



Approved: March 23, 2023

## Executive Committee Meeting

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

**January 31, 2023**

### MEMBERS PRESENT

---

Chair: Melody A. McDonald, San Bernardino Valley Water Conservation District  
Vice-Chair: David Drake, Rincon del Diablo Municipal Water District  
Fred R. Bockmiller, Mesa Water District  
Cathy Green, ACWA VP, Orange County Water District  
Chris Kapheim, Kings River Conservation District  
Randall Reed, Cucamonga Valley Water District (*via Zoom*)  
J. Bruce Rupp, Humboldt Bay Municipal Water District

### MEMBERS ABSENT

---

None.

### STAFF PRESENT

---

Chief Executive Officer/Secretary: Walter “Andy” Sells  
Adrienne Beatty, Assistant Executive Officer  
Matt Bunde, Sr. Risk Control Advisor  
Chimene Camacho, Executive Assistant to the CEO (*Recording Secretary*)  
Andrew Corral, Sr. Risk Control Advisor  
Sarah Crawford, Training Manager  
Debbie Cruz, Lead Member Services Representative  
David deBernardi, Director of Finance  
Robin Flint, Risk Control Manager  
Robert Greenfield, General Counsel  
Peter Kuchinsky, Lead Sr. Risk Control Advisor  
Jennifer Nogosek, Liability/Property Claims Manager (*via Zoom*)  
Lee Patton, Sr. Risk Control Advisor  
Jeremy Sadler, Risk Control Advisor  
Patricia Slaven, Director of Human Resources and Administration  
Sandra Smith, Employee Benefits Manager  
Dan Steele, Finance Manager  
Melody Tucker, Workers’ Compensation Manager

### OTHERS IN ATTENDANCE

---

Len Barton, Moulton Niguel Water District (*via Zoom*)  
Jesse Cordero, Moulton Niguel Water District (*via Zoom*)  
Jesus Garibay, Moulton Niguel Water District (*via Zoom*)

David Larsen, Moulton Niguel Water District *(via Zoom)*  
Todd Novacek, Moulton Niguel Water District *(via Zoom)*  
John Pang, Tahoe City Public Utilities District *(via Zoom)*  
Tiffany Giammona, ACWA Senior Director of Operations and Member Engagement  
John Weed, Alameda County Water District

---

## **WELCOME**

Chair McDonald welcomed everyone in attendance.

---

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

Chair McDonald called the meeting to order at 8:01 a.m. She announced there was a quorum.

---

## **PLEDGE OF ALLEGIANCE**

Chair McDonald led the Pledge of Allegiance.

---

## **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. No comments were brought forward.

---

## **INTRODUCTIONS**

Chair McDonald asked all in attendance to introduce themselves. Chair McDonald honored Patricia Slaven, JPIA Director of HR and Administration, who will be retiring in March 2023. Chair McDonald then stated that the Executive Committee will need to approve Director Randall Reed's remote attendance.

M/S/C (Drake/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee approve remote attendance for Director Randall Reed for the Executive Committee meeting on January 31, 2023.

---

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

Chair McDonald asked for any additions to, or deletions from, the agenda. There were no additions or deletions from the agenda.

---

## **CONSENT AGENDA**

Chair McDonald called for approval of the Consent Agenda:

M/S/C (Bockmiller/Reed) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee approve the minutes of the November 14, 2022 and November 28, 2022 meetings; 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: November 16-30, 2022; December 1-15, 2022; December 16-31, 2022; and January 1-15, 2023.

## **ADMINISTRATION**

---

### Report on Meetings Attended on Behalf of the JPIA

None were reported.

### Review and take action on Per Diem Rate for JPIA Directors

Mr. Sells stated that the current daily rate of Per Diem for Executive Committee members and Directors attending Program Committee meetings is \$360. The maximum increase of 5% allowed by Government code would move the rate to \$378.

M/S/C (Bockmiller/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee approve raising the Per Diem rate for JPIA Directors attending Program Committee meetings to \$378, effective January 31, 2023.

### Review and take action on AGRiP Designated Representative

Mr. Sells noted that as a member of the Association of Governmental Risk Pools (AGRiP), the JPIA needs to appoint a Designated Representative who can vote on behalf of the JPIA on AGRiP matters. AGRiP requires that the Designated Representative be appointed by action of the governing body of the pool.

M/S/C (Kapheim/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee appoint Adrienne Beatty, ACWA JPIA Assistant Executive Officer, as ACWA JPIA's AGRiP Designated Representative.

## **PROGRAMS**

---

### Significant Claims Report

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

- **Bartean vs Tuolumne Utilities District (1/12/2022)**  
This claim involved catastrophic failure of a 110,000-gallon steel water tank, which sent 110,000 gallons of water along with snow and debris downhill into the Bartean home. In addition, two trucks and a storage shed were damaged. An adjuster was sent out immediately to adjust the claim for emergency services,

repairs, additional living expenses, moving, storage and contents. The claim has been resolved for a total of \$457,648.49.

- **Segovia vs Merced Irrigation District (9/15/2017)**

This claim involved nineteen properties along an earthen lined canal. Water seeped from the canal onto the properties. The claim has resolved a week before trial with a contribution from JPIA on behalf of the District of \$3,500,000.00. The District also contributed \$1,500,000.00. The developer also made a significant contribution.

Review and take action on the member refunds from the Rate Stabilization Fund

Mr. Sells provided background on how the adjustments for the member agencies are calculated through the Rate Stabilization Fund (RSF). Currently, the retrospective process begins at the fourth year after the beginning of the policy year. Using the current calculation process, Retrospective Premium Adjustments (RPA) this year are projected to result in additional funds due from members as a result of higher than budgeted losses. Staff proposed revising the calculation by changing the retrospective process to start five years after the end of the policy year. The goal for this change is to allow time for loss data to develop to a point where future RPAs are less volatile.

Much discussion was held on how this change would help the membership in the future.

M/S/C (Bockmiller/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee approve the change in RPA calculation to five (5) years after the end of the policy year for the Liability, Property, and Workers' Compensation Programs.

Mr. Sells continued by discussing the use of \$1.5 million from the Catastrophic Fund (CAT Fund) to finance part of the deficit in the 2016-17 policy year. It was noted that 1983 was the last time the CAT Fund was used. Applying the \$1.5 million will reduce the negative impact to members' RSF.

Mr. deBernardi added that there is currently cash sitting in the California Water Insurance Fund (CWIF) not yet invested that can be transferred via a special dividend. The process will need to be approved by the CWIF Board of Directors at their next meeting.

Ms. Beatty noted that the current CAT Fund goal of \$25 million exceeds the actuarial projection of \$22 million to be 99% funded for potential losses in the Liability Program.

M/S/C (Bockmiller/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee approve the use of a \$1.5 million appropriation from the

Liability Reserve CAT Fund to be applied to the 2016-17 Liability Program policy year.

A short discussion was held regarding funding the Natural Disaster Fund in the coming years.

Report on the Liability, Property, and Workers' Compensation Claims Audits

Mr. Greenfield reported that the latest audits were completed in fall of 2022. In the meeting packet are the Executive Summaries from the audits which reported that all programs received well-deserved excellent evaluations. He commended the Claims Departments for their diligence as well as their commitment to our members.

## **MEMBERSHIP**

---

Review and take action on request to remove the Liability Exclusion 1 for Moulton Niguel Water District

Ms. Cruz provided a background on the Moulton Niguel Water District (MNWD) operations and ownership of the Advanced Wastewater Treatment (AWT) facility located on the site of the Joint Regional Wastewater Reclamation and Sludge Solids Handling Facility (JRTP) currently owned by South Orange County Wastewater Authority (SOCWA). SOCWA has been the operator for the MNWD AWT facility since 1992. As a result of a claim alleging noxious fumes produced from the JRTP received in 1991, the JPIA adopted a liability coverage exclusion for any and all claims related to SOCWA operations of the wastewater treatment plant (Liability Exclusion I) effective October 1, 1992. On November 1, 2022, MNWD resumed operation of its AWT facility, and entered into a Cooperative Agreement with SOCWA, which requires MNWD to name SOCWA as an additional covered party for liability. The AWT facilities are scheduled on MNWD's property schedule. This facility only involves tertiary treatment of wastewater. MNWD is requesting liability coverage for its AWT facility operations, which necessitates the removal of the current liability exclusion.

As noted, the JPIA covers several members with wastewater treatment plants as part of their operations, with eight members in the Southern California region similar to the JRTP and AWT facilities, with their locations near residential housing. Review of the JPIA's claim history for the last ten years showed no significant claims found related to public nuisance, odor control or fumes.

The Risk Management team conducted a liability risk assessment where equipment and processes to prevent similar types of occurrences were reviewed closely. Their report concluded that SOCWA has measures in place for odor control.

M/S/C (Kapheim/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee approve deletion of the Liability Exclusion I and grant liability coverage for Moulton Niguel Water District's Advanced Wastewater Treatment Facilities effective February 1, 2023.

## PERSONNEL COMMITTEE

---

Personnel Committee Chair McDonald reported on the agenda items and recommendation of the Personnel Committee from its meeting on January 23, 2023:

M/S/C (Kapheim/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee accept the Personnel Committee recommendation to approve the new Salary Schedule.

## RISK MANAGEMENT COMMITTEE

---

Risk Management Committee Chair Bockmiller reported on the agenda items and recommendation of the Risk Management Committee from its meeting on January 30, 2023:

M/S/C (Kapheim/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee accept the Risk Management Committee recommendation to approve the revised Recreation and Special Events Policy, as presented.

## MISCELLANEOUS

---

### Future agenda items

None.

### CEO and Directors Update

Mr. Sells and JPIA Directors reported on relevant current events in each of their departments.

### General Counsel Update

Mr. Greenfield reported on issues and new legislation which may have an impact on the JPIA, including AB 361 and AB 2449.

### ACWA Update

Ms. Giammona reported on current and scheduled events at ACWA.

Availability for next meeting: The Executive Committee is scheduled to meet next on March 23, 2023.

## CLOSED SESSION

---

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

M/S/C (Green/Kapheim) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-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 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. Drolet, et al v. Rainbow Municipal Water District (DOL 8/9/22)
  - 2. Branker, et al v. South Coast Water District (DOL 10/1/22)
  - 3. Vega v. Santa Clarita Valley Water Agency (DOL 8/13/20)
  - 4. Various v. La Habra Heights County Water District (DOL 9/7/22)
  - 5. Various vs. Vista ID (DOL 12/13/22)
  - 6. Mercury Ins. a/s/f Kyle Studebaker v. Crescenta Valley Water District (DOL 3/2/21)
  - 7. City of Chula Vista v. Otay Water District (DOL 8/12/22)

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

The Committee returned to open session at approximately 10:34 a.m.

Closed session item A-1: No action was taken; direction given to staff.

Closed session item A-2: No action was taken; direction given to staff.

Closed session item A-3: Vega v. Santa Clarita Valley Water Agency.

M/S/C (Kapheim/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes): That the Executive Committee approve the settlement in the amount of \$1,070,000.

Closed session item A-4: No action was taken; direction given to staff.

Closed session item A-5: No action was taken; direction given to staff.

Closed session item A-6: No action was taken; direction given to staff.

Closed session item A-7: No action was taken; direction given to staff.

Before returning into closed session, General Counsel announced the item to be discussed.

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

At approximately 10:36 a.m., the Executive Committee, upon advice of General Counsel, adjourned to closed session to discuss:

B. Public Employee Performance Evaluation (Personnel) – Pursuant to Government Code(s) Sec. 54957 and 54957.6 (conference with Labor Negotiators).

1. Position: Chief Executive Officer

The Committee returned to open session at approximately 11:15 a.m.

Closed Session item B-1: No action was taken.

The Executive Committee meeting adjourned at 11:16 a.m.

Attest:

X

Melody McDonald  
Chair

X

Walter A. Sells  
Secretary