



Executive Committee Meeting

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

June 21, 2022

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

- Drake – 325 Rock Ridge Place, Escondido
- Gladbach - 27491 Hillcrest Place, Valencia
- Green – 6151 Kimberly Drive, Huntington Beach
- Reed - 6171 Columbus Court, Alta Loma
- Rupp - 828 7th Street, Eureka

MEMBERS PRESENT

Chairman: E.G. “Jerry” Gladbach, Santa Clarita Valley Water Agency (*via Zoom*)
Vice-chair: Melody A. McDonald, San Bernardino Valley Water Conservation District
Fred R. Bockmiller, Mesa Water District
David Drake, Rincon del Diablo Municipal Water District (*via Zoom*)
Cathy Green, ACWA VP, Orange County Water District (*via Zoom*)
Brent Hasteley, Yuba Water Agency
Chris Kapheim, Kings River Conservation District
Randall Reed, Cucamonga Valley Water District (*via Zoom*)
J. Bruce Rupp, Humboldt Bay Municipal Water District (*via Zoom*)

MEMBERS ABSENT

None.

STAFF PRESENT

Chief Executive Officer/Secretary: Walter “Andy” Sells
Laura Baryak, Administrative Assistant II
Adrienne Beatty, Assistant Executive Officer
Chimene Camacho, Executive Assistant to the CEO (*Recording Secretary*)
Sarah Crawford, Training Manager
Cassie Crittenden, Human Resource Specialist
Robin Flint, Risk Control Manager
Robert Greenfield, General Counsel
Debbie Kyburz, Lead Member Service Representative
Jennifer Nogosek, Liability and Property Claims Manager
Patricia Slaven, Director of Human Resources and Administration
Sandra Smith, Employee Benefits Manager
Dan Steele, Finance Manager

Shelley Tippit, Accountant II
Chuck Wagenseller, Cost Estimator/Risk Control Advisor
Nidia Watkins, Member Services Representative II

OTHERS IN ATTENDANCE

Tiffany Giammona, ACWA Senior Director of Operations and Member Engagement

WELCOME

Chairman Gladbach welcomed everyone in attendance.

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

Chairman Gladbach called the meeting to order at 9:01 a.m. He announced there was a quorum.

PLEDGE OF ALLEGIANCE

Chairman Gladbach led the Pledge of Allegiance.

ANNOUNCEMENT RECORDING OF MEETING

Chairman Gladbach 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

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

Chairman Gladbach introduced the Executive Committee members. Mr. Sells introduced staff members and guests.

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Chairman Gladbach asked for any additions to, or deletions from, the agenda. Mr. Sells requested that Closed Session Item #3 Weiss v. Santa Fe Irrigation District be deleted from the agenda.

CONSENT AGENDA

Chairman Gladbach called for approval of the Consent Agenda:

M/S/C (Hastey/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):

That the Executive Committee approve the minutes of the May 2, 2022 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: May 1-15, 2022; May 16-31, 2022, and June 1-15, 2022.

ADMINISTRATION

Meetings Attended on Behalf of the JPIA

None reported.

Review and Take Action on Claims Approval Limits

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

M/S/C (Bockmiller/Reed) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hasteley-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee approve the new claims approval limits and authorizations for the Liability & Property Claims Assistant, Senior Claims Adjuster, Lead Senior Claims Adjuster, General Counsel, and Assistant Executive Officer, as presented.

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:

- **Maclean, et al vs Otay Water District (5/7/2021)**
This claim involved a failure of the SCADA system on a reservoir tank, which caused the tank to overflow and flood nine condominiums. All claims have been resolved for a total of \$513,559.52.
- **Lojacono vs Moulton Niguel Water District (11/15/2017)**
This claim involved an 8-inch AC water line located within an easement next to the plaintiff's home which began to experience a leak in 2005. This claim was resolved for a total of \$269,171.12. The District paid the plaintiff an additional \$60,000.00 for trespass damages.
- **Thesing vs. ACWA JPIA (7/1/2021)**
An employment practice claim that settled for a total of \$275,000.
- **City of Chula Vista vs Otay Water District (7/25/2021)**
This claim involved a broken 6-inch ACP irrigation lateral line which caused damage to 10,775 square feet of asphalt, gutters, curbs, and sidewalks. This claim was resolved for a total of \$169,394.60.

Review And Possibly Take Action on the Cyber Renewal

Ms. Beatty started with a brief background on the Cyber Liability Program. Premiums for this program have historically been included in the cost of the Liability Program. For the 2021-22 year, the premium increased by approximately 640% over the prior year. In November 2021, a cyber liability questionnaire was mailed out to all districts participating in the Liability program. To date, 40% of the applications are still outstanding. While it was originally anticipated that only members that completed a satisfactory application would be offered coverage this year, Alliant was again able to secure coverage for all JPIA members, with some requirements. The current renewal requirement is that all outstanding applications must be submitted within 60 days of renewal. For future renewals, confirmation of implementation of a system-wide Multi-Factor Authentication process (MFA) will be required. Because the cyber insurance market continues to harden as losses worldwide continue to be on the rise, future renewals are expected to be more stringent.

For the 2022-23 renewal, the JPIA received a quote from its incumbent carrier, Beazley, for \$1,200,000 which represents an approximate 30% increase over the prior year's premium.

Ms. Beatty shared that staff has been researching various risk control resources that could help our members control cyber risk. Staff has also been exploring options for creating a self-insured component to the current Program and has asked the Committee for direction on the future of this program.

The Committee discussed the various options explored by staff including building a stand-alone program and adding a surcharge onto the Liability Program premium to help offset the cost of cyber coverage. A discussion was also held regarding the cyber application process and how the Committee may be able to help with this task. The Committee members decided that they would like to contact the members who have not completed the cyber application directly and requested staff for a list of members in their respective ACWA regions that have outstanding applications.

M/S/C (Bockmiller/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Haste-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):

That the Executive Committee approve the 2022-23 Cyber Program quote, as presented; approve billing members a 5% surcharge based on the Liability Program basic deposit premium to contribute to the cost of cyber coverage; and provide direction to staff with regard to future work on designing a self-funded program and providing risk control resources to the membership.

WORKERS' COMPENSATION PROGRAM COMMITTEE

Committee Chair Drake presented the recommendations of the Workers' Compensation Program Committee from its meeting on June 20, 2022.

M/S/C (Drake/Hastey) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes): That the Executive Committee accept the Worker's Compensation Program Committee's recommendation to approve a premium of \$200.00 per day for work release labor regardless of the number of workers.

M/S/C (Drake/Reed) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes): That the Executive Committee approve the Worker's Compensation Program Committee's recommendation to accept the Memorandum of Workers' Compensation Coverage, as revised, effective July 1, 2022.

M/S/C (Drake/Bockmiller) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes): That the Executive Committee approve the Worker's Compensation Program Committee's recommendation to accept Safety National's excess renewal terms, as presented, effective July 1, 2022.

M/S/C (Drake/Bockmiller) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes): That the Executive Committee approve the Worker's Compensation Program Committee's recommendation to accept Option 1, no price change, for the Worker's Compensation Program, effective July 1, 2022.

PROPERTY PROGRAM COMMITTEE

Committee Chair Hastey presented the recommendations of the Property Program Committee from its meeting on June 20, 2022.

M/S/C (Reed/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes): That the Executive Committee approve the Property Program Committee's recommendation to increase the Self-Insured Retention (SIR) to \$10 million per occurrence, effective July 1, 2022.

M/S/C (Bockmiller/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes): That the Executive Committee accept the Property Program Committee's recommendation to approve a total cost of excess coverage not to exceed \$7,850,000.

M/S/C (Hastey/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee approve the Property Program Committee's recommendation to increase the renewal premium to the members by 20%, effective July 1, 2022.

M/S/C (Hastey/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee approve the Property Program Committee's recommendation to increase the minimum member deductibles, as set forth, effective July 1, 2022.

M/S/C (Hastey/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee accept the Property Program Committee's recommendation to approve the amended 2022-23 Memorandum of Property Coverage, as edited, effective July 1, 2022.

MEMBERSHIP

Merced Irrigation Urban Groundwater Sustainability Agency

Ms. Kyburz presented the Merced Irrigation Urban Groundwater Sustainability Agency's (MIUGSA) application for admission into the Liability Program. Merced Irrigation Urban Groundwater Sustainability Agency (MIUGSA) was formed in 2017 under California's Sustainable Groundwater Management Act. MIUGSA's purpose is to develop a comprehensive groundwater sustainability plan and the implementation plan to achieve basin sustainability by 2040. Current MIUGSA membership include City of Merced, Merced Irrigation District, City of Atwater, City of Livingston, Winton Water and Sanitary District, Planada Community Services District, and Le Grand Community Services District. A Risk Assessment was conducted in April 2022 and MIUGSA will have technical contracts. Currently, Merced Irrigation District (MID) is responsible for creating technical information, including risk transfer requirements. MID is part of the JPIA's Liability Program and is aware of the JPIA risk transfer requirements. MIUGSA has not had previous liability coverage and therefore has no loss history reports. If MIUGSA is accepted into the Liability Program, it is recommended the following be completed within three months of joining: Receipt of Board training completion records for AB 1234 and Sexual Harassment Prevention.

M/S/C (Bockmiller/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee approve the Merced Irrigation Urban Groundwater Sustainability Agency's application for admission into the Liability Program.

North Coast County Water District

Ms. Kyburz presented the North Coast County Water District's (NCCWD) application for admission to the Workers' Compensation Program. NCCWD is already a member of the

JPIA Liability, Property, and Employee Benefits Programs. A Risk Assessment conducted by the JPIA's Risk Management Department concluded that NCCWD possesses a favorable risk profile, similar to the JPIA membership. If NCCWD is accepted into the Workers' Compensation Program, a Service Plan will be formalized and scheduled to be completed within 12 months of the District joining the program.

M/S/C (Bockmiller/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Haste-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee approve North Coast County Water District's application for admission into the Workers' Compensation Program.

San Mateo County Flood and Sea Level Rise Resiliency District

Ms. Kyburz presented the San Mateo County Flood and Sea Level Rise Resiliency District's (District) application for admission to the Liability and Property Programs. The District is already a member of the JPIA Employee Benefits Program. A Risk Assessment conducted by the JPIA's Risk Management Department concluded that overall, the District possesses a favorable risk profile similar to current JPIA members of comparable size and operations. If the District is accepted into the JPIA Programs, a service plan will be formalized and scheduled to be completed, as presented.

M/S/C (Bockmiller/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Haste-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee approve the San Mateo County Flood and Sea Level Rise Resiliency District's applications for admission into the Liability and Property Programs.

South Valley Water Resources Authority

Ms. Kyburz presented the South Valley Water Regional Authority (SVRWA) application for admission to the Liability Program. SVRWA was established in 2015 under a Joint Exercise of Powers, to bring more water to the member agencies through negotiating water transfers and utilizing new water diversion technology. Current SVRWA membership include: Belridge Water Storage District, Berrenda Mesa Water District, Cawelo Water District, Dudley Ridge Water District, Kern Delta Water District, Lost Hills Water District, Rosedale-Rio Bravo Water Storage District, Semitropic Water Storage District, Tehachapi-Cummings County Water District, Tejon-Castac Water District, West Kern Water District, and Wheeler Ridge-Maricopa Water Storage District. A Risk Assessment was conducted by the JPIA's Risk Management Department. If SVRWA is accepted into the JPIA Liability Program, it is recommended the following be completed within three months of joining: Receipt of Board training completion records for AB 1234 and Sexual Harassment Prevention.

M/S/C (Bockmiller/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Haste-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):
That the Executive Committee approve the South Valley Water Resources Authority's application for admission into the Liability Program.

Stanislaus Regional Water Authority

Ms. Kyburz presented the Stanislaus Regional Water Authority's (SRWA) application for admission to the Liability, Workers' Compensation, and Employee Benefits Programs. SRWA was formed in 2015 by the Cities of Ceres and Turlock to secure a reliable source of surface water for municipal and industrial purposes within their service areas. A Risk Assessment conducted by the JPIA's Risk Management Department concluded that SRWA possesses a favorable risk profile. If SRWA is accepted into the JPIA Programs, recommendations were outlined for completion within three months of joining and prior to hiring of employees. A Service Plan, to be completed within 30-90 days, will be formalized, and scheduled to be completed over the first two years of membership. See packet for details.

M/S/C (Bockmiller/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; Kapheim-Yes; Reed-Yes; Rupp-Yes; McDonald-Yes; Gladbach-Yes):

That the Executive Committee approve the Stanislaus Regional Water Authority's applications for admission into the Liability, Workers' Compensation, and Employee Benefits Programs, contingent upon satisfactory completion of the listed risk management recommendations required within three months of joining and prior to hiring of employees.

MISCELLANEOUS

Future agenda items

None.

CEO and Directors' Update

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

Availability for next meeting: The Executive Committee is scheduled to meet next on July 18, 2022.

CLOSED SESSION

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

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

At approximately 10:30 a.m., the Executive Committee, upon advice of General Counsel, adjourned to closed session:

- 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. Barteau v. Tuolumne Utilities District (DOL 1/12/2022)
2. Penn v. Vallecitos Water District (DOL 2/14/2022)

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

The Committee returned to open session at approximately 10:35 a.m.

- Closed session item 1: No action was taken; direction given to staff.
- Closed session item 2: No action was taken; direction given to staff.

The Executive Committee meeting adjourned at 10:36 a.m.

Attest:

X

Melody McDonald
Vice-Chair

X

Walter A. Sells
Secretary