

**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES JOINT POWERS
INSURANCE AUTHORITY**

**SPECIAL ORGANIZATIONAL BOARD MEETING MINUTES
FRIDAY, JANUARY 8, 2016**

Call to Order: Legal Counsel Jim Ciampa called the meeting to order at 10:33 a.m.

Roll Call of Initial Authority Members

Present: Ken Deck (Bellflower-Somerset Mutual Water Company), Jim Byerrum (California Domestic Water Company), Myra Evangelista (California Domestic Water Company), Ken Bradbury (Montebello Land and Water Company), Doug Nunneley (North of the River Municipal Water District, Oildale Mutual Water Company), Lisa Yamashita-Lopez (Rubio Cañon Land and Water Association), Dave Armstrong (South Mesa Water Company), Dave Michalko (Valencia Heights Water Company), Adán Ortega (staff), Monica Valencia (staff), Tristan Tardy (staff), Jim Ciampa (Legal Counsel). Tara Biddle of the Covina Irrigating Company was also present.

Absent: Ken Tchong (Sunny Slope Water Company)

Public Comment: None

Action Items:

Appointment of Initial Board of Directors: On a motion made by Jim Byerrum and seconded by Ken Bradbury, a motion to appoint eight members to the Joint Powers Insurance Authority (JPIA) Board of Directors was unanimously approved. On a motion made by Jim Byerrum and seconded by Ken Deck, a unanimous vote of the members present elected the following members to the Board of Directors: David Armstrong of South Mesa Mutual Water Company, Ken Bradbury of Montebello Land & Water Company, Jim Byerrum of California Domestic Water Company, Ken Deck of Bellflower Somerset Mutual Water Company, David Michalko of Valencia Heights Mutual Water Company, Douglas Nunneley of North of the River Municipal Water District, Ken Tchong of Sunny Slope Mutual Water Company, and Lisa Yamashita Lopez of Rubio Cañon Land and Water Association.

(1) Election of Officers: On a motion made by Dave Michalko and seconded by David Armstrong, the election of Jim Byerrum as President of the JPIA Board of Directors was unanimously approved. President Byerrum said he would resign as Chair of California Association of Mutual Water Companies (CAMWC) at an appropriate time. On a motion made by President Byerrum and seconded by Ken Deck, the following officers were unanimously named to the JPIA Board of Directors: Dave Michalko, Vice President; Ken Bradbury, Secretary; and Ken Deck, Treasurer.

(2) Consideration and Possible Adoption of Authority Bylaws: A motion made by Treasurer Deck and seconded by Secretary Bradbury, to table consideration of the by-laws until necessary changes are made was unanimously approved.

(3) Consideration and Possible Adoption of Authority Conflict of Interest Code: On a motion made by Vice President Michalko and seconded by Treasurer Deck, the adoption of the Authority Conflict

of Interest Code, with directors added to each of the six Disclosure Categories, was unanimously approved.

- (4) Consideration and Possible Approval and Authorization of Filings with California Secretary of State:** On a motion made by Vice President Michalko and seconded by Mr. Nunneley, the authorization of legal counsel and staff to file all necessary paperwork with the California Secretary of State was unanimously approved. Filings must be made by 30 days after the JPIA formation on Jan. 1.
- (5) Consideration and Possible Approval of Insurance Administrator Agreement with Alteris Insurance Services, Inc.:** On a motion made by President Byerrum and seconded by Mr. Armstrong, the Insurance Administrator Agreement with Alteris Insurance Services, Inc. was unanimously approved.
- (6) Consideration and Possible Appointment of Interim Executive Director:** On a motion made by President Byerrum and seconded by Ms. Yamashita-Lopez, Adán Ortega was unanimously approved as the Interim Executive Director.
- (7) Consideration and Possible Approval of Interim Staffing Plan:** On a motion made by President Byerrum and seconded by Vice President Michalko, an interim staffing plan, recommended by Interim Executive Director Ortega, that includes Denise Peralta-Gailey, Monica Valencia, Tristan Tardy and Myra Evangelista as Interim Accountant, was unanimously approved. Interim Executive Director Ortega said while there would be no compensation for the time being, he would estimate out-of-pocket expenses for consideration in the budget. He added that he would present a finalized staffing plan to the board at the next board meeting.
- (8) Consideration and Possible Approval of Interim Grant Writer:** Interim Executive Director Ortega explained that he and President Byerrum recommended Nancy Steele as Grant Writer following interviews with a variety of individuals. Ms. Steele was recommended based on her previous work as both a grant writer and executive director. As Interim Grant Writer, Ms. Steele will be responsible for performing technical and practical work to identify and pursue grant opportunities. On a motion made by Treasurer Deck and seconded by President Byerrum, Ms. Steele was unanimously named Interim Grant Writer at a fee of \$5,000 a month contingent upon a loan of funds by the California Association of Mutual Water Companies.
- (10) Consideration and Possible Engagement of Insurance Regulations Special Counsel:** On a motion made by Vice President Michalko and seconded by Mr. Nunneley, Robin Johnson was unanimously named Insurance Regulations Special Counsel at an hourly rate of \$175. Mr. Johnson's fee would range from \$2700-\$4200.
- (11) Consideration and Possible Approval of Establishing Authority Principal Office:** On a motion made by President Byerrum and seconded by Vice President Michalko, the office of Interim Executive Director Ortega at 1400 N. Harbor Blvd., Suite 510, in Fullerton, CA, was unanimously approved as the Establishing Authority Principal Office.
- (12) Consideration and Possible Approval of Establishing Authority Bank Account:** Interim Executive Director Ortega recommended Ms. Evangelista to assume leadership in establishing the Authority bank account, with the JPIA President and Vice President as signatories and Interim Executive Director Ortega and Ms. Evangelista as secondary signatories. On a motion made by Vice

President Michalko and seconded by Mr. Armstrong, the establishment of an Authority bank account with the signatories suggested by Interim Executive Director Ortega was unanimously approved. Legal Counsel Ciampa, following a question by President Byerrum, said government accounts have to collateralize themselves at 110%.

Adjournment: President Byerrum adjourned the meeting at 11:23 a.m. The next meeting will take place on January 22, 2016.