amended at any time by a vote of two-thirds of the member organizations, acting through their governing boards; and

**WHEREAS**, PERMA currently has 26 members, thus requiring 18 members to vote to amend the JPA to make an amendment effective; and

**WHEREAS**, this is the Governing Board of a member of PERMA; and

**WHEREAS**, Article 19(c) of PERMA’s amended and restated Joint Powers Agreement currently states:

Any member having completed three (3) years as a party to this Agreement may withdraw from its status as a member only at the end of a policy year for the program, and only if it gives the Authority at least ninety (90) days’ advance written notice of such action.

**WHEREAS**, this Governing Board desires to have Article 19(c) of PERMA’s Amended and Reinstated Joint Powers Agreement amended to increase the notice required from a member’s withdrawal from a coverage program from ninety (90) days to six (6) months and to vest with the Executive Committee the authority to determine and assess at its discretion an

early-withdrawal charge to a member that does not provide the required six (6) month notice; and

**WHEREAS**, this amendment will become effective on the day that PERMA receives the eighteenth (18<sup>th</sup>) affirmative member vote to make this amendment to the JPA.

**NOW, THEREFORE, BE IT RESOLVED** that this Governing Board votes to amend Article 19(c) of PERMA's JPA to state as follows:

Any member having completed three (3) years as a party to this Agreement may withdraw from its status as a participant in a program only at the end of a policy year for the program, and only if it gives the Authority at least six (6) months advance written notice of such action. The Authority may assess an early-withdrawal charge for any such member that withdraws from a program without providing six (6) months advance written notice. The early-withdrawal charge is to be determined in the discretion of the Executive Committee based upon all costs and damages resulting to the Authority because of the member's withdrawal on short notice. The early-withdrawal charge shall not exceed the withdrawing member's annual premium for the program from which it is withdrawing.

This Governing Board hereby authorizes Hector Apodaca, City Manager, to execute an amended and restated JPA incorporating the amendments set forth above.

**ADOPTED, SIGNED** and **APPROVED** this 24<sup>th</sup> day of February, 2004.

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Mayor, Daryl R. Busch

ATTEST:

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City Clerk, Margaret Rey

STATE OF CALIFORNIA )  
COUNTY OF RIVERSIDE ) §  
CITY OF PERRIS )

I, Margaret Rey, CITY CLERK OF THE CITY OF PERRIS, CALIFORNIA, DO HEREBY CERTIFY that the foregoing Resolution Number 3193 was duly and regularly adopted by the City Council of the City of Perris at a regular meeting thereof held the 24<sup>th</sup> day of February, 2004, by the following called vote:

AYES: Rogers, Yarbrough, Landers, Motte, Busch

NOES:

ABSENT:

ABSTAIN:

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City Clerk, Margaret Rey