

**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS
RISK & INSURANCE MANAGENT AUTHORITY
(CALMUTUALS JPRIMA OR AUTHORITY)**

**SPECIAL BOARD MEETING MINUTES
THURSDAY, MARCH 17, 2016**

Call to Order: President Jim Byerrum called the meeting to order at 2:33 p.m.

Roll Call of Initial Authority Members

Present: Jim Byerrum (President, California Domestic Water Company), Dave Michalko (Vice-President, Valencia Heights Water Company), Ken Deck (Treasurer, Bellflower-Somerset Mutual Water Company), Ken Bradbury (Secretary, Montebello Land and Water Company), Dave Armstrong (South Mesa Water Company), Doug Nunneley (North of the River Municipal Water District), Ken Tcheng (Sunny Slope Water Company), Lisa Yamashita-Lopez (Rubio Cañon Land and Water Association), Myra Evangelista (staff), Linda Noriega (staff), Adán Ortega (staff), Nancy Steele (staff), Monica Valencia (staff), Jim Ciampa (Legal Counsel).

Absent: None.

Public Comment: None.

Demand Sheet: Staff member Evangelista provided an overview of the Demand Sheet which totals \$15,210.36. On a motion made by Vice-President Michalko and seconded by Mr. Nunneley, the Board unanimously approved the Demand Sheet.

Addition to Agenda: President Byerrum stated that it is necessary to add an urgency item to the agenda with respect to the need to obtain errors and omissions insurance coverage for the Authority's directors. Legal Counsel Ciampa explained that under the Brown Act, the Board can add an item to the agenda if the matter arose after the posting of the agenda and the Board finds the matter requires immediate action by the Board. He also explained that such an addition must be approved by at least 4/5 of the Board. The Board discussed the immediate need to obtain such errors and omissions coverage, which was determined to be necessary the prior night, when it was discovered that the CalMutuals errors and omissions coverage did not apply to the Authority's Board. On a motion made by President Byerrum and seconded by Mr. Bradbury, the Board unanimously found that the need to procure errors and omissions coverage arose after the posting and required immediate action by the Board. The Board then unanimously approved adding consideration and approval of the purchase of errors and omissions insurance for the CalMutuals JPRIMA Board of Directors to the March 17, 2016 agenda.

Action Items:

(1) Consideration and approval of Workers' Compensation Quota Reinsurance Contract with Zenith Insurance Company. On a motion made by Treasurer Deck and seconded by Mr. Armstrong, the Workers' Compensation Quota Reinsurance Contract with Zenith Insurance Company was unanimously approved.

(2) Consideration and approval of Insurance Services Agreement with Zenith Insurance Company. On a motion made by Vice-President Michalko and seconded by Ms. Yamashita-Lopez, the Board unanimously approved the Insurance Services Agreement with Zenith Insurance Company with the stipulation that General Counsel Ciampa sign off on the final language of the agreement.

(3) Consideration and approval of Property & Liability Quota Share Reinsurance Contract with Allied World Insurance Company. On a motion made by Mr. Bradbury and seconded by Mr. Tchong, the Board unanimously approved the Property & Liability Quota Share Reinsurance Contract with Allied World Insurance Company.

(4) Consideration and approval of Memorandum of Coverage, Common Coverage Conditions. On a motion made by Mr. Nunneley and seconded by Treasurer Deck, the Board unanimously approved the Memorandum of Coverage, Common Coverage Conditions.

(5) Consideration and approval of insurance for CalMutuals JPRIMA. On a motion by Vice-President Michalko and seconded by Mr. Bradbury, the Board unanimously approved purchasing insurance for CalMutuals JPRIMA at a premium of approximately \$1,000.

Adjournment: President Byerrum adjourned the meeting at 3:05 p.m.

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, Secretary

Date