



Minutes of the
 Executive Committee Meeting
 August 22, 2024
 SeaTac Conference Center & Zoom

Executive Committee Members Present	Staff Present (v) = virtual
Shonda Shipman, President, Whatcom Transportation Authority Joe Macdonald, Vice-President, Skagit Transit Karen Thesing, Secretary, Pierce Transit Cyndie Eddy, Treasurer, Community Transit Scott Deutsch, Past President, C-Tran Paul Shinnars, Large Member Rep, Kitsap Transit 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 (v) Matthew Branson, Deputy Director Anna Broadhead, Board Relations Tracey Christianson, Executive Director Robyn Galindo, Claims Specialist (v) Jinny Hughes, Accounting Specialist (v) Richard Hughes, General Counsel (v) Todd Iddings, Safety and Risk Advisor (v) Joanne Kerrigan, Member Services Manager
Board Members Present (v) = virtual	
Jenny George, Asotin County PTBA (v) Cherie Huxtable, Clallam Transit (v) Jean Braaten, Grays Harbor Transit (v) Terri Gardner, Grays Harbor Transit (v)	Ken Mehin, Grays Harbor Transit (v) Jason Rowe, Mason Transit (v) Greg Story, Yakima Transit (v)

Call to Order

President Shipman called the meeting to order at 9:00 am welcoming everyone to the hybrid meeting. A sign in sheet was passed around the room, virtual guests were captured by staff. Guests and new Board members were introduced. Shipman asked if there were any changes to the agenda. **Jordan moved to approve the agenda. Macdonald 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 – July 25, 2024, July 2024 Vouchers and Electronic Payments totaling \$4,070,942.32

				<u>Total</u>
Claims Vouchers	Numbers:	93504229 - 93504286	\$	434,624.29
Administrative Vouchers	Numbers:	93003038 - 93003081	\$	146,203.03
Electronic Payments	Dates:	07/01/2024 - 07/31/2024	\$	<u>3,490,115.00</u>
			\$	<u>4,070,942.32</u>

Shipman asked if there were any items to remove from the consent agenda. Branson clarified the payment to Skagit Transit was for a Technology Grant and not a Risk Management Grant, this will be updated before routed for signature. **Thesing moved to approve the consent agenda. Nash seconded the motion and the motion passed.**

Discussion / Potential Action Items

2024 Executive Committee Work Plan

Christianson said the EC work plan is updated after every meeting to track when work is coming and where it is going. You will notice work for the Audit, Nominations, and Target Ratios Committees upcoming or finishing soon. There were no questions or suggestions regarding the Work Plan.

Best Practice Compliance

Kerrigan explained the previous Best Practice stoplight reporting (red = not meeting; yellow = somewhat meeting; and green = meets standards) was reported at the 2023 Annual Meeting and included in the 2023 Risk Profiles. Due to updates to several Best Practices and the addition of a new Best Practice for Establishing an Internal Security Department the same report will not be completed this year. The Member Services Department will be creating a stoplight report for Driver Record Monitoring, Member Improvement List (MIL) Members, and Establishing an Internal Security Department Best Practices. Next year the stoplight report will be for all the Best Practices as it will be an even playing field again. The EC felt this was reasonable and had no concerns.

Shackleton Leadership Experience Results

Branson reiterated to the EC the Board approved funds for the Shackleton Leadership Experience in 2023 to be spent in 2024. WSTIP has contracted with Battlefield Leadership to provide the training to 31 participants. Do we want to open the training for more than 31 and if so, who? The EC reviewed the results of the survey which was sent out after the July EC meeting. After discussion the EC was open to allowing additional participants either alternate Board members or other leadership positions within the Member agency and will recommend the Board roll unspent funds from Members who don't participate into net position, reaffirming Member agencies will need to pay for any additional participant they send. ***Jordan moved to open Shackleton Leadership Experience to additional participants as stated (alternate Board members or leadership positions). Deutsch seconded the motion and the motion passed. Thesing moved to recommend to the Board in September that unspent funds from Members who don't participate roll into net position. Macdonald seconded the motion and the motion passed.***

2025 WSTIP General & Administrative Budget

Branson reminded the EC that after discussion today the proposed 2025 WSTIP General and Administrative Budget would be submitted to the actuaries. The actuary is currently working on the loss fund portion, they will incorporate the purchased insurance pieces once we receive them from the broker, and the administrative budget to calculate the assessments for 2025. He noted the General Wage Increase was calculated using the Compensation and Benefits Philosophy which was adopted last year. Included in the materials is the job description for the proposed Senior Accountant position. The EC discussed the Senior Accounting position including tasks other departments have been completing for finance due to internal controls, how the position would reduce what WSTIP pays to the external CPA firm, how finance helps all the other departments, and the budgetary impact. The EC agreed to present this position to the Board.

The EC discussed Technology Grant funding which is budgeted at \$272,000 to make the available funds for 2025 a total of \$500,000. If a Technology Grant were to be awarded before January 1 the amount available would be lower than \$500,000. The EC went on to discuss each line item in the proposed budget and felt it was ready to be sent to the actuary. The draft 2025 WSTIP Budget will be discussed at a Work Session in September.

2025 WSTIP General Liability Coverage Document

Adams explained the 2025 WSTIP General Liability Coverage Document which was adopted by the Board in June and had an endorsement included that should have been removed (Endorsement 2: The Use of Force

via a Conducted Energy Weapon). He asked that the EC recommend adoption of the revised 2025 WSTIP General Liability Coverage Document with that endorsement removed. **Deutsch moved to recommend the Board approve the 2025 WSTIP General Liability Coverage Document as presented. Jordan seconded the motion and the motion passed.**

Planning for Executive Director Performance Evaluation

Shipman reported interviewing Staff and is working on the survey which will go out to the Board in September. She feels Christianson is meeting all the targets and she will recommend keeping the goals for 2025. There were no questions regarding this topic.

Target Ratios Policy

Thesing said the Target Ratios Committee (TRC) (Shinners, Seeks, Hilby, and Wagner) met on August 9. The TRC feels the ratios are important to monitor, they do propose changes to the Target Ratios Policy, once the policy is approved the committee will dissolve. Shinners questioned if this policy could be approved by the EC as there is now an Audit Committee that will review these ratios. Staff will work to revise the policy as an EC policy. **Macdonald moved to revise the Target Ratios Policy, so the Target Ratios report goes to the Audit Committee and then the Executive Committee, and that the Executive Committee be authorized to make revisions to the policy. Thesing seconded the motion. Discussion:** Branson said to clarify the Audit Committee would review the Target Ratios, then report to the EC, the EC would then determine if action was necessary and make a recommendation to the Board. Macdonald said the ratios take a lot of time to understand, it makes sense to live with the Audit and Executive Committees. Hughes said this isn't one of the items related to budget or purchasing insurance the Board reserves for themselves. Shinners felt it was an evolution of the policy. **Shipman called for a vote and the motion passed.** This topic will return in September. Shipman thanked the TRC for their work.

The EC took a break from 10:10 to 10:25 am.

Executive Session

At 10:25 am Shipman announced the EC would go into a 45-minute Executive Session; pursuant to RCW 42.30.110 (1) (i) to discuss litigation. President Shipman ended the Executive Session at 11:10 am announcing they would extend for an additional 10 minutes at 11:11 am. The committee came out of Executive Session at 11:21 am. In open session **Macdonald moved to extend Staff's requested authority in the Dennis vs Pierce Transit matter. Deutsch seconded the motion and the motion passed.**

Staff Reports

Executive Staff Report

Christianson said staff had met with Munich Re regarding the 2025 coverage year. Munich Re indicated a continued interest in working with WSTIP, however, they want to lower their limits from \$10 million to \$5 million and attach at a higher level (currently at \$5 million). The coverage they are offering will likely be at a significant cost increase. White is looking for carriers or structures to help us fill gaps. EC Members asked about higher self-insurance retentions (SIR), higher limits from Governmental Entities Mutual, Inc. (GEM), a potential super pool, creating a captive, and possibly joining TransitRE, and if there was a potential to offer limits higher than \$25 million. Christianson noted it may be a rocky renewal but as soon as she gets information she will share the information. Underground Storage Tank (UST) application has been submitted, we do not expect any shocking changes. We are submitting a single Crime application for all Pool Members. We have a new Board member from Community Transit, her name is Sam Lushtak. We expect new appointments from Ben Franklin, Island, and Spokane to replace those who have left their agency. The 2023 GEM Annual Report is available on the website.

Branson shared the Auto-Physical Damage (APD) Excess selections and the cost breakdown for those who opted to purchase this additional coverage. He included a chart showing who selected the Transit Rider Medical Expense Endorsement (TRME), and a chart showing estimated miles for 2025. The actuary is busy determining the loss fund and staff will have a draft budget to present in September.

Kerrigan and Iddings are busy reviewing the Driver Record Monitoring (DRM) Best Practice Compliance Audits, thank you to the Members who completed the audit and have brought all the departments together to reduce the silos. With the changes coming to DRM vendors, if you are making a change, please communicate your choice with Kerrigan by October 15, so she can assist with the transition. The Risk and Opportunities Committee (ROC) will be reviewing guidance regarding Artificial Intelligence (AI). Training classes are posted in the LMS and Juell is working on updating content, please encourage your maintenance departments to participate in the Maintenance Trainers' Showcase, and we may have a demonstration of the Everett Transit Technology Grant product at the December Board meeting. Adams encouraged Members to attend the Claims Coordinators conference on October 15 in Tukwila. He also gave an update on open and recently closed claims, subrogation, and open litigated claims. Information will be coming out to share with your accounting departments as there has been an uptick in fraudulent check payments. The money has been recovered so no claims but something to be aware of. Shipman thanked Staff for their report.

Sub-Committee Reports

Governance Policy Committee (GPC)

No report. This committee has completed their work for the year.

Board Development Committee (BDC)

No report. This committee meets August 23 via Zoom.

Risks and Opportunities Committee (ROC)

No report. This committee meets September 12 via Zoom.

Coverage Review Committee (CRC)

No report. This committee has completed their work for the year.

Investment Committee

No report. This committee meets October 10 via Zoom.

Target Ratios Committee

This committee met on August 9, see discussion above regarding the Target Ratios Policy. This committee has completed its work.

Audit Committee

Shinners said the committee members are Danette Rogers, Justin Brockwell, Cyndie Eddy, and Angie Peters. This committee meets October 9 via Zoom at 1 pm.

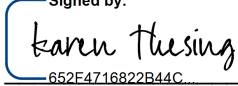
Recap and Adjournment

Shipman recapped the meeting, accepted the agenda, no public comments, approved the consent agenda, reviewed the work plan, heard about Best Practice compliance, opened attendance for Shakleton with the unspent funds going back to net position, no feedback on budget, approved sending the 2025 General Liability Coverage Document removing Endorsement 2 regarding tasers to the Board, will conduct Executive Director Performance Review in September, and recommended updating the Target Ratios Policy to go to the Audit Committee then the EC. There was an Executive Session, we granted authority in open session on Dennis vs

Pierce Transit, heard reports from the Executive Staff and there were no sub-committee reports.

Shipman adjourned the meeting at 11:51 am.

Submitted this 26 day of September 2024.

Signed by:

Approved: 652F4716822B44C...
Karen Thesing, Secretary