



Minutes of the
 Executive Committee Meeting
 February 15, 2018
 WSTIP Office ~ Olympia, WA

| Executive Committee Members Present | Staff Present |
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| Amy Asher, Small Member Rep, RiverCities Transit Danette Brannin, At-Large Member Rep, Mason Transit Suzanne Coit, Treasurer, Intercity Transit Nick Covey, Medium Member Rep, Link Transit Kevin Hebdon, Large Member Rep, Ben Franklin Transit Staci Jordan, Vice-President, Island Transit Diane O'Regan, President, C-Tran Paul Shinnars, Past President, Kitsap Transit | Cedric Adams, Claims Manager Anna Broadhead, Board Relations Tracey Christianson, Executive Director Al Hatten, Senior Consultant Richard Hughes, General Counsel Joanne Kerrigan, Member Services Manager Andrea Powell, Administrative Services Manager. |
| Board Members Present | Guests present |
| Geri Beardsley, Community Transit (virtually) Emily Bergkamp, Intercity Transit | Steve Clancy, Consultant (10 am – 10:30 am) Caryn Jorgensen, Mills, Meyers, Swartling (Executive Session only) Jim McDonald, JGMcDonald and Associates (Executive Session only) |

Call to Order

President O'Regan called the meeting to order at 9:00 am. She welcomed all participants as a sign-in sheet was passed around the room. Bergkamp introduced herself. O'Regan called for changes to the agenda, hearing none she asked for a motion to approve the agenda. **Covey moved to approve the agenda as presented. Jordan seconded the motion and it passed.**

Shinnars and Hebdon arrived at 9:02 am.

Consent Agenda

Minutes – January 18, 2018, January 2018 Administrative Vouchers/Checksⁱ, January 2018 Claims Vouchers/Checksⁱⁱ, June 30, 2017 Actuarial Report

O'Regan asked if there were any items to remove from the consent agenda. There were no items removed from the consent agenda. **Jordan moved to approve the consent agenda. Asher seconded the motion and the motion passed.**

Discussion Items

Thurston County Investment Portfolio Report

O'Regan asked committee members to think about what information regarding the investments they want to see and how often they would like to see the report. Coit highlighted the investments and their rate of return, noting that the \$20 million investment was broken into four separate \$5 million chunks. The rate of return was 80 basis points higher than the Thurston County Investment Pool in January. She asked the committee if they would like the entire report or just the summary page, and how often (monthly or

quarterly). The committee asked her to include the summary page with the balance sheet on a quarterly basis.

Retreat Outcomes

Christianson explained at the retreat the attendees were broken into three groups and each group worked on getting to some good ideas. Staff then met and melded together the game plans from each group. She asked if the write-ups reflected the understanding from the group, and asked if there were any great ideas not captured that need to be memorialized. Committee members nodded their heads in agreement. The most promising ideas appear to be develop an education program, create funding opportunities for member technology, and create more shared services including project management and grant writing. Shinnors suggested changing create funding to explore funding mechanisms. She explained the next steps would be to take the ideas, make them into SMART goals, and meld them into the strategic plan and Executive Committee work plan. She then explained her prototype drawing ([click here](#)) on developing an education program. She asked the committee if they would participate by silent brainstorm (a technique learned at the retreat) over the next week to develop the white paper. The committee agreed by nodding heads.

Coverage Document Review Project

O'Regan encouraged committee members to think about how to keep this project moving forward. Christianson said we have been talking about non-auto liability coverage after the actuary projected larger loss reserves in the 2018 budget process. When we talked about WSTIPs next life it may be an opportunity to expand coverage if auto liability was reduced. The perfect place to start may be understanding the coverage. Adams, Hughes, and Christianson met and have put together a draft project plan which we would now like to put on your workplan for 2018 unless you prefer to refer this topic to a committee. We want to gather research as to what risks you are facing and what those risks are costing you now. Shinnors said he is surprised by looking at the chart of losses it doesn't appear the loss trend is increasing, but the actuary is proposing significant increases in the other than auto liability loss fund. Christianson explained the actuary looks at the auto liability in one bucket, and everything else (employment practice, bodily injury, and public officials) in the other bucket. Shinnors said he sees this in two parts the first is responding to the actuary's loss reserve requirement, and the other is trying to understand the policy as there are several exclusions and it's a matter of understanding what is in the policy. Shinnors appreciated the comparison chart that compares the WSTIP policy to the Chubb policy, perhaps this could be expanded to include a couple of other Pools policies to compare against.

O'Regan asked Christianson to walk through the proposed timeline. Christianson said she would like to find out what legal situations the members have that they either handled in house or didn't submit to the Pool, and any other claims/losses that weren't presented for coverage determination. We need to review the Interlocal Agreement, Bylaws, and the governance policies, partners Governmental Entities Mutual (GEM) and MunichRE have agreed to review our draft document. We will then have a coverage expert review the document with a draft document to the Executive Committee at the July meeting. Education campaign and final draft presentation to the Executive Committee in August, anticipating education campaign and presentation the Board in September, with adoption in December for a January 1 coverage period. O'Regan asked about the research piece. Christianson said she needs each member to tell her who the person is that would have access to give us the answers to the questions we are asking. We realize this will likely make people uncomfortable and possibly discover claims that were not reported. The committee discussed what type of claims possibly haven't been submitted, how an education piece needs to be included, and how duty to defend is greater than the duty to indemnify. O'Regan suggested an underwriting committee be formed to review the Public Officials Liability coverage. ***Jordan moved to convene an underwriting committee to investigate the public officials liability coverage. Shinnors***

seconded the motion. Discussion: Covey asked who would be on the committee. O'Regan said she would be asking for no more than four volunteers to avoid a quorum. **O'Regan called for a vote and the motion passed.** Covey volunteered Shinners to chair the meeting, Hebdon seconded. Shinners agreed to be the chair, and Covey, Brannin, and O'Regan volunteered to be on the committee as well. Christianson, Hughes, and Adams will be the staff support for this committee. Christianson will work with committee members to develop a charter.

Training Academy Discussion

Kerrigan explained she had asked Board members to talk to their safety and training departments to see what the interest level is in developing a training academy and is now reporting back as she was asked to do at the January meeting. Overall 23 of the 25 members are in support of developing the academy to train operator trainers. Jordan asked who would be in the stakeholder group for development. Kerrigan replied that she is looking for risk, safety, and training volunteers, staff support for the committee will be herself and Chris DeVoll. She will be presenting this topic at the Trainer's Showcase in May.

Steve Clancy joined the meeting at 10:00 am.

Business Case for Pierce Transit's Drive Cam Project

Kerrigan reminded the committee they had been talking about this project since the September Board meeting when the Emerging Risks and Opportunities Committee recommended moving forward, in December you requested a business case. Pierce is asking for a \$100,000 contribution from WSTIP towards their Lytx Drive Cam project. It is advantageous for WSTIP to participate in the project so we can receive all the data, receive a list of lessons learned, and if successful at reducing losses at Pierce it will have a significant impact on the pool and possible technology projects going forward. The committee discussed whether the data would be polluted due to collision avoidance warning system and adaptive braking study that is also occurring at Pierce Transit. O'Regan thanked Kerrigan and Clancy for the business case and asked when the money would be given to Pierce if accepted. The business case shows the request in March of 2018 and that perhaps some milestones should be hit before funds were given. Covey asked if WSTIP would contribute 20% of the cost to everyone who wants to participate in a Drive Cam study. Christianson said that question is with the Emerging Risks and Opportunities Committee. Shinners said he understands the comingling of results but the true measurement is reduction in incidents or losses, which as Kerrigan pointed out for every dollar we collect from Pierce Transit we are paying out \$1.12, if we are truly interested in seeing data let's fund Link or one of the members on the member improvement list for pure results. He supports the project and would feel more confident in the results if another member did just Drive Cam. O'Regan agreed and feels the lessons learned could be helpful too, and if another member is interested maybe there is merit to that. Covey asked if the money was in the 2018 budget or if it needed to go to the Board for approval. Christianson said the money would come from reserves with the thought process being a reduction in claims is where the money would come from anyway. **Covey moved to approve Pierces proposal of funding \$100,000 towards their Drive Cam project, and have staff develop a memorandum of understanding between Pierce and WSTIP.** **Jordan seconded the motion.** Discussion: The committee discussed the \$100,000 and the budget, and whether the Board should be notified for transparency, they discussed whether they were setting a precedent for rewarding members with bad loss history, and that they would like to see the contract in March for informational purposes only. **O'Regan called for a vote and the motion passed.**

The Executive Committee took a short break from 10:30 to 10:47 am. Bergkamp and Clancy left the meeting at 10:30 am. McDonald and Jorgensen joined the meeting at 10:47 am.

Executive Session

The Executive Committee went into Executive Session at 10:49 am for 30 minutes pursuant to RCW 42.30.110 (1) (i) to discuss with legal counsel representing the agency litigation in which a member acting in an official capacity is a party, when public knowledge regarding the discussion is likely to result in an adverse legal or financial consequence to the agency. President O'Regan extended the session for an additional 20 minutes. Executive Session ended at 11:39 am. No action was taken.

The committee took a short lunch recess from 11:39 am to 12:11 pm.

WSTIP Employee Handbook Update / Sick Leave Law

Christianson explained the employee handbook needed revision to come into compliance with the new paid sick leave policy. We plan to update the entire handbook later in the year and have it on the staff work plan. Our consultant Kara Turner drafted this language, it has been reviewed by Hughes, and after sending it out to the Board in the packet, we received feedback from Heather Stafford at Intercity. We did further revisions to the policy and sent out a revised policy in your packet. O'Regan appreciated getting the edits early enough to get it back out to the committee before the meeting. Covey asked if there were any increases to leave. Christianson said no the hours remained the same, we are researching the leave carryover and will likely seek to reduce the amount of carryover. **Covey moved to accept the paid general leave policy as presented. Jordan seconded the motion and the motion passed.**

Action Items

Claims Audit Report

Adams stated he was requesting acceptance of the 2017 claims audit report as presented. Adams explained how he is incorporating the results of the 2014 and 2017 claims audit reports to bring uniformity across the claims handling process. We recognize claims counts have risen, claims department staff has changed, we hope to fill the claims associate position by April, better tracking of first and third-party claims, and are working through a backlog of subrogation. Adams noted that in January the claims department collected \$124,000 which was returned to members. Christianson pointed out that when Pierce became a member they did all their own claims handling and subrogation through an Interlocal Agreement but those claims are now handled by WSTIP. **Brannin moved to accept the claims audit as presented. Asher seconded the motion and the motion passed.**

Sub-Committee Reports

Governance Policy Committee

No report.

Board Development Committee

Brannin said the committee held a teleconference on January 4, they reviewed the charter and had no changes, they discussed 2018 Training Opportunities and whether to include Gettysburg on the list of trainings recognizing the sensitivity of the topic, plans to update Behind the Curtain for all Board members, and reviewed the feedback from the December Board meeting.

Emerging Risks and Opportunities Committee Report

No report.

Data Governance Committee

No report.

Staff Reports

Executive Staff Report

Christianson reported she had attended the Governmental Entities Mutual (GEM) strategic planning retreat with Hatten, and found it interesting they are struggling with the same issues of growth and relevancy. She learned some great things and will provide minutes when they become available. Hatten got to say goodbye to the GEM board and received a lovely Waterford crystal lamp and heartfelt presentation. Powell reported she had been working on the facilities remodel of the conference room, working with Origami on the renewal as our contract expires in March, and is reviewing the preliminary actuarial report for the end of 2017. Kerrigan reported that Juell will return March 16 from maternity leave, five applications for Above and Beyond awards were received and Christianson is reviewing them, we are currently accepting Driver Recognition Awards, we received a number of Jeffrey S Ristau scholarship requests after the packet was published. She also mentioned DeVoll is out doing visits, and she is visiting vanpool coordinators as part of compliance with the Vanpool Best Practice. The Collision Avoidance Warning System project at Pierce is ramping up, and the loss prevention team has met with WaTech to review the footage and hope to present the revised marketing video in March. Thank you to the Board members who helped with this project. Christianson said from the claims side of the house oral arguments were heard in the Gilmore versus Jefferson Transit case and may take six months or longer for a ruling, mediation scheduled for March 9 on the Robertson versus Whatcom Transportation Authority, and a trial is scheduled for April for Munoz versus Skagit Transit.

Recap and Adjournment

Christianson will send an email for silent brainstorming on the retreat next steps, she will also send an email asking who should be the contact for the non-auto liability coverage survey, Shinnors volunteered to chair the underwriting committee, we expect a charter for the underwriting committee will be presented at the March meeting, there is interest in having a work session topic on what is covered under the Public Officials Liability policy, and Kerrigan will provide the Pierce Transit Drive Cam Project contract for informational purposes.

O'Regan adjourned the meeting at 12:43 pm.

Submitted this 22nd day of March 2018.

Approved: 
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Shonda Shipman, Secretary

ⁱ Check numbers 27481 through 27540 in the amount of \$1,499,209.09. Internet transfers of \$69,188.43 for the 01/15/2018 payroll; \$65,681.62 for the 01/31/2018 payroll; \$9,913.74 for Staff Benefits for 01/2018. Internet and ACH payments for staff credit cards, travel/expense reimbursements and professional/misc. services total \$33,880.06.

Total voucher approval, including January 2018 staff payroll and Internet and ACH payments is \$1,677,872.94.

ⁱⁱ Check numbers 10578 through 10669 in the amount of \$522,898.40. **Total voucher approval is \$522,898.40.**