



Approved 5.08.17

## Executive Committee Meeting

ACWA JPIA Executive Conference Room  
2100 Professional Drive  
Roseville, CA 95661  
(800) 231-5742

**March 21, 2017**

This meeting consisted of a simultaneous WebEx teleconference call at the ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661 and the following remote sites:

- Gladbach - 27491 Hillcrest Place, Valencia
- Hastey – 900 10th St NW, Washington, DC

### MEMBERS PRESENT

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Chairman: E.G. “Jerry” Gladbach, Castaic Lake Water Agency (*via WebEx*)

Vice-chair: Thomas A. Cuquet, South Sutter Water District

David Drake, Rincon del Diablo Municipal Water District

Brent Hastey, Yuba County Water Agency, ACWA Vice President (*via WebEx-left 9:30 am*)

David T. Hodgins, Scotts Valley Water District

W.D. “Bill” Knutson, Yuima Municipal Water District

Melody A. McDonald, San Bernardino Valley Water Conservation District (*arrived 8:44 am*)

J. Bruce Rupp, Humboldt Bay Municipal Water District

### MEMBERS ABSENT

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None.

### STAFF PRESENT

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Chief Executive Officer/Secretary: Walter “Andy” Sells

Carol Barake, Risk Management Program Manager

Linda Craun, Administrative Assistant II (WebEx Coordinator)

David deBernardi, Director of Finance

Robert Greenfield, General Counsel

Debbie Kyburz, Lead Member Services Representative

Jennifer Nogosek, Liability & Property Claims Manager

Sylvia Robinson, Publications & Web Editor

Patricia Slaven, Director of Administration

Sandra Smith, Employee Benefits Manager

Dianna Sutton, Finance Manager

Karen Thesing, Director of Insurance Services

Melody Tucker, Workers’ Compensation Manager

Nidia Watkins, Member Services Representative II

Bobbette Wells, Executive Assistant to the CEO (Recording Secretary)

## **OTHERS IN ATTENDANCE**

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Marley Cleland, Aon Risk & Insurance Services  
Kevin Hunt, Central Basin Municipal Water District  
Charles Muse, Member of the Public (*via WebEx*)  
Bill Pellman, Nossaman LLP, Assistant General Counsel for Central Basin Municipal Water District (*via WebEx*)  
Dan Reynolds, Central Basin Municipal Water District  
Thomas Scaglione, Finance & Audit Committee Chairman, Vallecitos Water District  
Julie Theirl, Aon Risk & Insurance Services

## **WELCOME**

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Vice-chair Cuquet welcomed everyone in attendance.

## **CALL TO ORDER AND ANNOUNCEMENT OF QUORUM**

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Vice-chair Cuquet called the meeting to order at 8:30 am. He announced there was a quorum.

## **ANNOUNCEMENT RECORDING OF MINUTES**

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Vice-chair Cuquet announced that the meeting would be recorded to assist in preparation of minutes. Recordings are only kept 30 days following the meeting, as mandated by the California Brown Act.

## **PLEDGE OF ALLEGIANCE/EVACUATION PROCEDURES**

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Vice-chair Cuquet led the Pledge of Allegiance and Mr. Sells gave the evacuation procedure instructions.

## **PUBLIC COMMENT**

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Vice-chair Cuquet noted that, as the agenda stated, members of the public would be allowed to address the Executive Committee on any agenda item prior to the Committee's decision on that item. Comments on any issues on the agenda, or not on the agenda, were also welcomed. No comments were brought forward.

## **ADDITIONS TO OR DELETIONS FROM THE AGENDA**

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Vice-chair Cuquet asked for any additions to, or deletions from, the agenda; staff had none.

## **CONSENT AGENDA**

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Vice-chair Cuquet called for approval of the Consent Agenda:

M/S/C (Drake/Knutson) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgins-Yes; Knutson-Yes; Rupp-Yes): That the Executive Committee approve the minutes of the February 7, 2017 meeting; and approve the JPIA disbursements of:

Vendor Payments, Employee Benefits Claim Payments, Payroll, and summary of confidential claims payments for the Liability, Property, & Workers' Compensation Programs: January 1-15, 2017; January 16-31, 2017; February 1-15, 2017; February 16-28, 2017.

## **ADMINISTRATION**

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### Meetings attended on behalf of the JPIA

Chairman Gladbach attended Calleguas Municipal Water District's board meeting where a refund check was presented. Director Rupp presented a refund check to Humboldt Community Services District. Director Knutson delivered refunds to Ramona Municipal Water District, San Diego County Water Authority, and Yorba Linda Water District.

### Central Basin Municipal Water District

At the February 7, 2017 meeting, Central Basin's general manager, Kevin Hunt, requested that the Executive Committee consider full reinstatement into all three JPIA pooled programs for Central Basin Municipal Water District (Central Basin). The Committee felt more information was necessary, and directed staff to add to the agenda for the March 21, 2017 meeting.

Staff reviewed the information in the packet and recommended against readmission into the JPIA's Liability, Property, and Workers' Compensation joint pooled protection programs.

After much discussion, the Committee was in agreement that there was not enough stability within the District's Board to consider reinstatement.

Mr. Hunt strongly disagreed with the Committee and staff's assessment of the District. Mr. Pellman, District's assistant general counsel, pointed out the stability that Mr. Hunt has brought to the District and had established an Ethics "hotline" for anonymous complaints, of which there have been none.

Ms. McDonald pointed out her concerns regarding the instability at the board level.

The Executive Committee unanimously agreed that this was not the right time to permit Central Basin back into the JPIA's joint pooled programs and that their primary responsibility is for the protection of the pool and its 365 members.

Vice chairman Cuquet called for the question.

M/S/C (McDonald/Drake) (Cuquet-Yes; Drake- Yes; Gladbach- Yes; Hastey-Yes; Hodgins- Yes; Knutson- Yes; McDonald- Yes; Rupp- Yes):  
That the Executive Committee not approve Central Basin Municipal Water District's request for reinstatement into the JPIA's Liability, Property, and Workers' Compensation joint pooled protection programs.

### Spring Conference & Executive Committee Election

Ms. Robinson conveyed that the 2017 ACWA JPIA Spring Conference and Executive Committee Election on May 8 & 9, 2017, in Monterey, California is just 47 days away. The meetings and events of the upcoming conference were reviewed. Due to incomplete construction, the JPIA meetings are most likely to be held at the Hyatt, instead of the Marriott. There will be seven candidates running for four open Executive Committee positions.

## **FINANCE**

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### Finance & Audit Committee

Chairman Scaglione reported on the recommendations of the Finance & Audit Committee's meetings on February 28, 2017 and March 20, 2017. Approved action item(s) were brought to the Executive Committee for approval:

M/S/C (Drake/Knutson) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee accept the recommendation of the Finance & Audit Committee to approve the Audited Financial Statements as presented, and forward to the Board of Directors for final approval at Spring Conference.

M/S/C (Hodgin/Knutson) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee accept the recommendation of the Finance & Audit Committee to approve the proposed Operating Budget for 2017-18 as presented, and forward to the Board of Directors for final approval at Spring Conference.

## **PROGRAMS**

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### Workers Compensation Program Committee

Committee Chairman Knutson reported on the recommendations of the Workers' Compensation Program Committee's meeting on March 20, 2017. Approved action item(s) were brought to the Executive Committee for approval:

M/S/C (Knutson/Rupp) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee accept the recommendation of the Workers' Compensation Program Committee to approve the revisions to the Memorandum of Workers' Compensation and Employers Liability Coverage, effective July 1, 2017.

M/S/C (Knutson/Drake) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee accept the recommendation of the Workers' Compensation Program Committee to approve Safety National's excess renewal terms, as presented, effective July 1, 2017.

M/S/C (Knutson/Drake) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgins-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee accept the recommendation of the Workers' Compensation Program Committee to approve Option three, as presented in the packet, with no overall change in premiums collected from members for the 2017-18 policy year, as presented in the packet.

## **MEMBERSHIP**

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### Yuba County Water Agency

Ms. Watkins presented Yuba County Water Agency's application into the Workers' Compensation Program. The agency was established in 1959 to improve flood protection and provide a water supply in Yuba County. The agency's primary missions are: flood protection; water supply; fishery protection and enhancement; hydroelectric generation; and recreation at New Bullards Bar Reservoir. The agency also provides water storage, groundwater management, wholesale of water to local irrigation districts and water transfers. Yuba County Water Agency owns and operates facilities with a total storage capacity of approximately 1 million acre-feet of water and 397 megawatts of hydropower generation capacity.

Staff recommended acceptance of Yuba County Water Agency's application for admission into the Workers' Compensation Program, effective April 1, 2017.

M/S/C (McDonald/Hodgin) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgins-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee approve Yuba County Water Agency's application for admission into the Workers' Compensation Program.

## **MISCELLANEOUS**

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### Future agenda items

None stated.

### CEO Update

Mr. Sells and staff updated the Committee on relevant current issues. Those discussed were:

- JPIA appointed Directors by member districts.
- Oroville Dam's effect on surrounding members.
- Ms. Tucker discussed an ongoing Workers' Compensation fraud investigation.
- Ms. Thesing presented an award from AGRIP.
- Ms. Slaven reviewed the ongoing JPIA Management training.
- Mr. Greenfield presented the new Supreme Court ruling on public records requests.

### Availability for next meeting

No conflicts noted for the upcoming meeting at Spring Conference; however, Director Hodgins pointed out he would be unavailable for the June 27, 2017 meeting.

### **CLOSED SESSION**

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Before proceeding into closed session, General Counsel announced the items to be discussed.

M/S/C (Hodgins/Knutson) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgins-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee adjourn to closed session.

At approximately 10:38 am, the Executive Committee, upon advice of General Counsel, adjourned to closed session pursuant to Government Code Section 54956.95 to discuss Liability Claims in Long vs. Butte Water District; and Whelan/McCoy vs. Tahoe City Public Utility District.

M/S/C (McDonald/Drake) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgins-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes): That the Executive Committee reconvene to open session.

The Committee returned to open session at 10:55 am. General Counsel reported:

- Closed session item #1: No reportable action, instructions given to staff.
- Closed session item #2: No reportable action, instructions given to staff.

The Executive Committee meeting adjourned at 10:56 am.

Attest:

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E. G. "Jerry" Gladbach  
Chairman

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Walter A. Sells  
Secretary