

## DISCOVERY CLEAN WATER ALLIANCE

### RESOLUTION NO. 2013 – 04

#### **A RESOLUTION OF DISCOVERY CLEAN WATER ALLIANCE, RELATING TO INDEMNIFICATION AND DEFENSE OF THE BOARD DIRECTORS FROM CLAIMS AGAINST THEIR PERFORMANCE OF DUTIES FOR THE ALLIANCE.**

**WHEREAS**, Discovery Clean Water Alliance desires to avail itself of the rights afforded municipal corporations under RCW 4.96.041 to protect its Board against claims arising out of their performance, purported performance or failure of performance in good faith of their duties for the Alliance; now, therefore

**BE IT RESOLVED** by the Board of Directors of Discovery Clean Water Alliance as follows:

**Section 1.** Definitions. For purposes of this resolution, the following words shall have the following meanings unless the context indicates otherwise:

- A. "Claim" means a claim or lawsuit.
- B. "Alliance's legal counsel" means the Alliance's legal counsel or designee.
- C. "Director" means any person who is serving or has served on the Board of Directors of the Alliance, either as a Director or as an alternate to a Director.

**Section 2.** Legal representation. The Alliance shall provide to a Director such legal representation as may be reasonably necessary to defend any claim filed against the Director, arising out of the performance, purported performance or failure of performance in good faith of duties for the Alliance. This legal representation shall be a condition of service for the Alliance and shall be provided by the Alliance's legal counsel, except as may be provided under an insurance policy or self-insurance or joint insurance program.

**Section 3.** Exclusions - Determination of representation. This resolution shall not apply to any dishonest, fraudulent, criminal or malicious act, to any act outside the scope of service, to any lawsuit brought by or on behalf of the Alliance or to any accident, occurrence or circumstance in which the Alliance or a Director is insured against loss or damages under the terms of an insurance policy or self-insurance or joint insurance program. The Alliance's legal counsel shall determine whether a Director was performing duties for the Alliance in good faith,

and whether a Director committed a dishonest, fraudulent, criminal or malicious act. The Director may appeal such determination to the Board of Directors of the Alliance.

**Section 4.** Payment of claims - Conditions of representation.

A. At the request of a Director, the Alliance's legal counsel shall investigate and defend a claim which is covered by this resolution. If that claim is deemed by the Alliance's legal counsel to be a proper claim against the Director, the claim shall be paid by the Alliance as long as the following requirements are met:

1. As soon as practicable after receipt of notice of a claim, the Director shall give the Alliance's legal counsel notice of the claim, specifying the name of the Director involved, the date, time, place and circumstances surrounding the incident or conduct giving rise to the claim, the names and addresses of all persons allegedly injured, the names and addresses of owners of allegedly damaged property, and the names and addresses of all witnesses;

2. The Director shall cooperate with the Alliance's legal counsel and, upon request, shall assist in making settlements of any lawsuits and in enforcing any claim for subrogation against any persons or organizations that may be liable to the Alliance because of any damages or losses arising from the incident or conduct; and

3. The Director shall attend interviews, depositions, hearings and trials as requested, and assist in securing and giving evidence and obtaining the attendance of witnesses.

B. If the Alliance's legal counsel determines that a claim against a Director is not covered by this resolution and a court of competent jurisdiction in a final judgment finds that the claim is covered by this resolution, the Alliance shall pay the claim and reasonable attorney's fees.


**Section 5.** Refusal to cooperate. If any Director fails or refuses to meet the requirements of Section 4 of this resolution or elects to provide his or her own representation on any claim, this resolution shall be inapplicable and of no force and effect with respect to that claim.

**Section 6.** Conflict with provisions of insurance policies. Nothing contained in this resolution shall be construed to modify or amend any provision of an insurance policy or any coverage through a self-insurance or joint insurance program. If there is a conflict between this resolution and the provisions of any such policies or coverage, the provisions of any such policies or coverage shall control.

**Section 7.** Pending claims. This resolution shall apply to any pending claim against a Director and to any claim hereafter filed irrespective of the date of the events or circumstances giving rise to the claim.

**ADOPTED** by the Board of Directors of Discovery Clean Water Alliance at a regular meeting held on January 18, 2013.

**DISCOVERY CLEAN WATER ALLIANCE**

A handwritten signature in cursive script, reading "Lisa Walters", is written over a horizontal line.

Chair, Board of Directors