

CHARTING OUR COURSE

Activities of WSTIP's Committees and Board



WSTIP Activity Report July 21, 2009 ~ Executive Committee Meeting

This Activity Report is an effort to keep all Board Members informed on recent and ongoing WSTIP activities. Feel free to pass this information on to any and all interested parties.

To view the supporting materials for this meeting, go to <http://board.wstip.org> and select the July 2009 Meeting.

The Washington State Transit Insurance Pool Executive Committee met on July 21, 2009, at the WSTIP Office in Olympia, Washington. Executive Committee Members in attendance were: Mark Carlin, Grays Harbor Transit (Secretary); Jamie Collier, Clallam Transit (Past-President); Ben Foreman, Intercity Transit (Treasurer); Tom Hingson, Everett Transit (Vice-President); Ed McCaw, Valley Transit (Small System Representative); Ken Mehin, Yakima Transit (Medium System Representative); Jim Plaster, Spokane Transit (President); and Chris Smith, CUBS (At-Large System Representative). Board members in attendance were: Joe Larson, Pierce Transit. WSTIP Staff present were: Anna Broadhead, Member Services Assistant; Tracey Christianson, Member Services Manager; Christian DeVoll, Risk Management Specialist (11:36 am); Ron Franz, General Counsel; Al Hatten, Executive Director; and Jerry Spears, Deputy Director.

Call to Order

President Plaster called the meeting to order at 10:06 am. Hatten introduced Larson from Pierce Transit as a sign-in sheet was passed around the room. Plaster called for changes to the agenda. Franz requested a minute to talk about the amendments to the memoranda of coverage. Plaster added Franz's request as discussion item number five.

Consent Agenda

Collier moved to approve the June 25, 2009, minutes and check numbers 20307 through 20483 in the amount of \$454,828.04; internet transfers of \$34,426.63 for the 06/15/09 payroll and \$35,062.15 for the 06/30/09 payroll from the WSTIP Claims and Administration Account to the WSTIP Payroll Account at US Bank; internet and ACH payments for staff credit cards, travel reimbursements and consulting services total \$14,839.52. Total voucher approval is \$539,156.34. Carlin seconded the motion and the motion passed.

Staff Reports Q&A

Financial Reports – Spears had no comments. Plaster asked how 2009 was trending so far. Spears said 2009 is pretty darn good so far with only one large accident.

Executive Staff Report – Hatten stated that staff is soliciting renewal information. Plaster said he appreciates the data collection survey and suggested sending out a reminder email that clarifies that the request is for total mileage including deadhead mileage. Spears said he would do that, and noted that Ristau would be in the office the following week to talk about strategic ratios. Hatten updated the

committee on his current schedule, Governmental Entities Mutual (GEM), and Everett Transit's camera/public disclosure request. The committee had a brief discussion regarding the public disclosure requests and how draft legislation is being considered to modify the transit conduct law, to limit what requests can be made. Plaster asked about retention policies of 30 days or 90 days. Foreman stated that his legal counsel said you could overwrite after 10 days, and that he would forward the opinion to anyone who was interested. Plaster said he is communicating with the state archivist since Spokane Transit has a camera RFP, and felt they should be kept in the loop. Christianson said WSTA also has contacts at the state archivist's office.

Hatten also updated the committee on the Property Liability Advisory Board (PLAB), scheduled visits to members, and upcoming conferences. Christianson spoke briefly about the National Association of Governmental Entity Pools (NAGEP) education committee. The committee is putting together a scholarship program for pools to create training curriculum. Spears told a lively story about Tim Russ at Pacific Transit and the Federal Motor Carrier Safety Administration. Spears also reminded everyone to return their underwriting data.

Sub-Committee Reports

IRM and IRM Benchmark Sub-Committee – McCaw said the IRM Benchmark Sub-Committee met prior to the Executive Committee meeting. They have drafted a policy to be submitted to the Policy Review Committee outlining the benchmarks, how they are going to measure the benchmarks, and how they will report to the Executive Committee/Board. The sub-committee is recommending quarterly reports be sent to the Board, and two-weeks prior to the quarterly meeting so representatives have time to talk to their members. He reported that it will be at least one year before we can say if IRM is reducing "X" rates. He recommended that the IRM Benchmark Sub-Committee meet quarterly until the program is at least one year out so they have real data and dollars to compare.

Christianson reported that DeVoll had been to every property and is now in the assessment phase. Members receiving a surcharge on their assessment are a priority. Value added services work continues with, Valley, Pierce and Ben Franklin. The camera initiative sub-committee is trying to find a date that is mutually agreeable to all participants. Emmett Heath has volunteered to chair the committee. (The committee has a teleconference meeting scheduled for August 10, 2009, from 8:30 am to 9:30 am.)

Christianson updated the Executive Committee on the drivers' license monitoring project. When she met with Office Superintendent of Public Instruction (OSPI) she asked if the time proposed by Salient6 seemed reasonable, OSPI felt they were after completing a similar project, in fact the development time was less due to the use of SharePoint. She also reported that she expects to have a signed contract with the Department of Licensing (DOL) before the end of the week. She is also expecting a legal opinion related to the bargaining implications for members that wish to use the service for their unionized work forces. His initial "gut check" was that it would be alright. Mehin asked about municipalities. Christianson said she doesn't have an answer yet.

Plaster asked which claims met criteria for the serious loss review and at which point the member would become involved. Christianson referred to the draft Integrated Risk Management Benchmark Policy, any loss over \$200,000 and surcharged members; however, every member will have one loss reviewed each year. The risk management staff as well as Larry Bailey from Alliant, and Dennis Mollinar from OneBeacon, will be discussing the appropriate time to bring the member back in. Dennis has an accident investigation background that will bring a new perspective to the group.

Underwriting Sub-Committee – Hatten reported that the committee is waiting to meet, and that they had nothing substantive to report.

Policy Sub-Committee Report – Collier stated that the Policy Review Committee will be meeting on Friday, July 24, 2009, in Des Moines. They will be covering the legacy resolutions, budget policy, and risk management policy. The committee will have work products for review at the August meeting.

Camera Initiative Sub-Committee – This report was given during the IRM Sub-Committee Report.

COLA Process Sub-Committee - Hingson and Foreman reported they are working on putting together a policy to set staff Cost of Living Adjustment (COLA). Hingson said they are sensitive to transit agencies and recognize that most WSTIP employees live in the Puget Sound region. They proposed taking the COLA from six western Washington transit agencies and three eastern Washington transit agencies, removing the highest and the lowest, and averaging the rest to reach the COLA for WSTIP staff. Hingson asked if the salary survey supersedes the COLA for that year. Hatten said the salary survey is approved, and then the COLA approved because it was based on that year's wages.. Foreman and Hingson requested comments be submitted via email within the next two weeks. This policy will be available for review at the August Executive Committee meeting.

Plaster called for a short break at 11:12 am. The meeting resumed at 11:20 am.

Discussion Items

Governance Policy – Budget Policy – Spears said that Ristau had supplied some comments and that they hope to finish this policy up on Friday. He opened the floor to comments and noted that the flow chart can be removed. Spears asked if Collier wanted to bring this policy forward in August. Hatten stated it's staffs intent to be open in creating the budget, but he wanted to be sure that the policy would not inhibit the ability of staff to develop the budget. Collier agreed, but felt that the formulas used by staff should be included in the policy. Hatten felt it should be in an operational policy not the budget policy. He felt that the policy should outline criteria and philosophy but that it was staff's responsibility to meet the criteria. Collier remarked that the staff must do actual development, but the budget and assessments come to the Board for approval. Collier also reminded the Committee the goal of the Governance Policies is to have all pertinent WSTIP policies in one place. Plaster inquired that if the policy did not specify the formulas how would anyone know if the numbers were correct. He said it's an annual updated work in progress and historically we haven't been able to say how the budget rolls up. Hatten suggested looking at what the other Pools are doing. Plaster explained how Spokane Transit creates their budget. Foreman remarked the overall dollars coming into WSTIP is fixed, it is up to the Board to decide how to slice and dice the dollars. Hatten said he will ask the other Pools for their budget policies. Collier said she looks forward to those and Ristau's input.

DeVoll arrived at 11:36 am.

Cyber Liability Update – Spears noted there are 10 members who haven't had the information technology review and shared an article relating to cyber liability. Rick Steddom will continue to look at this emerging market as more and more members are accepting credit cards and using wireless. Spears will be attending a data collection and protection class in Seattle, and will share information from the class with everyone.

The Committee took a short break at 11:45 am to gather lunch. The meeting was back into session at 11:52 am.

Overview of WACs – Hatten said the State Risk Manager's Office is editing the WACs related to RCW 48.62. For more information regarding the changes please view the materials included in the July 2009 Executive Committee materials. If you have questions or concerns, please contact Hatten.

Everett Station Update – Christianson reported that DeVoll is working on a contract with Everett Transit regarding a training room at Everett Station that a community college previously occupied. We will be using loss control funds to purchase chairs and tables for the public transportation training room. The college left all the computer equipment in the room except the speakers, and Community Transit has furnished cabinetry (long term loan of surplus items). Plaster suggested contacting DSHS to see if they had any surplus tables. Christianson said she would check with DSHS. She also said that they would like to name the training room after Dan Snow, the previous Executive Director of WSTA. The Training Coalition Board was in favor of the name for the room. Hingson said it would be more helpful than room 215.

General Liability and Memoranda of Coverage – Franz said will submit his changes to the General Liability and Public Officials Liability coverage documents within the week for anyone who wishes to see them. He will present the documents at the August Executive Committee meeting, with hopes of submitting to the Board in September for approval.

RECAP/Review of Meeting

Collier made changes to the work plan. McCaw reported a 39.9% reduction in sales tax. Plaster asked if anyone was aware of service reductions. McCaw said they are expecting 30%, Spears said Island Transit is also planning service reduction if they don't get their sales tax increase. Larson reported they had service reductions in July. Plaster said Spokane will be sustaining service for 2010.

Adjournment

Plaster adjourned the meeting at 12:25 pm.