



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION
 2629 12th Court SW | Olympia, WA 98502 | 360-786-1620 | www.wstip.org

**Minutes of the
 WSTIP Annual Meeting
 December 7, 2018
 Great Wolf Lodge ~ Grand Mound**

| Board Members Present | |
|--|--|
| Amy Asher, Small Member Rep, RiverCities Transit | Dale O'Brien, Skagit Transit |
| Geri Beardsley, Community Transit | Agustin Ortega, Yakima Transit |
| Matthew Branson, Ben Franklin Transit | Paul Shinnners, President, Kitsap Transit |
| Lynn Bourton, Link Transit | Shonda Shipman, Secretary, Whatcom Transportation Authority |
| Danette Brannin, At-Large Member Rep, Mason Transit | Wayne Thompson, Pullman Transit |
| Amy Cleveland, Pierce Transit | Lynda Warren, Spokane Transit |
| Suzanne Coit, Large Member Rep/Treasurer, Intercity Transit | Derrick Wojcik-Damers, Twin Transit |
| Sara Crouch, Jefferson Transit | Guests Present |
| Nick Covey, Medium Member Rep, Link Transit | Brian White, Alliant |
| Rich Evans, Pacific Transit | WSTIP Staff Present |
| Jenny George, Asotin County PTBA | Cedric Adams, Claims Manager |
| Brandy Heston, Grant Transit | Brenda Barnett, Receptionist |
| Tom Hingson, Everett Transit | Anna Broadhead, Board Relations |
| Staci Jordan, Vice-President, Island Transit | Tracey Christianson, Executive Director |
| Jesse Kinney, Valley Transit | Chris DeVoll, Transit Risk Specialist |
| Joe Macdonald, Skagit Transit | Marisa Espinoza, Finance Specialist |
| Dunyele Mason, Clallam Transit | Rick Hughes, General Counsel |
| Ed McCaw, Valley Transit | Laura Juell, Risk and Training Specialist |
| LeeAnn McNulty, Mason Transit | Joanne Kerrigan, Member Services Manager |
| Ken Mehin, Grays Harbor Transit | Joel Lambert, Claims Associate |
| Steve Mertens, Columbia County Public Transportation; | Andrea Powell, Administrative Services Manager |
| | Karey Thornton, Claims and Technology Assistant |

Call to Order

President Shinnners called the meeting to order at 9:07 am. He welcomed all participants as a sign in sheet was passed around the room. Shinnners called for changes to the agenda and added discussion item 4 – US Department of Labor / potential class action lawsuits. **McCaw moved to approve the amended agenda. Mehin seconded the motion and the motion passed.**

Shinnners congratulated and thanked all who completed *Behind the Curtain* this quarter (Rollins, Burress, Gill, McCaw, Freshwaters and Thoelke) reminding everyone that one of the strategic plan goals is to have 75% of member representatives, including alternates, complete the program. Prizes will be mailed to those not in attendance. Shinnners congratulated the Board for meeting their goal for 2018.

Shinners handed out *25-Year Awards* to Skagit and Mason (rounds of applause).

Shinners thanked Ed McCaw, Valley Transit, for his service and said it was a pleasure serving on the Board with him and always appreciated his sage advice. The Pool presented a retirement gift and Shinners asked McCaw to lead the meeting through the action items when the time comes (rounds of applause). Shinners opened the floor for some “Ed” stories.

Covey said Ed was a pillar of strength for us at WSTIP. He also said Ed never changes, and he will look the same in 25 years. Covey said he and Bourton have a story about when we were in Seattle at a meeting and we visited a body exhibit and drug Ed along with them. Ed looked at the dissected bodies for quite a while and then said, “Hey, are these real?” Ed always let Nick borrow his golf clubs for the golf tournament which he expressed appreciation for. Covey said congratulations and wished Ed the best.

Brannin shared that at her very first meeting she was nervous and intimidated. She arrived late but was hungry so she went to the hotel restaurant. There was Ed and Ben Foreman hanging out, with their glasses of red wine. They invited me to join them and after that, I knew it was going to be okay. She thanked him for that.

Branson said although he is a new Board member, he has been able to interact with Ed over the last year or so from the WSTA finance officers committee. Ed would tell me all my good ideas could wait until after he retires.

Jordan didn't have a story to tell but expressed appreciation to Ed for all he had done for WSTIP. She noted that he was always kind, welcoming, tutoring and a friendly face. She wished Ed the best of luck in retirement.

Kinney said he certainly has a few stories he could share, but his favorite was his interview with Ed. They spent 50 minutes talking about their love of classic cars and other stuff, practically nothing about the job. Kenney said he has enjoyed working with Ed all these years (rounds of applause).

McCaw opened his gifts (handmade red and white wine glasses). Christianson said it was well known that at any WSTIP event, if you wanted a great glass of wine you had to go visit Ed.

McCaw thanked everyone and added WSTIP has been great for him in his professional development as well as psyche. Whenever he was dealing with a troubling human resources or finance issue, he would get in the car and drive for five hours hang out with a bunch of professional people who cared about transit and cared about him. It always recharged his batteries. You (the Board) gave him that time and time again, it is still the atmosphere, comradery, and the attitude that we cannot just do good for today and to hell with the future. We continue to look down the road. We plan for the future. This organization is truly special and what we should all strive for in our own organizations. You have been a wonderful part of my life (rounds of applause).

Discussion

Member Representative Meeting Report and Discussion

Covey thanked the Medium group for letting him be the member representative for the past year. The group discussed the mileage and the adjustments to the mileage to the Pool in a timely manner perhaps the NTD data, we had a lengthy discussion about the self-insured retention (SIR) and why we want to have money in the bank and talked a little bit about Department of Labor.

Coit shared that the large members had a great roundtable discussion each covering what is happening at their individual agency's topics ranged from governor visits to cyber breaches and contract negotiations. Shinners said they also discussed possibly looking at experience rating like we have on liability for other coverages?

Asher reported the small members discussed the 2019 budget, assessments, and possibility of adding the APTA Risk Management Conference to the approved out of state trainings They shared feedback from the AGRiP conference, talked about the Department of Labor, and RTPO grant ranking process.

[Public Officials Liability Coverage Document](#)

Shinners invited everyone to attend the Coverage Review Committee meeting (TBD in January) and reminded them it would be a discussion / work session topic in March.

[Pierce Transit Collision Avoidance Warning System](#)

Kerrigan said there have been a lot of changes to this project over the past year, WSTIP's contribution hasn't changed, this is a research project and sometimes things change. For more information regarding this project, see the report in the Board packet or contact Kerrigan.

[US Department of Labor](#)

Shinners explained this is a continuation of the conversation from the Executive Committee meeting. Hughes said he has other public agency clients running into similar wage and hour claims and recommended adding language to timesheets having the employee certify they have carefully reviewed their timesheet, the time reported is accurate and there is no time worked which they did not report. He also recommended adding language to the paystub to the effect of, "Please review your paycheck stub carefully, if there are errors report immediately to payroll." Wojcik-Damers asked Hughes to email the sentences that should be added to timesheet and paystub. Hughes said he would ([click here to view the email that was distributed after the meeting](#)).

Beardsley said Metro's US DOL investigation resulted in them paying out millions of dollars of overtime to their employees. Rather than US DOL, Community received the class action lawsuit. We have three employees claiming they are not paid for enough time to do certain tasks. The three employees represent the class of operators. During contract negotiations Community went to 20 minutes of paid time for pre-trip inspections.

Plaintiffs argue that bid time which has not been paid time should have been paid. Community relieves any coach operator who wants to bid if they are on shift, so they may bid on paid time. However, if an operator is not working, they are not paid to come in and bid. However, they can send a proxy to bid for them.

Plaintiffs are also arguing they do not have enough paid time for "see me" meetings and to read the newsletter "*Behind the Wheel*" which has two to four pages with pictures. We had never heard someone say they didn't think they had enough time. We do not think we are doing anything wrong, we want to make sure our procedures are okay, we talked about pre-trips, and changed our timesheets. We are working with Summit Law and WSTIP and are still in the fact-finding stages for the class action litigation.

Hingson asked if the ATU doesn't get satisfaction from the class action lawsuit, are you expecting a US DOL filing? Beardsley said she was surprised they didn't do both at the same time. Metro paid thousands of dollars to investigate and we are thankful WSTIP is helping us defend. Bourton asked Hingson if there was pre-trip time in their contract for report time. Hingson said 10 minutes for Everett. Bourton stated they had 5-minute report time and 10 for pre-trip. Beardsley said they went to 20 minutes.

Christianson asked about the unpaid time for an employee attending an accident preventability appeal meeting. Beardsley said the accident policy states that if you have a preventable accident you can appeal it on your time, not paid time. It is not negotiated, and that language is not specific to coach operators. Community talked with Summit Law and was advised to be careful about what they change and when they change it. Summit Law was with increasing the pre-trip time but suggested leaving the policy language as it is.

Hughes said when he negotiates contracts with pre-work and post-work activities, it is always better to error on giving them enough time. It is very hard to get it down to the minute.

McCaw wondered why the different approaches, one calling US DOL and the other class action lawsuit, wouldn't a substantial portion go to the lawyers? US DOL can go back two years, is there a longer time period on class action? Beardsley said yes, three years. Christianson added that they are asking for attorney fees and double damages in the class action, but yes, likely it will take longer than the US DOL route.

Shinners asked which direction the Board wanted to go from here. Do we want to ask Summit Law to present at the March Work Session? Jordan said that would be great if there isn't already something arranged for March. Shinners also suggested adding this topic to the Emerging Risks and Opportunities Committee agenda for their next meeting.

George left at 10:01 am.

Financial Reports

[October 2018 Treasurers Report, Statement of Revenues & Expenses, Statement of Net Position and Thurston County Investment Portfolio, Claim Liability Report, and Comparative Statement of Revenues & Expenses, and Comparative Statement of Net Position](#)

Powell said the financials are included in the packet and asked if anyone had questions. There were no questions.

Staff Reports

[Executive Staff Report](#)

Christianson said the *Partnering in Prevention* presentation had been piloted at Intercity Transit and thanked Coit for giving feedback. The next presentation will be at Kitsap Transit on December 19. This was a retreat item that we've been working on all year. Christianson thanked White for setting up meetings with underwriters to start establishing relationships.

Powell said the contracts for CPA and landscapers have been finalized, the data clean-up is going well, the data governance committee will be looking for new goals and committee members. Shinners asked about property appraisals. Powell said Alliant will be visiting member facilities and she is coordinating those visits with Alliant and the members.

Kerrigan said \$12,000 has been awarded for Ristau Scholarships in 2018. Risk Management Grants and Network Security Grants are still available. She said for the Board to watch for information regarding the Trainers Academy.

Adams gave an update on open claims and recently closed claims. He reported WSTIP collected \$144,000 in subrogation funds in November which brings the year's total to just over \$1.6 million. He also said the defense counsel, adjuster and employment investigator roster is included in the report. Hughes added that his name is on the employee investigation roster. After consulting with Christianson and getting a legal opinion from another lawyer to ensure there wasn't a conflict of interest, he put in his response to WSTIP's RFP for defense counsel and employee investigations. Hughes has a lot of experience in conducting employee investigations and therefore was added to the roster.

If you have questions regarding the Executive Staff Report, please contact Christianson, Powell, Kerrigan, or Adams.

[Annual Progress Report on Best Practices Compliance](#)

Shinners said the outcome of this report is driven by our five priorities in the Strategic Plan. Kerrigan reminded everyone that this is an annual report out on voluntary Best Practices Compliance. Overall compliance decreased slightly compared to 2017. There are nine different Best Practices where DeVoll assesses compliance during his visits. She asked the Board to give Staff direction on what the compliance minimum should be, 4.0 or 4.5? She reminded the Board we had a sub-committee to determine if additional Best Practices should become mandatory, and at that time, it was determined that the answer was no. She asked Shinners and Jordan to consider this as a retreat topic. Shinners agreed.

[WSTIP Training Year in Review and ASK Statistics](#)

Kerrigan reported the number of attendees at training events remained stable, the application process for the Rural Transportation Assistance Program (RTAP) grant funds has opened for the next two-year cycle, and there were a record number of classes held in eastern Washington. She reminded everyone of the partnership with Summit Law for Human Resources webinars and thanked Juell for all she does to coordinate the training classes. DeVoll has done five reasonable suspicion classes for members and developed a road supervisor class. Hingson asked about the MRSC Transit ASKS. Kerrigan said MRSC ASKS are usually more of a legal side whereas our ASKS are generally "what are you doing."

The agency who answered the most ASKs for 2018 is Everett Transit, followed by Grays Harbor Transit. Kerrigan expressed appreciation for all agency responses and noted that the overall response rate remained stable from last year. She reminded the Board that staff will send out an email asking you to confirm we are still asking the right people at your agency to answer the WSTIP ASK. Shinners reminded everyone there is a whole library of ASKs on the WSTIP website.

The Board recessed from 10:30 am until 10:48 am.

[Executive Directors Annual Report](#)

Christianson thanked staff for all the work done for the year and entertained questions. There were no questions.

[General Counsel's Report](#)

Hughes said his report is included in the materials, the bulk of his time he is preparing for and attending various meetings, reviewing contracts/policies, and training. He entertained questions, there were none.

[Broker's Report](#)

White gave an update on the state of the insurance market.

Shinners asked McCaw to take over the meeting management at this point and take the Board through the action items. He said McCaw has been on the Board since 2005 has gone above and beyond as a member serving on multiple committees including the Executive Committee as a small member representative, secretary, vice-president, president, and past president. Shinners noted McCaw has ample experience to run the meeting. McCaw graciously agreed to do so.

Action Items

Minutes – September 28, 2018

McCaw asked for a motion to approve the minutes. **Mehin moved to approve the minutes from September 28, 2018. Covey seconded the motion and the motion passed.**

Approve General Liability/Auto Liability Coverage Document (no changes)

McCaw asked for a motion to approve the general/auto liability coverage document as presented. **Mehin moved to adopt the General Liability/Auto Liability Coverage Document as presented. Bourton seconded the motion and the motion passed.**

Approve Public Officials Liability Coverage Document (no changes)

McCaw asked for a motion to approve the public officials liability coverage document as presented. **Shinners moved to adopt the Public Officials Coverage Document as presented. Covey seconded the motion and the motion passed.**

Approve 2019 WSTIP Budget (\$17, 117, 113)

McCaw asked for a motion to approve the 2019 WSTIP budget in the amount of \$17,117,113. **Warren moved to adopt the 2019 WSTIP Budget in the amount of \$17,117,113. Mehin seconded the motion.** Discussion: Christianson wanted to make sure the Board knew what decisions they were making by approving the overall budget number, approval of a per mile rate increase of 9%, approval of a contribution of surplus, permission to bind all coverages liability limits to \$25 million, approval of a new position, Application Support Specialist, approval of a general wage increase to staff of 3%, approval of new technology grant program (\$250,000), approval to increase building reserve fund to from \$15,000 to \$25,000 annually. White went through the reinsurance and excess insurance renewals (GEM, Lloyds of London, Hallmark) including pricing for each layer and compared it to the expiring coverage. Shinners said an ah-ha moment for him was that the reinsurance and excess reinsurance adopt our coverage document the only true excess carrier is Hallmark. Hingson asked what the salary range would be for the new position and if it was truly exempt. Christianson said it would be in the \$53,000 to \$67,000 range and it should be non-exempt. McCaw called for a vote. **The motion passed.**

Approve 2019 Member Allocations (\$17,117,113) and Actuarial Report

Christianson said you approved the budget, but now you need to approve how it is divided amongst the members. **Jordan moved to approve the 2019 Member allocations (\$17,117,113). Shinners seconded the motion and the motion carried.**

Christianson asked that the Board approve the actuarial report in addition as it is part of the AGRiP Advisory Standards. **Macdonald moved to approve the June 30, 2018 Actuarial Report. Covey seconded the motion and the motion carried.**

Executive Committee & Officers Election, Passing of the Gavel

Shinners explained the election process directing everyone to www.wstip.org/election2019 and thanked all candidates for their interest.

Shinners called for nominations from the floor for all positions. Hearing no nominations from the floor he closed the ballots. **McCaw moved to take only the top two candidates after the first round of voting. Asher seconded the motion and the motion carried.**

Nominees for Secretary were: Brannin, Hingson, Mehin, Ortega and Wojcik-Damers.

| 2019 Secretary Vote 1 | | | | | |
|-----------------------|---------|-----------|--------------|-----------|---------------|
| Brannin | | Hingson | Mehin | Ortega | Wojcik-Damers |
| Island | Spokane | Clallam | Ben Franklin | Community | Twin |
| Jefferson | Valley | Columbia | Grays Harbor | Everett | |
| Mason | Whatcom | Grant | Pacific | Kitsap | |
| RiverCities | Yakima | Intercity | Pullman | Link | |
| Skagit | | Pierce | | | |
| | | | | | |

| 2019 Secretary - Vote 2 | | | |
|-------------------------|-------------|--------------|---------|
| Brannin | | Hingson | |
| Community | RiverCities | Ben Franklin | Pierce |
| Everett | Skagit | Clallam | Pullman |
| Island | Spokane | Columbia | |
| Jefferson | Twin | Grant | |
| Link | Valley | Grays Harbor | |
| Mason | Yakima | Intercity | |
| Pacific | | Kitsap | |

After votes were counted, **Brannin** was announced Secretary with 13 votes.

Nominees for Large Member Representative were Beardsley and Warren. Nominees for Medium Member Representative were Hingson, Mehin, and Ortega. The nominees for Small Member Representative were George, Kinney, Mertens, and Wojcik-Damers.

| 2019 Large Member Representative - Vote 1 | | | | |
|---|---------|--------------|-------------|---------|
| Beardsley | | Warren | | |
| Community | Mason | Ben Franklin | Kitsap | Skagit |
| Everett | Pullman | Clallam | Link | Spokane |
| Grant | Yakima | Columbia | Pacific | Twin |
| Grays Harbor | | Intercity | Pierce | Valley |
| Island | | Jefferson | RiverCities | Whatcom |

| 2019 Medium System Representative - Vote 1 | | | | |
|--|--------------|--------------|-------------|---------|
| Hingson | Mehin | Ortega | | |
| Clallam | Grays Harbor | Ben Franklin | Kitsap | Skagit |
| Grant | Pacific | Columbia | Link | Twin |
| Intercity | Pullman | Community | Mason | Valley |
| Jefferson | | Everett | Pierce | Whatcom |
| Spokane | | Island | RiverCities | Yakima |

| 2019 Small System Representative - Vote 1 | | | | |
|---|--------------|---------|---------------|-------------|
| George | Kinney | Mertens | Wojcik-Damers | |
| Grays Harbor | Ben Franklin | | Columbia | Pullman |
| Link | Clallam | | Community | RiverCities |
| Mason | Everett | | Intercity | Twin |
| Skagit | Grant | | Island | Valley |
| | Kitsap | | Jefferson | Yakima |
| | Pierce | | Pacific | |
| | Spokane | | | |
| | Whatcom | | | |

| 2019 Small System Representative - Vote 2 | | | | |
|---|---------|---------------|-------------|--------|
| Kinney | | Wojcik-Damers | | |
| Ben Franklin | Link | Columbia | Jefferson | Twin |
| Clallam | Pierce | Community | Mason | Valley |
| Everett | Skagit | Grays Harbor | Pacific | Yakima |
| Grant | Spokane | Intercity | Pullman | |
| Kitsap | Whatcom | Island | RiverCities | |

After votes were counted, **Warren** (15 votes), **Ortega** (15 votes), and **Wojcik-Damers** (13 votes) were announced as member representatives.

The nominees for At-Large Representative were: Beardsley, George, Heston, Hingson, Kinney, Mertens, and Mehin. Beardsley withdrew before the vote.

| 2019 At-Large Representative – Vote 1 | | | | | |
|---------------------------------------|-------------|-----------|--------------|-----------|--------------|
| George | Heston | Hingson | Kinney | Mertens | Mehin |
| Link | Kitsap | Columbia | Ben Franklin | Community | Grays Harbor |
| Twin | RiverCities | Everett | Clallam | Whatcom | Pacific |
| | Valley | Grant | Island | | Pullman |
| | | Intercity | Mason | | |
| | | Jefferson | Skagit | | |
| | | Pierce | | | |
| | | Spokane | | | |

| 2019 At-Large Representative - Vote 2 | | | | |
|---------------------------------------|---------|--------------|-----------|-------------|
| Kinney | | Hingson | | |
| Ben Franklin | Mason | Clallam | Intercity | RiverCities |
| Community | Skagit | Columbia | Jefferson | Spokane |
| Island | Twin | Everett | Pacific | Valley |
| Kitsap | Whatcom | Grant | Pierce | |
| Link | Yakima | Grays Harbor | Pullman | |

After votes were counted, **Hingson** was announced At-Large Representative with 13 votes.

The WSTIP 2019 Executive Committee is as follows: **Staci Jordan**, President; **Shonda Shipman**, Vice President; **Danette Brannin**, Secretary; **Paul Shinners**, Past President; **Lynda Warren**, Large Member Representative; **Agustin Ortega**, Medium Member Representative; **Derrick Wojcik-Damers**, Small Member Representative; and **Tom Hingson**, At-Large Member Representative.

Shinners happily passed the gavel to Jordan and thanked the Board for the opportunity to serve as President again in 2018. Jordan in turn presented Shinners with a plaque commemorating his time in 2018 as President thanking him for his leadership and for returning as President when O'Regan departed.

Adjournment

Shinners adjourned the meeting at 12:01 pm.

Submitted this 29th day of March 2019

Approved: 
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 Danette Brannin, Secretary