



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
 April 27, 2023
 WSTIP Office & 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 Rick Hughes, General Counsel Todd Iddings, Safety and Risk Advisor Laura Juell, Risk and Training Coordinator Joanne Kerrigan, Member Services Manager Christine Rouse, Application Support Specialist Karey Thornton, Payroll and Accounting Specialist
Board Members Present	
Jenny George, Asotin County PTBA (virtual) Sarah Funk, Ben Franklin Transit (virtual) Rachele Glazier, Ben Franklin Transit (virtual) Brandon Hilby, Everett Transit (virtual) Ken Mehin, Grays Harbor Transit (virtual) Nicole Gauthier, Jefferson Transit (virtual)	Jason Rowe, Mason Transit (virtual) Karen Thesing, Pierce Transit Jim Seeks, RiverCities Transit (virtual) Chris Stamey, Skagit Transit (virtual) Crystle Stidham, Skagit Transit Greg Story, Yakima Transit (virtual)

Call to Order

President Deutsch called the meeting to order at 9:00 am welcoming everyone to the meeting as a sign in sheet was passed around the room. Deutsch asked if there were changes to the agenda and for a motion to accept the agenda if there were no changes. **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 March 23, 2023; March 2023 Voucher and Electronic Payments

			Total
Claims Vouchers	Numbers:	93503101 - 93503165	\$ 647,287.63
Administrative Vouchers	Numbers:	93503166 - 935032535	\$ 344,156.04
Electronic Payments	Dates:	03/01/2023 - 03/31/2023	\$ 264,824.83
			\$ 1,256,268.50

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

Discussion / Potential Action Items

Draft Strategic Plan

Christianson presented the draft Strategic Plan noting that staff had struck the word annually from 1d. Macdonald objected to the striking of the word annually as he remembered the Board accepting 1d as written in the previous draft. This topic will return in May after reviewing the March Board meeting minutes.

Draft Strategic Plan Action Items

Christianson explained the draft Strategic Plan action items are tasks staff mainly Member Services department will be working on to complete the Strategic Priorities, noting the Strategic Plan won't be adopted by the Board until June. Deutsch wanted to make sure not to overburden the Member Services team. Kerrigan said some of the work was already planned and she wouldn't have added it as an action item for this year if it wasn't achievable. Christianson said this is what we can accomplish within our given budget and begin budgeting for the following year. Liard asked if the EC could see the action items for the entire duration of the Strategic Plan. Kerrigan said she can provide that at the next meeting. There was also discussion about the near miss reporting and a potential Work Session for agencies to share how they are capturing and reporting near misses.

2023 Executive Committee Work Plan

Christianson shared the 2023 Work Plan, once the Strategic Plan gets adopted page two of the work plan will be developed and added. This document is a living breathing document and will be updated as tasks are moving along. There were no questions regarding the work plan.

Law Enforcement Liability

Christianson said that at the last meeting the EC discussed Law Enforcement Liability, and the discussion was tabled pending Member Representative Meeting report outs. Included in the materials is the information we received from the report out. She asked if the EC wished to have more discussion. Deutsch said this is a difficult topic. All Members are all grappling with unique and challenging issues with safety and security in this post pandemic environment. He felt the large Members were interested in looking at breaking out this coverage so that it doesn't reduce the amount of coverage available to all Members. Larson felt the topic needs clearer definitions. His group was not sure if we are talking about security guards, armed security guards or law enforcement, are they employees, how are they being trained. Macdonald asked what classification handcuffs fit into and does that potentially create false imprisonment claims. Deutsch said he thinks about this topic in three levels: Level 1 – Observe and Report; Level 2 – non-lethal; Level 3 – armed. Christianson said underwriters expect us to have Level 1 and 2 but probably not 3. Deutsch said in their contracts the security contractor tried to transfer risk to WSTIP which he rejected. Asher and Nash said they use supervisors to walk the transit centers but rely on the local law enforcement as back up but having a presence is helping. Shipman said they plan to hire four unarmed safety employees, are exploring body cameras, and have bathroom attendants at their Bellingham station and have limited customer service hours. Liard said they only allow one person in the restroom at a time. Macdonald said they hired three retired law enforcement officers as security. Kinney said they contract security and put the liability on the contractor. He suggested WSTIP cover if security

has baton and or pepper spray but anything other than that needs to be a separate coverage. Liard asked if the Pool had explored what is happening in the law enforcement space to see what programs regarding de-escalation, mental health, etc they are using.

Christianson said she has asked White to look and see what options are out there for coverage, if it will cheaper the more agencies involved and what the application process looks like but he isn't finding any markets right now as he has been able to in the past. Deutsch suggested looking at coverage through the levels 1, 2, and 3 to distinguish what WSTIP is willing to cover likely levels 1-2, and then 3 you need separate coverage for in addition to a desire to have Best Practices regarding safety and security and training. Kerrigan said she is working with a sub-set of the ROC to create the Best Practice that will help all Members.

Deutsch asked Christianson if there are issues for Level 1 security officers. Christianson said she talked to Joe Peppleman at MunichRE, they expect transit to have security but when I asked him about true law enforcement officers he wants to know more. There was further discussion regarding youth zero fare and the impacts, the legislative environment in Washington, grant funding, and how overall the expectations of civil behavior have changed. Branson asked the EC if they would like the CRC to work on an exclusion for law enforcement and help to clarify what remains. What are the pieces and how they are different than the exclusions. Christianson clarified her intent is to not exclude security officers; however, she is hesitant about armed security. **Deutsch asked if there was consensus from the group to send this topic to the CRC to include three levels of security plus law enforcement. The EC recommends to continue coverage for levels 1 and 2, but exclude level 3 and law enforcement. The EC concurred with nodding heads.** This topic will go to the CRC before coming back to the EC.

2023-2024 Property Coverage Document

Adams stated the Coverage Review Committee (CRC) had reviewed the 2023-2024 Property Coverage Document and recommends no changes. He asked the EC to recommend adoption to the Board at the June meeting. Liard asked staff to explain the terrorist activity exclusion. Christianson explained terrorism is excluded in the WSTIP Property Coverage Document but that she purchases it with the excess policy. Terrorism coverage has been extraordinarily expensive in prior years, but she believes those prices have begun to lower, but cautions that the trigger for coverage may be tied to the government, and there are many things they do not consider as terrorism. She is having conversations with Brian White at Alliant regarding Active Shooter coverage, which the Large Members may be interested in a group purchase but that isn't necessarily terrorism coverage. She said we can remove the exclusion as it is within our \$250,000 layer, leave the definition and add it to the Coverage Summary. In addition, she can look for a policy to stand in front of or behind the Coverage Document. She will also be engaging some Members regarding active shooter coverage. Deutsch asked EC members if they wanted to remove the terrorism exclusion. **By consensus they are asking the CRC to remove the terrorism exclusion from the 2023-2024 Property Coverage Document.**

The EC took a break at 10:00 am and resumed their meeting at 10:10 am.

Auto Physical Damage Limits

Christianson said this topic came up at the agenda setting meeting with the officers. Under the excess Auto-Physical Damage policy there is a limit per vehicle of \$1.5 million with a single occurrence limit of \$20 million. After a recent visit to Spokane's beautiful electric charging facility where they park their buses

nose to tail, Christianson was concerned we don't have enough limits as other Members are also getting more and more electric and hydrogen buses. The electrical fires that could happen are way different than diesel fires and it could be catastrophic. Deutsch said he is concerned as well because with electricity you can only go so far away from a transformer, so the buses need to be parked nose to tail because cost wise it is too expensive to spread them out across your property and would feel more comfortable with higher limits. Christianson will see if there are options to get higher limits in the \$25M to \$60M range. Macdonald suggested that maybe a supplemental policy for those agencies who want higher limits. It was also suggested WSTIP develop a Best Practice about parking electric buses so that the entire fleet doesn't go up in a fire. Christianson said she will add this topic to the EC work plan, reach out to White to see what options there are and if it is possible to do a subset of Members (Large Members plus Everett and Link) that have the exposure, in addition to monitoring the acquisition limit.

Business Continuity Plan Drill Report Out

Branson walked the EC through the Business Continuity Plan Drill staff participated in during the staff retreat in late February early March. In the scenario access to Origami (the risk management information system) was not available for many days. Staff figured out what steps need to be taken to still be able to process claims in a timely fashion, identified tools that could be used, and feel confident that should we lose access to Origami we would still be able to process claims. EC members appreciated the information and gave staff a round of applause. If you have questions regarding the drill, please reach out to Branson. As a side note the updated Business Continuity Plan will be presented in July.

Member Services Catalog

Kerrigan shared the Member Services Catalog she created in efforts to market the various programs WSTIP provides to Members. Deutsch thanked Kerrigan for the catalog. If you would like a copy please reach out to Kerrigan.

Toddcast

Kerrigan said in an effort to reach the Members in different mediums we created a podcast "Toddcast" as Todd Iddings is the host. Attendees of the meeting watched the first Toddcast ([click here](#) to watch). Upcoming topics include Hydrogen Buses, Claims and Subrogation, as well as serious loss topics. The EC thanked Kerrigan for sharing and liked the Toddcast. If you have topics or feedback for Kerrigan and the team regarding the Toddcast, please reach out to Kerrigan.

The EC took a short break from 11:09 am to 11:15 am.

Executive Session

At 11:15 am, the EC went into a 30-minute Executive Session to discuss upcoming trials 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. The committee came out of Executive Session at 11:45 am. Deutsch announced the Executive Session would be extended an additional 10 minutes. The EC went back into Executive Session at 11:45 am and exited Executive Session at 11:55 am. No action was taken.

The EC broke to gather lunch at 11:57 am and resumed their meeting at 12:12 pm.

Staff Reports

Executive Staff Report

Christianson announced Terri Gardner at Grays Harbor Transit was appointed as an alternate to the Board, we are expecting Sarah Funk at Ben Franklin Transit and Jim Fetzer at Clallam Transit as Kevin Gallacci is retiring June 30. She signed contracts with Department of Licensing (DOL) to allow Iddings to be a third party tester and renewed the Health Care Authority (HCA) contract. Work continues on the compensation policy and survey and is talking to Simon from BMS regarding a cyber coverage alternative. Branson reported vehicle lists have all been submitted, we are actively collecting Cyber applications and Property schedule of values (SOV). He is working with the appraisers to get the property appraisals scheduled for end of May early June with the reports coming back during the fourth quarter.

Kerrigan gave an update on the many projects the Member Services team is working on ranging from technology grant, Member Improvement List (MIL) and scheduling visits, new content available in the LMS, we were able to get DOL to agree to allow us to train CDL testers and then they will come onsite and do the certification process. We will continue to work with DOL, and as soon as DOL knows what the recertification requirements are they will communicate with us and we will communicate the information to you. Guest Rider program has kicked off and rides will be happening soon. Christianson thanked WSTA and DOL for the third-party tester contract. Adams declined to give an update as his update occurred during the Executive Session.

Sub-Committee Reports

Governance Policy Committee (GPC)

The GPC consists of the officers (Shipman, Macdonald and Deutsch). This committee met the previous day with plans to continue their meeting following the EC meeting and on Friday morning. They plan to review all the policies during this time. Expect several policies to be presented for approval at the May meeting.

Board Development Committee (BDC)

No report. Next meeting May 26.

Risks and Opportunities Committee (ROC)

No report, the next meeting for the ROC is June 8.

Coverage Review Committee (CRC)

Thesing gave a brief report stating the CRC is working on a PFAS exclusion following language in our reinsurance documents, discussing language limiting 15 passenger vans in the Limited Mode Special Purpose (LMSP) contracts, discussing behavioral and mental health providers and how the current exclusion may need to be revised, she heard the discussion regarding law enforcement liability and the CRC will work with coverage counsel to draft exclusionary language for the January 1 renewal. The next meeting for the CRC is May 10.

Investment Committee (IC)


No report, the next meeting for the IC is yet to be determined.

Recap and Adjournment

Deutsch recapped the meeting, sign in sheet, accepted the agenda, adopted consent agenda, gave

direction to staff on the Strategic Plan, requested more information on the Strategic Plan Action Items, reviewed the EC work plan, discussed Law Enforcement Liability giving the CRC direction, request the CRC remove the terrorism exclusion from the Property Coverage Document. Asked Christianson to work with the broker to see if higher limits were available in the excess APD coverage, reviewed the Business Continuity Plan Drill report out by staff, Kerrigan shared the Member Services catalog, and watched the Toddcast. Staff gave updates on current projects and we heard sub-committee reports from the GPC and CRC. **Macdonald moved to adjourn the meeting at 12:31 pm. Larson seconded the motion and the motion passed.**

Submitted this 25th day of May 2023.

DocuSigned by:

Approved: 7624726F511C442...
Joe Macdonald, Secretary