



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 25, 2023
 Enduris ~ Spokane & 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 (v)	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 (v) Laura Juell, Risk and Training Coordinator (v) Joanne Kerrigan, Member Services Manager (v) Christine Rouse, Application Support Specialist (v) Karey Thornton, Payroll and Accounting Specialist (v)
Board Members Present	
Jenny George, Asotin County PTBA (v) Steven Davis, Ben Franklin Transit (v) Rachelle Glazier, Ben Franklin Transit Tom Hingson, Everett Transit (v) Jean Braaten, Grays Harbor Transit (v)	Staci Jordan, Island Transit (v) Jason Rowe, Mason Transit (v) Karen Thesing, Pierce Transit (v) Jim Seeks, RiverCities Transit (v) Greg Story, Yakima Transit (v)
Guests Present	
Elena Bundy, Bundy Law Group (Attorney) (v) Lori Messner, Logic Comp (v)	Caryn Jorgensen, Stokes Lawrence (Attorney) (v)

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. Shipman 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 April 27, 2023; April 2023 Voucher and Electronic Payments

				Total
Claims Vouchers	Numbers:	93503166	- 93503230	\$ 320,963.52
Administrative Vouchers	Numbers:	93002536	- 93002569	\$ 197,783.51
Electronic Payments	Dates:	04/01/2023	- 04/30/2023	\$ 133,622.35
				\$ 652,369.38

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 presented the draft Strategic Plan noting that staff had added the word annually back into 1d. The EC recommends the Strategic Plan 2023-2026 for adoption at the June Board meeting.

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 for the duration of the plan, noting the Strategic Plan won't be adopted by the Board until June. Kerrigan emphasized that the dates provided are squishy and subject to change.

Glazier arrived at 9:06 am. Christianson introduced Glazier from Ben Franklin Transit. EC members welcomed Glazier.

Deutsch asked Kerrigan if the Staff planned to draft model communications in additional languages such as Spanish or Russian, and if it would be possible to showcase a Member who removed the side facing seats. Kerrigan said good comment on translating to additional languages, and she is not aware of any Member who has removed the side facing seats but would reach out to other transit pools across the nation to see if there are examples. Deutsch asked for consensus that the Strategic Plan Action Items are going in the right direction. There were several nodding heads in the room.

2023 Executive Committee Work Plan

Christianson shared the 2023 Work Plan this document is a living document and will be updated as tasks are moving along; she noted the topic of raising the Auto-Physical Damage (APD) limits was added after the last meeting. There were no questions regarding the work plan.

2023-2024 Property Coverage Document

Adams stated the Coverage Review Committee (CRC) had updated the 2023-2024 Property Coverage Document as recommended by the EC at the April meeting removing the terrorism exclusion. He asked the EC to recommend adoption to the Board at the June meeting. **Kinney moved to recommend the Board adopt the 2023-2024 Property Coverage Document as presented. Shipman seconded the motion and the motion passed.**

Governance Policies

Shipman said the Governance Policy Committee (GPC) met April 26-28, to review all the WSTIP Governance Policies. The changes the GPC recommends are summarized in the memo included in the packet. The Purchasing Policy is an EC policy but due to the changes we are recommending we would like the Board to discuss Section 2.4 regarding insurance allowing the Executive Director to bind coverage if there is only one provider or it is below a certain percentage different than the expiring policy.

Claims Management Policy

Shipman stated the GPC added the claims philosophy to the policy and fixed minor grammatical errors. Kinney suggested moving the philosophy out of the purpose statement and having it be under policy statements. Deutsch asked for a motion to adopt as revised. **Kinney moved to adopt the Claims Management Policy with the claims philosophy as a policy statement. Macdonald seconded the motion and the motion passed.**

Coverage Appeal Hearing Procedures

Shipman asked Hughes to explain the changes recommended to this policy. Hughes explained the changes recommended to the Coverage Appeal Hearing Procedures. Kinney questioned why the appellant wasn't able to speak. Hughes suggested the language in 2b be amended to read "Any EC member employed by the Member making the appeal shall recuse themselves from the proceedings and that Member will not vote on any matter related to the appeal, participate in any discussion other than that described in section 2c or as requested by the EC, or attend an Executive Session." Liard asked that Member and EC Member capitalizations be consistently applied in the policy. **Macdonald moved to approve the Coverage Appeal Hearing Procedures with revisions by Hughes and Liard. Liard seconded the motion and the motion passed.**

Duties, Responsibilities and Development of Board and EC Members Policy

Shipman explained the EC work plan had been added to the Duties, Responsibilities and Development of Board and EC Members Policy. Kinney suggested adding the words "or assigned by the Board" to the policy after agreed to by the President under the Executive Committee duties. **Macdonald moved to approve the Duties, Responsibilities and Development of Board and EC Members Policy as revised during the meeting. Larson seconded the motion and the motion passed.**

Expense Reimbursement Policy

Shipman reviewed changes to the Expense Reimbursement Policy mainly adding clarification regarding airfare, parking and ground transportation, in addition to adding language clarifying that if pre-paid expenses were paid and the trip not taken then the funds were due back to the Pool. After discussion it was requested that the words *ground transportation* be changed to just *transportation*. The EC also discussed the pre-paid expenses in line 7 and decided that it was ok as written. **Liard moved to approve the Expense Reimbursement Policy removing the word ground. Shipman seconded the motion and the motion passed.**

Issuance of Warrants and Checks Policy

Shipman noted the changes to the Issuance of Warrants and Checks Policy changes were to add cross-reference policies. Liard asked to update the date at the bottom of the policy. **Kinney moved to approve the Issuance of Warrants and Checks Policy with the date revision. Liard seconded the motion and the motion passed.**

Member Driver Record Monitoring Policy

Shipman stated the change to the Member Driver Record Monitoring policy were to change the word *vanpool* to *public rideshare*. **Kinney moved to approve the Member Driver Record Monitoring Policy. Macdonald seconded the motion and the motion passed.**

Payments by Members Policy

Shipman highlighted changes to the Payments by Members Policy. Kinney asked the policies being referenced be listed in numerical order like other policies. Liard asked that in number 4 the Executive Director countersign. ***Liard moved to adopt the Payments by Members Policy with the additional revisions. Kinney seconded the motion and the motion passed.***

Protocol for Meetings Policy

Shipman said the revisions to the Protocol for Meetings Policy adds the use of microphones and defines how many Board members and alternates WSTIP will pay to attend meetings. ***Liard moved to adopt the Protocol for Meetings Policy. Larson seconded the motion and the motion passed.***

Purchasing Policy

Shipman went through the proposed changes to the Purchasing Policy. She shared the GPC is recommending modifying the definitions of minor, small and large purchases, additional limits to be distributed amongst the purchasing cards.

The GPC would like the Board to weigh in on the revisions to ***Purchasing Policy, Section 2.4 (Insurance) with the modified language: The Pool's Broker will seek the best possible insurance products at competitive pricing. Insurance products will be presented to the Board. Upon Board approval the Executive Director may proceed with binding coverage, paying premiums and execute any documents consistent with Board approval. To the extent there is only one coverage option available, this option does not materially change the terms and conditions of the expiring policy, and the cost of the coverage does not exceed 10% of the expiring policy, the Board authorizes the Executive Director to bind coverage, pay premiums, execute document and present coverage to the Board at their next regularly scheduled meeting. This Board authority for this alternative bind authority was granted on YYYY—MM-DD and included incorporated or memorialized in purchasing policy adopted by the Executive Committee on YYYY-MM-DD.***

The EC agreed to further discussion on Section 2.4 appreciating that the language was added, they also discussed the definitions, the Executive Director authority, and purchasing card limits. Staff agreed to put the current contracts length and their value at the end of future Executive Staff Reports.

The EC took a break at 10:14 and resumed their meeting at 10:23 am.

Shipman noted for the following policies she would like consensus to send these to the Board for adoption in June with the exception of the Bylaws as they will not be able to be adopted until September due to notification that needs to happen.

Assessment Allocation and Minimum Contribution Policy

Shipman explained the changes to the Assessment Allocation and Minimum Contribution Policy are to reflect current practice. Christianson added if the new underwriting structure proposed by PricewaterhouseCoopers (PwC) is adopted this policy will need to be re-written to reflect the new underwriting structure. ***Deutsch asked if there was consensus to send the Assessment Allocation and Minimum Contribution Policy to the Board for approval. Based on nodding heads around the room this policy will be on the June Board meeting agenda for action.***

Bylaws

Shipman stated the GPC recommends revising Section 52 of the Bylaws for clarity. Hughes said the proposed revisions make it clear the Member can request binding arbitration. Christianson said in order to change the Bylaws we must first send the proposed revisions to the State Risk Manager, and then provide 30-day notice to the membership. ***Deutsch asked if there was consensus to send the Bylaws to the Board for consideration. Based on nodding heads around the room the Bylaws will be on the June Board meeting agenda as a discussion item.***

New Member Admission Policy

Shipman shared the revisions the GPC recommends to the New Member Admission policy, clarifying that even if a new Member has less than 200,000 miles they would be charged for 200,000 miles, information the Executive Director can collect, reimbursement of fees to determine eligibility and clarification the EC would make a recommendation to the Board as well as clarity on action the Board takes with regards to an application approved or denied. There was a brief discussion about the 200,000-mile threshold and whether only portions of an agency would be accepted. Christianson pointed out that the Pool does not cover Kitsap Transit's ferries. ***Deutsch asked if there was consensus to send the New Member Admissions Policy to the Board for approval. Based on nodding heads around the room this policy will be on the June Board meeting agenda for action.***

Policy Governance Defined and Explained

Shipman said the revisions to the Policy Governance Defined and Explained Policy were to remove the legacy resolutions which were removed as a policy last year. ***Deutsch asked if there was consensus to send the Policy Governance Defined and Explained Policy to the Board for approval. Based on nodding heads around the room this policy will be on the June Board meeting agenda for action.***

Compensation Study

Branson introduced Lori Messner from Logic Comp. Messner is working on the compensation study for Pool staff. Previously the work had been done by Kara Turner. For the compensation study this year we partnered with Washington Cities Insurance Authority (WCIA) and Enduris which are other Pools in Washington State. The GPC met with Messner in April to discuss the historical compensation philosophy and gave Messner feedback in regard to what they were looking for in the compensation study. The GPC will seek feedback at the June Board meeting during the Member Rep Meetings regarding the compensation study.

Messner shared their approach to the compensation survey including where they looked for data, how they validated the data, she walked the EC through one WSTIP position explaining how the position benchmarked against comparators, she also had recommendations regarding the metric to use for a General Wage Increase (GWI) determination. [Click here](#) to view her PowerPoint presentation. Overall, WSTIP positions are competitive in this tight labor market, she recommended doing another compensation study in three-years to maintain the compensation system going forward. Messner also recommended not necessarily including an overall Benefits study, but rather just specific benefits questions on topics that might change from time to time. The EC thanked Messner for her work and Messner dropped off the call.

The EC discussed the compensation study results, appreciated all the data provided by Messner, were

happy to see that WSTIP is in alignment with the other Pools in Washington, discussed GWI based off Bureau of Labor Statistics (BLS) vs Consumer Price Index (CPI) although for 2022 they were very similar. The GPC will create a video to educate the Board on the compensation study, the GPC will seek feedback at the June Board meeting relating to the compensation philosophy during the Member Rep Meetings and will then develop the compensation philosophy policy at their meeting in July. If you have questions regarding the compensation study, please reach out to Branson.

Executive Session

At 11:46 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 12:16 pm. **Macdonald moved to grant staff requested settlement authority in the Thorinsson v Everett Transit matter. Kinney seconded the motion and the motion carried.**

The EC broke at 12:17 pm to gather lunch. The meeting resumed at 12:32 pm.

At 12:33 pm, the EC went into a 15-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 12:48 pm. No action was taken.

At 12:49 pm, the EC went into a 10-minute Executive Session; pursuant to RCW 42.30.110 (1) (g) to discuss performance of a public employee. The committee came out of Executive Session at 12:59 pm. Deutsch announced the Executive Session would be extended an additional 15 minutes. The EC went back into Executive Session at 1:01 pm and exited Executive Session at 1:16 pm. No action was taken.

Staff Reports

Executive Staff Report

Staff reports were deferred, if you have questions regarding any of the topics in the written report please reach out to Christianson, Branson, Kerrigan or Adams.

Sub-Committee Reports

Governance Policy Committee (GPC)

Report was deferred until the next meeting.

Board Development Committee (BDC)

Report was deferred until the next meeting.

Risks and Opportunities Committee (ROC)

Report was deferred until the next meeting.

Coverage Review Committee (CRC)

Report was deferred until the next meeting.

Investment Committee (IC)

Report was deferred until the next meeting.

Recap and Adjournment

Deutsch recapped the meeting, sign in sheet, accepted the agenda, adopted consent agenda, recommend adoption of the 2023-2026 Strategic Plan, concur Strategic Plan Action Items look acceptable, reviewed the EC work plan, discussed and adopted multiple governance policies, recommend three policies to the Board for adoption and potential Bylaw changes. Reviewed the compensation study results with the consultant. Held three executive sessions. Staff and sub-committee reports were deferred until the next meeting. **Liard moved to adjourn the meeting at 1:20 pm. Macdonald seconded the motion and the motion passed.**

Submitted this 22nd day of June 2023.

Approved: 
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Joe Macdonald, Secretary