



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
 August 24, 2023
 Seoul Room – SeaTac Conference Center & 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 Robyn Galindo, Claims Specialist (v) Rick Hughes, General Counsel Todd Iddings, Safety and Risk Advisor (v) Laura Juell, Risk and Training Coordinator (v) Christine Rouse, Application Support Specialist (v) Karey Thornton, Accounting and Payroll Specialist (v)
Board Members Present	
Jenny George, Asotin County PTBA (v) Sarah Funk, Ben Franklin Transit (v) Ken Mehin, Grays Harbor Transit (v) Staci Jordan, Island Transit (v)	Nicole Gauthier, Jefferson Transit (v) Karen Thesing, Pierce Transit (v) Greg Story, Yakima Transit (v)

Call to Order

President Deutsch called the meeting to order at 9:04 am welcoming everyone to the hybrid meeting. A sign-in sheet was passed around the room. Deutsch asked if there were any changes to the agenda from staff and EC members, hearing no changes, he asked for a motion to accept the agenda. **Shipman 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 – July 27, 2023; July 2023 Vouchers and Electronic Payments totaling \$4,843,138.14

					Total
Claims Vouchers	Numbers:	93503402	-	93503476	\$ 1,485,616.52
Administrative Vouchers	Numbers:	93002629	-	93002689	\$ 3,207,679.05
Electronic Payments	Dates:	07/01/2023	-	07/31/2023	\$ 149,842.57
					\$ 4,843,138.14

Deutsch 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. Asher seconded the motion and the motion passed.**

Discussion / Potential Action Items

2023 Executive Committee Work Plan

Christianson said the 2023 Work Plan had been updated to close out the Auto-Physical Damage (APD) limits and will add a dot in August for ED Performance Review. This document gets updated monthly to assist the EC in tracking ongoing and upcoming work. There were no questions regarding the Work Plan.

Executive Director Performance Review

Deutsch outlined his plan for the Executive Director (ED) Performance Evaluation which will include a survey for Board Members, and interviews with Staff. He feels Christianson is spot on with the work she is doing, meeting all the targets. There were no questions regarding this topic.

2024-2026 Executive Director Contract

Deutsch stated he had been working with Christianson and Hughes to negotiate the 2024-2026 Executive Director's contract. Christianson has been phenomenal to work with, she has no bizarre requests. Liard asked if in Section 3a if the two thirds vote meant all Members or all Members present. Hughes said two thirds of all Members, same as if they were wanting to terminate the ED, strike both present or absent. Deutsch noted adding a 120 days' notice clause and there is an incentive clause should she stay the full term of the contract. Christianson pointed out that she did not ask for the incentive clause but did ask to be able to take a full 30 consecutive days off. **Macdonald moved to forward the proposed contract onto the Board as amended. Liard seconded and the motion passed.**

2024 WSTIP Operation Budget

Branson explained that unlike a transit agency budget where your revenue determines the expenses WSTIP must determine the expenses and then collect the revenue. Staff collected and have sent estimated miles and employee counts to the actuary who is working to determine the loss fund. This information was also submitted to the broker and staff await quotes for purchased insurance. He shared the 2021, 2022, and 2023 budget along with the proposed 2024 budget. Noting the proposed general wage increase used the model outlined in the (draft) Staff Compensation and Benefits Philosophy Policy that was presented at the last meeting (and will be going on to the Board in September). Staff incorporated the EC's feedback from the July meeting which included an increase to the Risk Management Grant. We did not add additional funds to the Technology Grant as there is \$400K in the reserve. The Shackleton Leadership course is included as it was recommended at the June Board meeting. Branson explained why he budgeted for depreciation. He also explained due to the implementation of GASB 96, the Origami contract is a capital asset with a corresponding amortization expense. He is budgeting for the amortization expense because we have a yearly cash flow obligation we need to collect as part of our budget. The EC discussed the proposed budget asking if there were any early indicators on the purchased insurance and loss fund. The EC discussed pre-litigation funding, Board travel expenses including the \$5,000 in the budget to hold the 2024 non-quarterly EC meetings at SeaTac. Following all discussions, the EC requested the depreciation for the building reserve fund be removed. Branson thanked the EC for their feedback.

The EC took a short break from 10:06 am to 10:22 am.

2024-2025 WSTIP Meeting Schedule

The EC discussed the pros and cons of having the non-quarterly EC meetings at the SeaTac Conference center as proposed in the 2024-2025 meeting schedule, rather than having them in Olympia or moving around the state as they did in 2023. After the lengthy discussion consensus was reached to try the SeaTac Conference Center for 2024 non-quarterly EC meetings. **Macdonald moved to send the proposed 2024-2025 Meeting Schedule to the Board. Shipman seconded the motion and the motion passed.**

Draft 2024 General Liability (GL) Coverage Document

Adams highlighted the proposed changes to the GL Coverage Document, PFAS, 15-passenger vans in Limited Mode Special Purpose (LMSP) contracts, and law enforcement exclusions. There was discussion from the EC asking Adams to broaden the RCW 10.120.010 et seq vs the individual (1) and (7) and asked to change the word "gun" to "firearm." Adams said he would make the updates and asked for permission to send the 2024 Draft GL Coverage Document to the Board for feedback. Deutsch asked if there were options for those Members who currently have law enforcement to purchase coverage. Thesing said (via the chat pod in Zoom) she was working with the broker to see what coverage they may be able to get. Christianson said as long as the security guards are not using knives, tasers, or guns they would be covered. She reminded everyone these exclusions are also mirrored in the Public Officials Liability (POL) Coverage Document and that she had sent them on to GEM and Munich Re as part of our renewal applications. Branson read the definition of firearm from RWC 9.41.010. ***Kinney moved to send the proposed 2024 GL Coverage Document to the membership for feedback as amended changing the word gun to firearm. Larson seconded the motion and the motion passed.***

Draft 2024 Public Officials Liability (POL) Coverage Document

Christianson said the same exclusions are mirrored in the POL Coverage Document except the 15-passenger van for LMSP. ***Macdonald moved to send the proposed 2024 POL Coverage Document to the membership for feedback as amended changing the word gun to firearm. Larson seconded the motion and the motion passed.***

Request Purchasing Authority re Renegotiated Contract with Absorb LMS

Branson explained the Absorb LMS contract needed to be renegotiated because the rideshare users do not access training every year, but we were being charged for them in year one as expected but then we also were charged for them in year two which was not expected. We worked with Absorb LMS to get the pricing structure corrected and have set up two tier user groups. Juell went through and removed those 2,000 rideshare users into their specific tier which leaves approximately 750 users in the LMS system. We are asking the EC to authorize the ED to sign the renegotiated contract with Absorb LMS to begin on January 1, 2024. ***Liard moved to authorize the Executive Director to sign the renegotiated contract with Absorb LMS. Shipman seconded and the motion passed.***

Executive Session

At 11:04 am Deutsch announced the EC would go into a 20-minute Executive Session; pursuant to RCW 42.30.110 (1) (i) to discuss litigation. President Deutsch ended the Executive Session at 11:24 am announcing they would extend for an additional five minutes at 11:24. The committee came out of Executive Session at 11:29 am. No action was taken.

The EC took a short break for lunch at 11:30 am and resumed their meeting at 11:45 am.

Staff Reports

Executive Staff Report

Christianson reminded those who may have received a notice from Broadhead regarding Open Public Meeting Act (OPMA) training to please send in your certificates. We are in the middle of the Underground Storage Tank (UST) renewal for eight Members, applications have been turned in but we haven't received a proposal yet. At the back of the staff report are all the open contracts.

Branson said the WSTIP audit has concluded with no findings. The exit conference was held on August 22. Branson thanked the Members who attended (Gray, Liard, Peters, and Thesing). Macdonald suggested a round of applause for the clean audit (round of applause ensued). Branson thanked everyone for turning in the

estimated miles and employee counts, noting the information is with the broker and actuary now. His section also lists who opted in for the additional Auto-Physical Damage (APD) excess coverage, noting it will flow through to the 2024 assessment.

Christianson noted that Kerrigan is not in attendance, but Iddings and Juell are available to answer any questions. Macdonald asked if there are any new Technology Grant applications. Christianson said there are no new grant applications, but we did disperse funds for one that was approved last year. Macdonald asked about the DOL Third-Party Testers Training. Iddings said all third-party testers that were trained last year, and that will be trained in October of this year will need to attend one of the weeklong recertification training sessions in January of 2024 (Spokane, King County Metro and Pierce Transit). Asher asked if the videos in the LMS will remain there next year. Juell said the videos are there indefinitely. Adams gave an update on open and recently closed claims, subrogation, and open litigated claims. He also answered various questions regarding ongoing claims. Deutsch thanked Staff for their report.

Sub-Committee Reports

Governance Policy Committee (GPC)

No report, no future meetings are scheduled at this time.

Board Development Committee (BDC)

No report the next meeting for BDC is August 25.

Risks and Opportunities Committee (ROC)

No report the next meeting for ROC is September 14.

Coverage Review Committee (CRC)

No report, no future meetings are scheduled at this time.

Investment Committee (IC)

No report the next meeting for IC is October 16.

Recap and Adjournment

Deutsch recapped the meeting, accepted the agenda, approved the consent agenda, reviewed the work plan adding a dot to August for ED performance review, reviewed the proposed ED contract and sent it onto the Board as amended, discussed the 2024 Operation budget, lengthy discussion regarding the 2024 non-quarterly EC meeting location, going to try SeaTac for a year to evaluate, looked at the GL and POL Coverage Documents proposed some edits and recommended sending to the Board for feedback, granted authority to sign the renegotiated contract with Absorb LMS, held an Executive Session, and heard highlights from the Executive Staff Report.

Kinney moved to adjourn the meeting at 12:02 pm. Macdonald seconded the motion and the motion passed.

Submitted this 28th day of September 2023.

Approved: 
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Joseph Macdonald, Secretary