



WASHINGTON STATE TRANSIT INSURANCE POOL | RISK MANAGEMENT IN MOTION
 PO Box 11219 | Olympia, WA 98508 | 360-786-1620 | www.wstip.org

Minutes of the
 Executive Committee Meeting
 March 28, 2024
 Campbell's Resort & Zoom

Executive Committee Members Present	Staff Present (v) = virtual
Shonda Shipman, President, Whatcom Transportation Authority Joe Macdonald, Vice-President, Skagit Transit Monique Liard, Treasurer & Secretary, Spokane Transit Scott Deutsch, Past President, C-Tran (v) Staci Jordan, Medium Member Rep, Island Transit Miranda Nash, Small Member Rep, Jefferson Transit Shawn Larson, At-Large Member Rep, Link Transit	Cedric Adams, Claims Manager Matthew Branson, Deputy Director Anna Broadhead, Board Relations Tracey Christianson, Executive Director Robyn Galindo, Claims Specialist (v) Richard Hughes, General Counsel Todd Iddings, Safety & Risk Advisor Laura Juell, Risk & Training Coordinator (v) Joanne Kerrigan, Member Services Manager Karey Thornton, Accounting & Payroll Specialist (v)
Board Members Present (v) = virtual	
Jenny George, Asotin County PTBA Cherie Huxtable, Clallam Transit (v) David Ocampo, Columbia County Public Transportation (v) Cyndie Eddy, Community Transit Brandon Hilby, Everett Transit Brandy Heston, Grant Transit Terri Gardner, Grays Harbor Transit Ken Mehin, Grays Harbor Transit Jana Brown, Intercity Transit Dena Withrow, Intercity Transit Nicole Gauthier, Jefferson Transit	Paul Shinnors, Kitsap Transit Justin Brockwell, Link Transit Jason Rowe, Mason Transit Pattie Gray, Pacific Transit Amy Cleveland, Pierce Transit (v) Wayne Thompson, Pullman Transit Tara Hargrave, RiverCities Transit (v) Jim Seeks, RiverCities Transit Angie Peters, Valley Transit Greg Story, Yakima Transit (v)
Guests Present	
Brian White, Alliant Insurance Services	Jeff Benson, Whatcom Transportation Authority

Call to Order

President Shipman called the meeting to order at 9:00 am welcoming everyone to the hybrid meeting, noting there were several cards being circulated. A sign in sheet was passed around the room, virtual guests will be captured by staff. Guests and Board members were introduced. Shipman asked if there were any changes to the agenda. **Macdonald moved to pull the Consent Agenda Governance Policies for discussion. Liard seconded the motion and the motion passed.** Shipman asked for a motion to accept the revised agenda. **Liard moved to approve the agenda as amended. Jordan seconded the motion and the motion passed.**

Public Comment on Consent Agenda, Discussion, Potential Action Items

Shipman asked for public comment. No public comments were received.

Consent Agenda

Minutes – February 22, 2024, February 2024 Vouchers and Electronic Payments totaling \$570,274.60, Governance Policy Committee (GPC) Charter, Governance Policies: Actuarial, Capital Funding Philosophy, Investment, Member Corrective Action and Termination, Property Inventory and Surplus, Records Management, Reimbursement for Paperless Devices, and Service of Legal Process Against the Pool

				<u>Total</u>
Claims Vouchers	Numbers:	93503895	- 93503949	\$ 330,338.37
Administrative Vouchers	Numbers:	93002923	- 93002939	\$ 39,091.35
Electronic Payments	Dates:	02/01/2024	- 02/29/2024	\$ 200,844.88
				<u>\$ 570,274.60</u>

Shipman asked if there were any items to remove from the consent agenda. The Governance Policies were removed from the consent agenda. ***Liard moved to approve the consent agenda. Macdonald seconded the motion and the motion passed.***

Items Removed from the Consent Agenda

Governance Policies: Actuarial, Capital Funding Philosophy, Investment, Member Corrective Action and Termination, Property Inventory and Surplus, Records Management, Reimbursement for Paperless Devices, and Service of Legal Process Against the Pool

Macdonald stated the Governance Policy Committee (GPC) had met and reviewed all the policies, the policies listed above had minor grammatical changes and therefore the GPC recommends approving them. Shipman asked for a motion to adopt the changes to the policies. ***Macdonald moved to adopt the changes to the policies listed in the Governance Policies with a recommendation to the Board to adopt the Board policies. Jordan seconded the motion and the motion passed.***

Discussion / Potential Action Items

2024 Executive Committee Work Plan

Christianson said the 2024 work plan had been created, reminding the EC this was a living document which gets updated after every meeting to track when work is coming and where it is going. There were no questions regarding the Work Plan.

Terrorism Coverage

White presented optional Terrorism Coverage, what it covers, how it works, and why he felt the Pool should purchase the Terrorism Coverage. He then fielded questions from the EC and Board members in attendance. Shipman outlined options, of forwarding the coverage onto the Board with a recommendation to purchase, forward to the Board for discussion, or do nothing. ***Jordan moved to forward Terrorism Coverage to the Board with a recommendation to purchase the coverage. Liard seconded the motion and the motion passed.***

Audit Committee (timeline)

Macdonald outlined the timeline for changing the Audit Committee from a committee formed by policy to a committee formed by charter. It is also anticipated that the composition of the committee may change to ensure there are adequate numbers of participants with a finance background. The GPC is working with staff to create a charter which will be presented in May to the EC, and to the Board in June. Christianson solicited those with a finance background to consider volunteering.

Payments by Members

Macdonald read the added language to the Payments by Members Policy and gave statistics regarding late assessment payments. Seeks asked when the assessments (invoices) are distributed to Members. Branson said your assessment is known at the Annual meeting, and Staff distribute invoices the week following the

Board meeting (early December). Story questioned the 12% interest rate. Branson replied it is in the RCW's on late payments. Nash felt the word "may" should be replaced by "shall" or "will". Christianson said she used "may" to allow some variance for circumstances. Jordan added that since Staff will not be collecting additional exposure estimates that you really know what your assessment or close to your assessment at the September Board meeting. Christianson caveated that with as long as insurance renewal costs are known, then yes you will have a good estimate in September. But if insurance quotes are not secured it may not be certain. Macdonald added also that Members aren't getting projections into Staff in a timely manner which delays Staff in developing the budget. Shipman asked for a motion to adopt the Payments by Members Policy changing the word may to shall and striking language or any other invoice presented. **Macdonald moved to approve the revised Payments by Members policy. Liard seconded the motion and the motion passed.**

Ethics

Macdonald said at the December meeting there were some concerns about whether a Member has a right to make a motion for a project where they are the sole direct beneficiary. The GPC is proposing language to make it clear that no Board member may make the motion or second if they are the sole direct beneficiary. However, the Member may still vote. Shipman asked for a motion to approve the Ethics Policy. **Liard moved to approve the Ethics Policy as amended. Nash seconded the motion and the motion passed.**

Governance Policies

Budget Development

Macdonald noted the Budget Development Policy had been completely re-organized, clarifies staff will seek estimated exposures one time, and language modification after considering recommendations from the EC, the Board shall adopt a budget at the annual meeting. Shipman asked for a motion to adopt the Budget Development Policy. **Jordan moved to approve the Budget Development Policy. Macdonald seconded and the motion passed.**

Assessment Allocation

Macdonald stated the Assessment Allocation policy had been re-written to reflect updated underwriting methodology. Branson shared the policy was also re-organized to tie back to the rate sheets. An example rate sheet exhibit was included. Jordan requested that in 7b the words on upon be corrected. Shinnors asked Branson to walk through the example exhibit. Branson walked through the sample exhibit. Shinnors thanked Branson, but wanted to be sure the Board truly intends to have a 5% rate and this policy takes away the ability to go lower than 5%. Branson reminded the Board that Kevin Wick, PwC, actuary would be available to answer questions later in the day. Shipman felt the GPC should discuss the policy further at their April meeting and bring it forward to the May EC. **Macdonald moved to have the GPC review the Assessment Allocation Policy for potential further revisions. Jordan seconded the motion and the motion passed.**

Duties, Responsibilities, and Development of Board and Executive Committee Member Representatives

Macdonald gave a brief overview of the changes to the policy to include updated definitions, new Member Representatives, accountability and reporting for out of state travel, clarifies who can attend, added Open Public Meetings Act (OPMA) certification and Ethics attestation. Jordan asked for clarity in the paragraph regarding attendance. Macdonald asked if changing the text to read: *To meet eligibility requirements for Pool financial support, the Board Member must have attended 50 percent of the meetings.* Jordan agreed. Shipman asked for a motion to approve as amended. **Jordan moved to approve the Duties, Responsibilities, and Development of Board and Executive Committee Member Representatives policy as amended. Liard seconded the motion and the motion passed.**

Member Driver Record Monitoring

Macdonald noted the addition of the reference to the Driver Record Monitoring Audit Guide and reminded Members of the May 15 deadline. Shipman asked for a motion to accept. ***Liard moved to accept the Member Driver Record Monitoring Policy. Nash seconded the motion and the motion passed.***

Nominations and Elections

Macdonald stated there were several grammatical changes in the Nominations and Elections policy, the GPC also added language regarding tie votes, and the Treasurer. Jordan suggested removing of after locations in 2d. Shipman asked for a motion to accept as revised. ***Macdonald moved to approve the Nominations and Elections policy as revised. Jordan seconded the motion and the motion passed.***

Policy Governance Defined and Explained

Macdonald highlighted the change to allow the Executive Director to make changes to policies so long as General Counsel and the GPC approve, and the EC is notified at their next meeting. Shipman asked for a motion to recommend adoption to the Board. ***Liard moved to recommend the Policy Governance Defined and Explained be sent to the Board for approval. Larson seconded the motion and the motion passed.***

Protocol for Meetings

Macdonald stated the changes to the Protocol for Meetings policy was simply ensuring new Members were given priority seating in the U-shape during the meetings. Shipman asked for a motion. ***Macdonald moved to adopt the Protocol for Meetings Policy. Jordan seconded the motion and the motion passed.***

Purchasing

Macdonald explained the Disadvantaged Business (DBE) goal was added and fixed typos that were missed during a previous review. ***Liard moved to adopt the Purchasing Policy. Macdonald seconded the motion. Discussion:*** Nash questioned why in Section 2.3 moved from 25% to 50% of GSA lodging. Macdonald explained its harder and harder to secure locations, noting we can exceed GSA by no more than 50% if needed. ***The motion passed.***

Title VI Program

Macdonald said this is a new policy that simply states WSTIP will comply with Title VI. Shipman added it is a requirement of the RTAP grant and asked for a motion to approve. ***Liard moved to approve the Title VI Program Policy. Jordan seconded the motion and the motion passed.***

The EC took a break from 10:20 am and resumed their meeting at 10:40 am.

Target Ratios

Shipman said this topic was discussed at the retreat, what is the usefulness, how are they being used, the Audit Committee asked the EC to discuss changing the ratios or repealing the policy. Board and EC Members spoke in favor of keeping the ratios, how to make them actionable, how even though there aren't many comments regarding the ratios there is still value in them. Branson said Wick uses net position rather than the ratios. Shipman asked if the policy should remain, review and potentially change the ratios. Macdonald suggested forming a committee to review ratios. The EC will seek volunteers for a committee and report back to the Board.

Technology Grant Application Grays Harbor

Kerrigan shared the Technology Grant Application submitted by Grays Harbor Transit, staff have reviewed the application as well as the Risk and Opportunity Committee (ROC) and recommend approving the Technology Grant Application for the S-1 GARD Dangerzone Deflector Kit. **Macdonald moved to approve the Technology Grant Application submitted by Grays Harbor Transit in the amount of \$22,940. Liard seconded the motion and the motion passed.** Mehin thanked the EC. Kerrigan said there will be a report out quarterly and at year-end of lessons learned.

Executive Director Succession Hiring Plan / Committee

Shipman asked Staff to leave the room except Broadhead. The EC discussed how to go about preparing to hire a new Executive Director. They discussed internal vs external recruiting and timelines. The EC will begin to develop an RFP for a recruiting firm to have ready and start mapping out the process.

Executive Session

There was no Executive Session.

Sub-Committee Reports

Governance Policy Committee (GPC)

Macdonald reported the GPC met February 21-23 in SeaTac. The committee reviewed their charter, all of the policies, and the Title VI program. They also have potential changes to the Bylaws, Accounting and Internal Controls, Expense Reimbursement, Recognition, and Assessment Allocation policy. Shipman thanked Macdonald for his report.

Board Development Committee (BDC)

Larson said the BDC met in February reviewed the charter, reviewed the feedback from the December Board meeting. He pointed out a comment made in the feedback survey, asking why voting during the election couldn't be anonymous. Hughes explained that because WSTIP meetings are Open Public Meetings under the OPMA there shall be no secret ballots. If you knowingly violate the OPMA you personally can be subject to \$500 fines for the first violation and \$1,000 for any additional violations. Larson thanked Hughes. Shipman thanked Larson for the report.

Risks and Opportunities Committee (ROC)

Larson said the ROC reviewed the charter and a change will be requested at the next meeting. We heard a presentation from ProTran Technology on Safe Alert Systems. Jaime from ProTran did a demo of the device and we saw the flashing lights and audio capabilities. The Safe Turn Alert is designed for bus systems to alert pedestrians and bicyclists that the bus is turning. The data logged in the system is just the fact that the coach turned. It also data logs the blind spot alerts. The committee heard a presentation from Grays Harbor on Transit S-GARD 1, reviewed the packet materials and the committee recommends the Executive Committee approve the request for \$22,940 for 31 service vehicles. Talked about ROC committee goals and focus. Strategic Plan Priorities Near Miss Reporting Status, reduce the number of vehicle/pedestrian and vehicle/bicyclist strikes to zero annually – the ROC agreed that more marketing and awareness videos are appreciated. On Best Practices, Todd gave an update on the Operator Training Best Practice review. The committee for the BP met recently and gave feedback on the operator training program. One thing that came out of that meeting was that there was a lot of BP language for operators, but not much for other drivers that the agency may have. The goal is to complete and present it to the ROC at their June meeting and then present it to the EC at their June meeting. The ROC also discussed the status of Third-Party Examiners training and scheduling, the Washington Instructors Network and Member Updates. It was Don Burr's last meeting as he is moving on from Community Transit – Scott thanked him for all his service to the ROC and WSTIP. Don said he was very grateful for this group and hopes to continue to stay in touch. The ROC will meet again on June 13, 2024.

Coverage Review Committee (CRC)

Nash reported the CRC met remotely on February 26, from 1 to 3 pm. The committee reviewed the Charter and did not have any recommendations or suggestions for change. We also reviewed each WSTIP Coverage Document; Property, General Liability, and Public Officials' and did not identify any major issues. Our first discussion item was Law Enforcement Liability. We did not come up with any suggested language changes to the current exclusion and were happy to hear that Pierce Transit found external coverage for this year, so the likelihood of them asking the Pool for an extension to the current \$1.5M secondary endorsement is low. We next discussed Un/Under Insured Motorist Coverage, which is currently optional for the fixed route and paratransit and mandatory for vanpool. With increased pressure from State Labor and Industries, seeking UIM reimbursement for injured employees, a new plaintiff tactic for Med-Pay recipients, where they argue they are per se not made whole when an at-fault party's limits are reached, the 6-year statute of limitations on UIM claims, passengers of fixed route and vanpool filing suit against the Pool for higher settlements, we asked Staff to gain more information on why Members choose to carry it and why they choose not to carry it. We suggested a Member ASK and discussion at the Member Representative Meetings. At the next CRC meeting we will discuss any possible recommendations for change. Lastly, we heard about Member employee toolboxes, considered clarifying language on what WSTIPs role in their theft or damage is, and decided to not any additional language, which allows for flexibility and leaves each decision fact dependent when claims are above the Member deductibles. We cancelled our March meeting and next meet on Monday, 15 April. Due to time commitments Karen stepped down as Chair, we thank her and look forward to her return to the Board. With that, I volunteered to Chair the committee and Jana Brown volunteered to join the committee. Shipman thanked Nash for stepping up to chair the CRC and for her report. She also thanked Thesing for her service and Brown for joining the Committee.

Investment Committee

No report.

Recap and Adjournment

Shipman recapped the meeting: guest and new Board member introductions took place, we accepted the agenda, approved the consent agenda, approved the consent agenda governance policies, reviewed the work plan, recommended the Board purchase Terrorism Coverage, reviewed the Audit Committee timeline, approved several governance policies, recommend adoption of several governance policies by the Board, approved a Technology Grant Award for Grays Harbor Transit, discussed plans for hiring a new Executive Director, and received reports from the sub-committees.

Lunch would be in the East/West Room at 12:00 pm and the Work Session will begin at 1:00 pm.

Shipman adjourned the meeting at 11:43 am.

Submitted this 25 day of April 2024.

Approved: 
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Monique Liard, Secretary