



CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK AND
INSURANCE MANAGEMENT AUTHORITY - MINUTES
BOARD MEETING TUESDAY, SEPTEMBER 20, 2022 - 1:30 PM

1. Call to Order

2. Roll Call

Present:

Dave Armstrong, South Mesa Water Company (Signed off 2 PM)
Jim Byerrum, California Domestic Water Company
Dave Michalko, Valencia Heights Water Company - *President*
Doug Nunneley, Oildale Mutual Water Company – *Vice President*
Dave Pedersen, Las Virgenes Municipal Water District (Signed off 2PM)
Marina West, Bighorn-Desert View Water Agency
Lisa Yamashita-Lopez, Rubio Cañon Land and Water Association

Staff

Jim Ciampa, General Counsel
Gloria Galindo, Financial Manager
Adán Ortega, Communications Director
Susan Allen, Chief Executive Officer
Katrina Cervantez, Ortega Strategies Group
Ceili Tuttle, Ortega Strategies Group
George Pappas, Insurance Administrator
Chase Gilmore, Insurance Administrator
Tim Worley, CWSA

Members

Steve Lenton, Bellflower Somerset Mutual Water Company

Absent:

Ken Bradbury, Montebello Land and Water Company – *Secretary*
Paul Fuller, Insurance Administrator
Ken Tchong, Sunny Slope Water Company

3. Public comment: No public comment.

4. Consideration and Possible Adoption of Resolution No. 09-2022-01 to Authorize Remote Teleconference Meetings of the JPRIMA Board of Directors and Make Related Findings and Determinations. On a motion by Treasurer West, seconded by Director Byerrum, the resolution was unanimously approved by roll call vote.

5. Approval of the Minutes of the CalMutuals JPRIMA Board of Directors Meeting on August 16, 2022. On a motion by Director Pedersen, seconded by Director Byerrum, the minutes of the August 16, 2022 Board of Directors meeting were unanimously approved by roll call vote.

6. President's Report. President Michalko advised the Board that he and CEO Allen and Financial Manager Galindo met with representatives from the Internal Revenue Service on August 22, 2022 at Valencia Heights Water Company. In follow up to the meeting, a few documents have been requested and provided. To date, we have not received further communication from the IRS.

7. Consideration and Approval of Demand Sheet. Treasurer West reviewed the Demand Sheet included in the Board meeting packet. President Michalko noted that the Valencia Heights Water Company fee is higher this month in association with work to support the Association's response to

the IRS audit. On a motion by Director Byerrum, seconded by Director Armstrong, the Demand Sheet was unanimously approved by roll call vote.

8. Financial Report. Treasurer West reviewed financial reports included in the Board meeting packet. She noted that the Budget and Cash Flow Report reflects transfer of revenue and expenses for program support to CalMutuals. On a motion by Director Armstrong, seconded by Vice President Nunneley, the Board unanimously approved receipt and filing of the financial reports by roll call vote.
9. Chief Executive Officer's Report.
 - a. *Resources and Education Report.* CEO Allen reviewed the Resources and Education Report in the Board meeting packet and highlighted continued active use of continuing education courses and certifications through the American Water College, and active enrollment in CalMutuals JPRIMA's AB54/AB240 training.
 - b. *Fall 2022 Joint CalMutuals and CalMutuals JPRIMA Annual Meeting Draft Agenda.* CEO Allen reviewed the draft agenda for day two of the 2022 Annual Meeting. The draft proposed opening with the formal CalMutuals JPRIMA Annual Meeting and reports from the President, CEO, Financial Manager and Insurance Administrator; workshops focused on cybersecurity best practices for small water systems and insights from users on using tools available through the Zenith Solutions Center. The day's agenda additionally proposed sharing of summary presentations of recent white papers proposing solutions for addressing the needs of small systems and a response panel of representatives from large systems, the private sector and small systems. The Board was generally supportive of the proposed program and directed staff to continue work in planning for the meeting as outlined.
 - c. *Update on DWR Drought Resilience and Response Project Proposal.* CEO Allen provided a brief report on guidance received from the Department of Water Resources in refining the scope of work submitted to support small suppliers with conservation efforts. DWR asked that the scope be expanded to include traditional conservation interventions such as direct install of low flow toilets, washing machines and dishwashers, shower head replacement, and outdoor conservation measures. DWR further asked that the Authority honor a request from the SWRCB to exclude small systems that received a "recommendation to consolidate" letter from the project and that we shape our budget to include financing necessary to float expenses pending reimbursement as part of administrative costs. CEO Allen noted that help from the Board in identifying vendors that may be available to assist with the traditional conservation efforts would be welcome. Treasurer West shared that Coachella Valley Water District is currently advertising for its toilet replacement program and may have a vendor to share. She further shared that Bighorn Desert View relies on Evolve Technologies in Ontario, California for showerheads.

Ms. Allen will continue to collaborate with CalMutuals JPRIMA and CalMutuals' leadership and DWR to refine and submit the scope.
 - d. *September 14-15, 2022 CAJPA Conference Report.* CEO Allen reported on her attendance at the 2022 California Association of Joint Powers Authorities Annual Conference in South Lake Tahoe in mid-September. Sessions focused on best practices for governance, risk management, member services, cybersecurity and diversity.

10. Insurance Administrator's Report. Insurance Administrator Gilmore shared the following recommendations from the insurance team for the recipients of the 2022 JPRIMA awards.

2022 JPRIMA Broker of the Year- Shaun Alley, Vice President at InterWest Insurance Services, LLC

2022 JPRIMA Insurance Administrator of the Year- Shelly Birdzell at EPIC

On a motion by Director Byerrum, seconded by President Michalko, the Board ratified the recommendations by roll call vote.

Mr. Gilmore additionally reviewed the Insurance Report in the Board meeting packet. He highlighted two new members/insureds as of October 1, 2022, Terrace Water Company and Orange Cove Irrigation District.

11. General Counsel's Report

General Counsel Ciampa provided an update on efforts to secure a tax exemption for the Authority. Clifton, Allen, Larsen has confirmed that CalMutuals JPRIMA may qualify for tax-exemption under Internal Revenue Code Section 501(c)6, but given that the Authority was disqualified in another category the application may not be successful. One alternative that was suggested was to form a new organization, but that is an option that neither General Counsel Ciampa nor the Board recommend to pursue.

General Counsel Ciampa also advised the Board of a new law, AB 2449, that allows for new remote meeting requirements under very limited conditions. Because of the limited application of AB 2449, CalMutuals JPRIMA will need to return to conducting its meetings as its did before COVID with compliance with the pre-existing Brown Act requirements. These requirements include listing meeting locations of all participating Board members in the meeting agenda, posting the agenda at each location and ensuring accessibility for the public to attend.

12. Communications Report. No communications report.

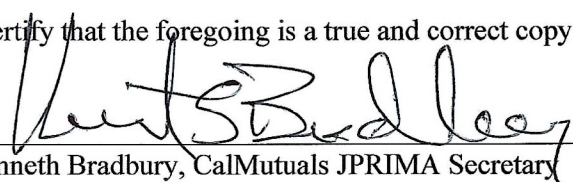
13. Director Comments. No Director's comments.

14. Adjournment President Michalko adjourned the meeting at 2:14 PM.

Agenda Posted: September 16, 2022

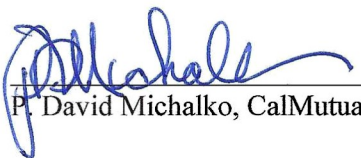
SECRETARY'S CERTIFICATE:

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


Kenneth Bradbury, CalMutuals JPRIMA Secretary

DEC 31 2022
Date

Affirmed By:


David Michalko, CalMutuals JPRIMA President

DEC 31 2022
Date