



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION
 PO Box 11219 | Olympia, WA 98508 | 360-786-1620 | www.wstip.org

Minutes of the
 Executive Committee Meeting
 March 26, 2020
 WebEx

| Executive Committee Members Present | Staff Present |
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| Shonda Shipman, President, Whatcom Transportation Authority Danette Brannin, Vice-President, Mason Transit Authority Jesse Kinney, Secretary, Valley Transit Geri Beardsley, Large Member Rep, Community Transit Brandy Heston, Medium Member Rep, Grant Transit Authority Sara Crouch, Small Member Rep, Jefferson Transit Jenny George, At-Large Member Rep, Asotin County PTBA Staci Jordan, Past President, Island Transit Suzanne Coit, Treasurer, Intercity Transit | Cedric Adams, Claims Manager Matthew Branson, Member Services Manager Anna Broadhead, Board Relations Tracey Christianson, Executive Director Chris DeVoll, Transit Risk Consultant Rick Hughes, General Counsel Laura Juell, Risk and Training Coordinator Andrea Powell, Administrative Services Manager |
| Board Members Present | |
| Jeff Lubeck, Ben Franklin Transit Dunyele Mason, Clallam Transit Tom Hingson, Everett Transit Ken Mehin, Grays Harbor Transit Paul Shinnors, Kitsap Transit Bill Kessler, Pierce Transit Wayne Thompson, Pullman Transit Amy Asher, RiverCities Transit | Joe Macdonald, Skagit Transit Dale O'Brien, Skagit Transit Monique Liard, Spokane Transit |
| | Guests Present |
| | Brian White, Alliant Insurance Services (Broker) Melanie Espinoza, Washington State Transit Association |

Call to Order

President Shipman called the meeting to order at 9:04 am welcoming everyone to the virtual meeting. Verbal roll call took place. Shipman asked if there were any changes to the agenda and hearing none, she asked for a motion to accept the agenda. **Kinney moved to approve the agenda. Brannin seconded the motion and the motion passed.**

Consent Agenda

Minutes – February 24, 2020, February 2020 Administrative Vouchers/Checksⁱ, February 2020 Claims Vouchers/Checksⁱⁱ

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

Discussion Items

2020 Executive Committee Work Plan

Christianson explained the work plan is a working document and is continuously updated throughout the year. You will notice committee charters, the Emerging Risks and Opportunities Committee will be bringing forward a charter revision in April, law enforcement and security liability discussions will resume

at some point this year once things calm down, staff have started working on the Broker RFP and the smart goals have been updated but are subject to change as they, like the Strategic Plan itself, are still in draft form.

Twin Transit Update

Christianson said she had sent a letter to Twin Transit outlining their current coverages, their General Manager had been out of the office, and has a virtual meeting scheduled for with them April 1st at 3 pm. We have provided them with their historical claims information.

Action Items

Governance Policy – Mission and Vision (Recommend to Board)

Shipman stated at the Executive Committee Retreat initially attendees didn't think the Mission or Vision needed changes, but after exercises with the facilitator, the group as a whole felt they did need refreshed. **Jordan moved to recommend adoption of the Mission and Vision policy to the Board. Brannin seconded the motion and the motion passed.**

Executive Session

There was no Executive Session.

Staff Reports (Deferred to Board Meeting)

Sub-Committee Reports

Governance Policy Committee

Brannin reported the Governance Policy Committee (Brannin, Kinney and Shipman) had met on March 10, originally it was scheduled as an all-day session to review all policies but we were unable to meet as planned and instead had a virtual meeting for three hours. The committee is reviewing the Bylaws to ensure they match current processes and are easily carried through the policies. Their next virtual meeting is scheduled for April 8.

Board Development Committee

George explained the Board Development Committee (George, Beardsley, Heston and Crouch) met after the Executive Committee on February 27. They reviewed the committee charter (no changes needed), upcoming conference opportunities, reviewed the feedback from the December Board meeting and the Executive Committee Retreat. Discussed how the Member Representatives can be supportive, attendees really liked Family Feud and discussed future gamification to provide learning and help build relationships. We reviewed a board member education project about rate sheets. Branson shared two rate sheet companion documents. The first document staff developed expand upon the rate sheet showing the detail of other rating costs and prior period adjustments. The second document showed us the impact of each rate sheet variable in isolation or separate from other rate sheet changes. Crouch described the companion documents as transformative. George urged everyone to schedule a meeting with Branson to review the rate sheet companion documents. The committee also discussed topics for Member Representative Meetings, upcoming Member satisfaction surveys, and are working with staff to develop educational tools.

Emerging Risks and Opportunities Committee Report

Brannin stated that the Emerging Risks and Opportunities Committee met at the WSTIP office on March

12, many attended virtually. The Committee is Brannin, Macdonald, Mehin, McNulty, Deutsch, Schmeider, Stafford-Smith, Bergkamp, and Kessler. We have a good mix of Operations, Human Resources, Risk Management and General Managers. The committee does have revisions to their charter and will bring that forward at the April Executive Committee Meeting. The Committee worked to identify the top five Best Practices. The Committee reviewed the Reduction in Force (RIF) Best Practice. Branson has created a loss trend data model to help us identify trends for risk mitigation. The Committee will be meeting again on June 11.

Coverage Review Committee

Beardsley reported the Coverage Review Committee had met on February 24, attendees were Beardsley, Brannin, Crouch, Shinnars, and staff Christianson, Branson, and Adams. The Committee has no changes to the charter and is reviewing the Property Coverage document. The Committee has a couple of items where they have requested more information, there is a matrix which has not been distributed at this time, there was a request to see if there are any gaps in coverage, questions about terrorism, and started a discussion regarding COVID-19, earthquake and machinery damage what is and is not covered. We are also trying to make sure the definitions are consistent with the other Coverage Documents, we are also reviewing the cyber liability coverage and discussing how it works. The Committee does not expect adoption/implementation until the July 2021 renewal. The Committee was scheduled to meet on April 9 but has decided to cancel that meeting with all that is going on at the agencies and will plan to meet on May 18.

Recap and Adjournment

Hughes asked to speak about the Governor's proclamation changing the attendance requirements of the Open Public Meetings Act (OPMA) and the Attorney General's Office (AGO) opinion. For agencies doing remote meetings, the requirement to have physical space for the public is waived if you provide a way for the public to attend remotely. He expects more guidance from the AGO next week. Beardsley said MRSC has great updates and information on their site.

Shipman quickly recapped the meeting, roll call, motion to accept agenda, approved the consent agenda, discussion items, Christianson meeting with Twin on April 1 at 3 pm, forwarded the Mission and Vision to the Board, sub-committees reported out, Emerging Risks and Opportunities will have a charter change for the Executive Committee in April, and the Coverage Review Committee will be meeting on May 18.

Beardsley said in our existing coverage documents there is some language about natural disasters, but asked if there exclusions for COVID-19. Christianson said staff will look to see if there are any exclusions for the types of claims we might see due to COVID-19. White said he has been spending lots of time talking about insurance implications from potential COVID-19 damages, estimates are damages will be in the trillions. Insurance surplus before the market nose-dived was about \$850 billion, insurers may not be able to pay all the claims that will be coming forward. Insurers didn't contemplate coverage for this with respects to property coverage unlike fire, flood, earthquake. Property coverage is predicated on direct physical damage. Property coverage can extend beyond to business income interruptions, lost income, extra expenses and things of that nature. The issue now is we are in uncharted territory.

White said there is an enhancement to the APIP excess property policy which is unique. The policy has a small limit for communicable diseases coverage. There is \$500,000 in aggregate for WSTIP subject to a further aggregate of \$10 million in coverages for all participants in the Alliant APIP coverage. White reminded everyone he is available to help file claims and let them take their natural course. Brannin

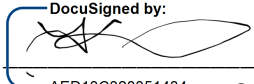
asked if they should submit claims to the federal aid packages first. Christianson said she has been advising members to track everything related to COVID-19. Not only costs but your decision-making process, when you made decisions, how you implemented, the costs of cleaners, what is normal cleaning versus extra cleaning in your operating budget. Brannin asked what if we have a claim, for example, a claim that we didn't do enough to protect our employees. Christianson said she anticipates that can happen and stressed the importance of documenting everything, noting Branson included an article on topic in the latest edition of TransACTION, the more you document the more information you have if you need it. Staff will distribute the APIP Endorsement post-meeting. Christianson also noted that Coverage Documents and all other policies will be coming to the members very soon for distribution.

Shinners asked for layman's terms regarding various coverages in property and how it relates to FEMA. White and Christianson will put together a document regarding exclusions, coverage documents and endorsements. Beardsley asked about workers compensation and the potential negligence claims. Christianson said worker health is a workers compensation exposure but based on what she read on the Labor and Industries (L&I) website, it looks like L&I is going to try to duck coverage unless you can prove the employee was infected on the job.

Shipman asked Branson to talk about the Reduction in Force (RIF) Best Practice and the next steps. Branson said the RIF Best Practice had been reviewed and updated by Kristin Anger of Summit Law. Anger provided additional language changes to the WARN Act to incorporate COVID-19. Christianson is reviewing, once she reviews it will then be distributed to the Executive Committee, and then the Board as a whole. Hughes said he will speak tomorrow with guidance regarding COVID-19 for paratransit.

Shipman thanked everyone for attending and will see everyone tomorrow, reminding them to stay safe and take care of themselves. She adjourned the meeting at 10:09 am.

Submitted this 28th day of May 2020.

Approved: 
AED13C328951134
Jesse Kinney, Secretary

ⁱ Warrant numbers 93001101 through 93001162 in the amount of \$131,375.38; Internet and ACH payments for staff credit cards, travel/expense reimbursements and professional/misc. services total \$19,555.69; Transfer of \$51,536.51 for the 02/15/2020 payroll; Transfer of \$50,296.30 for the 02/28/2020 payroll; Payment of \$15,159.68 for February Staff benefits (Warrant #93001133, included above). Total voucher approval is \$252,763.88.

ⁱⁱ Warrant numbers 93500180 through 93500301 in the amount of \$618,817.42. Total voucher approval is \$618,817.42.