



Approved 3.05.18

## Executive Committee Meeting

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

**January 30, 2018**

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

- Tieg's - 5454 Briartree Place, Rancho Cucamonga

### MEMBERS PRESENT

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Chairman: E.G. "Jerry" Gladbach, Santa Clarita Valley Water Agency  
Vice-chair: Thomas A. Cuquet, South Sutter Water District  
David Drake, Rincon del Diablo Municipal Water District *(left at 2:30 p.m.)*  
David T. Hodgin, Scotts Valley Water District  
W.D. "Bill" Knutson, Yuima Municipal Water District *(left at 2:30 p.m.)*  
Steven E. LaMar, Irvine Ranch Water District, ACWA Vice President  
Melody A. McDonald, San Bernardino Valley Water Conservation District *(left at 2:30 p.m.)*  
J. Bruce Rupp, Humboldt Bay Municipal Water District  
Kathleen Tieg's, Cucamonga Valley Water District *(via WebEx)*

### MEMBERS ABSENT

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None.

### STAFF PRESENT

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Chief Executive Officer/Secretary: Walter "Andy" Sells  
Kristan Brown, Administrative Assistant II  
Chimene Camacho, Human Resources Coordinator *(Recording Secretary)*  
David deBernardi, Director of Finance  
Robin Flint, Sr. Risk Management Consultant  
Robert Greenfield, General Counsel  
Erik Kowalewski, System/Network Administrator *(WebEx Coordinator)*  
Debbie Kyburz, Lead Member Services Representative  
Jennifer Nogosek, Liability/Property Claims Manager  
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  
Cece Wuchter, Sr. Claims Examiner

## **OTHERS IN ATTENDANCE**

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Seth Cole, Alliant Insurance Services  
Tiffany Giammona, ACWA Director of Member Outreach & Engagement

## **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 1:00 p.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; in closed session. Mr. Sells stated that in Closed Session, Lewis vs. Oakdale Irrigation District was to be pulled from the agenda. Mr. Sells also requested an addition to the agenda in Closed Session, Dyson vs. Valley Center Municipal Water District. The need for the Executive Committee action on this item came to staff's attention subsequent to the posting of the agenda for this meeting.

## **CONSENT AGENDA**

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Chairman Gladbach called for approval of the Consent Agenda:

M/S/C (Hodgin/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve the minutes of the October 31, 2017 (amended) and November 27, 2017 meetings; 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: November 1-15, 2017; November 16-30, 2017, December 1-15, 2017; and December 16-31, 2017.

## **ADMINISTRATION**

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### Meetings attended on behalf of the JPIA

None reported.

### Personnel Committee

Chairman Gladbach reported on the recommendations of the Personnel Committee's meeting on January 18, 2018. The following action item(s) were presented to the Executive Committee for approval:

M/S/C (Knutson/Drake) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes):  
That the Executive Committee accept the recommendation of the Personnel Committee to approve an additional Senior Risk Management Advisor be hired in 2018 and that the updated Salary Schedule be approved to adjust Director salary ranges plus additional funds as necessary.

M/S/C (Hodgkin/Rupp) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes):  
That the Executive Committee accept the recommendation of the Personnel Committee to approve that the JPIA change its Retiree Health Benefit Plan policy for all new hires after January 31, 2018 to provide the retiree up to \$500 per month allowance (up to \$1000 for retiree and spouse) to use towards medical insurance premium. Upon death of retiree, spouse continues coverage (up to \$500 per month) unless covered elsewhere.

### Per Diem Rate for Executive Committee

Mr. Sells stated that Government code allows for an annual maximum increase to the daily Per Diem rate of 5%. The last increase to the Per Diem rate was February 7, 2017. The current daily rate of Per Diem for Executive Committee members and Directors attending program committee meetings is \$283.39. The maximum increase of 5% would increase the rate to \$297.56, effective January 30, 2018.

M/S/C (Cuquet/Drake) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgkin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes):  
That the Executive Committee approve to increase the current rate of Per Diem to \$297.56 effective January 30, 2018.

## Strategic Planning

At the August 30, 2017 Executive Committee meeting, an organizational goal was set for staff to develop and conduct a Strategic Planning session for the Executive Committee and senior staff.

The Strategic Planning session has been scheduled for February 15-17, 2018 at the Westin Mission Hills Golf Resort and Spa in Rancho Mirage. Mr. Sells provided the agenda details and other possible topics for discussion.

## Rate Stabilization Fund Refunds

Mr. deBernardi reported that the 2013/14 policy year for both the Liability and Workers' Compensation Programs will go through the retro process for the first time. These policy years have been very favorable to date and accordingly will return \$2.7 million (Liability) and \$4.2 million (Workers' Comp) to participating members' RSF accounts. These adjustments are the catalyst for member refunds this year.

A detailed listing of member refunds was handed out at the meeting.

M/S/C (Rupp/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve the Rate Stabilization Fund refunds as presented.

## **PROGRAMS**

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### Property Program Committee

Committee Chairman Cuquet reported on the recommendations of the Property Program Committee's meeting on January 30, 2018. The following action items were presented to the Executive Committee for approval:

M/S/C (Hodgin/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Property Program Committee to approve the London/APIP Hybrid program terms and pricing for excess/reinsurance coverage for the Property Program policy year April 1, 2018-19.

M/S/C (Cuquet/Knutson) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Property Program Committee to approve a 10% decrease in rates for the Property Program policy year April 1, 2018-19 in the following areas:

- Real and Personal Property           \$0.0810
- Mobile Equipment                   \$0.1215
- Automobiles                         \$0.6885

M/S/C (McDonald/Drake) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee accept the recommendation of the Property Program Committee to approve the amended 2018-2019 Memorandum of Property Coverage.

### Significant Claims Report

Ms. Nogosek and Mr. Greenfield reported on claims that had been previously presented for authority. The following claims were reviewed:

- Hastings Park Apartments vs. Sacramento Suburban Water District
- Kevin Forster vs. Richvale Irrigation District
- Kenya Torres vs. Upper San Gabriel Valley Municipal Water District

## **MEMBERSHIP**

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### Santa Margarita Groundwater Association

Ms. Watkins presented Santa Margarita Groundwater Association's application into the Liability Program. The Santa Margarita Groundwater Sustainability Agency (GSA) was formed on June 14, 2017. Current membership is as follows: Scotts Valley Water District, San Lorenzo Valley Water District, and County of Santa Cruz. The Santa Margarita GSA board is committed to join the JPIA and has completed all membership requirements to join the Liability Program.

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

### Fresno Slough Water District

Ms. Watkins presented Fresno Slough Water District's application into the Liability and Property Programs. The Fresno Slough Water District was formed in 1955 and provides surface water and groundwater to agricultural customers in the west central portion of Fresno County. The District owns three lift pumps and a well with pump and motor located in the City of Tranquility. All operations for the District are staffed by the Tranquility Irrigation District, which has been a Liability Program member since 1986.

M/S/C (Cuquet/Hodgin) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hodgin-Yes; Knutson-Yes; LaMar-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee approve Fresno Slough Water District's application for admission into the Liability and Property Programs.

## **CLOSED SESSION**

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

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

At approximately 1:55 p.m., the Executive Committee, upon advice of General Counsel, adjourned to closed session pursuant to Government Code(s) Section 54956.95 to discuss Liability claims in:

1. Logue vs. West Valley Water District
2. Parker vs. Corcoran Irrigation District
3. Petrowsky vs. Calleguas Municipal Water District
4. Goulart v. Fresno Irrigation District
5. Dyson v. Valley Center

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

The Committee returned to open session at approximately 2:30 p.m. General Counsel reported:

- Closed session item #1: No reportable action, instructions given to staff.
- Closed session item #2: Reported below.
- Closed session item #3: Reported below.
- Closed session item #4: No reportable action, instructions given to staff.
- Closed session item #5: No reportable action, instructions given to staff.

Closed Session item #2:

M/S/C (Tiegs/Knutson) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes):  
That the Executive Committee give authority to settle the claim of Parker vs. Corcoran Irrigation District in the amount of \$1,575,000.

Closed Session item #3:

M/S/C (Drake/McDonald) (Cuquet-Yes; Drake-Yes; Gladbach-Yes; Hastey-Yes; Hodgkin-Yes; Knutson-Yes; McDonald-Yes; Rupp-Yes; Tiegs-Yes): That the Executive Committee give authority to settle the claim of Petrowsky vs. Calleguas Municipal Water District in the amount of \$530,000.

## **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:

- Captive
- GSAs
- Fires/flooding update
- Staffing

Availability for next meeting: March 20, 2018; no conflicts noted.

The Executive Committee meeting adjourned at 3:03 p.m.

Attest:

X

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E. G. "Jerry" Gladbach  
Chairman

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Walter A. Sells  
Secretary