



Approved 10.31.17

## Executive Committee Meeting

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

**August 30, 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:

- Drake – 2067 Wineridge Place, Suite E, Escondido

### MEMBERS PRESENT

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Chairman: E.G. “Jerry” Gladbach, Castaic Lake Water Agency

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

David Drake, Rincon del Diablo Municipal Water District (*via WebEx-left meeting 10:10 am*)

Brent Haste, Yuba County Water Agency, ACWA Vice President (*arrived 8:41 am*)

David T. Hodgin, Scotts Valley Water District

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

Melody A. McDonald, San Bernardino Valley Water Conservation District

J. Bruce Rupp, Humboldt Bay Municipal Water District

Kathleen Tiegs, Cucamonga Valley Water District

### MEMBERS ABSENT

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None.

### STAFF PRESENT

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Chief Executive Officer/Secretary: Walter “Andy” Sells

Linda Craun, Administrative Assistant II (*WebEx Coordinator*)

David deBernardi, Director of Finance

Robin Flint, Sr. Risk Management Consultant

Robert Greenfield, General Counsel

Debbie Kyburz, Lead Member Services Representative

Patricia Slaven, Director of Administration

Sandra Smith, Employee Benefits Manager

Dianna Sutton, Finance Manager

Karen Thesing, Director of Insurance Services

Melody Tucker, Workers’ Compensation Claims Manager

Nidia Watkins, Member Services Representative II

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

Cece Wuchter, Sr. Claims Examiner

### OTHERS IN ATTENDANCE

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Tiffany Giammona, ACWA Director of Member Outreach & Engagement

Chuck Muse, member of the public *(via WebEx)*  
Thomas Scaglione, Finance & Audit Committee Chairman, Vallecitos Water District  
Alex Tokar, JPIA Insurance Broker, Aon Insurance Services

## **WELCOME**

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Chairman Gladbach welcomed everyone in attendance.

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

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Chairman Gladbach called the meeting to order at 8:30 a.m. He announced there was a quorum.

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

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Chairman Gladbach led the Pledge of Allegiance and Mr. Sells gave the evacuation procedure instructions.

## **ANNOUNCEMENT RECORDING OF MEETING**

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Chairman Gladbach 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.

## **PUBLIC COMMENT**

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Chairman Gladbach 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.

## **INTRODUCTIONS**

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Chairman Gladbach asked all in attendance to introduce themselves.

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

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Chairman Gladbach asked for any additions to, or deletions from, the agenda; staff had none.

## **CONSENT AGENDA**

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Chairman Gladbach called for approval of the Consent Agenda:

M/S/C (Rupp/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve the minutes of the June 27, 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: June 16-30, 2017; July 1-15, 2017; July 16-31, 2017.

## **ADMINISTRATION**

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### Meetings attended on behalf of the JPIA

Chairman Gladbach attended an ACWA Board meeting on July 28, 2017.

### Calendar of Meeting Dates for 2018

The proposed Calendar of Meeting Dates for 2018 was included in the packet for review and approval. Due to potential conflicts with proposed meeting dates, decision on the calendar was tabled to the next meeting on October 31, 2017.

### Strategic Planning Session

An organizational goal for 2017 was to develop and conduct a Strategic Planning Session with the Executive Committee and JPIA senior staff. This goal was deferred to 2018 due to turnover in the Executive Committee and JPIA senior staff. The Executive Committee was asked for their input on the date and location.

The Strategic Planning Session will be held in the Palm Springs area on February 15-16, 2018. Staff will now proceed with preparations for the meeting.

## **FINANCE**

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### Finance & Audit Committee

Committee Chairman Scaglione reported on the recommendations of the Finance & Audit Committee's meeting on August 29, 2017. The following action items were presented to the Executive Committee for approval:

M/S/C (Hodgin/Hastey) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes):  
That the Executive Committee accept the Finance & Audit Committee's recommendation to approve the changes to the Investment Policy, and present it to the Board of Directors for final approval at Fall Conference.

## **PROGRAMS**

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### Liability Program Committee

Committee Chair McDonald reported on the recommendations of the Liability Program Committee's meeting on August 29, 2017. The following action items were presented to the Executive Committee for approval:

M/S/C (McDonald/Rupp) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-No; Rupp-Yes; Tiegs-Yes):  
That the Executive Committee accept the recommendation of the Liability Program Committee to approve the proposed revisions to the Memorandum of Liability Coverage, effective October 1, 2017.

M/S/C (McDonald/Hodgin) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-No; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Liability Program Committee to approve the reinsurance terms and conditions for an amount not to exceed \$2,980,903, for the 10/1/2017-18 policy year.

M/S/C (McDonald/Hodgin) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-No; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Liability Program Committee to approve no change in billing rate of \$3.069 rate for the 10/1/2017-18 policy year.

M/S/C (McDonald/Hodgin) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-No; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Liability Program Committee to approve the proposed Underwriting Policy, as presented.

## **ADMINISTRATION (CONTINUED)**

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### Personnel Committee

Chairman Gladbach reported on the recommendations of the Personnel Committee from its meetings of July 20, 2017 and August 29, 2017. The following action items were presented to the Executive Committee for approval:

M/S/C (Hastey/Rupp) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Personnel Committee to approve the JPIA Pay Schedule, as presented.

M/S/C (Rupp/Hastey) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Personnel Committee to approve benefit changes listed below:

- That the JPIA continue medical coverage for surviving spouses if they remarry.
- That the JPIA discontinue medical coverage for surviving spouses, if they obtain other coverage.
- That the JPIA allow dependents, age 19 or older, the option to waive medical coverage.

M/S/C (Cuquet/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Personnel Committee to approve JPIA staff participation in the Vision Service Plan (VSP) Insurance Plan, effective January 1, 2018.

M/S/C (Rupp/Hastey) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Personnel Committee to approve the changes to the JPIA Employee Handbook, as presented.

## **MEMBERSHIP**

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### Mid-Kaweah Groundwater Subbasin Joint Powers Authority Groundwater Sustainability Agency

Ms. Watkins presented Mid-Kaweah Groundwater Subbasin Joint Powers Authority Groundwater Sustainability Agency's application for admission into the Liability Program. The City of Visalia, City of Tulare, and the Tulare Irrigation District have entered into an agreement to form the Mid-Kaweah Groundwater Subbasin Joint Powers Authority Groundwater Sustainability Agency (Mid-Kaweah GSA) in compliance with the Sustainable Groundwater Management Act of 2014 to protect existing surface water and groundwater rights. The Mid-Kaweah GSA was formed September 14, 2015.

M/S/C (Cuquet/Hodgin) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve Mid-Kaweah Groundwater Subbasin Joint Powers Authority Groundwater Sustainability Agency's application for admission into the Liability Program.

### Yolo Subbasin Groundwater Agency

Ms. Watkins presented Yolo Subbasin Groundwater Agency's application into the Liability Program. The Yolo Subbasin Groundwater Agency was formed on June 19, 2017.

M/S/C (Hastey/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve Yolo Subbasin Groundwater Agency's application for admission into the Liability Program.

### Santa Cruz Mid-County Groundwater Agency

Ms. Watkins presented Santa Cruz Mid-County Groundwater Agency's application into the Liability Program. The Santa Cruz Mid-County Groundwater Agency was formed on March 17, 2017.

M/S/C (Hodgin/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tieggs-Yes): That the Executive Committee approve Santa Cruz Mid-County Groundwater Agency's application for admission into the Liability Program.

#### Arroyo Santa Rosa Basin Groundwater Sustainability Agency

Ms. Kyburz presented Arroyo Santa Rosa Basin Groundwater Sustainability Agency's application for admission into the Liability Program. The County of Ventura and Camrosa Water District have entered into an agreement to form the Arroyo Santa Rosa Basin Groundwater Sustainability Agency in compliance with the Sustainable Groundwater Management Act of 2014 to protect existing surface water and groundwater rights. The Agency was formed on November 17, 2016.

M/S/C (McDonald/Knutson) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tieggs-Yes): That the Executive Committee approve Arroyo Santa Rosa Basin Groundwater Sustainability Agency's application for admission into the Liability Program.

#### Kings River East Groundwater Sustainability Agency

Ms. Kyburz presented Kings River East Groundwater Sustainability Agency's application for admission into the Liability Program. Kings River East Groundwater Sustainability Agency was formed on January 6, 2017.

M/S/C (Hastey/Rupp) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tieggs-Yes): That the Executive Committee approve Kings River East Groundwater Sustainability Agency's application for admission into the Liability Program.

## **MISCELLANEOUS**

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### Future agenda items

- 2018 meeting calendar
- West Valley Water District

### CEO Update

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

- Ms. Slaven gave an update on regional HR meeting updates.
- Mr. Sells and Mr. Greenfield led a lengthy discussion on GSA updates and potential issues.
- Upcoming staff conferences: CUEMA & CAJPA.

### Availability for next meeting on October 31, 2017

A request was made to move the time of the meeting to 8:30 a.m. No other conflicts were noted.

### **CLOSED SESSION**

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

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

At approximately 10:10 a.m., the Executive Committee, upon advice of General Counsel, adjourned to closed session pursuant to Government Code(s) Section 54957 and 54957.6 (conference with Labor Negotiators); and Government Code(s) Section 54956.95 to discuss Liability claims in Cook vs. West Valley Water District; Smith vs. West Valley Water District; Petrowsky vs. Calleguas Municipal Water District; and a Workers' Compensation claim in Carman vs. Yolo County Flood Control & Water Conservation District.

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

The Committee returned to open session at approximately 11:30 a.m. General Counsel reported:

- Closed session item #1: No action taken in closed session; reported below.
- Closed session item #2: No reportable action, instructions given to staff.
- Closed session item #3: No reportable action, instructions given to staff.
- Closed session item #4: No reportable action, instructions given to staff.
- Closed session item #5: No reportable action, instructions given to staff.

M/S/C (Tiegs/Gladbach) (Cuquet-Yes; Gladbach-Yes; Hastey-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Personnel Committee to approve the Organizational Performance Appraisal with an overall rating of 4.1 and approve the Organizational Goals & Objectives for 2018, with the understanding that they may be amended following the Executive Committee's Strategic Planning session to be held in February 2018:

- Research and evaluate possibility of creating a Captive Insurance Company by February 2018.
- Research and evaluate possibility of creating and conducting Board training May 2018.

- Develop and conduct a Strategic Planning Session for Executive Committee and senior staff early 2018.
- Expand membership outreach.

M/S/C (McDonald/Cuquet) (Cuquet-Yes; Gladbach-Yes; HasteY-Yes; HodgIn-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve the Chief Executive Officer's Performance Appraisal with a rating of 4.7 and Goals for 2018:

- Attend/participate in at least one professional development opportunity.
- Arrange for some industry specific training for senior staff.
- Report back to the Executive Committee on findings/observations from member interviews.

M/S/C (McDonald/Cuquet) (Cuquet-Yes; Gladbach-Yes; HasteY-Yes; HodgIn-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve the Chief Executive Officer's contract to include a \$20,000 compensation increase, to be effective October 1, 2017.

The Executive Committee meeting adjourned at 11:42 a.m.

Attest:

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E. G. "Jerry" Gladbach  
Chairman

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Walter A. Sells  
Secretary