



**California Association Of Mutual Water Companies Joint Powers Risk And Insurance
Management Authority Board Meeting Minutes
Tuesday, August 19, 2025 – 1:30 PM**

1. Call to Order. President Michalko called the meeting to order at 1:32 pm.
2. Roll Call of Authority Directors.

<p><i>Present:</i> Dave Michalko, Valencia Heights Water Company – <i>President</i> Ryan Nunneley, Oildale Mutual Water Company Ken Tcheng, Sunny Slope Water Company Marina West, Bighorn-Desert View Water Agency – <i>Treasurer</i> Lisa Yamashita-Lopez, Rubio Cañon Land and Water Association</p> <p><i>Absent:</i> Dave Armstrong, South Mesa Water Company Korey Bradbury, Montebello Land and Water Company - <i>Secretary</i> Lynda Noriega, California Domestic Water Company David Pedersen, Las Virgenes Municipal Water District, <i>Vice President</i></p>	<p><i>Staff:</i> Susan Allen, Chief Executive Officer Jim Ciampa, Legal Counsel Karina Cervantez, CalMutuals Managing Director Paul Fuller, Insurance Administrator Gloria Galindo, Financial Manager Chase Gilmore, Insurance Administrator Oracio Gonzalez, Legislative Advocate Adan Ortega, Communications Director George Pappas, Insurance Administrator Ceili Tuttle, CalMutuals & JPRIMA Staff Tim Worley, CWSA Managing Director</p>
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3. Public comment. No public comment.
4. Approval of the Minutes of the JPRIMA Board Meeting on July 15, 2025. On a motion by Director Yamashita-Lopez, seconded by Treasurer West, the minutes of the July 15, 2025 Board of Directors meeting were unanimously approved by roll call vote of 5-0.
5. President’s Report. No President’s report this month.
6. Consideration and Approval of Demand Sheet. Financial Manager Galindo reviewed the Demand Sheet included in the Board of Directors’ meeting packet. Demands this month include the first half of the payment for the 2025 CalMutuals and CalMutuals JPRIMA Meetings and Workshops as well as a first payment to CliftonLarsonAllen for the Authority’s audit. On a motion by Director Tcheng, seconded by President Michalko, the Board unanimously approved the Demand Sheet by roll call vote of 5-0.

7. Financial Report. Financial Manager Galindo provided an overview of the budget and cash flow report included in the Board meeting packet. On a motion by Treasurer West, seconded by President Michalko, the Board unanimously approved the financial report for receipt and filing by roll call vote of 5-0.
8. Consideration of Staff Proposal to utilize ACH payment versus paper check where feasible. CEO Allen and Financial Manager Galindo asked the Board to consider transitioning the Authority's payments from paper checks to ACH. Financial Manager Galindo suggested the Board could begin with the Authority's recurring payments, such as to Valencia Heights Water Company for financial services, to Ortega Strategies Group for management services and to Lagerlof, LLP for legal services. They emphasized that payments would continue to be approved by the Board. Director Yamashita-Lopez asked that positive pay also be added. On a motion by Director Tcheng, seconded by Director Yamashita-Lopez, the Board approved staff authorization to pay the Authority's bills with ACH payment by roll call of 5-0.
9. Chief Executive Officer's Report.
 - a. *CalMutuals July 2025 Grant-Related Activity Report.* CEO Allen provided an overview of the grant-related activity report for the period ending July 31, 2025, as included in the Board meeting packet.
 - b. *Update AB 428 (Rubio): Joint powers agreements: water corporations.* Legislative Advocate Gonzalez reported to the Board that AB 428 is before the Senate Appropriations Committee. It will be known by next Friday if the bill moves out of the suspense file and be approved by the full Senate before being forwarded to the Governor's office.
 - c. *2025 Annual Meeting Update.* Member Services Director Allen asked the Board to confirm their attendance for this year's CalMutuals and CalMutuals JPRIMA meetings and workshops. Insurance Administrator Fuller recommended, and the Board enthusiastically supported, selection of Oscar Pineiro as JPRIMA's 2025 Broker of the Year.
10. Discussion and possible action to address 2025 unpaid CalMutuals dues by JPRIMA members/insureds. At the July 15, 2025 Board meeting, CEO Allen asked the Board for guidance on action to take with JPRIMA insureds that have not paid their CalMutuals' 2025 membership dues. As requested, Ms. Allen and General Counsel Ciampa provided the Board with specific language in the Bylaws that specifies this requirement as a condition to be a member of CalMutuals and to therefore be eligible to procure insurance through CalMutuals JPRIMA. A memo drafted by Mr. Ciampa was provided in the meeting packet and reviewed with the Board.

Based on this review, the Board instructed our Insurance Administrators to enforce the requirement annually as part of the enrollment process and to advise members that did not pay the previous year's CalMutuals dues that past and current year dues payment is a requirement for continued insurance with CalMutuals JPRIMA. On a motion by President Michalko, seconded by Treasurer West, the Board approved by a roll call vote of 5-0 to

memorialize the requirement of CalMutuals membership as a condition to access CalMutuals JPRIMA insurance. The Board additionally requested that Mr. Ciampa draft a policy that references the Bylaws and the requirement of payment of dues.

11. Insurance Administrator's Report.

a. *Insurance Report for the period ending July 31, 2025.* Insurance Administrator Gilmore reviewed the insurance report for the period ending July 31, 2025, provided in the Board meeting packet. Insurance Administrator Fuller thanked Treasurer West for her assistance in engaging Hi-Desert Water District as a potential CalMutuals JPRIMA member.

b. *Update on CWA Collaboration to address Wildfire liability.* Insurance Administrator Fuller reported that the strategy is to emphasize to the courts that the standard of liability must be reasonableness and not strict liability—particularly for water systems that did not create or start the wildfire. He hopes to have a more updated roadmap at the 2025 CalMutuals and CalMutuals JPRIMA Meetings in September.

12. Legal Counsel's Report. Legal Counsel Ciampa reported that the most recent updates to the JPA Agreement to add new members outside of California were submitted to the Secretary of State. He further reported that a budget trailer bill that includes inverse condemnation and wildfire issues will be considered by the Legislature. JPRIMA will work with CWA to address its concerns and to ensure that water companies are included in the protections.

13. Communications Report. No Communications report.


14. Director Comments. No Director comments.

15. Adjournment. President Michalko adjourned the meeting at 2:04 pm.

SECRETARY'S CERTIFICATE:

I certify that the foregoing is a true and correct copy of the minutes approved by the Board of Directors.

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Korey Bradbury, CalMutuals JPRIMA Secretary

Affirmed By:

Signed by:



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P. David Michalko, CalMutuals JPRIMA President