



CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS RISK  
AND INSURANCE MANAGEMENT AUTHORITY BOARD MEETING MINUTES

TUESDAY DECEMBER 21, 2021 - 1:30 PM

1. Call to Order. President Byerrum called the meeting to order at 1:30 PM.

2. Roll Call.

Present:

*Board Directors*

Jim Byerrum (President, California  
Domestic Water Company)  
Ken Bradbury (Secretary, Montebello  
Land and Water Company)  
Dave Michalko (Valencia Heights Water  
Company)  
Doug Nunneley (Oildale Mutual Water  
Company)  
Ken Tcheng (Sunny Slope Water  
Company)  
Marina West (Bighorn-Desert View  
Water Agency)  
Lisa Yamashita-Lopez (Rubio Cañon  
Land and Water Association)

*Staff*

Jim Ciampa (General Counsel)  
Myra Malner (Assistant Secretary and  
Treasurer)  
Adán Ortega (Communications Director)  
Susan Allen (Managing Director)  
Logan Largent (Legislative Director)  
Tim Worley (CWSA Managing Director)  
Jesus Silva (CWSA Local Empowerment  
Initiative)  
Paul Fuller (Insurance Administrator)  
George Pappas (Insurance Administrator)

*Members*

Absent:

Dave Armstrong (South Mesa Water Company)  
Dave Pedersen (Las Virgenes Municipal Water District)

3. Public comment. No public comment.

4. Approval of the Minutes of the CalMutuals JPRIMA Board Meeting on November 16, 2021. On a motion by Director Yamashita-Lopez, seconded by Director Tcheng, the minutes of the November 16, 2021 meeting of the CalMutuals JPRIMA Board of Directors were unanimously approved.

5. Consideration and Possible Adoption of Resolution No. 12-2021-01 to Authorize Remote Teleconference Meetings of the JPRIMA Board of Directors and Make Related Findings and Determinations. On a motion by Director Tcheng, seconded by Director Nunneley, Resolution 12-2021-01 was unanimously approved.

6. President's Report. President Byerrum thanked the Board for diligence in exploring options for new leadership of the Board in light of his resignation. The Board proposed the nomination of Director Michalko as President and Director Nunneley as Vice President and expanding the role of Managing Director Allen to that of Chief Executive Officer. The Board further proposed that Secretary Bradbury and Treasurer Malner continue in their roles. Insurance Administrator Fuller shared enthusiastic support for the proposed leadership team. On a motion by President Byerrum, seconded by Secretary Bradbury, the Board unanimously approved the selection of Dave Michalko as President, Doug Nunneley as Vice President, Ken Bradbury as Secretary, Myra Malner as Treasurer and Susan Allen as Chief Executive Officer.
7. Consideration and Approval of Demand Sheet. Treasurer Malner reviewed the Demand Sheet include in the Board of Directors meeting packet. On a motion by Director Tchong, seconded by Secretary Bradbury the Demand Sheet was unanimously approved.
8. Financial Report. Treasurer Malner reviewed the budget and cash flow for the month ending November 31, 2021. She noted that the Authority will realize savings associated with unexpended line items and the funds will be carried over to the next calendar year. The Authority's end of the year cash balance will be approximately \$100,000 over the cash balance at the end of last year. Treasurer Malner also reviewed the Cash and Investment report included in the Board meeting packet. On a motion by Director West, seconded by Vice President Michalko, the financial and Treasurer's reports were unanimously approved.
9. Consideration of Proposed 2022 CalMutuals JPRIMA Budget. Treasurer Malner reviewed the proposed 2022 budget included in the Board meeting packet. Vice President Michalko expressed appreciation to Treasurer Malner for her responsiveness in answering questions about the proposed budget in advance of the meeting. Director West asked for an update on the Authority's request to the Internal Revenue Service for tax exempt status. General Counsel Ciampa advised that we initially believed that as a JPA under California law, the Authority would qualify for tax-exemption as a government entity, but the inclusion of mutual water companies precluded that classification. James Marta and Associates has filed an application for tax-exemption under Internal Revenue Code Section 501(c)(4), and we anticipate that we will be successful. On a motion by Director West, seconded by Vice President Michalko, the 2022 budget, in the form presented, was unanimously approved.
10. Insurance Administrator's Report. Insurance Administrator Fuller advised the Board that Lloyds of London is in the process of conducting a background check on him and upon completion of the screening, we will be ready to launch our Cybersecurity insurance offering. He shared that there may be an opportunity to engage with a variety of public water systems across the state given the coverage is becoming less available by insurers.

Insurance Administrator Fuller shared challenges facing small mutual water companies in high-risk fire areas. Based on the high wildfire risk, these companies are incurring significant increases in premiums and do not always have the ability to confirm active brush mitigation measures as a means to reduce insurance premiums.

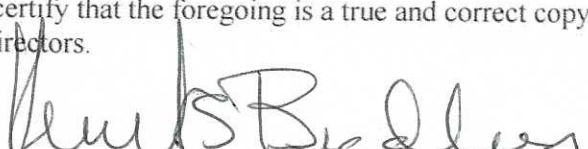
Insurance Administrator Pappas shared that CalMutuals JPRIMA onboarded Rock Creek Water District in January and welcomed Lassen Pines Mutual Water Company as a new Property and Casualty insured.

11. General Counsel's Report. General Counsel Ciampa extended holiday wishes to the Board and staff.
12. Resources/Education Report. Managing Director Allen reviewed the Resources and Education Report included in the Board meeting packet.
13. Communications Report. Communications Director Ortega did not have any updates to share this month.
14. Director Comments. President Byerrum thanked the Board for their participation and service and reiterated how much he has enjoyed his service as President and CEO.
15. Adjournment. President Byerrum adjourned the meeting at 2:15 PM.

Agenda Posted: December 17, 2021

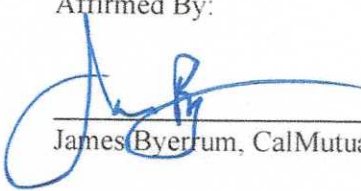
SECRETARY'S CERTIFICATE:

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

  
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Kenneth Bradbury, CalMutuals JPRIMA Secretary

2-15-2022  
Date

Affirmed By:

  
\_\_\_\_\_  
James Byerrum, CalMutuals JPRIMA President

2-10-2022  
Date