



Approved: July 27, 2023

Executive Committee Meeting

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

June 21, 2023

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

- Rupp, 229 Boyle Drive, Eureka

MEMBERS PRESENT

Chair: Melody A. McDonald, San Bernardino Valley Water Conservation District

Vice-Chair: David Drake, Rincon del Diablo Municipal Water District

Cathy Green, Orange County Water District, ACWA VP (*left at 10:37 a.m.*)

Chris Kapheim, Kings River Conservation District

Szu Pei Lu-Yang, Rowland Water District

Randall Reed, Cucamonga Valley Water District

J. Bruce Rupp, Humboldt Bay Municipal Water District (via Zoom)

David Wheaton, Citrus Heights Water District

MEMBERS ABSENT

Scott Ratterman, Calaveras County Water District

STAFF PRESENT

Chief Executive Officer/Secretary: Walter "Andy" Sells

Adrienne Beatty, Assistant Executive Officer

Erin Bowles, Workers' Compensation Manager

Chimene Camacho, Executive Assistant to the CEO (*Recording Secretary*)

Debbie Cruz, Lead Member Services Representative

David deBernardi, Director of Finance

Robin Flint, Risk Control Manager (via Zoom)

Robert Greenfield, General Counsel

Jennifer Nogosek, Liability/Property Claims Manager (via Zoom)

Heidi Singer, Accountant II

Sandra Smith, Employee Benefits Manager (via Zoom)

Dan Steele, Finance Manager

Tony Waterford, Human Resources Manager

Nidia Watkins, Member Services Representative II

Mike Whitright, IT Support Specialist

Cece Wuchter, Sr. Lead Claims Adjuster

OTHERS IN ATTENDANCE

Fred Bockmiller, Mesa Water District (via Zoom)
Lynn Chaimowitz, Mojave Water Agency (via Zoom)
Jennifer Persike, ACWA Foundation (via Zoom)
Natalie Potter, Lake Arrowhead Community Services District (via Zoom)
Kathleen Springer, Santa Margarita Water District (via Zoom)
Alex Tokar, Aon (via Zoom)

WELCOME

Chair McDonald welcomed everyone in attendance.

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

Chair McDonald called the meeting to order at 8:00 a.m. She announced there was a quorum.

PLEDGE OF ALLEGIANCE/EVACUATION PROCEDURES

Chair McDonald led the Pledge of Allegiance and Mr. Sells gave the evacuation procedure instructions.

ANNOUNCEMENT RECORDING OF MEETING

Chair McDonald announced that the meeting would be recorded to assist in preparation of minutes. Recordings are kept 30 days following the meeting, as mandated by the California Brown Act.

PUBLIC COMMENT

Chair McDonald 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.

INTRODUCTIONS

Chair McDonald introduced the Executive Committee, staff, and others in attendance.

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Chair McDonald asked for any additions to, or deletions from, the agenda. Mr. Sells stated that Closed Session Agenda Item Number A3, PG&E, et al vs. Solano ID will be deleted from the agenda.

CONSENT AGENDA

Chair McDonald called for approval of the Consent Agenda:

M/S/C (Green/Kapheim) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; ; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve the minutes of the May 8, 2023 meeting; and ratify the JPIA disbursements of: Vendor Payments, Employee

Benefits Claim Payments, Payroll, and summary of confidential claims payments for the Liability, Property, & Workers' Compensation Programs: May 1-15, 2023; May 16-31, 2023 and June 1-15, 2023.

ADMINISTRATION

Report on meetings attended on behalf of the JPIA

None reported.

Review and take action on selection of the offices of President and Vice President of the Executive Committee and Board of Directors for a two-year term

Mr. Sells asked for a motion from the floor for a nomination of the office of President of the JPIA Board of Directors for a two-year term.

M/S/C (Rupp/Green) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; ; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee selects Melody McDonald as President of the JPIA Board of Directors for a two-year term, ending June 2025.

Mr. Sells then asked for a motion from the floor for a nomination of the office of Vice-President of the JPIA Board of Directors for a two-year term.

M/S/C (Wheaton/Green) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; ; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee selects David Drake as Vice President of the JPIA Board of Directors for a two-year term, ending June 2025.

Review and take action on claims approval limits

Mr. Greenfield stated that with the recent addition of new positions, staff reviewed and re-evaluated the approval limits and authority. The Executive Committee was presented with the staff recommendations for approval.

M/S/C (Kapheim/Reed) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve the new claims approval limits, as presented.

Review Executive Committee's representation at ACWA regional events

Ms. Beatty presented the dates for the remaining ACWA regional events for 2023 and opened the discussion regarding Executive Committee Member attendance. A lengthy discussion was held on the advantages of attending other ACWA regional events versus their own home district regional event. Educational advantages and learning about different types of exposures, such as agricultural vs. urban exposures, were discussed. It was suggested that attendance and learning about these exposures may assist the JPIA and the Executive Committee with its Memorandum of Coverage policy decisions.

Ultimately, the Committee determined that attendance at the ACWA Regional events would be beneficial to the organization and strengthen the ACWA and ACWA JPIA partnership. JPIA staff will reach out to the Committee with regional event dates and details.

Review ACWA JPIA contribution to ACWA Foundation

Ms. Beatty introduced Jennifer Persike, Vice President of ACWA Foundation (Foundation), who was invited to provide a brief background and pertinent information. Ms. Persike's presentation focused on the vision and mission of the Foundation and the many ways organizations, such as ACWA JPIA, can support the Foundation. After Ms. Persike's presentation, the Committee discussed the purpose of the Foundation and whether or not contribution made sense at this time in light of rising costs in many of JPIA's coverage programs. JPIA staff was tasked with obtaining more information regarding the Foundation.

PROGRAMS

Significant claims report

Ms. Bowles and Ms. Nogosek reported on liability and workers' compensation claims settlements that had been previously presented for authority. The following cases have been settled since this Committee's last meeting:

General Liability significant claims report

Pereira Bros & Sons, et al vs. Central California Irrigation Utilities District (12/5/2020)

This claim involved a canal break caused by vermin which sent water into a property. There was also a vehicle with two occupants driving on the bank who were forced into the canal. All claims were resolved for a total of \$310,916.85.

Vega vs Santa Clarita Valley Water Agency (8/13/2020)

This claim involved an employee driving a 2012 Ford F-250 who rear ended the claimant's 1999 Dodge Viper. The driver sustained a serious back injury which required surgery. He also suffered injuries to his left ankle, left hand and wrist and neck. His medicals amounted to \$320,976.00. His injury claim was settled for \$1,070,000.00.

Various vs La Habra Heights County Water District (9/7/2022)

This claim involved a 6" asbestos-cement main that has been in place for over 40 years which broke and sent water and mud downhill onto two properties. All claims were settled for a total of \$305,508.50.

Stuebaker vs Crescenta Valley Water District (3/2/2021)

This claim involved a fire hydrant that failed due to a rusted flange. Water went into the claimant's home and yard. All claims to real and personal property were settled for a total of \$215,929.36.

Workers' Compensation significant claims report

Zangrado vs El Dorado Irrigation District (06/14/2008)

This claim involved a Wastewater Treatment Plant Operator who sustained a neck injury that required cervical fusion. The claim was settled for a total of \$232,716.91. The claim has been closed.

Enos vs Palmdale District (03/23/2015)

This claim involved a Service Worker II who sustained a right hip injury that necessitated bilateral hip replacement. The claim was settled for a total of \$200,000. The claim has been closed.

Soria vs Tulare Irrigation District (10/19/2011; 03/14/2018; CT- 03/14/2018)

This claim involved a ditch tender employed from 2004 to 2019. The injured worker filed three claims related to injuries in the left wrist, bilateral knees, and back. All claims and dates of injury have been settled for a total of \$290,000. All claims have been closed.

Walker vs Ramona MWD (06/14/2008)

This claim involved a systems supervisor who underwent multiple unsuccessful back surgeries, including the implantation of a spinal cord stimulator. The claim was settled for a total of \$300,000. The claim has been closed.

Jaime vs Soquel Creek WC (08/17/2017)

This claim involved a Customer Service Field Crew Lead employed from 1991 to 2019. The injured worker sustained admitted injuries to their back, right knee, neck, left hip, hand, and left ankle. The claim was settled for a total of \$250,000. The claim has been closed.

Review and possibly take action on the Cyber renewal

Ms. Beatty provided a background on the Cyber Liability Program renewal. As of July 1, 2022, the Cyber Liability Program only provides coverage to members that have taken affirmative action to participate in the Program by completing an application and paying the premium. The premium for the 2022-2023 Program was approximately \$1.1M, a 30% increase over the prior year.

For the 2023-24 policy year, multiple quotes were received including one from our incumbent carrier Beazley and one from a new carrier Coalition. Both quotes are significantly less than expiring costs and include enhanced coverages and sublimits. Beazley has also provided a quote for expanded coverage, doubling the per policy aggregate limit of liability from \$5,000,000 to \$10,000,000 for approximately \$35,000 more than the expiring policy.

The difference between the new carrier, Coalition's, quote and the expiring policy is approximately \$385,000. The Committee was pleased with the savings and would support using the savings to expand cyber risk management resources for the membership.

M/S/C (Green/Wheaton) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve purchasing the 2023-2024 Cyber Policy offered by Coalition and authorize staff to charge Cyber Program members a proportionate share of the premium comparable to the cost of the expiring Beazley policy.

PERSONNEL COMMITTEE

Chair McDonald reported on the recommendations of the Personnel Committee from its meeting on June 8, 2023:

M/S/C (Green/Drake) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Personnel Committee to approve the new position of Event Planner and a new grade level for General Counsel and resultant updated Salary Schedule, as presented.

M/S/C (Green/Kapheim) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Personnel Committee to approve the change in the waiting period for health insurance coverage to the first of the month following the date of hire.

M/S/C (Wheaton/Green) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Personnel Committee to approve the revision to its current vacation accruals and implement three vacation accrual tiers for staff, as presented.

WORKERS' COMPENSATION PROGRAM COMMITTEE

Chair Drake reported on the recommendations of the Workers' Compensation Program Committee from its meeting on June 20, 2023:

M/S/C (Drake/Rupp) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Workers' Compensation Program Committee to approve the Memorandum of Workers' Compensation Coverage, as revised, to be effective July 1, 2023.

M/S/C (Drake/Kapheim) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Workers' Compensation Program Committee to approve Safety National's excess renewal terms, as presented, with an effective date of July 1, 2023.

M/S/C (Drake/Kapheim) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Workers' Compensation Program Committee to approve Option 1, no price change for the Workers' Compensation Program, with an effective date of July 1, 2023.

PROPERTY PROGRAM COMMITTEE

Chair Kapheim reported on the recommendations of the Property Program Committee from its meeting on June 20, 2023:

M/S/C (Kapheim/Reed) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Property Program Committee to approve the Memorandum of Property Coverage, as revised, to be effective July 1, 2023.

M/S/C (Rupp/Drake) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve the renewal terms and authorize JPIA staff to bind reinsurance coverage not to exceed an annual premium of \$9 million for the 2023-24 Property Program renewal.

M/S/C (Kapheim/Drake) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee accept the recommendation from the Property Program Committee to approve the renewal of the coverage as outlined in Option 2 and implement a 20% rate increase for the Property Program, with an effective date of July 1, 2023.

MEMBERSHIP

Review and take action on membership applications

Santa Margarita Water District

Ms. Watkins provided a background on Santa Margarita Water District's (SMWD) application for admission into the Workers' Compensation Program. SMWD has participated in the Employee Benefits Program since 2012. The District provides safe, reliable drinking water, recycled water and wastewater services to over 200,000 residents and is the second largest retail water agency in Orange County. Currently, it employs 185 employees.

A new member risk assessment was conducted to determine substantial conformance with the JPIA's Commitment to Excellence (C2E) Program, JPIA best practices, occupational safety and health standards, and consensus with public agency loss control methods. Overall, a favorable opinion was developed about the staff and operations of the SMWD. Should SMWD join the ACWA JPIA, a service plan will be

implemented from July 2023 to June 2024 to complement the District's safety and risk management program with ACWA JPIA resources.

M/S/C (Green/Drake) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve Santa Margarita Water District's application for admission into the Workers' Compensation Programs.

San Diego County Water Authority

Ms. Watkins shared that San Diego County Water Authority (SDCWA) is applying for admission into the Liability, Property, and Workers' Compensation Programs. SDCWA obtains its water from the Metropolitan Water District of Southern California and wholesales the imported water to its member agencies. SDCWA currently employs 235 employees and is governed by a 36-member Board of Directors, appointed from the member agencies. SDCWA has more than 270 miles of pipeline, with more than 1,600 aqueduct-related structures. Facilities to be covered include administration and warehouse buildings, a water treatment plant, two hydro plants, pump stations and flow regulatory structures.

A new member risk assessment was conducted to determine substantial conformance with the JPIA's Commitment to Excellence (C2E) Program, JPIA best practices, occupational safety and health standards, and consensus with public agency loss control methods. Overall, a favorable opinion was developed about the staff and operations of the SDCWA. Should SDCWA join the ACWA JPIA, a service plan will be implemented from July 2023 to June 2024 to complement the SDCWA's safety and risk management program with ACWA JPIA resources.

The SDCWA has also applied for pass through group purchase policies including Excess Crime, Dam Failure Liability, and Cyber Liability.

M/S/C (Wheaton/Green) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Abstain; McDonald-Yes): That the Executive Committee approve the San Diego County Water Authority's application for admission into the Liability, Property and Workers' Compensation Programs.

Lake Arrowhead Community Services District

Ms. Cruz provided a brief background on Lake Arrowhead Community Services District's (LACSD) application for admission into the Workers' Compensation Program. LACSD has participated in the Employee Benefits Program since 2021. Currently, the District serves approximately 8,300 water customers and 10,500 wastewater customers and employs 56 staff members.

A new member risk assessment was conducted to determine substantial conformance with the JPIA's Commitment to Excellence (C2E) Program, JPIA best practices, occupational safety and health standards, and consensus with public entity loss control

methods. In comparison to JPIA Members of similar size and operations, staff concluded that LACSD possesses a favorable risk profile.

Should LACSD join the Workers' Compensation Program, a first-year Service Plan will be formalized and scheduled to address the following:

- Review and implement additional best practices found in the JPIA's Commitment to Excellence Program
- Have one or more employees attend the CEAS I Back School Course
- Co-conduct ergonomic evaluations using the Ergonomic Site Survey Worksheet
- Discuss the implementation of a stretching program for both office and field staff
- Conduct District-wide ergonomic refresher training
- Conduct an Accident Investigation Program Review
- Conduct Accident Investigation with Supervisors

M/S/C (Green/Drake) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve Lake Arrowhead Community Services District's application for admission into the Workers' Compensation Program.

MISCELLANEOUS

Discuss future agenda items

None.

CEO update

Mr. Sells provided the Committee with an update on the JPIA presentations held at various districts earlier this year. Mr. Sells, Ms. Beatty, and Mr. Phillips will be scheduling future presentations to members and can schedule one in any Executive Committee Member district if so requested.

CLOSED SESSION

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

M/S/C (Reed/Green) (Green-Yes; Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee adjourn to closed session.

At approximately 10:28 a.m., the Executive Committee, upon advice of General Counsel, adjourned to closed session to discuss:

- A. Conference with Legal Counsel (tort liability losses, public liability losses/claims, or workers' compensation liability claims) – Pursuant to Government Code Sec. 54956.95.

1. City of Victorville vs. Mojave WA, DOL 7/19/2018
2. Bavaro Farming Co vs. Oakdale ID, DOL 8/4/2022
3. Bianchi vs. Oakdale ID, DOL 5/31/2021
4. Tapia vs. Monte Vista WD, DOL 2/4/2020
5. Hernandez vs. Madera ID, DOL 8/6/2020

M/S/C (Rupp/Kapheim) (Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee reconvene to open session.

The Committee returned to open session at approximately 10:54 a.m.

Closed session item A-1: No action was taken.

Closed session item A-2: Bavaro Farming Co vs. Oakdale ID.

M/S/C (Reed/Kapheim) (Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve the settlement in the amount of \$155,789.51.

Closed session item A-3: Bianchi vs. Oakdale ID.

M/S/C (Kapheim/Drake) (Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve the settlement in the amount of \$225,000.00.

Closed session item A-4: Tapia vs. Monte Vista WD.

M/S/C (Kapheim/Drake) (Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve the settlement in the amount of \$750,000.00.

Closed session item A-5: Hernandez vs. Madera ID.

M/S/C (Kapheim/Drake) (Kapheim-Yes; Lu-Yang-Yes; Reed-Yes; Rupp-Yes; Wheaton-Yes; Drake-Yes; McDonald-Yes): That the Executive Committee approve the settlement in the amount of \$650,000.00.

Availability for next meeting: The Executive Committee is scheduled to meet next on July 27, 2023.

The Executive Committee meeting adjourned at 10:56 a.m.

Attest:

X

Melody McDonald
Chair

X

Walter A. Sells
Secretary