

CHARTING OUR COURSE

Activities of WSTIP's Committees and Board



This Activity Report is an effort to keep all WSTIP members informed on recent and ongoing WSTIP governance activities. Feel free to pass this information on to any and all interested parties.

To view the supporting materials for Executive Committee and Board meetings go to [the Board website](#) and select the meeting. If there is terminology you do not understand there is a glossary of common terms by [clicking here](#).

August 25, 2016 ~ Executive Committee Meeting

Call to Order

President Heath called the meeting to order at 9:02 am. Heath announced there were three additional items to add to the agenda: Discussion Item 3 – Columbia County Public Transportation, Serious Loss Review Update, Discussion Item 4 – Notice from Governmental Entities Mutual, Inc. (GEM), and Executive Session to discuss performance of a public employee. Heath asked Broadhead to complete a verbal roll call. Verbal roll call was taken and all Executive Committee members were present in addition to staff and Rob Huyck from Pierce Transit.

Consent Agenda

Minutes – July 28, 2016, July 2016 Administrative Vouchers/Checks, and July 2016 Claims Vouchers/Checks

Heath asked for a motion to approve the consent agenda. *LaFontaine moved to approve the consent agenda. Covey seconded the motion and the motion passed.*

Discussion Items

2016 Executive Committee Work Plan

Hatten said we are wrapping up the Executive Director and General Counsel's evaluations, salary review and determination by October 22. Committees are meeting and there are several reports on the agenda today. We are in compliance with our work plan.

Non-Transit Liability Governance Policy

Heath explained this topic was tabled from the last meeting in Franz's absence so we could discuss this face to face. After a short discussion the group decided the topic wasn't pressing and requested it be added to the September agenda.

Columbia County Public Transportation Serious Loss Review Update

At the last meeting 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 and staff have followed up with Columbia County Public Transportation, Heath has sent a letter and Hatten has sent a letter offering WSTIP support with resources to help with the recommendations. Christianson reported that she had spoken with Stephanie Guettinger and some of the recommendations have already been met; they are receptive and appreciative of the assistance being offered.

Notice from Governmental Entities Mutual, Inc. (GEM)

Hatten said he had received a phone call from Andrew Halsall the chief executive officer of GEM to alert the Pool that we are not in compliance with their Operation 4.12, non-renewal and pricing policy. Our loss ratio for the past five years is higher than 125% and allows GEM discretionary authority to non-renew or increase pricing. 2014 was a bad loss year for us, 2015 was better, and 2016 appears to be good so far. Halsall will recommend a price increase to the GEM board. We will be working with actuary (Kevin Wick) and broker (Brian White) to look at alternatives. Franz said it looks like we have been put on notice, how much notice would GEM give should they decide to non-renew, will it be enough time to develop alternatives through alternative markets. Hatten said it would be unprecedented but they may raise rates. Shinners asked what would happen to our capital investment if we non-renew. Staff is working on options and will have more to report in September. Halsall will also be in attendance at our September meeting.

Staff Reports

Executive Staff Report

Hatten is having preliminary discussions regarding a potential captive transit protected cell within GEM (captive within a captive scenario), two of the GEM reinsurers do not want to cover transit; we have no plans of changing our quota share arrangement. Hatten said the WCRP vs Clark County case regarding whether Pools are insurance companies or not looks like the case will likely settle before the decision comes out of the Supreme Court. We are working on setting up a meeting with the Thurston County Treasurer regarding the Pool's investment strategy and may look at going from our current passive investment strategy to a more active strategy similar to possibly being able to generate more interest income per year. If you have questions give Hatten a call.

Christianson said staff have been out doing field visits and teaching reasonable suspicion for Drug and Alcohol if you would like to schedule a training, please let her know. If you have questions, please don't hesitate to contact Christianson.

Spears said the audit was wrapping up. The auditor thought our GASB 68 number was off by \$30,000, but we worked through this with our CPA and our numbers were correct. We have requested your estimated 2017 miles and employee counts, if you haven't responded please do so. The Underground Storage Tank (UST) policy renews on September 25th we will conditionally bind coverage, it will be an action item for the September Board meeting. If you have questions regarding the Executive Staff Report, contact Hatten, Christianson, or Spears.

Sub-Committee Reports

Governance Policy Committee

No report.

Nominations and Elections Committee

No report.

Board Development Committee

Shipman reported that the Board Development Committee is working on revising the member guest program and will forward it to the Governance Policy Committee for review. They are also working topics for the September Member Representative Meetings which will include a quiz and round table time. For more information, feel free to contact any Board Development Committee member.

Emerging Risks and Opportunities Committee

The Emerging Risks and Opportunities Committee met on August 11, reviewed the request for information regarding simulators, talked about the Washington State Department of Transportation Masterplan, discussed difficult passengers (repeat offenders) and public information requests (repeat offenders) and possible actions to stop the behavior. Also discussed was future training programs, and the insurability of drivers and how to determine insurability. For more information, contact Jordan or any Emerging Risks and Opportunities Committee member.

Executive Director Succession Committee

Heath said no change from the prior meeting.

Driver Recognition Committee

Foreman said the committee had not met and asked Christianson for an update. Christianson reported we now know who is participating and have processed the first four or five requests. We have requested everyone return their data by September 12.

Recap/Review

Heath stated there was no need to recap unless anyone had questions. There were no questions.

The Executive Committee took a quick break at 9:50 am and resumed at 9:57 am.

Executive Session

The Executive Committee went into Executive Session at 9:57 am pursuant to RCW 42.30.110 for not to exceed 10 minutes; they extended the session and came out of session at 12:16 pm. They requested staff to schedule an additional meeting for 12:00 pm for further discussions.

Adjournment

The meeting adjourned at 10:16 am and planned to resume at 12:00 pm.

Call to Order

President Heath called the meeting back to order at 12:00 pm and asked Broadhead to complete a verbal roll call. Verbal roll call was taken and all Executive Committee members were present in addition to staff. Heath asked Executive Staff to leave the room, but asked Franz to remain.

Executive Session

The Executive Committee went into Executive Session at 12:03 pm pursuant to RCW 42.30.110 for not to exceed 15 minutes; they extended the session and came out of session at 12:36 pm.

Heath moved that the Executive Committee recommend to the Board of Directors at their

September meeting to extend an offer to Jerry Spears to employ him as the Executive Director at not less than \$140,000 effective January 1, 2018. O'Regan seconded the motion and it passed unanimously.

Adjournment

The meeting adjourned at 12:41 pm.

Attendees

The meeting was held via teleconference.

Executive Committee

Executive Committee members in attendance were: Nick Covey, Past President, Link Transit; Ben Foreman, Large Member Representative, Intercity Transit; Emmett Heath, President, Community Transit; Staci Jordan, Medium Member Representative, Island Transit; Rob LaFontaine, Twin Transit; Diane O'Regan, Secretary, C-Tran; Paul Shinnors, Vice-President, Kitsap Transit; and Shonda Shipman, At-Large Member Representative, Whatcom Transportation Authority. Board Members present: Rob Huyck, Pierce Transit (left meeting at 9:57 am). Staff present: Brenda Barnett, Receptionist (left meeting at 9:57 am); Anna Broadhead, Member Services Assistant; Tracey Christianson, Member Services Manager; Ron Franz, General Counsel; Al Hatten, Executive Director; and Jerry Spears, Deputy Director.

©2017 Washington State Transit Insurance Pool | 2629 12th CT SW, Olympia, WA 98502

[Web Version](#)

[Subscribe](#)

[Forward](#)

[Unsubscribe](#)

Powered by [Mad Mimi](#)®

A GoDaddy® company