



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION

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Minutes of the
Executive Committee Meeting
April 25, 2019
WSTIP Office ~ Olympia, WA

| Executive Committee Members Present | Staff Present |
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| Staci Jordan, President, Island Transit Danette Brannin, Secretary, Mason Transit Authority Lynda Warren, Large Member Rep, Spokane Transit Agustin Ortega, Medium Member Rep, Yakima Transit Jesse Kinney, Small Member Rep, Valley Transit Tom Hingson, At-Large Member Rep, Everett Transit Paul Shinnars, Past President, Kitsap Transit Suzanne Coit, Treasurer, Intercity Transit | Cedric Adams, Claims Manager Matthew Branson, Member Services Manager Anna Broadhead, Board Relations Tracey Christianson, Executive Director Rick Hughes, General Counsel Andrea Powell, Administrative Services Manager |
| | Board Members Present |
| | Geri Beardsley, Community Transit (virtually) Amy Cleveland, Pierce Transit (arrived 12:10 pm) |

Call to Order

President Jordan called the meeting to order at 9:12 am she welcomed everyone as a roll call sheet was passed around the room. Jordan asked if there were any changes to the agenda and hearing none she asked for a motion. **Ortega moved to approve the agenda as presented. Hingson seconded the motion and the motion passed.**

Consent Agenda

Minutes – March 28, 2019, March 2019 Administrative Vouchers/Checksⁱ, March 2019 Claims Vouchers/Checksⁱⁱ

Jordan asked if there were any items to remove from the consent agenda. There were no items removed from the consent agenda. **Shinnars moved to approve the consent agenda. Ortega seconded the motion and the motion passed.**

Discussion Items

2019 Executive Committee Work Plan

Jordan asked if there were any questions on the 2019 work plan. Christianson explained the tasks from the retreat had been pulled into this living document which gets updated monthly. Staff are working on updating the Strategic Plan and hope to have something to the Executive Committee next month.

Coverage Appeal Process

Hughes said at the January Retreat one of the tasks was to review, not change, the appeal process outlined in the Bylaws. The process used worked well, but the Executive Committee wanted structure around the appeal process, so he created a draft policy. He further explained the Coverage Review Committee had met earlier in the week prompting a revision to the draft policy which was included as supplement 1 to the packet. Executive Committee members discussed each section of the policy and gave Hughes specific feedback regarding the policy and changes they wanted to see made to the policy.

These included:

Purpose – include Executive Director specifically.

2d – Coverage counsel may attend only at the President's discretion and, if in attendance, only participate at the President's discretion.

3a – clarify language regarding member recused from executive session.

This policy will return at the next Executive Committee meeting and issues regarding the appeal may be added to the list of possible Bylaw changes in 2020.

Driver Record Monitoring Program

Christianson reported the Driver Record Abstract Bill had passed the House, the Senate, and was signed by the Governor. She thanked the Washington State Transit Association and their lobbyist Michael Shaw, thanked Kerrigan for testifying at the House and Senate, and the members who responded to the action calls. We will begin to negotiate a new contract with Department of Licensing, we may have to change our driver record monitoring template interlocal agreement, and if there are governance decisions to be made, staff will bring those forward.

The Executive Committee took a break at 10:18 am and photos took place. The meeting resumed at 10:46 am.

OPMA and PRA Coverage Discussion

Christianson said staff asked for stronger clearer exclusions in the Public Officials Liability (POL) coverage document regarding Open Public Meeting Act (OPMA) and Public Records Act (PRA) as we have never covered these claims in the past. Some members were interested in covering the defense of these claims and asked the Executive Committee to review and make a recommendation at the next Board meeting. She also reported that the Coverage Review Committee has finished their work on the POL coverage document except this section. Shinnars said the Coverage Review Committee is planning on presenting the POL coverage document at the work session in June. The Board could have two action items on the agenda for June one including defense or defense/indemnity for OPMA/PRA or we could accept the POL coverage document as is with the OPMA/PRA exclusion as its currently written. Several Executive Committee members felt OPMA/PRA exclusion should remain and encouraged offering assistance for training.

Shinnars said he was in favor of having defense but not indemnity, he thinks an emphasis on training is good too but doesn't want members to be standing alone. Perhaps WSTIP could find a defense specialist or two so if we get a case or claim we can go to WSTIP and know we are getting the best expert. Ortega felt the shared \$100,000 could be used by one member leaving everyone else without coverage for remainder of coverage period.

Hingson said WSTIP probably doesn't have a defense roster for PRA/OPMA claims but would be in favor of WSTIP being an information broker and felt if there was defense coverage it should have a very high deductible. Jordan suggested maybe it could be an opt-in coverage although she wasn't sure there is value in pursuing that option. Warren said the smaller members are harder pressed to come up with funds and possibly pose a bigger risk. Kinney said if he received a request, he would call WSTIP for guidance whether there was coverage or not. Christianson said we do try to help members when they call

but we do not have a defense roster for OPMA/PRA.

Christianson asked what recommendation the committee wanted to take back to the Board. Jordan said the Executive Committee recommends leaving it as an exclusion, offer a list of training resources/opportunities and refer attorneys. The Risk Management grant can be used to for in-depth training regarding PRA and OPMA. Powell said WAPRO ([click here](#)) has records training courses, and the archives department also has a grant program ([click here](#)). Christianson noted this will be on the June Board meeting agenda as a discussion item. Shinnars asked if it would be an action item in June. Christianson said the Board asked the committee to take look and bring it back to them with a recommendation. Shinnars wanted to be sure the discussion took place before possible action on the POL coverage document. Jordan said if it needs more discussion, we will move it down the road.

Governance Policy Revisions: Audit Committee, Member Corrective Action and Termination, and Nominations and Elections

Christianson said the Governance Policy Committee is chaired by the Vice-President, is made up of the officers and the goal is to review every policy. The Committee did a lot of work on policies last year so this year the focus is on consolidating policies where it makes sense to do so. Included in the packet is the red-line version and then a clean version so each policy can be discussed individually.

Audit Committee – Jordan asked if there were changes or questions regarding the Audit Committee policy. Hingson asked why references to the Treasurer were being removed from the policy. Christianson said the Treasurer is a member, but not elected. Coit questioned why the Audit Committee had to meet twice annually. Christianson said originally one was for audit and the other for investments, suggesting possibly amending next year to say as needed or at least annually. Powell said the ratios will be ready towards the end of the year and the audit will be complete, perhaps meeting after the retreat and again in the fall. Jordan said to leave it at two meetings and the chair can call additional meetings as necessary.

Member Corrective Action and Termination – Christianson said staff removed the “thereof’s” and capitalization throughout the policy. We hope to never have to use this policy. There were no comments.

Nominations and Elections – Christianson said changes included capitalization. The committee discussed this policy at length, and staff will provide the information regarding size criteria to the committee as stated in the policy. There were no comments regarding this policy.

Governance Policy: Duties, Responsibilities and Development of Board and Executive Committee Members

Christianson said the committee was trying to create a one stop shop for duties, responsibilities, and development. The policy is a little long, but the Committee was trying to make sure all the pieces are in one place. She asked for feedback. Jordan said it puts together four policies. Warren questioned adding development into the duties and responsibilities. Jordan felt it fits because when you become a Board member or Executive Committee member you are expected to complete orientation, attend meetings, and other trainings. Christianson said this policy also references meeting protocol, ethics, target ratios, and expense reimbursement policy. The small, medium, large, and at-large member representatives are also mentors to new Board members. Shinnars thanked staff for putting everything into one place to understand how things are supposed to work and expectations of the Board member. Coit questioned the attendance at four Executive Committee meetings for new Board members. Christianson said that was in

the previous policy. Jordan said when she first joined the Board the member representative at that time would send an email summarizing what had happened at the meeting. Shinnners said that is getting a little into procedure it should be whatever each member representative personally feels comfortable with. Jordan suggested adding language “may collaborate with each group prior”. Brannin felt it was good to put the responsibilities of each position, so it isn’t a surprise when they must chair a committee, for example the At-Large Member Representative is the chair of the Board Development Committee. Christianson suggested removing “prior to Quarterly Board Meetings” to take out the sticky point and leave it open to the assumption that you would collaborate. Christianson asked what happens if someone wants to attend more than four Executive Committee meetings in their first year. The Governance Policy Committee felt it should be reimbursed if they choose to attend. Jordan said she attended at her own expense the first half of the year when she was appointed, she felt it was helpful and didn’t feel lost at the Board meetings. The Committee agreed that new Board Members could attend all Executive Committee meetings during their first year and that this would be a covered expense.

The Executive Committee took a short break to gather lunch from 11:40 am to 12:10 pm.

Action Items

Governance Policy – Member Guest Program

Christianson thanked Shipman for re-writing this policy to make it more understandable. Warren asked if there should be a limit to the number of persons a member might have in attendance at a Board Meeting (e.g. member representatives, alternatives and/or guests), using her upcoming retirement as an example. Christianson said WSTIP encourages the additional involvement of the members and although expense reimbursement is limited as outlined in this policy, members could bring additional guests at their own expense. Shinnners suggesting referencing the expense reimbursement policy and the duties, responsibilities & development of Board & Executive Committee members policy, and a reminder that to qualify for out of state travel opportunities you must attend three of the four quarterlies with the annual meeting being mandatory. Jordan requested this policy be brought back in May with the requested changes for action.

Governance Policy – Audit Committee

Warren moved to adopt the Audit Committee policy. Ortega seconded the motion and the motion passed.

Governance Policy – Member Corrective Action and Termination

Hingson moved to recommend adoption of the Member Corrective Action and Termination policy to the full Board. Ortega seconded the motion and the motion passed.

Governance Policy – Nominations and Elections Policy

Ortega moved to adopt Nominations and Election policy. Brannin seconded the motion and the motion passed.

Governance Policy: Duties, Responsibilities and Development of Board and Executive Committee Members

Ortega moved to adopt Duties, Responsibilities and Development of Board and Executive Committee Members with revisions (see previous discussion). ***Warren seconded the motion and the motion passed.***

Executive Session

The Executive Committee went into Executive Session at 12:26 pm for 30 minutes pursuant to RCW 42.30.110 (1) (i) to discuss with legal counsel representing the agency litigation in which a member acting in an official capacity is a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency. President Jordan extended the session multiple times for an additional 20 minutes. Executive Session ended at 1:16 pm. No action was taken.

Staff Report

Executive Staff Report

Christianson reminded everyone the Broker is attending the May Executive Committee meeting to talk about the property renewal and there are several new Board members coming on and beginning orientation. She and Coit met with the Thurston County Treasurer's Office to talk about investment performance and are trying to arrange a presentation from them in May or June for the Executive Committee. Powell said she's been busy working with the Application Support Specialist who is working with Pierce, Community and C-Tran for Origami customizations. Miles, employee counts, and property collection have been completed. Adams gave a brief update on open claims and recently closed claims; litigated claims counts are down as are claim counts overall. Branson said Best Practice site visits are scheduled, Partnering in Prevention presentations have been on hold but are now being scheduled and moving forward, training classes are scheduled, collision avoidance project is moving along, and is looking forward to contract negotiations with Department of Licensing for Driver Record Monitoring.

Sub-Committee Reports

Governance Policy Committee

No report, meeting immediately following the Executive Committee meeting.

Board Development Committee

No report, meeting immediately following the Executive Committee meeting.

Emerging Risks and Opportunities Committee Report

Brannin stated that the Emerging Risks and Opportunities Committee met April 24 reviewed the charter and framework to catch Branson up to speed. Work plan items for the committee in 2019 include monitoring Department of Labor Wage and Hour Claims, fitness for duty (mental and physical) and pre-employment fitness, possibly developing a PASS certification that builds on the CTAA class with more focus on mobility device securement and ramp issues. Next meeting is August 14 at the WSTIP office.

Underwriting Committee

Ortega said the committee has shifted it's from the focus on the SIR to a more philosophical capital funding where the primary emphasis is on the net position. The next meeting is May 22 and they plan to have Kevin Wick attend. The committee will present more information in June. They are collecting information regarding Limited Mode Service Providers. They are also looking for more volunteers for this committee. If you would like to be on the Underwriting Committee, please let Ortega or Adams know.

Coverage Review Committee

The committee met earlier in the week and has one remaining topic: to cover or not cover PRA/OPMA. The committee will present the POL coverage document at the Work Session in June. The committee will

begin work on the General Liability coverage document next. Beardsley has graciously agreed to chair the committee for the next coverage document. Shinnors said as chair he learned to make sure the Board and the members' legal counsel are aware of what the committee is working on and invite them to attend. He encouraged everyone with interest or concerns to participate. The next meeting for this committee is May 7 at the WSTIP office from 12 to 4 pm.

Recap and Adjournment

Jordan said revised Coverage Appeal Process and Member Guest Program policies will be coming back in May, will make recommendation regarding OPMA/PRA to the Board in June, and will further discuss Burdett. ***Jordan adjourned the meeting at 1:36 pm.***

Submitted this 23rd day of May 2019.

Approved:  Danette Brannin, Secretary
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ⁱ Check numbers 28306 through 28352 in the amount of \$205,201.24; internet and ACH payments for staff credit cards, travel/expense reimbursements and professional/misc. services total \$43,177.44; \$49,420.21 for the 03/15/2019 payroll; \$67,769.90 for the 03/31/2019 payroll; \$11,743.76 for the 03/2019 staff benefits. Total voucher approval, including March 2019 staff payroll and internet and ACH payments is \$377,312.55.

ⁱⁱ Check numbers 12105 through 12189 in the amount of \$403,507.73. Total voucher approval is \$403,507.73.