



# AGENDA

Executive Committee

August 25, 2016

WebEX Meeting ([click here](#)) Password: Transit2016

**Phone: 415-655-0003 Access Code: 289 195 043**

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<b>9:00 am</b>	<b>CALL TO ORDER</b> – President Emmett Heath	Sign-in sheet
	<ol style="list-style-type: none"><li>1. Roll Call of Members and Introduction of Guests</li><li>2. Changes in Agenda/Motion to Accept Agenda</li></ol>	
	<b>CONSENT AGENDA</b>	Page #    *WP #
	<ol style="list-style-type: none"><li>1. Minutes – July 28, 2016</li></ol>	002
	<ol style="list-style-type: none"><li>2. July 2016 Administrative Vouchers/Checks – Total voucher approval of \$978,737.13 including staff payroll and internet/credit card payments.</li></ol>	006
	<ol style="list-style-type: none"><li>3. July 2016 Claims Vouchers/Checks – Total voucher approval of \$441,233.04.</li></ol>	010
	<b>DISCUSSION ITEMS</b>	
	<ol style="list-style-type: none"><li>1. 2016 Executive Committee Work Plan</li></ol>	014
	<ol style="list-style-type: none"><li>2. Non-Transit Liability Governance Policy – Franz</li></ol>	020
	<b>STAFF REPORTS</b>	
	<ol style="list-style-type: none"><li>1. Executive Staff Report</li></ol>	022
	<b>SUBCOMMITTEE REPORTS</b>	
	<ol style="list-style-type: none"><li>1. Governance Policy Committee – No Report</li><li>2. Nominations and Elections Committee – No Report</li><li>3. Board Development Committee – Verbal Report</li><li>4. Emerging Risks &amp; Opportunities Committee – Verbal Report</li><li>5. Executive Director Succession Committee – Verbal Report</li><li>6. Driver Recognition Committee – Verbal Report</li></ol>	
<b>10:00 am</b>	<b>RECAP and ADJOURN</b> – President Emmett Heath	
	*WP = Work Plan Item #	
	Board Development Committee Meeting – 08/25/16 following EC meeting	
	Governance Policy Committee Meeting – 08/25/16 following EC meeting	
	Emerging Risks and Opportunities Committee Meeting – 11/10/16 WSTIP Office	

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**Minutes of the  
Executive Committee Meeting  
July 28, 2016  
WSTIP Office ~ Olympia**

<b>Executive Committee Members Present:</b>	<b>Staff Present:</b>
Nick Covey, Past President, Link Transit Ben Foreman, Large Member Rep, Intercity Transit (9:24 am) Emmett Heath, President, Community Transit Staci Jordan, Medium Member Rep, Island Transit Paul Shinnars, Vice-President, Kitsap Transit (9:01 am) Shonda Shipman, At-Large Member Rep, Whatcom Transportation Authority	Anna Broadhead, Member Services Assistant Tracey Christianson, Member Services Manager Marisa Espinoza, Finance Specialist Al Hatten, Executive Director Andrea Powell, Information Technology Program Manager Jerry Spears, Deputy Director
<b>Board Members Present:</b>	
Rob Huyck, Pierce Transit (via phone until 10:30 am)	

## Call to Order

President Heath called the meeting to order at 9:00 am. Heath welcomed all participants as a sign in sheet was passed around the room. Franz is stuck in Alaska, and LaFontaine had an excused absent. Heath asked if there were any changes to the agenda and hearing none he stated his intention to end the meeting by 1:00 pm.

## Consent Agenda

*Minutes – June 23, 2016, June 2016 Administrative Vouchers/Checks, and June 2016 Claims Vouchers/Checks*

Heath asked for a motion to approve the consent agenda. **Jordan moved to approve the consent agenda. Shipman seconded the motion.** Hatten noted several administrative and claims payments. **The motion passed.**

Heath asked for a couple minutes to think about Corey Aldridge and his family, as his wife Gina passed away after battling cancer. Staff have Corey's contact information if you would like to contact him.

## Discussion Items

*Collision Avoidance Project Update*

Spears updated attendees on the status of the Collision Avoidance project, thanked all agencies that had participated (Ben Franklin, Community, C-Tran, Intercity, Kitsap, Pierce, and Spokane), and shared the second quarter report. Dr. Lutin will spend the last two weeks of September in Washington. He plans to visit each of the participating agencies and will be presenting at the Work Session. Spears shared a video of a Pierce Transit bus equipped with the passive system and an active system (assisted braking) with the committee. [Click here](#) to watch the video.

Foreman arrived at 9:24 am.

### *Vanpool Telematics*

Spears said the Pool was approached by MunichRe to see if our members would be interested in testing telematics equipment in some of the vanpool programs. We asked if it was hard to install, and was told it is easy to install, simply plug and play. The device plugs into the OBD-II port and tracks speed, fuel consumption, erratic driving, and hard braking. So we talked to the Emerging Risks and Opportunities Committee and WSTA Vanpool Committee. Intercity Transit has the device installed on 25 vans, Island will install in September, and Community Transit is meeting in August to discuss the possibility. Jordan said it can also alert to maintenance needs. If you have questions regarding this project, please contact Spears.

### *2016 Executive Committee Work Plan*

Heath went through the Work Plan and noted that we appear to be on target including wrapping up the Executive Director and General Counsel's evaluations. Committees are meeting regularly, and several reports on the agenda today. Foreman said the auditors are working on the audit, he did the internal controls survey over the phone, and if you have any concerns or areas you want the auditor to look at please let him know. Spears reminded everyone there would not be an accountability audit this year as that is performed every other year (so we had one last year).

### *Best Practice Review of Significant Cases*

Staff gave an overview of the Fulbright versus Columbia County Public Transportation serious loss review. There was a lengthy discussion about the lessons learned from this case, the Executive Committee wants to remind everyone to review their Code of Conduct policies as it is one of the WSTIP Best Practices, and recommend Columbia County Public Transportation implement all of staff's recommendations in the serious loss review to minimize future exposures. The Committee decided to have Heath send a letter to endorse the staff's recommendations.

The Executive Committee took a short break at 10:30 am and resumed their meeting at 10:40 am.

### *WSTIP Coordination/Communication Members*

Heath said the memo in the packet is for conversation only and there may not be any action to be taken on this topic. During the large member representative meeting at the June Board meeting there was frustration expressed regarding the large volume of information coming from WSTIP and we said we would queue it up for discussion. The committee talked through various scenarios where member staff contact WSTIP directly for information, and where WSTIP staff contact member staff directly recognizing at times there is a disconnect. Sometimes Board members are out of the loop. Committee members loved the list so they can make sure everyone knows who the point person is, and requested that in email to the Board, if action is needed to please put a note in the email up front what action the Board member needs to take such as please follow up with department xyz, or no action required information only. O'Regan felt this would be a good conversation during the member representative meetings, Shinnors also wants to make sure there is clear direction on the code of conduct best practice review, is that something Chris DeVoll will do or will it be Board member responsibility? Staff said it is already included in the best practice review.

### *Non-Transit Liability Governance Policy*

Topic was lightly discussed and the decision was to table until the next Executive Committee meeting as Franz was stuck in Alaska due to flight cancellations.

The Executive Committee broke for lunch at 10:59 am and went back into session at 11:25 am.

## Staff Reports

### *Executive Staff Report*

Hatten gave a quick update on the financial status of Governmental Entities Mutual, Inc. (GEM) and the impact to WSTIP's equity within GEM. He is also having preliminary discussions regarding a potential captive transit protected cell within GEM (captive within a captive scenario). Hatten reported two of the GEM reinsurers do not want to cover transit, however, there are no plans of changing our quota share arrangement. Andrew Halsall, GEM's new CEO will be attending the September Quarterly Board meeting. Hatten said the WCRP vs Clark County case regarding whether Pools are insurance companies likely will settle before the decision comes out of the Supreme Court. We are waiting for additional reports to come in from other Pools regarding the Pool's investment strategy and may look at going from our current passive investment strategy to a more active strategy similar to what Community Transit has done. We may be able to generate more interest income per year.

Hatten said the October Executive Committee meeting is scheduled for October 27 in Olympia, and the Joint Leadership Training is October 24-25 in Spokane. Hatten asked if the Executive Committee would like to move their Executive Committee meeting to the morning of the 26<sup>th</sup> in Spokane. The Committee discussed this and felt it would make sense to hold the October meeting in Spokane on the 26<sup>th</sup> beginning at 8:30 am. If you have questions, give Hatten a call.

Christianson said her report was in the packet and apologized for not including the June Board meeting feedback survey results, she went through the survey results ([click here](#)) and the committee discussed the feedback. If you have questions, please don't hesitate to contact Christianson.

Spears gave a brief update stating that the property program total insured values (TIV) is just under \$500 million so our cyber-liability deductible is \$50,000. Once we go over \$500 million TIV our deductible will raise to \$100,000. We need property program participants to complete underwriting information to possibly buy down the cyber risk.

Powell shared there were three "sticking points" the Board discussed about Origami in June and those things have all been addressed. Origami is capable of creating your OSHA reports for electronic submission. She also shared an integrated application Tablo which can map datasets which Community Transit is using. We are now at the stage in the project where we are realizing the benefits of the new system like mapping the latitude and longitude of events. If you have questions regarding the Executive Staff Report, contact Hatten, Christianson, or Spears.

## Executive Session

The Executive Committee went into Executive Session at 11:55 am pursuant to RCW 42.30.110 for not to exceed 5 minutes; they extended the session and came out of session at 12:05 pm. No action was taken. Heath asked Christianson to have Kerrigan forward Hatten and Franz's evaluation survey results to each of them.

## Sub-Committee Reports

### *Governance Policy Committee*

No report. Next meeting August 25.

### *Nominations and Elections Committee*

No report.

### *Board Development Committee*

Shipman reported that the Board Development Committee is working on revising the member guest program to make it easier to understand when you can bring a guest to the Board meetings and will forward to the Governance Policy Committee for review. They are also working topics for the September Member Representative Meeting and Work Session topics which will include duty of care, claims process (litigation and liability), and code of conduct. Please note that Pat Dunn is unable to attend our September meeting so she will be presenting the fiduciary liability presentation to the Board in December. The committee will meet after the Executive Committee meeting.

### *Emerging Risks and Opportunities Committee*

No report, next meeting August 11 from 10:30 am – 2:30 at the WSTIP office.

### *Driver Recognition Committee*

Christianson said this program is now in the staff's hands we had a rocky start but we have heard back from all agencies except three which need more time (Ben Franklin, Community, and Pierce), no response from Columbia County (although we think it is yes, but they have no eligible drivers) everyone else has said "Yes, we want to participate." There are nine agencies who don't have any eligible drivers. We will begin collecting information soon.

### *Executive Director Succession Committee*

Heath said the Committee (Heath, Hingson, Covey, Clark-Getzin, and Mehin) met and have a draft plan. The Executive Committee went into Executive Session at 12:08 pm pursuant to RCW 42.30.110 for not to exceed 30 minutes and came out of session at 12:32 pm. No action was taken but reported they are making progress.

## **Recap/Review**

Jordan reported she wasn't receiving emails from staff, and requested being cc'd on correspondence.

## **Adjournment**

***Heath adjourned the meeting at 12:34 pm.***

Submitted this 25th day of August 2016.

Approved: \_\_\_\_\_  
Diane O'Regan, Secretary

## July 2016 Administration Voucher Approval

July 1<sup>st</sup> to July 31<sup>st</sup> 2016 vouchers audited and certified by the auditing officer as required by RCW 42.24.080,

and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been e-mailed to the Executive Committee members on August 18, 2016.

### **ACTION:**

I, \_\_\_\_\_, as of this date, \_\_\_\_\_, 2016  
Move that the following checks be approved for payment:

**Vouchers:** Check Numbers 26399 through 26460 in the amount of \$832,372.78. Internet transfers of \$52,510.19 for the 07/15/2016 payroll; \$48,474.79 for the 07/31/2016 payroll; and \$9,411.91 for Staff Benefits for 07/2016. Internet and ACH payments for staff credit cards, travel/expense reimbursements and professional/misc. services total \$35,967.46. **Total voucher approval requested, including July 2016 staff payroll and Internet and ACH payments is \$978,737.13.**

The motion was seconded by \_\_\_\_\_ and approved by a unanimous vote.

I, the undersigned, PRESIDENT/VICE PRESIDENT OF THE WASHINGTON STATE TRANSIT INSURANCE POOL (WSTIP) of the state of Washington, do hereby certify that the merchandise or services, herein specified have been received and the following checks are approved for payment.

\_\_\_\_\_  
PRESIDENT/VICE-PRESIDENT

\_\_\_\_\_  
DATE

**Washington State Transit Insurance Pool**  
**July 2016 Administration Vouchers**  
**US Bank Administration Account**

<b>Date</b>	<b>Num</b>	<b>Payee</b>	<b>Description</b>	<b>Account</b>	<b>Amount</b>
07/01/2016	26399	Tracey Christianson	Travel Reimbursement	300 - Accounts Payable	485.28
07/05/2016	ACH	Denise Ellison	Travel Reimbursement	300 - Accounts Payable	1,767.16
07/07/2016	26400	3 Point Brand Management	Corporate Wear/CJI Promotional Items	300 - Accounts Payable	2,534.41
07/07/2016	26401	AP Design Works LLC	2015 Annual Report	300 - Accounts Payable	1,875.00
07/07/2016	26402	Capitol City Press, Inc.	WSTTC Notepads/Annual Report	300 - Accounts Payable	4,282.69
07/07/2016	26403	Danette Brannin	Travel Reimbursement	300 - Accounts Payable	347.00
07/07/2016	26404	Emmett--Heath	Travel Reimbursement	300 - Accounts Payable	169.56
07/07/2016	26405	Express Personnel Services	Admin Services - M. Spears	300 - Accounts Payable	520.53
07/07/2016	26406	Island Transit	Travel Reimbursement	300 - Accounts Payable	416.24
07/07/2016	26407	ISO Services, Inc.	Maintenance Fee	300 - Accounts Payable	25.00
07/07/2016	26408	Lemay - Pacific Disposal	Recycling Services - June	300 - Accounts Payable	93.03
07/07/2016	26409	Network Computing Architects, Inc.	ShoreTel Support	300 - Accounts Payable	323.00
07/07/2016	26410	PSAA - OR	2016-2017 Membership Renewal	300 - Accounts Payable	25.00
07/07/2016	26411	StraderHallett PS	Accounting Services	300 - Accounts Payable	4,370.00
07/07/2016	26412	The Demich Group	2015 Annual Report	300 - Accounts Payable	797.50
07/07/2016	26413	Thomson Reuters - West	WA All Cases & Statutes	300 - Accounts Payable	184.56
07/07/2016	26414	Washington State Transit Association	2016 Claim Jumper Dinner Registrations	300 - Accounts Payable	1,020.00
07/07/2016	26415	Treasurer of Virginia Tech	2016 WSTIP Speaking Engagement	300 - Accounts Payable	671.20
07/08/2016	26416	Alliant Insurance - Newport Beach	2016-2017 APD & Property Renewals	300 - Accounts Payable	740,893.09
07/08/2016	26417	Enterprise Rent A Car - Los Angeles	Rental Car Exp - J. Spears	300 - Accounts Payable	55.56
07/08/2016	26418	Karey Thornton	Travel Reimbursements	300 - Accounts Payable	280.84
07/08/2016	26419	Mike Burress	Travel Reimbursement	300 - Accounts Payable	235.20
07/08/2016	26420	The Marcus Whitman Hotel	Lodging/Room Rental/Catering Services	300 - Accounts Payable	13,395.51
07/11/2016	ACH	Geneva Financial Services, Inc.	Professional Services	300 - Accounts Payable	1,907.50
07/11/2016	ACH	Christian DeVoll	Travel Reimbursements	300 - Accounts Payable	2,244.69
07/14/2016	26421	Allen Hatten	Travel Reimbursement	300 - Accounts Payable	962.80
07/14/2016	26422	American Driving Records	Driver Abstracts - Reports	300 - Accounts Payable	47.25
07/14/2016	26423	APTA	Membership Dues	300 - Accounts Payable	569.00
07/14/2016	26424	Association of Washington Cities	Labor Relations Institute Scholarships	300 - Accounts Payable	4,875.00
07/14/2016	26425	Consolidated Technology Services	Consolidated Technology Services	300 - Accounts Payable	815.00
07/14/2016	26426	Enterprise Rent A Car - Los Angeles	Rental Car Exps - Spears & Thornton	300 - Accounts Payable	318.17
07/14/2016	26427	Evergreen Maintenance Landscaping, LLC	Landscape Maintenance	300 - Accounts Payable	365.23
07/14/2016	26428	Puget Sound Energy	Electric Utilities	300 - Accounts Payable	515.51
07/14/2016	26429	RICOH USA, Inc	Copier Lease	300 - Accounts Payable	481.69
07/14/2016	26430	Rob Huyck	Travel Reimbursement	300 - Accounts Payable	53.43
07/14/2016	26431	Sunrise Cove Consulting	Exec Cmte Presentation	300 - Accounts Payable	774.00
07/14/2016	26432	Thomson Reuters - West	WA All Cases/Statutes	300 - Accounts Payable	184.56
07/14/2016	26433	Verizon Wireless	Staff Wireless Service	300 - Accounts Payable	385.19
07/14/2016	26434	M. Jerry Spears	Travel Reimbursement	300 - Accounts Payable	172.80
07/14/2016	26435	Network Computing Architects, Inc.	ShoreTel Conference Phone	300 - Accounts Payable	588.72
07/18/2016	ACH	Data Driven Safety, Inc.	Driver Record Monitoring	300 - Accounts Payable	29,738.50
07/20/2016	26436	Constance Poulsen	Risk Pool Leadership Development	300 - Accounts Payable	3,500.00
07/20/2016	26437	Dept of Licensing	Driver Record Monitoring	300 - Accounts Payable	2,637.90
07/20/2016	26438	Express Personnel Services	Admin Services - M. Spears	300 - Accounts Payable	376.55

**Washington State Transit Insurance Pool**  
**July 2016 Administration Vouchers**  
**US Bank Administration Account**

<u>Date</u>	<u>Num</u>	<u>Payee</u>	<u>Description</u>	<u>Account</u>	<u>Amount</u>
07/20/2016	26439	Icenhour Consulting	IT Consulting Services	300 - Accounts Payable	3,200.00
07/20/2016	26440	Jefferson Transit	2016 Risk Management Grant	300 - Accounts Payable	2,500.00
07/20/2016	26441	Jill Lowe	Expense Reimbursement	300 - Accounts Payable	54.40
07/20/2016	26442	National Maintenance Contractors	Janitorial Services - July	300 - Accounts Payable	200.97
07/20/2016	26443	Office Depot	Office Supplies	300 - Accounts Payable	198.21
07/20/2016	26444	Paul Shinnars	Travel Reimbursement	300 - Accounts Payable	501.44
07/20/2016	26445	Pierce Transit	Guest Rider	300 - Accounts Payable	863.80
07/20/2016	26446	Tunisia Price	2016 Jeffrey S. Ristau Scholarship	300 - Accounts Payable	1,000.00
07/20/2016	26447	University of Washington (Grant Acct'g)	TRB Transit Idea - UW Budget# 633717	300 - Accounts Payable	14,890.62
07/20/2016	26448	WA State Dept of Revenue	Leasehold Excise Tax - Q2 16	300 - Accounts Payable	577.80
07/20/2016	26449	Yakima Transit-City of Yakima	Guest Rider - Grant Transit	300 - Accounts Payable	415.85
07/26/2016	Internet	Citi Cards (Costco Visa Card)	Credit Card Exps	300 - Accounts Payable	309.61
07/27/2016	26450	CenturyLink	Telephone Services	300 - Accounts Payable	745.19
07/27/2016	26451	Comcast	Comcast Business Services	300 - Accounts Payable	290.51
07/27/2016	26452	Crystal Springs (TX)	Bottled Water	300 - Accounts Payable	39.88
07/27/2016	26453	Department of Enterprise Services	Property & Liability Program	300 - Accounts Payable	5,867.20
07/27/2016	26454	Enterprise Rent A Car - Los Angeles	Rental Car Exp - A. Powell	300 - Accounts Payable	166.68
07/27/2016	26455	FedEx	FedEx Services	300 - Accounts Payable	462.48
07/27/2016	26456	Jerome M. Lutin, PhD, PE, AICP, F.ITE	Active Safety Collision Warning Pilot	300 - Accounts Payable	6,750.00
07/27/2016	26457	Office Depot	Office Supplies	300 - Accounts Payable	365.57
07/27/2016	26458	Sara M. Crouch	Travel Reimbursement	300 - Accounts Payable	373.68
07/27/2016	26459	Sound Employment Solutions, LLC	Workshop - Successfully Managing Employees	300 - Accounts Payable	2,200.00
07/27/2016	26460	Summit Law Group	WSTIP	300 - Accounts Payable	85.50
					868,340.24
07/08/2016	5850	Health Care Authority	Staff Benefits - Inv Month: 07/2016	300 - Accounts payable	9,411.91
07/15/2016	Wire Trans	WSTIP Payroll Account	07/15/2016 Payroll & Taxes	300 - Accounts payable	52,510.19
07/31/2016	Wire Trans	WSTIP Payroll Account	07/31/2016 Payroll & Taxes	300 - Accounts payable	48,474.79
				Total	978,737.13





## July 2016 Claims Voucher Approval

July 1<sup>st</sup> to July 31<sup>st</sup> 2016 vouchers audited and certified by the auditing officer as required by RCW 42.24.080,

and those expense reimbursement claims certified as required by RCW 42.24.090, have been recorded on a listing which has been e-mailed to the Executive Committee members on August 18, 2016.

### **ACTION:**

I, \_\_\_\_\_, as of this date, \_\_\_\_\_, 2016  
Move that the following checks be approved for payment:

**Vouchers:** Check Numbers 8680 through 8794 in the amount of \$441,233.04. **Total voucher approval requested is \$441,233.04.**

The motion was seconded by \_\_\_\_\_ and approved by a unanimous vote.

I, the undersigned, PRESIDENT/VICE PRESIDENT OF THE WASHINGTON STATE TRANSIT INSURANCE POOL (WSTIP) of the state of Washington, do hereby certify that the merchandise or services, herein specified have been received and the following checks are approved for payment.

\_\_\_\_\_  
PRESIDENT/VICE-PRESIDENT

\_\_\_\_\_  
DATE

**Washington State Transit Insurance Pool**  
**July 2016 Claims Vouchers**  
**US Bank Claims Account**

Issue Date	Check Number	Status	Pay To The Order Of	Bank Account	Amount
7/1/2016	8680	Cleared	Ben Franklin Transit	US Bank	72.68
7/1/2016	8681	Cleared	Ben Franklin Transit	US Bank	1,000.00
7/1/2016	8682	Cleared	Bridges, Dennis	US Bank	250.00
7/1/2016	8683	Cleared	Community Transit	US Bank	600.00
7/1/2016	8684	Cleared	Community Transit	US Bank	1,589.94
7/1/2016	8685	Cleared	Douglas Knight & Associates	US Bank	15,000.00
7/1/2016	8686	Cleared	Enterprise Rent A Car	US Bank	620.00
7/1/2016	8687	Cleared	Humphrey, Heidi	US Bank	1,019.17
7/1/2016	8688	Cleared	IntercityTransit	US Bank	1,140.10
7/1/2016	8689	Issued	Island Transit	US Bank	3,650.12
7/1/2016	8690	Cleared	J&E Appraisal, LLC	US Bank	75.00
7/1/2016	8691	Cleared	JG McDonald and Associates	US Bank	4,125.37
7/1/2016	8692	Cleared	Jury Insights	US Bank	4,062.50
7/1/2016	8693	Cleared	Kassa Insurance Services, Inc.	US Bank	3,741.10
7/1/2016	8694	Cleared	Kevin B. McGovern, PhD	US Bank	9,828.75
7/1/2016	8695	Issued	Kitsap Transit	US Bank	2,741.16
7/1/2016	8696	Cleared	Little, Matthew	US Bank	1,000.00
7/1/2016	8697	Issued	Partners Claim Services, Inc.	US Bank	3,765.50
7/1/2016	8698	Issued	Partners Claim Services, Inc.	US Bank	4,035.00
7/1/2016	8699	Issued	Pierce Transit	US Bank	1,928.81
7/1/2016	8700	Cleared	Providence Holy Family Hospital	US Bank	11,872.07
7/1/2016	8701	Cleared	Shapovalov, Anton	US Bank	2,453.29
7/1/2016	8702	Issued	Smith , LeAnn Faye	US Bank	500.00
7/1/2016	8703	Cleared	Spokane Transit Authority	US Bank	5,505.59
7/1/2016	8704	Cleared	Summit Law Group	US Bank	8,561.00
7/8/2016	8705	Issued	Carlson, McMahon & Sealby, PLLC	US Bank	31,810.95
7/8/2016	8706	Issued	CorVel Healthcare Corporation	US Bank	3,335.67
7/8/2016	8707	Issued	Counsell, Murphy & Cox, PS	US Bank	160.00
7/8/2016	8708	Issued	Enterprise Rent A Car	US Bank	527.24
7/8/2016	8709	Cleared	Investigative Training Service	US Bank	625.00
7/8/2016	8710	Issued	Jill K. McGovern, PhD	US Bank	7,797.50
7/8/2016	8711	Cleared	Kassa Insurance Services, Inc.	US Bank	1,249.50
7/8/2016	8712	Issued	Mullans Collision	US Bank	2,479.06
7/8/2016	8713	Issued	Partners Claim Services, Inc.	US Bank	2,218.72
7/8/2016	8714	Issued	Summit Law Group	US Bank	3,448.00
7/8/2016	8715	Issued	Topa Insurance Company	US Bank	466.85
7/8/2016	8716	Issued	Whang, KiHyen	US Bank	2,708.57
7/8/2016	8717	Issued	Zaremba Claims Service-Yakima	US Bank	2,421.00
7/15/2016	8718	Issued	Aldercrest Auto Rebuild, Inc.	US Bank	3,402.26
7/15/2016	8719	Issued	Allstate Insurance Co.	US Bank	2,394.69
7/15/2016	8720	Cleared	Ben Franklin Transit	US Bank	650.00

**Washington State Transit Insurance Pool**  
**July 2016 Claims Vouchers**  
**US Bank Claims Account**

Issue Date	Check Number	Status	Pay To The Order Of	Bank Account	Amount
7/15/2016	8721	Issued	Camp Chevrolet Body Shop	US Bank	5,012.87
7/15/2016	8722	Cleared	CCC Information Services, Inc.	US Bank	54.96
7/15/2016	8723	Issued	Community Transit	US Bank	2,993.32
7/15/2016	8724	Cleared	Crocker, James	US Bank	376.06
7/15/2016	8725	Issued	Crowthers, David	US Bank	250.23
7/15/2016	8726	Issued	Enterprise Rent A Car	US Bank	142.70
7/15/2016	8727	Issued	Gerber Collision & Glass - Lacey	US Bank	958.83
7/15/2016	8728	Issued	Hardwick & Pendergast, P.S. Trust Acct	US Bank	50,000.00
7/15/2016	8729	Issued	Henry-Dumpert, Megan	US Bank	6,403.56
7/15/2016	8730	Issued	Horwath, Starla	US Bank	3,170.19
7/15/2016	8731	Cleared	Kitsap Auto Wrecking, Inc	US Bank	545.93
7/15/2016	8732	Issued	Michael & Alexander PLLC	US Bank	6,712.96
7/15/2016	8733	Cleared	Partners Claim Services, Inc.	US Bank	1,312.32
7/15/2016	8734	Issued	Smith Goodfriend, PS	US Bank	21,630.00
7/15/2016	8735	Issued	Spokane Transit Authority	US Bank	6,541.52
7/15/2016	8736	Issued	State Farm Mutual Automobile Insurance Company	US Bank	4,325.24
7/15/2016	8737	Issued	Wandling, Paul	US Bank	444.57
7/15/2016	8738	Issued	Williams, Kastner & Gibbs PLLC	US Bank	1,102.56
7/15/2016	8739	Issued	Yamaguchi Obien Mangio, LLC	US Bank	1,159.70
7/15/2016	8740	Cleared	Westlie Collision Center	US Bank	2,311.45
7/15/2016	8741	Issued	Brownlie Wolf & Lee, LLP	US Bank	35.00
7/15/2016	8742	Issued	Bradshaw & Richards, P.S. Trust Account	US Bank	16,500.00
7/15/2016	8743	Issued	Central Park Condo Assoc.	US Bank	1,298.00
7/15/2016	8744	Issued	Davis Wright Tremaine LLP	US Bank	550.00
7/15/2016	8745	Issued	Law, Lyman, Daniel, Kamerrer & Bogdanovich, PS	US Bank	1,627.95
7/21/2016	8746	Cleared	Aldercrest Auto Rebuild, Inc.	US Bank	2,409.61
7/21/2016	8747	Cleared	ATI Physical Therapy	US Bank	784.26
7/21/2016	8748	Cleared	Byers & Anderson Court Reporters & Video	US Bank	384.74
7/21/2016	8749	Cleared	CCC Information Services, Inc.	US Bank	109.92
7/21/2016	8750	Issued	City of Yakima - Yakima Transit	US Bank	21,350.00
7/21/2016	8751	Cleared	Centers for Medicare & Medicaid Services	US Bank	13,119.99
7/21/2016	8752	Cleared	Community Transit	US Bank	2,628.24
7/21/2016	8753	Cleared	Conant, Angela	US Bank	1,340.00
7/21/2016	8754	Cleared	Crary, Adele	US Bank	50.00
7/21/2016	8755	Cleared	IOD Incorporated	US Bank	58.52
7/21/2016	8756	Cleared	J&A Body & Fender Inc.	US Bank	139.14
7/21/2016	8757	Cleared	J&E Appraisal, LLC	US Bank	204.20
7/21/2016	8758	Cleared	Kassa Insurance Services, Inc.	US Bank	357.00
7/21/2016	8759	Cleared	Kirkland Life Chiropractic, PS	US Bank	1,660.00
7/21/2016	8760	Cleared	Kitsap Unitarian Universalist Fellowship	US Bank	256.96
7/21/2016	8761	Issued	Malarchick Law Office	US Bank	4,585.00

**Washington State Transit Insurance Pool  
July 2016 Claims Vouchers  
US Bank Claims Account**

Issue Date	Check Number	Status	Pay To The Order Of	Bank Account	Amount
7/21/2016	8762	Cleared	McBeth, Janice	US Bank	1,250.00
7/21/2016	8763	Issued	Novack and Novack Trust Account	US Bank	11,200.00
7/21/2016	8764	Cleared	Partners Claim Services, Inc.	US Bank	2,230.38
7/21/2016	8765	Cleared	Partners Claim Services, Inc.	US Bank	1,946.50
7/21/2016	8766	Cleared	Precision Body & Paint, Inc.	US Bank	1,353.58
7/21/2016	8767	Cleared	Rose City Adjusters, LLC	US Bank	300.00
7/21/2016	8768	Cleared	Spokane Transit Authority	US Bank	602.86
7/21/2016	8769	Cleared	The Everett Clinic	US Bank	477.00
7/21/2016	8770	Cleared	US Legal Support	US Bank	2,490.34
7/21/2016	8771	Cleared	USAA	US Bank	1,745.87
7/29/2016	8772	Issued	ABRA Auto Body & Glass obo Whitney Thomas	US Bank	3,727.98
7/29/2016	8773	Issued	Anchor Physical Therapy	US Bank	45.38
7/29/2016	8774	Issued	Investigative Training Service, LLC	US Bank	1,375.00
7/29/2016	8775	Issued	JG McDonald and Associates	US Bank	2,925.00
7/29/2016	8776	Issued	Kassa Insurance Services, Inc.	US Bank	1,240.70
7/29/2016	8777	Issued	Kitsap Transit	US Bank	379.00
7/29/2016	8778	Issued	Link Transit	US Bank	1,995.91
7/29/2016	8779	Cleared	Michael & Alexander PLLC	US Bank	243.00
7/29/2016	8780	Issued	Partners Claim Services, Inc.	US Bank	1,785.00
7/29/2016	8781	Issued	Phillips Law Firm Trust Acct	US Bank	16,500.00
7/29/2016	8782	Issued	Pierce Transit	US Bank	300.00
7/29/2016	8783	Issued	Qliance Management Inc	US Bank	28.36
7/29/2016	8784	Issued	Service King Paint & Body, LLC	US Bank	1,318.33
7/29/2016	8785	Issued	Skagit Transit	US Bank	2,634.38
7/29/2016	8786	Issued	State Farm Mutual Automobile Insurance Company	US Bank	506.03
7/29/2016	8787	Cleared	Sterbick & Associates, PS Trust Account	US Bank	26,000.00
7/29/2016	8788	Issued	Summit Law Group	US Bank	8,085.50
7/29/2016	8789	Issued	US Legal Support	US Bank	1,242.05
7/29/2016	8790	Issued	Vanderhorn, Robert	US Bank	3,563.12
7/29/2016	8791	Cleared	Williams, Kastner & Gibbs PLLC	US Bank	58.50
7/29/2016	8792	Issued	Yakima Transit	US Bank	3,052.61
7/29/2016	8793	Issued	Providence Anesthesia Services	US Bank	630.00
7/29/2016	8794	Issued	Tracy's Insulation, Inc.	US Bank	271.00
				<b>Total</b>	<b>441,233.04</b>

## 2016 Executive Committee Work Plan

General Work Items	Who	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	2017 Jan	Feb	Mar
Review efficacy of Committees/Charter 1 and Close Committees	EC		*	☀											*	☀
2 Ron's evaluation/AI's evaluation	President/EC						*	*	*	☀						
3 Training Coalition appointment	EC / Tracey												☀			
4 Executive Director's salary review	EC/Board								*	*	*	*	☀			
5 Employee handbook	EC			*	☀											
<b>Subcommittees</b>																
20 Audit/Finance	Executive Committee/Ben					☀				☀						
21 Board Development	Ben, Staci, Rob L., Shonda		charter	*	*	*	*	*	*	*	*	*	*			
22 Emerging Risks and Opportunities	Staci, Ed, Ben, Rob H., Rob L., Ken, & Mike		*			*			*			*				
23 Governance	Emmett, Paul, & Diane		*	*		*	*		*	*		*	*		*	*
24 Nominations	Emmett, Paul, & Diane									*	*	*	☀			
25 Executive Director Succession Committee	Emmett, Ken, Nick, Wendy, Tom		*	*	*	*	*	*	*	☀						
28 Driver Recognition Committee	Ben, Paul G., Rob H., Mike R., Shonda	charter	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Strategic Priorities Review	Who	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	2017 Jan	Feb	Mar
SP1 Loss Prevention (1a-c)	EC					*	*						☀			
SP2 Loss Control (2a-i)	EC				*	*		*		*			☀			
SP3 Board & Staff Relationships (3a-e)	EC			*			*			*			☀			
SP4 Stable Rates (4a-c)	EC									☀			*			
Develop Products & Services to meet member needs (5a-e)	EC			*			*			*	*		☀			

KEY: \* = start and SUN SYMBOL = end

Working Principles on Page 3  
Mental Models on Page 4

## 2016 Executive Committee Work Plan

### WORKING PRINCIPLES\*

- 1 Strive for transparency about the role you are playing.
- 2 Instead of driving an issue, the Executive Committee will work from its work plan to decide what to do.
- 3 Operate under parliamentary procedures.
- 4 Be recognized before speaking.
- 5 Members will come prepared; read materials in advance and participate during the meeting.
- 6 Try not to dominate the conversation; let someone else have a turn.
- 7 Finish the meeting on time.
- 8 No side conversations.
- 9 Show respect by adhering to principles 4 and 8.
- 10 The President runs the meetings; not the Executive Director.
- 11 The Executive Committee can agree to allocate more time to discuss a topic.
- 12 The Executive Committee decides by majority rule, but strives for consensus. Consensus is defined as the ability for every Executive Committee member to be able to live with the decision.
- 13 The Executive Committee will flag "hot topics" for members to check in with members on.
- 14 Proposals to the Board are forwarded with Executive Committee endorsement. Proposals that require Board action, Executive Committee members can share their opinion if they disagree with the Executive Committee's recommendation.
- 15 The Executive Committee will review their work plan every month and identify what needs to be taken to members.
- 16 Make sure that communication to the Board is complete.

\*Working Principles originally formed during the 2007 Executive Committee Retreat, November 29 and 30, 2007; revised during 2009 Executive Committee Retreat, January 22 and 23, 2009. Reviewed at Executive Committee 2011 Retreat. Revised during the 2012 Retreat. Working principles were not changed in 2014, 2015, and 2016.

### TRIBAL RULES\*

- 1 Put the needs of WSTIP first.
- 2 Serve as member representative before taking a leadership role.
- 3 Provide a development track for members.
- 4 Expect people to take a leadership role.
- 5 Everyone who ran for Executive Committee office can come to the Executive Committee retreat.
- 6 No side deals -- raise your concerns with the entire Executive Committee
- 7 Everyone's views are heard. Once Board decision is made, support it.
- 8 Respect the office -- respect the roles each person takes.

\*Tribal Rules added at 2012 retreat and unchanged since addition.

## 2016 Executive Committee Work Plan

### MENTAL MODELS

- 1 . WSTIP Board will meet four times per year.
- 2 . WSTIP will offer \$20,000,000 in policy limits for Auto/General Liability.
- 3 . All Members will receive the same Risk Management Grant of \$2,500.
- 4 . All members are assessed on the same rating methodology.
- 5 . The Executive Director will be hired by the Board and evaluated annually.
- 6 . General Counsel is hired by the EC and evaluated annually.
- 6 . All best practices will be agreed to on a voluntary basis (exception: driver record monitoring).
- 7 . Membership is restricted to Washington State transits of a minimum size and experience history.
- 8 . WSTIP primary purpose is insurance.
- 9 . No rail or ferry coverage will be offered.
- 10 . General wage adjustments are subject to the action taken by Intercity Transit and approval by the Board.
- 11 . Auto liability rates are determined by mileage and experience.
- 12 . General/Public Officials (E & O)/Property rates are all determined by the actuary with no experience rating.
- 13 . Claims will be resolved in a "fair, equitable and responsible" manner.
- 14 . Subrogation is a value added service and all recovery is returned to the members.
- 15 . WSTIP offices will be located in Olympia.
- 16 . WSTIP/WSTA relationship will be collaborative and mutual.



## 2016 Strategic Priority Staff Work Plan

Strategic Priority Review		Who	2016												2017			
			Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
Adopt SMART Goals		Executive Committee		*	*													
<b>Loss Prevention</b> WSTIP desires to keep people and property safe																		
Reduce claims resulting from aggressive braking, pedestrian/bicycle strikes and improper mobility device securement by 10% over the previous year by December 31, 2017.																		
By December 2020 have a minimum of a 50% reduction in claim frequency and severity of claims greater than \$500,000 as compared to the loss data December 31, 2015.																		
1a.	Document accountability and compliance to Best Practices with annual reporting to Board by December 2016.	Christianson															*	
1b.	Conduct ongoing reconnaissance for emerging risks with semi-annual reporting to the Executive Committee on findings and recommendations.	Christianson							*								*	
1c.	Reduce bus pedestrian/cyclist strikes to "zero." Report out by June 2017 on outcomes of the Collision * Avoidance Pilot Study.	Christianson & Spears																
	Compare idea grant study to the loss data of December * 31, 2015, and index mileage as baseline.	Spears															*	
<b>Loss Control</b> Increase Board member representative awareness of claim cost via the Origami data reports to be completed by December 2016.																		
2a.	Provide access to automated reports on indemnity/expense claim cost by May 2016 to at least 15 of 25 members.	Spears						*										
2b.	Establish a baseline of pedestrian strikes, mobility device securement accidents, and rear-end collisions by June 2017.	Spears																
2c.	Review large loss report greater than \$100,000 categories by claim types of the Annual Meeting	Spears															*	
<b>Achieve fair and equitable settlements as measured by ensuring member representatives are invited to settlement discussions and/or to participate in mediations for claims above \$100K effective July 1, 2016.</b>																		
2d.	Ensure all adjusters know/understand the WSTIP claim philosophy and claims manual and sign their acknowledgement by August 1, 2016.	Spears															*	

## 2016 Strategic Priority Staff Work Plan

Strategic Priority Review		Who	2016												2017			
			Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	
2e.	Ensure all parties (member transit, adjusters, legal) are kept in the communication loop via the Origami database.	Spears																
2f.	Provide notice to members regarding liability settlements greater than \$100K by July 1, 2016.	Spears									*							
2g.	Train and support all Origami data-entry users on basic use by September 2016.	Spears											*					
2h.	Establish data points on complaints by claimants and members.	Spears															*	
	<b>Develop best practices for investigating and document accidents.</b>																	
2i.	Have adjusters subscribe to the code of conduct in the Claims Manual by December 2016.	Spears															*	
<b>Board and Staff Engagement/ Relationships</b>	<b>Improve Board engagement as measured by participation in Board activities such as meetings, workshops, member representatives meeting, out-of-state travel and joint programs with other stakeholders</b>																	
3a.	88% participation at all quarterly Board meetings (minimum of 22 members present).	Christianson															*	
3b.	60% participation in board member training opportunities supported by WSTIP (in and out of state)	Christianson															*	
3c.	After quarterly meetings, conduct short surveys on location, content, like, dislikes, and food.	Christianson			*			*				*					*	
	<b>Improve Board knowledge and education as measured by testing and completion of the "Behind the Curtain" exercises.</b>																	
3d.	75% completion of the Board Orientation program, "Behind the Curtain" by all appointed and alternate member representatives by December 2016.	Christianson															*	
3e.	Short quizzes at member representative meetings (pass/fail). Group discussion.	Christianson			*			*				*					*	
<b>Stable Rates</b>	<b>Verify that WSTIP composite rates are competitive as compared to the private insurance market for similar products and services.</b>																	
4a.	By Sept 2016 the broker will secure market indicators of rates for a minimum of 2 WSTIP members based on low claims events and size.	Hatten											*					
	<b>Maintain WSTIP rate stability and strive to ensure rates increase are not greater than 5% of the previous year.</b>																	

## 2016 Strategic Priority Staff Work Plan

Strategic Priority Review		Who	2016												2017				
			Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar		
4b.	No composite mileage, property, and vehicle components rate increase greater than 5% by September 2016.	Hatten											*						
4c.	Ensure the rate supports the long range goal "to have the option to self-insurance liability events up to \$5 million on or before 2023" by September 2016.	Hatten											*						
Develop products and services	Improve utilization/usefulness of products and services as measured by 75% participation on a member survey on a triennial basis by September 2016																		
	Improve member satisfaction, by achieving no less than an average combined rating of 4 overall on a scale of 1-5 by October 2016.																		
	Improve response rate of surveys as measured by prior surveys participation and targeted audiences to be accomplished by September 2016.																		
5a.	Define who should receive surveys by March 2016.	Christianson			*														
5b.	Develop survey to respective audiences by June 2016.	Christianson						*											
5c.	Initiate surveys and work to get a 75% or greater return by September 2016.	Christianson											*						
5d.	Report out to the Executive Committee by October 2016.	Christianson												*					
5e.	Make recommendations to the Board December 2016.	Christianson																*	



## MEMORANDUM

To: Executive Committee

From: Ronald A. Franz, General Counsel

Date: July 19, 2016

Subject: Policy on Non-transit risks

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### Introduction

Late last year the Pool's executive director raised concerns regarding Pool coverage for non-transit risks. General counsel was tasked to draft non-transit coverage exclusions for the general liability and public officials liability coverage documents. These exclusions were considered by the Executive Committee and Board at their March meetings. The Board rejected the coverage changes but requested that the executive director survey all Members for non-transit exposures at their properties. The results of the survey were considered by the Executive Committee at its April meeting.

The Executive Committee directed general counsel to draft a best practices/governance policy document regarding non-transit risks. That document is before you today for consideration. This is one of those subject areas where your latitude is huge.

### Policy on Non-transit risks

1. Definition. The policy defines non-transit risks as those risks which are not a logical or integral part of transit operations.
2. Third party activities. A Member is required to have a written agreement with a third party that conducts non-transit activities on transit property. The agreement must have a hold harmless and indemnity in favor of the Member and requires the third party to obtain general liability insurance with limits no less than \$1 million. There is an exclusion from the insurance requirement for "occasional" use of property by "community organizations" for "community purposes."
3. Member activities. For its own activities which are non-transit in nature, a Member must use its "best judgment" to minimize the risk. I appreciate that this is wishy-washy but I needed to have something that did not intrude on a Member's own operations.
4. Annual reporting. Members must report non-transit exposures annually. Perhaps this will be an additional component of a Member's annual report card.
5. Indemnity fee. This is the stick element of this policy. The Pool's liability coverage documents have no deductible. This indemnity fee is similar to a deductible that would apply to non-transit claims and losses. My sense was that the Board was reluctant to exclude non-transit risks from coverage. I share that sense as insurance it intended to provide peace-of-mind. The indemnity fee should encourage Members to treat non-transit risks seriously while still retaining full coverage.



## Policy on Non-transit Risks

Governance Section: Operations

Revision Date: 7/13/2016

Page: 1 of 1

**Purpose:** To reduce the Members' and the Pool's exposure to non-transit risks.

### Authority

1. RCW 48.62.031(3)(a) ("provide for risk management and for loss control services"),
2. WAC 82-60-040 (a pool "shall have a written risk management program"), and
3. Interlocal Agreement, section 3e ("provide for risk management [and] loss control").

### Policy Statement

1. Definition. Non-transit risks are those which follow from any activity or undertaking not an integral and logical part of a Member's transit operations. These risks are either the result of third-party activities and undertakings or Member's own activities and undertakings.
2. Third-party activities.
  - a. Activities or undertakings by third-parties authorized by Member on Member's premises.
  - b. Such activities or undertakings must be pursuant to a written lease or agreement which specifies the activity or undertaking permitted and its location. The lease or agreement shall contain a hold harmless and indemnity in favor of Member, its officers, employees, and agents. It shall require the third-party to obtain a comprehensive general liability insurance policy with limits of no less than \$1million per occurrence with Member as an additional insured.
  - c. Notwithstanding the insurance requirement of paragraph 2b above, a Member may allow the occasional use of its premises or facilities by community organizations for community purposes without the requirement of insurance.
3. Member non-transit activities. A Member conducting non-transit activities or undertakings shall use its best judgment and practices to reduce its risk.
4. Annual reporting. On an annual basis and in conjunction with furnishing information required for coverage renewals, Members shall report all non-transit risks to the Pool arising from third-party and Member non-transit activities and undertakings.
5. Indemnity fee. In the event of any claim or suit against a Member for any non-transit activity or undertaking which is tendered to the Pool for defense or indemnity, the Member shall pay the Pool an indemnity fee of \$25,000 in the nature of a policy deductible to be used by the Pool to defray costs which may be incurred.

Passed by the Executive Committee on \_\_\_\_\_, \_\_\_\_\_ 2016.

Attest:

Approved as to form:

\_\_\_\_\_  
Emmett Heath, President

\_\_\_\_\_  
Diane O'Regan, Secretary

\_\_\_\_\_  
Ronald A. Franz, General Counsel



August 25, 2016

TO: WSTIP Executive Committee

FROM: Al Hatten, Executive Director; Jerry Spears, Deputy Director;  
& Tracey Christianson, Member Services Manager

SUBJECT: **Executive Management Staff Report – August 2016**

### **GEM TRANSIT PROTECTED CELL PROPOSAL**

On August 16<sup>th</sup>, WSTIP, CalTip, Virginia Transit and GEM had a conference call on the continuing feasibility study of a proposed transit protected cell captive (TPC). The discussion focused on the recommended requirement for the proposed TPC to get an IRS ruling on a section 115 non-profit; development of a draft business plan for the Washington DC regulators and ask for a preliminary cost to initiate the TPC with capacity for \$1M or \$2M limits. The GEM Board has authorized the initial feasibility funds but may need to ask the potential partners to contribute for more detail specific projects.

### **WCRP vs. CLARK COUNTY**

**BREAKING NEWS: We have been advised that a possible settlement is close.**

### **JEFFREY S. RISTAU SCHOLARSHIP**

Six new applications for the third quarter 2016.

### **INVESTMENT STRATEGY REVIEW**

Staff has reviewed several different plans and approached to enhancing the investment returns of the WSTIP portfolio. The next step is for the WSTIP Treasurer, Ben Foreman – Intercity, and WSTIP staff to schedule an appointment with the Thurston County Treasurer and discuss options on different financial investment strategies they may be able to offer.

### **UPCOMING WSTIP MEETINGS**

- 2016 **September 29 -30** – Executive and Quarterly Board Meeting – Everett, WA  
**October 24 – 25** – WSTA/WSTIP Joint Board Leadership Training – Spokane, WA  
**October 25** - Executive Committee Meeting – The Davenport Hotel – Spokane  
**December 8 – 9** – Executive & Quarterly Board Meeting – Great Wolf Lodge, Grand Mound, WA
- 2017 January 12 – 13 – Executive Committee Retreat - TBD  
March 23 -24 - Executive & Quarterly Board Meeting – Campbell's at Lake Chelan, WA

### **STAFF/MEMBER REP OUT-OF-STATE TRAVEL**

- 2016 **September 13-16, CAJPA – So Lake Tahoe, CA**  
**September 18-21, WSDOT Conference – Wenatchee, WA**  
**October 2-5, AGRIP Fall Educational Forum – Denver, CO**

October 26-28, GEM, Chicago, IL

Board Member Rep travel is in bold.

## **MEMBER SERVICES ACTIVITIES**

**Transit Agency Visits – Transit Agency Visits** – Eight months have elapsed and a lot of our field work has been done. Joanne has visited Asotin, Clallam, C-Tran, Columbia, Grant, RiverCities and Spokane vanpool programs. Chris has visited C-Tran (3 times), Pacific, Kitsap, Grant, Link (three times), Spokane, Asotin, Pullman, Grays Harbor, Everett, Mason, Pierce, Community, Intercity, Jefferson, Island, Valley, Ben Franklin, Columbia, Skagit, Whatcom and Yakima. Chris has also taught Reasonable Suspicion/Drug and Alcohol for Supervisors at Ben Franklin Transit (January 26); Intercity Transit (February 2) and Kitsap Transit (April 12 – 13). He also completed a one-day supervisor training at the special request of Jefferson Transit on May 13. Chris is scheduled to teach Reasonable Suspicion/Drug and Alcohol at Link on October 5 and 6. He has also been asked to teach at RiverCities but a date has not been set. Our field work is always focused on Best Practices and in particular we are focusing on the Best Practice for Operator Training and the Best Practice for Mobility Device Securement. Joanne's focus in her field work is the Best Practice for Vanpool Operations.

**Best Practices for Mobility Device Securement / Training Program Development** – With the RFI for Simulators done, we are turning back to this training class. Finishing up the materials and then we will decide how to run the class.

**Best Practices for Technology Environment and Online Banking / Network Security Consulting Work** – Davis Wright and Tremaine (DWT) has made significant progress on this project. Sean will re-record the webinar on Monday, August 22.

**WSTIP Webpages / Association Management Software** – We have reported since February about our purchase of a new Association software, Your Membership. Our design was delivered in May and Anna and I have been working on producing the new website. Staff gave a sneak preview of the site to the Board at the June quarterly Board meeting. We hope to have testers in the system by the end of the month.

**MRSC Usage** – At the last meeting, a question was asked about the utilization of the MRSC service. Attached is a utilization report for your information. Also, MRSC produces a specific transit newsletter to detail some of the questions that are posed to them.

**PUBLICATIONS and SAFETY STARS** – The Annual Report and Risk Profiles were distributed at the June Quarterly Board meeting. As part of the analysis needed to do the Risk Profiles, we also determine who the winners of the Safety Stars awards will be. Safety Stars winners were announced. The winners are: Community Transit, Whatcom Transportation Authority, and River Cities Transit. There was some question of these awards so staff reviewed the data and stand by the original announcement of these winners.

## CLAIMS

WSTIP currently has 549 open files with total reserves of \$9,586,959 as of 7/31/2016. Most claim files are from the last three to four years. 2011 and 2014 are the most significant loss years in the last several years. Most major claims from 2011 are resolved. There are three large claims from 2014.

Outlined below is a quick summary of WSTIP claims by loss year including claim count and average cost per claim.

				A	B
Year	Open Claims	Total Claims	Year	UNL/Claim	RM Incurred/Claim
2006	0	744	2006	\$ 6,176	\$ 6,175
2007	0	802	2007	\$ 3,038	\$ 3,043
2008	1	839	2008	\$ 7,348	\$ 7,387
2009	1	859	2009	\$ 5,168	\$ 5,192
2010	1	1104	2010	\$ 5,563	\$ 5,533
2011	5	1034	2011	\$ 8,194	\$ 8,047
2012	4	1014	2012	\$ 4,791	\$ 4,888
2013	26	1122	2013	\$ 4,855	\$ 4,803
2014	53	1085	2014	\$ 7,041	\$ 5,899
2015	146	969	2015	\$ 5,948	\$ 3,698
2016	312	509	2016	\$ 7,868	\$ 1,679
Totals	549	10081	Total	5,948	\$ 5,288

The remaining large 2011 case is Clithero vs. Dart. Dart is a subcontractor of Community Transit. In 2011 WSTIP was the primary liability insurer for Dart. Mr. Clithero has cerebral palsy. A Dart vehicle struck Mr. Clithero on his scooter in a crosswalk. Mediation is planned for later this year or early next year.

There are three significant claims in 2014. Two claims involve a Pierce Transit bus striking a pedestrian, while turning left in the Seattle area. The pedestrians suffered significant injuries as result of the collisions. Neither matter is in lawsuit.

We have one significant claim from 2015 developing. A Kitsap bus hit a cyclist on State Route 305 in early November. The cyclist suffered significant injuries from the accident. The cyclist is still treating and has not filed a lawsuit.

Regarding the 2008 Jefferson Transit case where their bus bumped a plumbing truck, we had an unexpected and adverse judgment for \$1.2 million after a June 2016 jury trial. We filed a motion for a new trial and a remitter motion. Both motions were denied. We appealed the adverse verdict to the Division 2 Court of Appeals. Appeals take 1 to 2 years for resolution. Oral arguments will be this fall.



We had a significant uptick in open litigated cases. We have twenty-eight open litigated files now including four employment practice cases. These cases represent the bulk of outstanding reserves for WSTIP.

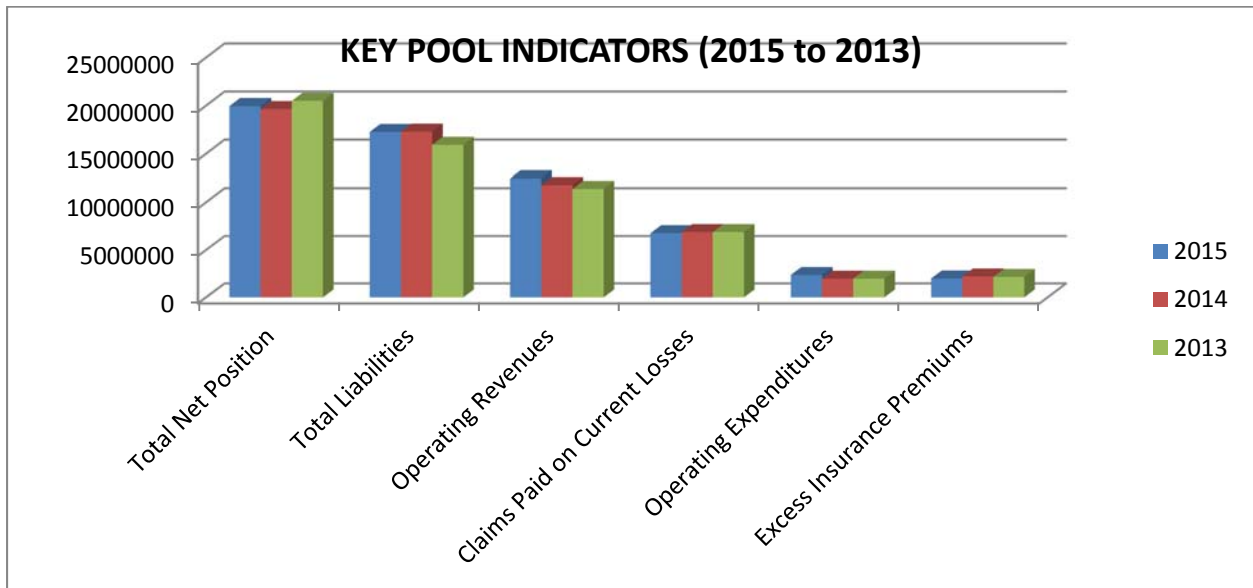
### INFORMATION TECHNOLOGY

Building the reports, creating dashboards, working with the new electronic documents foundation, figuring out exposure data collection and paying claims are some of the challenges and opportunities we are working through with the new system. We went live in January and it will take all year to sort through it. We can continue to work with individual members on their customized report needs.

### FINANCES

The State Auditor is at WSTIP working on the 2015 Financials.

Here is a quick comparative snapshot of WSTIP finances between 2013 and 2015.



## WSTIP Expenses 2015 to 2013

	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Claims Self Insurance Fund</b>	6,772,356	6,892,488	6,895,064
<b>Excess Insurance Premiums</b>	1,999,364	2,206,372	2,166,032
<b>Driver Recording Monitoring</b>	299,830	278,718	220,931
<b>Actuary</b>	108,000	59,500	66,525
<b>Administrative Services</b>	41,855	19,868	22,383
<b>Broker Fees</b>	101,200	101,200	103,845
<b>Backup Services</b>	6,121	5,950	8,000
<b>Contracted Services</b>	23,899	46,826	54,759
<b>Legal and Accounting</b>	12,728	12,271	14,613
<b>Loss Control Services</b>	507,181	384,102	313,430
<b>Audits</b>	22,493	26,247	31,204
<b>Staff Wages, Taxes and Benefits</b>	1,232,356	1,120,035	1,074,293
<b>Staff Conferences and Travel</b>	90,322	87,332	82,668
<b>Board Expenses</b>	145,721	119,269	175,379
<b>Information Services</b>	328,265	97,785	94,880
<b>Communications</b>	18,986	19,083	23,588
<b>Occupancy Costs</b>	45,233	39,629	65,732
<b>Office Expenses</b>	50,455	52,276	55,417
<b>Depreciation</b>	17,552	20,560	17,106
<b>Miscellaneous</b>	5,446	8,991	12,822
<b>Operating Expenses</b>	11,829,363	11,598,502	11,498,671
<b>Change in Unpaid Claims Liability</b>	82,334	690,961	-128,413
<b>TOTAL OPERATING EXPENSES</b>	11,911,697	12,289,463	11,370,258

## MRSC Usage by Member and Question Type

From January 2016 through August 2016

WSTA Member	Number of Inquiries
Kitsap Transit	12
Columbia County Public Transportation	6
Pierce Transit	5
Jefferson Transit Authority	4
Intercity Transit (Thurston)	4
WSTA Staff/Association	3
Valley Transit (Walla Walla)	2
Sound Transit District	2
Grays Harbor Transit Authority	2
Link Transit (Chelan/Douglas)	1
Island Transit	1
Ben Franklin Transit	1
Clallam Transit System	1
Spokane Transit Authority	1
No. of WSTA Member Entities for Date Range: 14	Inquiry Total for Date Range: 45

From January 2016 through August 2016

Subject	Number of Inquiries	Percentage of Total
Public records, access, disclosure, Public Records Act, Ch. 42.56 RCW	8	17.78 %
Purchasing procedures for professional services	6	13.33 %
Purchasing procedures for services, outside contracting, privatization	4	8.89 %
Purchasing procedures for public works, contract administration, contract management, change orders	3	6.67 %
Small works roster	2	4.44 %
Surplus property disposal	2	4.44 %
Personnel policies and programs	2	4.44 %
Records management, records retention, state records management requirements	1	2.22 %
Boards, commissions, advisory committees, advisory boards	1	2.22 %
Compulsory solid waste and refuse collection	1	2.22 %
Customer relations, customer service, complaint handling, citizen requests, evaluation forms	1	2.22 %
Debt policy	1	2.22 %
Discipline, disciplinary actions, misconduct investigations	1	2.22 %
Easements and vacations	1	2.22 %
Fair Labor Standards Act (FLSA)	1	2.22 %
Finance - General information	1	2.22 %
General Government	1	2.22 %
Maternity leave, family leave, parental leave, Family and Medical Leave Act, FMLA	1	2.22 %
Minutes, televising and recording of meetings	1	2.22 %
Open meetings, Open Public Meetings Act, Ch. 42.30 RCW	1	2.22 %
<b>Total:</b>	<b>45</b>	



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION

### **WSTA/WSTIP Provides New Service: Municipal Research and Services Center**

**WSTIP has partnered with WSTA to provide funding for all WSTIP members in this pilot WSTA project. An overview of the project, below, was written by Geri Beardsley, the Executive Director of Washington State Transit Association, and sent to all general managers.**

.....

This article describes a great new benefit for Washington State Transit Association (WSTA) members – membership with Municipal Research and Services Center of Washington (MRSC) - which allows officials and staff from all WSTA transit agency members, along with WSTA and WSTIP staff, unlimited use of MRSC's services and experts. This is a tremendous value for our members and I encourage you to make use of this new resource during 2014, which we are approaching as a pilot/test year.

Please forward this email to anyone in your transit agency that might be interested. This email is long, but includes a description of many of MRSC's services, as well as information on how to get started with MRSC.

#### **What is MRSC?**

MRSC is a private, non-profit organization based in Seattle, Washington. Their mission is supporting effective local government in Washington through trusted consultation, research, training, and collaboration. There is a great deal of information on MRSC's website: [www.mrsc.org](http://www.mrsc.org).

MRSC serves Washington local governments by providing: (1) dependable advice from a multidisciplinary team of professional consultants; (2) a comprehensive website; (3) access to thousands of sample documents; (4) timely print and electronic newsletters; (5) informative publications; and (6) access to the largest local government library collection in the Northwest.

MRSC provides consultations with attorneys and experts in areas such as finance, purchasing and bidding, public works, planning and management. We know that at least one transit agency used MRSC to do research and write a white paper on a topic in the past and found the paper very useful. In addition, agency staff attorneys may find it very helpful to confer with MRSC on-staff attorneys to discuss or confirm an approach that they may be considering. Even if your agency uses MRSC's services two to three times annually, the service would easily pay for itself in terms of staff time and/or attorney's fees savings.

The key way to get a consultation or expert advice is through one of MRSC's research tools: "[Ask MRSC](#)." Here are examples of possible questions:

- What are the personnel rules about...? *Example:* May city councilmembers accept payment for attendance at transit board meetings if the compensation is paid by the transit authority and not the city?
- Is it legal to? *Example:* Do bond and retainage requirements apply to small public works projects? Does the use of federal funding for such a project impact these requirements?
- Can you send me examples of...? *Example:* Ordinances and related staff reports related to expanding the boundary lines of public transportation benefit area (PTBA) RCW 36.57A.030.



You may be wondering how “Ask MRSC” differs from “ASK Transit,” which is available to WSTA and WSTIP members. The key difference is that ASK Transit is a tool to get responses from other transit agencies to a specific question. The question is sent (by WSTIP) to the appropriate person at each transit agency and at least 15 responses are compiled and sent to the requester within a week, and added to the ASK Transit archives. We want you to continue to use ASK Transit if you are looking for responses from transit agencies. If, on the other hand, you would like to ask a subject matter expert about an issue, you should start with Ask MRSC. WSTA, WSTIP and MRSC will coordinate together to try to ensure questions are funneled to the best place, without a lot of duplication. Feel free to contact us if you have questions.

Another way to get information and advice is to check the posts on the MRSC website. MRSC has joined with a wide range of experts across the state to bring you *MRSC Advisor and MRSC Insight* columns written specifically for Washington local governments with timely information and advice you can use on topics such as finance, human resources, planning and management. You can receive these posts directly by subscribing to one of more of [MRSC's e-newsletters](#) (e.g., HR, Finance, etc.).

MRSC offers training opportunities through webinars they produce on topics such as ethics, public records, open government, governance, purchasing and contracting, customer service and public finance. If you miss a webinar, you can find them on the webinar archives page. We will be working with MRSC to coordinate as needed on their webinars and the trainings that the Washington State Transportation Training Coalition presents.

You can also borrow materials from the MRSC library, the state's largest collection of local government reference documents. Available materials include local ordinances, resolutions, codes, budgets, and documents related to virtually every function and operation of local government.

### **Who can use MRSC through the WSTA/MRSC contract and what does it cost?**

Officials and members of all WSTA transit agency members, and WSTA and WSTIP staff, are eligible to use MRSC services. While WSDOT's Public Transportation Division is a member of WSTA, the contract does not include WSDOT at this time. WSTA associate members are also not included at this time.

There is no charge to you when you contact MRSC for assistance. The cost of the WSTA/MRSC contract is paid for by WSTA, in large part with a generous contribution from WSTIP. (Note that the cost for city and county transit agencies is actually paid for through funding from the State of Washington, so the WSTA/MRSC contract only covers the cost of the remaining members.) We are using 2014 as a test/pilot. MRSC will track and report usage so that we can evaluate whether to continue the WSTA/MRSC contract beyond 2014.

### **How do you get started?**

You can go to the [MRSC website](#) and look for the information you need. You will find publications, articles, databases, and contact information. If you need additional information about something on the website, give MRSC staff a call.

If you want to submit a request for information or advice, go to the [Ask MRSC](#) page. You will find an option for “Other Governmental Entity in Washington State.” Click on that option, then type in the name



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of your transit agency. NOTE: you need to highlight your agency name before you click the continue button. Once you do, the continue button will take you to a page to type in your request. If you DO NOT highlight your agency name, you will be directed to a query page, which will allow you to do your own research on the MRSC database. Both are valuable tools.

You may want to sign up right away for one or all of MRSC's e-newsletters: *In Focus: Local Government*, *In Focus: Finance*, *In Focus: Finance*, *In Focus: Management*, or *Ask MRSC*. To sign up, go to [this link](#).

If you are interested in training, watch the website for upcoming MRSC webinars and check out the webinar archives at [this link](#).

#### **A note about public records...**

MRSC does not regard itself as a public agency subject to the state Public Records Act or the Open Public Meetings Act, and MRSC will seek to maintain privacy and confidentiality of inquiries received and the responses provided under the WSTA/MRSC contract. MRSC's guidance, however, may be required to be disclosed by a transit agency depending upon the nature of the contact.

#### **Is anything not included in the MRSC/WSTA contract?**

MRSC will not serve as legal counsel for WSTA or individual member agencies. MRSC's services are intended to supplement and extend services provided by WSTA and member staff, but MRSC's services will not replace such services.

One additional MRSC service worth exploring is "MRSC Rosters," a shared statewide small works and consultant roster system that 358 Washington State cities, counties and local governments use to search for project bidders. You must join the MRSC Roster separately to use the roster system. A number of transit agencies are already members and are very happy with the benefits of the Roster. For more information, you can go to the MRSC Rosters website at <http://www.mrscrosters.org/>.

#### **Need more information?**

MRSC staff has offered to provide additional informational materials about their services if requested and may even be available to attend WSTA Board or Committee meetings. Please work with Geri Beardsley if you would like to discuss a possible presentation or would have any questions.

#### **Thank you...**

Thank you to WSTA's Clerks of the Authority Committee for suggesting that WSTA join MRSC, to the WSTA Board for agreeing to support the WSTA/MRSC contract, and WSTIP for contributing to the cost of the WSTA/MRSC contract. And thank you to MRSC for agreeing to work with us; we are one of only four groups that are under contract to receive MRSC services.

# Ask MRSC TRANSIT

MRSC of Washington

AUGUST 2016: #

Month/Year



Ask MRSC TRANSIT is a quarterly e-newsletter featuring responses to selected inquiries received by the consultant staff of MRSC. [Submit your own question](#) via our simple online form.

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### **Can a transit district make use of electronic signatures?**

While we have previously questioned whether a transit district (or any jurisdiction other than a city or county) could use electronic signatures, Chapter 95, Laws of 2016 ([SHB 2427](#)) now authorizes local governments, including transit districts, to make use of electronic signatures.

**[Submit a Question](#) : [Subscribe](#) : [Search/Browse All Inquiries](#)**

### **Is a hearing required for a transit district to convey an easement to a city to implement a development agreement?**

We have reviewed the statutes applicable to transit districts and development agreements and could not find anything that would require a public hearing in order to dedicate an easement to

a city to implement a development agreement. [RCW 39.33.010](#) sets out an alternative process for the transfer of property from one governmental entity to another, but it does not require a hearing. Thus, it is our opinion that no hearing would be required for the district to dedicate an easement to the city. Obviously, if the district has its own rule requiring a hearing, that rule should be followed.

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### Can a board member vote to approve the minutes of a meeting that the board member did not attend?

If the governing body has adopted *Robert's Rules of Order*, then the answer is straightforward, as the 11th Edition of *Robert's* states in Section 41, page 355 that:

It should be noted that a member's absence from the meeting for which minutes are being approved does not prevent the member from participating in their correction or approval.

If the governing body has not adopted *Robert's*, then we think it would be important to consult the applicable rules of procedure. However, we are not aware of any law that prohibits a board member from voting to approve minutes for a meeting they did not attend.

While it may seem irregular to vote on something of which he or she has no knowledge, we believe, as a practical matter, that board members who did not attend the meeting would defer to those who did and vote along with them (whether to approve or to amend the minutes). Of course, if a board member does not feel comfortable voting to approve minutes for a meeting he or she did not attend, then that member may certainly abstain from voting.

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### What makes an employee an exempt employee vs. non-exempt? Must exempt employees have staff under them or can they have no one reporting to them and still be exempt?

Regarding the factors that are considered in distinguishing between an exempt vs. a non-exempt employee, [Overtime 101](#), an MRSC blog post, provides a good summary on that issue. Another helpful source that we have highlighted is from the University of Washington's Human Resources Department regarding the [FLSA and overtime eligibility and exemptions](#).

Regarding your second question, a determination related to whether an exempt employee must supervise staff to be exempt depends on the exempt employee category at issue. For example, as explained in our blog post referenced above (emphasis in original):

Each exempt category of employment has its own duties test; for example, to qualify as exempt, an **executive employee's** primary duty must be managing the organization, or managing a customarily recognized department or subdivision of the organization. [29 CFR 541.100](#). (FLSA regulations discuss what is meant by "primary duty" [[29 CFR 541.700](#)] and give examples of what may be considered to be "management" duties [[29 CFR 541.102](#)].) The executive must customarily and regularly direct the work of at least



two or more other full-time employees or their equivalent and have the authority to hire or fire other employees, or the executive employee's suggestions and recommendations as to the hiring, firing, advancement, promotion, or any other change of status of other employees must be given particular weight. (See [29 CFR 541.105](#) for an explanation of what is meant by "particular weight.")

An **administrative employee** is exempt if the employee's primary function is to perform office or non-manual work, directly related to the management or general business operations of the employer or the employer's customers, that includes the exercise of discretion and independent judgment with respect to matters of significance. [29 CFR 541.200](#). FLSA regulations provide guidance as to what is meant by "directly related to the management or general business operations" ([29 CFR 541.201](#)), "discretion and independent judgment" ([29 CFR 541.202](#)), and give examples of the administrative exemption ([29 CFR 541.203](#)).

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### Could I send an email of relevance to transit district business to the other board members for information purposes only? I had the first line of the email clearly state: "For informational purposes only, please do not reply."

It is not a violation of the Open Public Meetings Act (OPMA) for you to send this email for informational purposes only to the other board members. If they only passively receive the information, there is no violation. See, e.g., *Citizens Alliance for Property Rights v. San Juan County*, 184 Wn.2d 429 (2015); *Wood v. Battle Ground School District*, 107 Wn. App. 550 (2001). However, if just one of the other board members responds to the email, then it could be deemed a violation of the OPMA because there would have been action taken (a discussion of district business) by a quorum of the board outside of a meeting open to the public. We recommend just what you are doing: clearly state that the other board members should not reply to your email.

We developed a [handy tip sheet](#) on how to avoid OPMA violations when sending email. One other thing we recommend is having a staff member send the email on your behalf so if a board member responds, it would not constitute a meeting because none of the other board members would be a recipient of the response (assuming the staff member doesn't forward the response).

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If you have comments for the newsletter editor, please contact [Byron Katsuyama](#), Public Policy and Management Consultant, or [Robert Sepler](#), Legal Consultant.

Officials and staff of Washington cities, counties, public hospital districts and other contract partners can call or [email MRSC](#) free of charge for advice and information on local government issues.

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