



Approved Minutes

Executive Committee Meeting

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

January 31, 2022

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

MEMBERS PRESENT

Chairman: E.G. “Jerry” Gladbach, Santa Clarita Valley Water Agency
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
Cathy Green, ACWA VP, Orange County Water District
Brent Hastey, Yuba Water Agency
Randall Reed, Cucamonga Valley Water District
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
Mathew Bunde, Sr. Risk Control Advisor
Chimene Camacho, Executive Assistant to the CEO (*Recording Secretary*)
Jesse Cota, Sr. Risk Control Advisor
Sarah Crawford, Training Manager
David deBernardi, Director of Finance
Robin Flint, Risk Control Manager
Robert Greenfield, General Counsel
Peter Kuchinsky, Lead Risk Control Advisor
Debbie Kyburz, Lead Member Service Representative
Jennifer Nogosek, Liability and Property Claims Manager
Lee Patton, Sr. Risk Control Advisor
Patricia Slaven, Director of Human Resources and Administration
Sandra Smith, Employee Benefits Manager
Dan Steele, Finance Manager
Jeremy Sadler, Risk Control Advisor
Shelley Tippit, Accountant II
Melody Tucker, Workers’ Compensation Manager

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

OTHERS IN ATTENDANCE

Dave Eggerton, ACWA Executive Director
Tiffany Giammona, ACWA Senior Director of Operations and Member Engagement
Pamela Tobin, San Juan Water District
John Weed, Alameda County Water District

WELCOME

Chairman Gladbach welcomed everyone in attendance.

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

Chairman Gladbach called the meeting to order at 1:01 p.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 and welcomed Cathy Green, ACWA Vice President and newest member of the Executive Committee to her first meeting. JPIA staff members introduced themselves. Chairman Gladbach then congratulated Robin Flint, JPIA Risk Control Manager, for receiving the Safety Professional of the Year Award from the Safety Center.

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Chairman Gladbach asked for any additions to, or deletions from, the agenda. There were no additions or deletions from the agenda.

CONSENT AGENDA

Chairman Gladbach called for approval of the Consent Agenda:

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

the Executive Committee approve the minutes of the November 29, 2021 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: November 15-30, 2021; December 1-15, 2021; December 16-31, 2021; and January 1-15, 2022.

ADMINISTRATION

Meetings attended on behalf of the JPIA

None reported.

Review and take action on the 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 \$343. The maximum increase of 5% allowed by Government code would move the rate to \$360.

M/S/C (Hastey/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; McDonald-Yes; Reed-Yes; Rupp-Yes; Gladbach-Yes): That the Executive Committee approve raising the Per Diem rate for JPIA Directors attending Program Committee meetings to \$360, effective January 31, 2022.

Review and take action on the Executive Committee vacancy

Chairman Gladbach stated that as a result of the recent elections for the local water agencies, the JPIA has an opening on the Executive Committee. At the last Board of Directors meeting in Pasadena, it was announced that the JPIA will be accepting letters of interest/qualifications to fill the Executive Committee vacancy. Chairman Gladbach noted that the Executive Committee is generally comprised of members from districts located in the north, central and south, large and small districts, and districts that support urban, suburban, and agricultural communities. When choosing the new member, he emphasized the need to maintain the balance between the members of the Committee to better support our members. Mr. Cuquet, whose resignation created the Executive Committee vacancy, was from Sutter County Water District, a small agricultural district in northern California. The following Directors submitted their letters of interest/qualifications:

- Milford Harrison, San Bernardino Valley Municipal WD
- Kelly Rowe, Orange County WD
- Chris Kapheim, Kings River Conservation District
- Pam Tobin, San Juan WD
- Scott Ratterman, Calaveras County WD
- Dan McMillan, Helix WD
- John Weed, Alameda County WD
- David Wheaton, Citrus Heights WD

After a lengthy discussion regarding the qualifications of each of the candidates, a consensus was not reached and would be addressed at a future meeting.

Review and take action on Recreational Activities/Special Events coverage

Ms. Watkins reported that Valley Center Municipal Water District (District) contacted JPIA for guidance regarding liability coverage and assistance to ensure appropriate risk transfer for the use of their vacant land by a local community non-profit organization, The Western Days Association (Association). In June 2022, the Association will sponsor a special event called the Western Days Event that will have bands, performances, dancing, booth vendors, food trucks, car show, beer garden, and carnival rides. For JPIA's review, the District will draft an agreement with proper risk transfer and provide a copy of the event sponsor certificate of coverage, evidencing liability limits of \$5 million per occurrence. In addition, the District will also provide a copy of the endorsement on the event sponsor's general liability policy showing the District as an additional insured.

M/S/C (Drake/Rupp) (Bockmiller-Yes; Drake-Yes; Green-Yes; Haste-Yes; McDonald-Yes; Reed-Yes; Rupp-Yes; Gladbach-Yes): That the Executive Committee approve the Class III recreational event at Valley Center Municipal Water District, subject to satisfactory review of the documentation received from the District.

Review and take action on the Underwriting Policy

Mr. Sells stated that the California Association of Joint Powers Authorities (CAJPA) requires Joint Powers Authorities (JPA's) seeking Accreditation with Excellence to have an underwriting policy, and that the policy be reviewed by its governing body at least as frequently as every three years. Staff presented the policy before the Committee to fulfill this triennial review requirement. Over the last year and a half, membership applications have been reviewed and updated for the JPIA's General Liability, Property, and Workers' Compensation Programs. In addition to updating the underlying application, staff developed processes and protocols for vetting all new applications. The attached policy captures the procedures the JPIA undergoes in evaluating prospective members. The policy not only adheres to CAJPA Accreditation requirements, but it serves also as a road map outlining the approval process for prospective members.

M/S/C (Haste/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Haste-Yes; McDonald-Yes; Reed-Yes; Rupp-Yes; Gladbach-Yes): That the Executive Committee approve the Underwriting Policy, as presented.

Review of Strategic Planning Session agenda and process

Mr. Sells noted that every even numbered year, the JPIA conducts an offsite meeting with the Executive Committee and senior staff to discuss future planning. On March 2-4, 2022, the JPIA plan to hold the Strategic Planning Session at the Westin Mission Hills in Rancho Mirage. Executive Committee and senior staff will gather to discuss a variety of topics. Staff reviewed the proposed agenda items and the Committee suggested including long range goals, and future growth and acquisition plans.

After much discussion about the viability of an in-person meeting due to COVID-related concerns, the Committee decided to postpone the meeting to a later date.

PROGRAMS

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

Mr. deBernardi reported that total refunds to members with no changes are anticipated at \$6.1 million. However, looking ahead, Retrospective Premium Adjustments (RPAs) next year are projected to result in additional funds due from members as a result of higher than budgeted losses. Staff proposed changing the refund calculation by deferring for one year RPAs for both the Liability and Property Programs. This changes the calculated refunds to \$4.265 million that will go out to approximately 156 active members. The refunds are due to majority of the Workers' Compensation policy year 2017/18 having favorable adjustments.

M/S/C (McDonald/Hastey) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; McDonald-Yes; Reed-Yes; Rupp-Yes; Gladbach-Yes): That the Executive Committee approve of approximately \$4.265 million refunds to members as a result of withholding RPAs for Liability and Property Programs.

PERSONNEL COMMITTEE

Chairman Gladbach presented the recommendations of the Personnel Committee from its meeting on January 26, 2022.

M/S/C (Gladbach/Drake) (Bockmiller-Yes; Drake-Yes; Green-Yes; Hastey-Yes; McDonald-Yes; Reed-Yes; Rupp-Yes; Gladbach-Yes): That the Executive Committee accept the recommendation of the Personnel Committee to approve new position of Business Data Analyst and the updated Salary Schedule.

RISK MANAGEMENT COMMITTEE

Director Bockmiller reviewed agenda items from the Risk Management Committee meeting of January 31, 2022.

MISCELLANEOUS

Future agenda items

None.

CEO and Directors update

Mr. Sells and JPIA Directors updated the Executive Committee on relevant current issues.

Mr. Sells provided the CEO update and reported on several items including the recent COVID outbreak at the JPIA. For the two weeks after the outbreak, the JPIA only allowed essential staff in the office. In these next two weeks, staff may come into the

office on a voluntary basis. Mr. Sells also asked the Committee for input regarding a potential future member that does not have publicly elected officials on their board.

Ms. Slaven reported on the human resources and training activities. The new Senior Claims Adjuster started today. She is the 4th new employee hired by the JPIA this quarter. The HR group will be meeting in person in Cucamonga Valley on March 15. The Leadership Essentials program cohorts will continue meeting in person in the next couple of months.

Mr. deBernardi reported on what is keeping the Finance Department busy these days. They have finalized the W2s, 1099s and tax filings as well as the CWIF financial audit. He also announced that the JPIA has achieved CAJPA Accreditation.

Ms. Beatty is currently working on the cyber liability program renewal. Alliant has sent an email to all Liability Program members stating that members must complete an application to have a chance to qualify for cyber coverage. To assist members with the application process, Alliant will conduct a webinar on February 10 and has created dedicated phone numbers and staff members to answer any questions. She also briefly reported on the Property Program renewal and the anticipated increases in rates and trend factors.

Insurance Market update

Due to time constraints, Mr. Sells suggested that this agenda item be removed and added to a future Executive Committee meeting. The Committee consented.

Availability for next meeting: The Executive Committee is scheduled to meet next on March 30, 2022.

CLOSED SESSION

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

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

At approximately 3:10 p.m., the Executive Committee, upon advice of General Counsel, adjourned to closed session:

- A. Pursuant to California Government Code Sec. 54956.9 Conference with General Counsel regarding anticipated exposure to litigation.
- B. Conference with Legal Counsel (tort liability losses, public liability losses/claims, or workers' compensation liability claims) – Pursuant to Government Code Sec. 54956.95.

1. Pereira Brothers & Sons, et al vs. Central California Irrigation District, DOL 12/5/2020
2. Zuniga, et al vs. Fallbrook Public Utilities District, DOL 7/24/2021
3. Brown, et al vs. Mission Springs Water District, DOL 12/26/2021
4. Barteau, et al vs. Tuolumne Utilities District, DOL 1/12/2022

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

The Committee returned to open session at approximately 3:35 p.m.

- Closed session item A: No action was taken; directions given to staff.
- Closed session item B-1: No action was taken; directions given to staff
- Closed session item B-2: No action was taken; directions given to staff.
- Closed session item B-3: No action was taken; directions given to staff.
- Closed session item B-4: No action was taken; directions given to staff.

The Executive Committee meeting adjourned at 3:36 p.m.

Attest:

X

E.G. "Jerry" Gladbach
Chairman

X

Walter A. Sells
Secretary