



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 23, 2023  
 Semiahmoo Resort & Zoom

Executive Committee Members Present	Staff Present
Scott Deutsch, President, C-Tran Shonda Shipman, Vice-President, Whatcom Transportation Authority Joe Macdonald, Secretary, Skagit Transit Jesse Kinney, Past President, Valley Transit Monique Liard, Treasurer & Large Member Rep, Spokane Transit Shawn Larson, Medium Member Rep, Link Transit Miranda Nash, Small Member Rep, Jefferson Transit Amy Asher, At-Large Member Rep, Mason Transit Authority	Cedric Adams, Claims Manager Matthew Branson, Deputy Director Anna Broadhead, Board Relations Tracey Christianson, Executive Director (virtual) Rick Hughes, General Counsel Todd Iddings, Safety and Risk Advisor Joanne Kerrigan, Member Services Manager Christine Rouse, Application Support Specialist Karey Thornton, Payroll and Accounting Specialist Alyssa Zahir, Claims Specialist 1 / Administrative Assistant.
Board Members Present	
Jenny George, Asotin County PTBA Andy Rowson, Clallam Transit David Ocampo, Columbia County Public Transportation Cyndie Eddy, Community Transit Brandon Hilby, Everett Transit Jean Braaten, Grays Harbor Transit Ken Mehin, Grays Harbor Transit Jana Brown, Intercity Transit Staci Jordan, Island Transit	Nicole Gauthier, Jefferson Transit Paul Shinnors, Kitsap Transit Pattie Goedker, Pacific Transit Karen Thesing, Pierce Transit Wayne Thompson, Pullman Transit (virtual) Jim Seeks, RiverCities Transit Jennifer Davidson, Skagit Transit Chris Stamey, Skagit Transit Crystle Stidham, Skagit Transit Angie Peters, Valley Transit
Guests Present	Executive Session ONLY Guest
Brian White, Alliant Brenda Lamb, Link Transit	Mark Lee, Wolf, Lee, Hurst and Slattery (Attorney)

#### Call to Order

President Deutsch called the meeting to order at 9:00 am welcoming everyone to the hybrid meeting. A sign in sheet was passed around the room, virtual guests will be captured by staff. Guests, new Staff and Board members were introduced. Branson asked everyone turn their nameplates sideways if they wished to speak and that Iddings and Zahir would bring a microphone to them so that everyone in the room and in Zoom could hear. Deutsch 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

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

## Consent Agenda

Minutes – February 23, 2023, February 2023 Vouchers and Electronic Payments totaling \$745,193.59

				Total
Claims Vouchers	Numbers:	93503025	- 93503100	\$ 486,773.69
Administrative Vouchers	Numbers:	93002475	- 93002498	\$ 44,390.48
Electronic Payments	Dates:	02/01/2023	- 02/28/2023	\$ 214,029.42
				\$ 745,193.59

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

## Discussion / Potential Action Items

### Draft Strategic Plan

Christianson explained how the Strategic plan is developed. Work begins at the Executive Committee (EC) Retreat, staff work to take the information from the EC retreat and formulate it into a draft plan. At the February EC meeting the EC directed staff on the strategic priorities, which led to further revisions by staff, and now it is coming back to the EC for further feedback. Staff will take the feedback from the EC and Board meeting and work to finalize the Strategic Plan at the June Board meeting. She asked the EC to discuss whether priority 1d should remain and if the dates proposed throughout the plan were acceptable.

Deutsch asked the EC if they felt 1d (*Reduce the number of vehicle/pedestrian and vehicle/bicycle strikes to zero annually. This strategic goal shall result in an annual report by mode.*) should remain a strategic priority knowing that the goal is likely not obtainable. Christianson said staff do not recommend removing this goal. Shipman asked how it would be tracked if it was removed from the strategic plan. Christianson said it would be an item on the EC workplan like, for example, the annual claims settled over \$100,000 report. Brown asked about the disadvantages of having it remain in the plan and the group considered if liability could be incurred or created due to the goal. Hughes and Adams discussed this briefly concluding their opinion that it would not increase liability.

Christianson said the strategic priorities have actions that staff do to support them so if this was removed how would staff know to try to reduce pedestrian / cyclist strikes. Jordan suggested removing the word zero to reducing the number of strikes by a percentage. Deutsch said the EC had discussed what number would be acceptable above zero, concluding one is too many. Kerrigan said goals are meant to be lofty. Deutsch suggested leaving 1d on the plan as presented.

Christianson said staff tried to set realistic dates throughout the proposed strategic plan. Liard suggested removing the date in 3b so that it reads November 2024. Kinney further suggested adding the words “the end of November 2024”. Christianson reminded the EC that even if the plan were adopted during this meeting, revisions can be made during the following years. Liard stated WSDOT and UW are developing training regarding zero-emission vehicles and wondered, if because of available training from that source, whether 4b could be achieved sooner. **Liard moved to retain 1d in the strategic plan for 2023-2026. Kinney seconded the motion and the motion passed. Shipman moved to adopt the dates as discussed. Macdonald seconded the motion and the motion passed. Macdonald moved to adopt**

***the 2023-2026 Strategic Plan as revised (3b) and recommend the Strategic Plan to the Board as modified. Shipman seconded the motion and the motion passed.***

Christianson said the next steps will be to receive feedback from the Board and hopefully adopt at the June meeting. She thanked everyone for their work on the strategic plan.

#### 2023 Executive Committee Work Plan

Christianson said the 2023 work plan had been created, now that the strategic plan is a solid draft we will add strategic priorities to the work plan, you will see items on the agenda today that are on the work plan for tracking purposes. There were no questions regarding the Work Plan.

#### Law Enforcement and Security Liability Risks

Christianson explained the Law Enforcement and Security Liability Risk was a topic remaining from the retreat, we are asking the EC to provide the Coverage Review Committee (CRC) with a recommendation as to what they should do with this topic. She is trying to gauge the risk appetite of the Members. We have had security personnel for a long time but have drawn the line at armed (guns) security. Staff have been reviewing contracts and keeping abreast of what is happening with each Member. The Member Services team is developing a Security Best Practice, we are more concerned about true law enforcement liability, fully commissioned officers can be armed with both non-life threatening and life-threatening weapons, but so can armed security officers.

Macdonald said the Risks and Opportunities Committee (ROC) discussed this topic and doesn't want WSTIP to step on toes due to how important security is in the environment we live in. Our passengers are not comfortable because they don't feel safe, employees also don't feel safe, so we won't have employees to drive the bus. Macdonald suggested discussing at the Member Rep Meetings to gauge Member feelings. Deutsch said they are grappling with serious safety concerns at his agency in that their contractor has a security officer shortage. The contract is for 21 positions and only 16 are filled. Recently, a supervisor and two security guards were injured by a passenger with a knife. Deutsch added that WSTIP needs to be mindful of what kind of story we are telling underwriters, do we take on more risk, or look at a group purchase for law enforcement liability. Asher felt this would be a great discussion for the Member Rep Meetings, she asked if separate coverage is even available and if so, is it astronomically priced like cyber coverage. Deutsch said underwriters expect we have security and lower-level weapons but likely don't expect tasers and guns. Christianson said our reinsurers may not shy away but she isn't sure about the excess carriers as White eluded to in his video the market is difficult in general. White said having conversations about what the exposures are and how the risk is being managed helps underwriters understand. The standalone Law Enforcement policies have been challenging the last couple of years and even \$10 million in limits may be broken into smaller chunks, there are not a lot of options out there, the market is challenged and if there is a claim it gets even more difficult. Christianson suggested tabling this discussion until we hear back from the Member Reps and the Committee concurred. The CRC meets again on April 19 and again in May.

#### Use of 15 Passenger Vans in LMSP Contracts

Deutsch said there has been a little controversy regarding some exclusionary language for community van programs. Christianson said staff are asking this topic be sent to the CRC with a recommendation to exclude the use of 15 passenger vans in Limited Mode Special Purpose (LMSP) Contracts. We are not talking about rideshare (vanpool) programs. These LMSP contracts sometimes rent the vans to

community groups or embed a vehicle in a non-profit for a time. These contracts have been handled under contractual liability which we've asked for over 10 years to not use 15 passenger vans in this service. However, Staff recently got more pushback from agencies that don't want us telling them how to use their vans, however, we wish to maintain our stance on not providing coverage for these contractual risks. Kerrigan said the ROC discussed this topic and recommends the EC send the topic to the CRC with the goal of excluding 15 passenger vans in LMSP. She has been communicating with the Members who have these LMSP contracts via email, attending the WSTA Rideshare Committee. The EC concurred with Staff's and ROC's recommendation to request the CRC draft exclusionary language for 15 passenger vans in LMSP contracts. Christianson reminded attendees this is also a topic for discussion at the Member Rep Meetings later this afternoon.

#### New Member Admissions

Deutsch said the New Member Admissions policy excludes some agencies across the state due to some of the criteria in the policy. The question is should that criteria remain and is it still relevant today. For example, Sound Transit approached WSTIP regarding membership. Sound is going to start maintaining some of their own vehicles and wondered about coverage for their mechanics while operating buses on the road to/from their contractor and their base. Christianson said each of the governance policies are reviewed each year and this one is a holdover from the prior year, we are wondering if the criteria are still true for your today. There are only so many agencies within Washington State that are not members, most agencies would meet the criteria.

Seeks said mechanics road test the buses all the time. Christianson said yes this is an exposure we have if you are performing maintenance. Shinnors is concerned that a new Member could potentially erode surplus joining this late in the game, he understands we have Sound Transit operations pretty much already but why should we take on the extra risk. He feels there is a big piece missing in this policy. New Members should have to have a capital investment like what we had to do when we formed GEM. Christianson thanked Shinnors for his comments. Macdonald asked if the policy needed some clearer definitions, like an assurance to not degrade the financial stability of the Pool. Christianson said she did ask Wick to do a review of just maintenance department claims and the type of risk we would be potentially adding and the Public Officials Liability (POL) risks with adding new employees to see if it would degrade the financial integrity of the Pool. Branson said she has some latitude to determine a rate with an offset potential for risk volatility. Liard questioned the two modes of transportation fixed route, if they are just maintenance are they held to the same Best Practice standards. Christianson said we don't have a lot of opportunity for growth, and if there are barriers are they true barriers. When Central joined they were just under 200,000 miles, is that criteria still necessary today, the two modes came about when transit agencies were forming to get vanpools and asking us to insure vanpools only. We will take vanpool with fixed route but is that still a factor and should we be talking about it. Christianson asked if Shipman had what she needed for the Governance Policy Committee's (GPC) review and she said she did.

#### Public Rideshare Best Practice

Kerrigan shared the updated Public Rideshare Best Practice formerly known as the Vanpool Best Practices. She provided the EC with a red-line version so that they could see the changes that were made. She thanked the Members who provided feedback for the update. If you have questions regarding this Best Practice please reach out to Kerrigan.

*The EC took a break from 10:11 am to 10:30 am.*

### Executive Session

At 10:30 am, the EC went into a 35-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 11:05 am. Deutsch announced the Executive Session would be extended an additional 5 minutes. The EC went back into Executive Session at 11:05 am and exited Executive Session at 11:10 am. Deutsch announced the Executive Session would be extended an additional 5 minutes. The EC went back into Executive Session at 11:10 am and exited Executive Session at 11:15 am.

### Sub-Committee Reports

#### Governance Policy Committee (GPC)

No report.

#### Board Development Committee (BDC)

Asher said the BDC met in January and again in February to set their schedule for the year, review the charter, review the feedback from the December Board meeting. She let everyone know the video speed can be adjusted on the videos provided in the packets. She reminded Board members that pooling basics course was available for them and if you are missing your login credentials to please reach out to Branson. We did discuss out-of-state training opportunities and will have further discussions at our next meeting. Deutsch thanked Asher for the report.

#### Risks and Opportunities Committee (ROC)

Macdonald said the Committee reviewed the charter no revisions are requested. We talked about 15 passenger vans and the increased exposure for this type of service. The Safety and Security Best Practices Subcommittee met March 7. There are 10 people from eight different agencies who talked about the minimum requirements needed for industry standards regarding specifically in house security. They are from safety, security, and risk backgrounds. There was a lot of interest in moving this forward as well as the daunting tasks surrounding drug use and exposure to drivers and security in and around service areas. The ROC aims to have draft recommendations before June. WSTIP wants to provide some basic training on how hydrogen fuel cells work. The focus would just be education and awareness. If there is a risk, WSTIP would like to know and be able to understand and mitigate that exposure. The ROC thought this might be a potential work session topic for the future. The ROC was comfortable moving forward with the identified best practices from work completed in 2020. This led to a discussion about a WSTIP strategic plan item regarding getting members to adopt near miss reporting in Origami. The ROC agreed staff can help come up with common definitions and boundaries for near miss reporting. They did acknowledge staffing may be a problem for smaller agencies and the ability to do that reporting. They also talked about what the possibilities to ensure compliance would be through differing deductibles. An agency would possibly get increasing deductibles if they don't comply with best practices fully. The committee also talked about employment practice liability training resources, WSTIP strategic priorities, public rideshare best practice recommendation and member updates. Staffing and hiring continue to be an issue but there were some promising solutions regarding job fair models worth talking about. Deutsch thanked Macdonald for the report.

### Coverage Review Committee (CRC)

Thesing reported the CRC met remotely on March 15, 2023, from 1:00 to 4:00 pm. After introductions for our new members, the Committee reviewed the Charter and did not have any recommendations or suggestions for change. We then went over the discussion items, before reviewing each WSTIP coverage document for edits and other changes. Due to the addition of a PFAS exclusion to our re-insurer documents, we discussed and agreed that we should add one to our General Liability (GL) and Property coverage documents, as the blanket pollution exclusion alone appears out of date. This is not a large exposure for WSTIP. Curt agreed to work on language, that we will review and further discuss at the next meeting. As coverage available to Limited Mode Service Providers using 15-passenger vans phases out in 2024, we discussed applicable coverage and use of the vans by other means. We decided that the committee's opinion is that coverage for use in vanpool and services where an employee is operating the van should not change. We discussed carving out GL coverage for drone operation and use for those Members operating in compliance with FAA standards. Because the number of Members is still so small, as well as the cost to purchase insurance with decent limits on the private market, the committee is of the opinion to not make room for this coverage and extremely limited exposure at this time. We discussed creating coverage that would apply to Behavioral Health Employees in and around Transit Systems. The Professional Services exclusion in the Public Officials' Coverage Document currently applies. Staff will research other transit pools and agencies across the country, as well as similar uses of the profession to continue the discussion at the next meeting. Additionally, Curt will work on proposed language to allow coverage for the profession, while still excluding other practices. Lastly, with some Members looking to create or add to in-house law enforcement and security personnel, the committee still believes this is not a risk the Pool should accept. Furthermore, perhaps it is time to add some exclusion language, which for review, Curt will provide at the next meeting. Should the EC direct the committee to provide any suggestions or recommendations on this topic, we will be ready. Each member reviewed the WSTIP Coverage Documents and provided Staff with a couple minor grammatical corrections, which Staff will implement for the next meeting. We will meet again on Wednesday, April 19, from 1-3 pm.

### Investment Committee

No report.

### Audit Committee

Deutsch said the Audit Committee met in February, discussed the year ending 2022, GASB announcements, policies, and the upcoming audits. If you have questions regarding the financials, please reach out to Branson. The Audit Committee will meet again in October.

### Recap and Adjournment

Deutsch recapped the meeting, guest and new Board member introductions took place, accepted the agenda, approved the consent agenda, discussed the draft strategic plan, reviewed the work plan, tasked the CRC with Law Enforcement Liability and 15 Passenger Vans in Limited Mode Special Purpose contracts, discussed the New Member Admissions policy with further discussion expected at the Member Rep Meetings, received the Public Rideshare Best Practice, held an Executive Session, and received reports from the sub-committees.

Lunch would be in the Victoria Room at 12:00 pm and the Work Session will begin at 1:00 pm.

***Shipman oved to adjourn the meeting at 11:34 am. Macdonald seconded the motion and the motion passed.***

Submitted this 27th day of April 2023.

Approved:   
7624726F511C442...  
Joe Macdonald, Secretary