



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
 May 26, 2022
 WSTIP Office & Zoom

| Executive Committee Members Present | Staff Present |
|---|---|
| Jesse Kinney, President, Valley Transit Scott Deutsch, Vice President, C-Tran Monique Liard, Large Member Rep, Spokane Transit Joe Macdonald, Medium Member Rep, Skagit Transit David Ocampo, Small Member Rep, Columbia County Public Transportation Paul Shinnars, At-Large Member Rep, Kitsap Transit Danette Rogers, Past President, Pierce Transit Suzanne Coit, Treasurer, Intercity Transit | Cedric Adams, Claims Manager Matthew Branson, Deputy Director Anna Broadhead, Board Relations Tracey Christianson, Executive Director Brandy Clark, Administrative Assistant John Cushing, Claims Specialist Rick Hughes, General Counsel Todd Iddings, Safety and Risk Advisor Laura Juell, Training and Risk Coordinator Joanne Kerrigan, Member Services Manager Karey Thornton, Accounting and Payroll Specialist |
| Board Members Present | |
| Jenny George, Asotin County PTBA Steve Davis, Ben Franklin Transit Jeff Lubeck, Ben Franklin Transit Ken Mehin, Grays Harbor Transit Staci Jordan, Island Transit Nicole Gauthier, Jefferson Transit | Miranda Nash, Jefferson Transit Shawn Larson, Link Transit Pattie Goedker, Pacific Transit Karen Thesing, Pierce Transit Jim Seeks, RiverCities Transit |
| Executive Session ONLY Guests Present | |
| Valerie McAfee, Tristar Risk Management (adjuster) | |

Call to Order

President Kinney called the meeting to order at 9:00 am welcoming everyone to the hybrid meeting. Verbal roll call took place. Adams introduced John Cushing, the newest WSTIP staff member. Christianson noted new Board members (Gauthier and Nash) were in attendance. Kinney asked if there were any changes to the agenda, hearing no changes, he asked for a motion to accept the agenda. **Liard moved to approve the agenda. Macdonald seconded the motion and the motion passed.**

Public Comment on Consent Agenda, Discussion, Potential Action Items

Kinney asked for public comment. No public comments were received.

Consent Agenda

Minutes – April 28, 2022, April 2022 Vouchers and Electronic Payments totaling \$734,851.31

| | | | | Total |
|-------------------------|----------|-------------------------|----|------------|
| Claims Vouchers | Numbers: | 93502203 - 93502277 | \$ | 431,314.43 |
| Administrative Vouchers | Numbers: | 93002081 - 93002159 | \$ | 212,850.03 |
| Electronic Payments | Dates: | 04/01/2022 - 04/30/2022 | \$ | 90,686.85 |
| | | | \$ | 734,851.31 |

Kinney asked if there were any items to remove from the consent agenda. There were no items removed from the consent agenda. **Liard moved to approve the consent agenda. Ocampo seconded the motion and the motion passed.**

Discussion / Potential Action Items

2022 Executive Committee Work Plan

Christianson said the 2022 work plan had been updated, each month we add or remove things that have been completed. The primary topic this year focuses on investments. There were no questions regarding the Work Plan.

WSTIP Treasurer

Christianson explained Coit announced she plans to retire in July, Coit has been the WSTIP Treasurer since April 2017, and prior to her the Treasurer was Ben Foreman (Intercity Transit) from 1999 to 2017. Christianson hoped the video ([click here](#) if you missed it) was helpful. At the last meeting, the EC asked staff to show what would need to change if Option 1 (*The EC could retain the status quo and start the recruitment for a new Treasurer in keeping with the RCW, Bylaws, and governance policy*) or Option 3 (*The EC could recommend changing the Treasurer to a WSTIP staff member. This may require changing the Bylaws and governance policy. Bylaw changes require State Risk Manager approval*) were recommended. At the Governance Policy Committee (GPC) meeting, the GPC reviewed the Bylaws and policies that would need to be revised depending on which option the EC recommends. Christianson reminded the EC that appointing/electing a Treasurer and Bylaw revisions are ultimately a Board decision and notice of such potential change has been sent to the Members and State Risk Manager in accordance with WAC 200-100-065.

EC Members discussed the options 1 and 3. There was a lengthy discussion about why and if the Treasurer should remain ex officio. Some EC members felt the Treasurer should be able to vote, while others felt it should remain as is. They also discussed whether the Treasurer should be elected or appointed, as well as duration. The EC would like the Treasurer position to be a three-year term and are leaning towards the position being elected. **Macdonald moved to go with Option 1 of Section 31 as written in the packet. Deutsch seconded the motion. Discussion:** Liard feels the Treasurer should be a voting member of the EC. Shinnors joined the meeting at 9:38 am, Kinney recapped the discussion for Shinnors. Shinnors thanked Kinney for the recap and said his preferred option was Option 3 but didn't have heartburn either way. Kinney called for a vote on the motion. **Ayes – Deutsch, Macdonald, Ocampo, Rogers and Kinney. Nays – Liard and Shinnors. The motion passed.** Kinney thanked the EC for the great discussion.

Governance Policies

Christianson stated the EC had asked the GPC to review the tribal rules and working principles to see if they are still relevant and then find a way to put them into the appropriate policies. You will see these incorporated into the following policies.

Accounting and Internal Controls

Christianson said the Accounting and Internal Controls Policy shows revisions that need to be made whether Option 1 or 3 is selected regarding the Treasurer role, but until a Bylaw revision is adopted this policy may be out of sync. The EC discussed the role of the Treasurer on the Investment Committee and decided to wait until after the Board had discussed the Treasurer role before taking any action on this policy. This policy will return to the EC in July.

Nominations and Elections

Christianson explained the changes to the Nominations and Elections Policy reflect the election of Treasurer and the background requirements for the Treasurer. Nominations for Treasurer would not be accepted from the floor as the committee would need time to review the backgrounds in order to create the slate of candidates. After discussion the EC requested staff remove the word special from A, D and the third special from E. They discussed what would happen if the Treasurer resigned mid-term, whether it would go to the person with the next level of votes like the Member Rep positions or hold another election. Christianson felt it would likely require a special election as you have to verify the qualifications. Hughes said it would likely resemble appointment as you may only have one qualified candidate.

Deutsch moved to accept the Nominations and Elections policy as amended during discussion. Ocampo seconded the motion and the motion passed.

Protocols for Meetings

Christianson reviewed the changes to the Protocols for Meetings Policy noting many of the Tribal Rules and Working Principles were incorporated into this policy. ***Macdonald moved to accept the Protocols for Meetings Policy as presented. Liard seconded the motion and the motion passed.***

Duties, Responsibilities and Development of Board and EC Members

Christianson shared the GPC had added the Vice-President as an optional approver of the Executive Director expense report should the Treasurer not be available, added work expectations and tribal rules as appropriate to the Duties, Responsibilities, and Development of Board and EC Members Policy. Deutsch suggested that until the Treasurer role was decided upon that the EC hold this policy. This policy will return to the EC in July.

Budget Development

Christianson highlighted the formatting changes to the Budget Development Policy. ***Liard moved to accept the Budget Development Policy as presented. Deutsch seconded the motion and the motion passed.***

Records Management

Christianson explained the requested changes to the Records Management Policy to reflect practices and fix formatting in this policy as well. ***Macdonald moved to accept the Records Management Policy as presented. Liard seconded the motion and the motion passed.***

Reimbursement for Paperless Meeting Devices

Christianson noted the change to the Reimbursement for Paperless Meeting Devices Policy which was implemented to reduce barriers for Board Members when we started using digital packets, changing this policy will not have a budgetary impact. ***Liard moved to accept the Reimbursement for Paperless Meeting Devices Policy as presented. Deutsch seconded the motion and the motion passed.***

Coverage Appeal Hearing Procedures

Christianson said this policy is referenced in the Bylaws and asked Hughes if he'd explain this policy. Hughes gave a brief history of the policy, changes requested, and asked the name be changed and the change reflected in the Bylaws. ***Macdonald moved to accept the Coverage Appeal Hearing Procedures as presented. Ocampo seconded the motion and the motion passed.***

Bylaws

Christianson explained the GPC is working on the Bylaws, they are seeking feedback on Section 36 at

this time ([click here](#) for video). The goal is to be able to clearly answer the AGRiP advisory standard questions around Executive Director authority for staffing. The EC members discussed the language and are comfortable with the revisions to Section 36 of the Bylaws. Christianson and Deutsch thanked the EC for their feedback.

The EC took a short break at 10:32 am and resumed the meeting at 10:44 am.

Branson explained that even though the GPC shared the redline version of proposed changes to the Bylaws they are not asking to send the document on to the Board for approval yet.

2023 Public Officials Liability (POL) Coverage Document

Adams stated the Coverage Review Committee (CRC) has completed their review of the POL Coverage Document with minor grammar and formatting updates and request permission to send this to the Board for recommendation to accept it. **Liard moved to recommend approval of the POL Coverage Document to the Board. Deutsch seconded the motion and the motion passed.** This will be on the Board agenda at the June meeting.

2023 General Liability (GL) Coverage Document

Adams explained the CRC is requesting feedback to better understand the desires of the Members regarding occupants not covered by worker's compensation in Member-owned vehicles, rental vehicles and personally owned vehicle uses in/during Member-approved business travel. The CRC has reached a strained compromise. The compromise is to provide limited liability coverage for occupants of Member-owned and rental vehicles used during Member-approved business travel, and a complete exclusion of coverage for occupants of a personally owned vehicle used during Member-approved business travel. The materials in the packet outline the changes to the Coverage Document, scenarios and how coverage would apply. EC members in attendance discussed the scenarios, how some Members may not have agency vehicles available to staff to take to meetings or conferences, some felt if someone brings their family it is their own liability. The EC appreciated the compromise the CRC had reached. Adams said the CRC meets again in June. The General Liability Coverage Document will come back to the EC to seek recommendation to send to the Members for comments.

Best Practice for Hiring

Kerrigan thanked Summit Law Group, Mary Pauly (Kitsap Transit), Andy Rowson (Clallam Transit), and Melissa Shoemaker (Lighthouse Consulting), for their assistance in updating the Best Practices for Hiring. This is informational only and the Best Practice will be distributed to the membership following the meeting. She included the redline version so that you could see how much had changed. The EC thanked Kerrigan for her work and appreciated the refreshed Best Practice.

Executive Session

At 11:10 am, the Executive Committee went into a 20-minute Executive Session to discuss an upcoming trial with Defense Counsel; 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. 2. To discuss performance of a public employee. The committee came out of Executive Session at 11:30 am. **Macdonald moved to authorize the Executive Director settlement authority in the Hudson-Miles v. Grays Harbor Transit matter. Deutsch seconded the motion and the motion passed.** McAfee left the meeting at 11:30 am.

Staff Reports

Executive Staff Report

Christianson stated we are waiting for information to come back from the underwriters for Cyber coverage the cyber market continues to be challenging but we are hopeful to keep the cyber deductible buy down but it could be at a significant cost increase. We have heard from other Pools who are seeing premiums that have doubled so be forewarned the renewal may be significant. Likely we will be asking you to re-sign your Cyber applications after June 1 so all in all Cyber isn't great news. The Auto-Physical Damage (APD) seems to be stable and we are expecting a less than 10 percent rate increase and will likely not lose our ability to have the 10-year or newer at replacement value coverage. We are still waiting for quotes for our all-risk property. We did ask the broker to go to the market and they have received several no thank you's but there is one carrier who is potentially willing to give us a quote. This carrier may want to do site visits, and we could potentially have to find coverage for boiler and machinery, earthquake, and flood coverage. Alliant understands we want full coverage, and Staff let Alliant know that we would be willing to keep an APIP layer if need be if it helped provide a well-rounded program. There may be decisions to be made at the June meeting for the July 1 renewal. We are moving our phones to Zoom which is a cloud-based system. We are able to keep our numbers, and WSTA will also be moving to Zoom phones. We welcome John to staff and new Board Members (Davis and Eddy).

Branson shared metrics from the Property and Vehicle Schedule of Values (SOV) that has been sent to the broker in preparation for the July 1 renewal. He shared that staff will be sending information regarding Property/ APD deductibles along with a request to select your deductible for 2022-2023 Property/APD coverage. Please return your selection by June 10th so that the actuary has the information as we begin the 2023 budget cycle. He is also scheduling appraisal visits for June. Kerrigan reported all the Above and Beyond awards have been presented, encouraged Members to apply for grants (Risk Management, Network Security, Technology), informed that Iddings has completed 15 site visits, related Juell is updating online training and planning the Trainer's Showcase, and stated work continues on updating Best Practices. On the cyber security front work continues looking at vendors who can provide resources mitigating cyber risk with a range of costs from free to hundreds of thousands of dollars. She also reminded everyone of the Origami Office hour with Rouse. Adams gave an update on open and recently closed claims, subrogation, and open litigated claims.

Seeks left the meeting at 11:51 am.

Sub-Committee Reports

Governance Policy Committee (GPC)

Deutsch reported the GPC met on April 28 and May 16, the committee consists of the Vice-President, President and Secretary. The committee incorporated the Tribal Rules and Working Principles into policies where it made sense to, they are also reviewing the Bylaws. Several policies had no changes, others were approved earlier today. The committee will meet again on June 6 from 3:00 to 5:00 pm. Kinney thanked Deutsch for the report.

Board Development Committee (BDC)

No report, the committee will meet immediately after the EC meeting.

Risks and Opportunities Committee (ROC)

No report, the committee will meet again on June 9.

Coverage Review Committee (CRC)

No report, the committee will meet again on June 21.

Investment Committee (IC)


No report, the committee will meet again on June 14.

Recap and Adjournment

Kinney recapped the meeting which included roll call, new Staff and Board member introductions, accepted the agenda, no public comments were received, approved the consent agenda, reviewed the work plan, discussed options for WSTIP Treasurer with a recommendation to the Board of Option 1, approved the following policies, Nominations and Elections, Protocols for Meetings, Budget Development, Records Management, Reimbursement for Paperless Meeting Devices and Coverage Appeal Hearing Procedures. He stated we are going to revisit the Accounting and Internal Controls and Duties, Responsibilities, and Development of Board and EC Members Policies in July and gave feedback regarding Section 36 of the Bylaws. We recommend the POL Coverage Document be approved by the Board, we gave feedback to the CRC regarding the GL Coverage Document, and reviewed the Best Practice for Hiring. The EC held an Executive Session granting Staff specific settlement authority for Hudson-Miles vs Grays Harbor Transit, Staff highlighted topics of importance in their Executive Staff Report and received reports from the sub-committees.

Kinney adjourned the meeting at 12:02 pm.

Submitted this 23rd day of June 2022.

Approved: 
4070BE642543479...
Danette Rogers, Acting Secretary/Past President