

**MBASIA
Board of Directors Meeting**

Monday, January 30, 2023 at 9:00 AM

LOCATION:

Video Teleconference

Link:

<https://alliantinsurance.zoom.us/j/96407063650?pwd=TTJydkJYWwBGZjdjTTRQcm95TGFSQT09>

Meeting ID: 964 0706 3650

Passcode: 993791

Dial: (669) 900-6833

MEMBERS PRESENT

Jamie Goldstein, City of Capitola
John Guertin, City of Del Rey Oaks
Trevin Barber, City of Gonzales
Paul Wood, City of Greenfield
Brett Miller, City of Hollister (*left at 12:03 PM*)
Steve Adams, City of King City
Layne Long, City of Marina
Vibeke Norgaard, City of Sand City
Francine Uy, City of Soledad Alternate

MEMBERS ABSENT

Mali LaGoe, City of Scotts Valley

GUESTS & CONSULTANTS

Chloe Woodmansee, City of Capitola Alternate (*left at 11:38 AM*)
Nina Aguayo, City of Greenfield Alternate (*left at 11:38 AM*)
Matt Mogensen, City of Marina Alternate (*left at 11:38 AM*)
Veronica Contreras, City of King City Alternate (*left at 11:38 AM*)
Neil Callahan, George Hills Company
Rose Melchor, George Hills Company
Parmit Randhawa, George Hills Company (*left at 10:30 AM*)
Lynn Cavalcanti, AIMS
Erin Thomas, Alliant Insurance Services (*joined at 9:53 AM and left at 10:49 AM*)
Laurinda Newell, Alliant Insurance Services (*joined at 9:53 AM and left at 10:49 AM*)
Conor Boughey, Alliant Insurance Services
Lorissa Huey, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services

A. CALL TO ORDER

Jamie Goldstein called the meeting to order at 9:01 AM.

B. ORAL COMMUNICATIONS & PUBLIC COMMENTS

There were no oral communications and public comments.

C. CONSENT CALENDAR

C1. Approval of Minutes – June 13, 2022 Board of Directors Meeting

C2. Service Calendar & Status of Deliverables

C3. Bills and Correspondence

C4. George Hills Liability Claims Administrator Contract (January 1, 2023 to June 30, 2024)

C5. Chandler Clearwater Analytics Authorization Letter

A motion was made to approve the consent calendar.

MOTION: Brett Miller

SECOND: John Guertin

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

D. GENERAL RISK MANAGEMENT ISSUES

Conor Boughey asked the Board Members if any of them are hiring an actuary for their retained amount at the City.

E. BOARD OF DIRECTORS

E1. COMMITTEE REPORTS

E1a. Executive and Finance Committee

E1a1. Budget Planning Process

Lorissa Huey provided an update that the Executive and Finance Committee will be starting the budget process for the July 1, 2023 renewal. The Committee will meet in early March 2023 to review the Liability and Workers’ Compensation Budgets. The changes to the Liability Budget are implementing a \$500K cap only 3 years back, applying to program years 7/1/19, 7/1/20, and 7/1/21, and separating out the claims expense similar to the Workers’ Compensation Budget. The changes to the Workers’ Compensation Budgets are funding the budget without the indemnity.

E1a2. Program Administrator’s Contract Renewal

Conor Boughey reported that the current contract for Program Administration is set to expire on July 1, 2023. The attached draft contract between MBASIA and Alliant contains proposed changes that include the following: (1) update to the term starting July 1, 2023 for 5 years; (2) annual fee is flat per expiring; (3) no change to the proposed Scope of Work; (4) professional liability from \$1M to \$2M; and (5) updated Annual Fee Escalator – Lessor of 5% or CPI with a minimum of 3% annual increase, for the Western Region using the most recently published month annual percentage change prior to June 1st of each term.

The contract was reviewed by Byrne Conley, MBASIA’s Legal Counsel, Alliant’s Legal Counsel, and the Executive Committee, and there were no issues.

A motion was made approve the contract and to put the revised 5% annual number increase on the next Board Meeting’s Consent Calendar.

MOTION: Paul Wood

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

E1a3. Acclamation Insurance Management Services (AIMS) Contract Renewal

Lorissa Huey reported that AIMS has been MBASIA’s Third-Party Claims Administrator for the Workers’ Compensation program since July 1, 2015. The current contract with AIMS that renewed on June 30, 2018 for a five-year term is now expiring on June 30, 2023, with no options to extend. She reminded the Board that at the November 2022 Strategic Planning, the Board directed AIMS to provide a five year proposed renewal contract.

Lynn Cavalcanti from AIMS has presented a five-year agreement with AIMS with small updates to the scope of work and updates to the service fees, as outlined in the financial impact section.

A motion was made to approve the AIMS contract.

MOTION: Paul Wood

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

E1b. Safety Committee

E1b1. Safety Grant Funds – Request Status and Budget to Date

Lorissa Huey reminded the Board Members that the MBASIA has a Safety Grant Program, and allows Member Agencies to request up to \$7,500 to use towards (includes but not limited to) COVID safety supplies, playground inspections, or ergonomics. Also, the Members must make their requests prior to May 1st, at which time the remaining funds can be requested by another Member.

No reportable action took place.

E1c. Coverage and Claims Committee

E1c1. George Hills - Neil Callahan Introduction

Lorissa Huey reported that as MBASIA has been transitioning from Ken Maiolini to the new claims team, Neil Callahan has joined George Hills. The Claims Committee has already met Neil and today is the first time the full Board is meeting Neil.

Neil Callahan introduced himself and the Board welcomed him.

E1c2. Liability Claims Handling: Defense Panel Instruction Packet

Lorissa Huey reminded the Board that at the Strategic Planning, George Hills proposed that MBASIA use Litigation Management Guidelines.

Neil Callahan walked through the Litigation Management Guidelines.

Direction was given to the Claims Committee to review the proposed language to allow Members to hire someone else not on the panel so that there is flexibility and bring it on the next Board Meeting’s Consent Calendar.

E1c3. Proposed Changes: Claims Handling & Settlement Authority Policy and Procedure

E1c3i. Liability

E1c3ii. Workers’ Compensation

The Program Administrators reported that at the November 2022, Board Meeting, the Board directed the Coverage and Claims Committee (CC) to review and add conflict language when there is a claim that involves the Board Member/City Manager so there are clear instructions on the ability to exclude that Board Member from Closed Session and allow them to make a statement before being excused. Also, to ensure that when the City Manager is the defendant of the claim, we work directly with the City Attorney, or their designee.

The CC reviewed the proposed changes and made a recommendation to the Board to adopt the changes.

A motion was made to accept the proposed changes.

MOTION: Brett Miller

SECOND: Layne Long

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

E2. EXCESS RISK POOL REPRESENTATIVE REPORTS

E2a. Report from CARMA Annual Workshop & Board of Directors Meeting

E2ai. Active Bystandership for Law Enforcement (ABLE) Informational Webinars

Conor Boughey and Layne Long, CARMA’s Representative reported that CARMA had its Annual Workshop & Board of Directors Meeting on January 12 and 13, 2023.

Also, the Board was reminded that the Police Departments are required to attend the ABLE webinars, in which the Program Administrators sent out emails to the Police Chiefs with a carbon

copy to the MBASIA Board. There was one held on January 25, 2023 and next one is February 8, 2023.

E2b. Report from ERMA Annual Workshop & Board of Directors Meeting

Conor Boughey and Brett Miller, ERMA's Representative reported that the Annual Workshop and Board Meeting will be held on February 2 and 3, 2023.

E3. UNFINISHED BUSINESS

E3a. Report from Strategic Planning

E3ai. PRISM – Employee Benefits

Conor Boughey reminded the Board that at the Strategic Planning the Board wanted to hear more about PRISM's Employee Benefits.

Laurinda Newell and Erin Thomas from the Alliant Employee Benefits Team presented to the Board what PRISM has to offer.

Members asked questions, which were addressed.

Laurinda and Erin will send a list of questions for the Program Administrators to distribute to the Board to gather data for a potential start date of July 1, 2024 if Members are interested.

E3a.ii. Alternate Dispute Resolution (ADR) Program

Conor Boughey reminded the Board that at the Strategic Planning the Board wanted to hear more about the Alternate Dispute Resolution (ADR) Program.

Lynn Cavalcanti provided the Board a presentation. Members asked questions, which were addressed by Lynn.

The Cities of Gonzales, Hollister, Soledad, Del Rey Oaks, and Sand City will work with Lynn at AIMS directly.

E4. NEW BUSINESS

E4a. Liebert Cassidy Whitmore Employment Relations Consortium 2023 Agreement

Lorissa Huey reported that the contract for the Liebert Cassidy Monterey Bay Area Employment Relations Consortium is up for renewal. The Cities of Capitola, Greenfield, Hollister, King City, Marina, Sand City, Scotts Valley, and Soledad are members of the Liebert Cassidy Employment Consortium and have direct access to their representatives.

A motion was made to approve the 2023 agreement.

MOTION: Brett Miller

SECOND: Layne Long

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

E4b. Proposed Changes: MBASIA’s Liability Memorandum of Coverage: Unmanned Aerial Vehicle (UAV)

Conor Boughey explained that in 2017, MBASIA took action to clarify the MOC language to explicitly state the aircraft exclusion does not apply to UAVs and define UAVs as a small unmanned aircraft regulated by Part 107 of the FAA. Now, the FAA has changed their guidelines to allow governmental entities to fly UAVs outside of Part 107. The Board may want to consider amending the MOC to allow for Members to be in compliance with UAV regulations outlined by the FAA and not specifically mention which regulations govern use.

Byrne Conley, MBASIA’s Legal Counsel proposed changes to the MOC.

A motion was made to adopt the proposed changes as shown in the agenda packet retroactive to July 1, 2022.

MOTION: Brett Miller

SECOND: Layne Long

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

E4c. Worksite International Ergonomics Contract Extension

Lorissa Huey reported that the ergonomics contract with Worksite International (WI) was renewed in April 2022 for one year. Alison at WI has expressed interest in extending the contract for another year through January 2024 and proposed the same pricing in the current contract.

A motion was made to extend the contract through January 2024.

MOTION: Brett Miller

SECOND: Layne Long

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

E4d. MBASIA Election of Officers

A motion was made to elect the slate of officers for 2023-2025:

Jamie Goldstein, Chairperson

Layne Long, Vice Chairperson

Brett Miller, Secretary / Treasurer

Layne Long, Past Chairperson

MOTION: Paul Wood

SECOND: Brett Miller

MOTION CARRIED

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

E4e. Hollister Rally

This item was deferred to the next Board Meeting.

E4f. July 1, 2023 Property Insurance Renewals

Conor Boughey reported that nationally claims values have increased dramatically and reinsurance markets have adjusted their pricing and capacity, both in an unfavorable direction for insureds. Construction costs, inflation, labor costs, and other factors have led to an increase in reported values for public entities, and it is expected this to continue with a 7.5% increase this year. Insurance market options are very limited, and programs like APIP and PRISM property aim to maintain their high limit programs and coverage enhancements, while stabilizing these increases the best the programs can. Other market options are very limited, providing far inferior coverage terms at similar or greater premiums. It is expected to see large property rate and premium increases at July 1, 2023.

E5. LOSS REPORT

E5a. Workers’ Compensation Administrator’s Report

E5b. Liability Third Party Administrator’s Report

A motion was made to enter into Closed Session at 11:38 AM.

MOTION: Brett Miller **SECOND:** Paul Wood **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

A motion was made to come out of Closed Session at 12:40 PM.

MOTION: Layne Long **SECOND:** Steve Adams **MOTION CARRIED**

	Jamie Goldstein	John Guertin	Trevin Barber	Paul Wood	Brett Miller	Steve Adams	Layne Long	Vibeke Norgaard	Mali LaGoe	Francine Uy
Aye	X	X	X	X	X	X	X	X		X
Nay										
Abstain										

Jamie Goldstein reported out of Closed Session that direction was given to the Liability Claims Administrators and Workers' Compensation Claims Administrators and no final reportable action was taken.

F. PROGRAM ADMINISTRATORS' REPORT

F1. MBASIA Exposures and Coverages Review: Special Events Liability

This item was deferred to the next Board Meeting.

F2. High Level Coverage Summary

Conor Boughey commented that this is an information item and to share with City Staff.

F3. MBASIA Resource Guide

Conor Boughey commented that this is an information item and to share with City Staff.

G. CORRESPONDENCE / INFORMATION

G1. Next Two Board Meetings & ERMA Training Schedule

The next two Board Meetings will be on Monday, April 3, 2023 via teleconference and Monday, June 12, 2023 in Sand City, both starting at 9:30 AM unless otherwise stated.

G2. PARMA Conference Information - There was no discussion on this item.

G3. MBASIA Service Team Contact List & Claims Reporting - There was no discussion on this item.

G4. MBASIA Schedule of Service Agreements - There was no discussion on this item.

G5. System Security Standards Guidelines for Cyber – January 2023 – There was no discussion on this item.

ADJOURNMENT

Jamie Goldstein adjourned the meeting at 12:17 PM