



**Small Cities Organized Risk Effort (SCORE)
Board of Directors Teleconference / Webinar Minutes
September 23, 2013**

Member Cities Present (Teleconference):

Mark Sorensen, City of Biggs
John Busch, City of Biggs
Carol McKay, City of Dorris
Brenda Bains, City of Dunsmuir
Pamela Russell, City of Etna
Roger Carroll, Town of Loomis
Kathy LeBlanc, City of Loyalton
Janie Sprague, City of Montague
Don Kincade, City of Montague
Muriel Howarth Terrell, City of Mt. Shasta

Susan Scarlett, City of Portola
Stephanie Beauchaine, City of Rio Dell
John Duckett, City of Shasta Lake
Jared Hancock, City of Susanville
Randolph Darrow, City of Tulelake
Ron Stock, City of Weed
Kelly McKinnis, City of Weed
Steve Baker, City of Yreka

Member Cities Absent (Teleconference):

Laurie Van Groningen, City of Colfax
Robert Jankovitz, City of Isleton
Satwant Takhar, City of Live Oak

Consultants & Guests

Susan Adams, Alliant Insurance Services
Michael Simmons, Alliant Insurance Services
Laurence Voiculescu, Alliant Insurance Services

A. CALL TO ORDER

Mr. Roger Carroll called the meeting to order at 10:05 a.m.

B. ROLL CALL

The above mentioned members were present constituting a quorum. Cities absent from this meeting were the City of Colfax, City of Isleton and City of Live Oak.



C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Kathy LeBlanc **SECOND:** Jared Hancock **MOTION CARRIED**

D. PUBLIC COMMENT

There were no public comments.

E. CONSENT CALENDAR

1. "Draft" Board of Directors Meeting Minutes – June 28, 2013

A motion was made to approve the Consent Calendar as presented.

MOTION: Pamela Russell **SECOND:** Kathy LeBlanc **MOTION CARRIED**

F. JPA BUSINESS

F1. Safety & Loss Control Service Plan for FY 2013-14

Ms. Susan Adams addressed the Board and briefly reviewed the goals set for the Safety and Loss Control committee that was to review the loss control needs for the JPA. In order to more effectively identify the risk control needs of members, staff developed a Loss Control Survey that was sent out to all of SCORE's Member Cities.

She noted that not all cities responded, but from the responses that were received, staff was able to identify several key exposures that could be addressed by targeted training services. Pages 17 and 18 of the agenda packet were identified as showing part of the Safety and Loss Control Survey responses received from members.

Ms. Adams stated that staff obtained pricing from DKF Risk Solutions (David Patzer) for the items listed under Sewer and State Water Resources Control Board and Cal OSHA compliance. Staff then looked at what was already available through SCORE's contracted on-line training vendor, Target Solutions. This was done to show the training options Members already have available at no additional cost, since TargetSolution's services are already part of the current year's budget.

As respects the Cal OSHA compliance section, it was determined that even when allocating the cost of training over a three year period, the costs remained very high. The ad-hoc Committee and staff discussed the matter and agreed to make a recommendation to allocate a total of \$21,000 from the current budgeted amount of \$75,000 to address the two items identified as high importance in the



survey, that were not available from TargetSolutions. Most other CalOSHA compliance training topics (with the exception of the Transite / Asbestos Pipe Policy) had at least some training available from TargetSolutions.

Staff and the ad Hoc committee then reviewed the Sewer and Wastewater risk exposures and agreed on a recommendation to allocate \$35,000 for the current year for training.

Ms. Adams then stated that the remainder of \$19,000 would be allocated in the form of \$1,000 per member that can be used to address all other loss control issues such as sidewalk liability, playground inspections, onsite training, etc. An approved list of vendors was created to include the following vendors:

- DKF Solutions
- SBK
- Bickmore
- Willis

The funds can be accessed by submitting a written request to the Program Administrator and Board President who will approve it as long as the services are provided by one of the approved vendors. For any others, a request can be submitted detailing the reason why another vendor is being used to provide the services.

Ms. Adams stated that this would allow members that do not have a need for CalOSHA and/or Sewer and Wastewater training needs to obtain other types of risk control services that they deem appropriate.

Ms. Stephanie Beauchaine inquired how this program is any different than what has been done in the past.

Ms. Adams answered that in the past, Safety and Loss Control was handled by Jack Kastorff whose approach was more reactive than proactive. Mr. Kastorff (SBK) was always available to members to assist with specific training, inspections as well as to answer questions regarding loss control.

The new program offers a more proactive approach that will hopefully have a favorable impact in reducing losses and help cities with training programs they need.

Mrs. Janie Sprague inquired on whether they will be able to choose between the approved vendors on the list or whether they will select one vendor and the JPA will contract exclusively with that vendor.

Mr. Michael Simmons answered by saying that if a Member City were to contact the Administrator and inquire on a particular training module or service, the Administrator could likely make a recommendation on which vendor is well qualified to provide it.



Mr. Steve Baker went on to ask if Members would be able to group together in taking advantage of some of the services outlined in the Survey analysis. Mr. Simmons answered by saying that because of the limited safety and loss control budget for 2013-14, pooling together with other members on a particular training session could allow for achieving significant cost savings for everyone involved.

Mr. Carroll also outlined that all ERMA members are eligible for AB 1234 and AB 1825 training free of charge. ERMA organizes these trainings throughout the State several times a year.

Mr. Jared Hancock inquired whether or not SCORE currently has template program outlines for some of the training items presented on the survey or if each Member was expected to go out and prepare their own program.

Mr. Simmons answered by saying that these policies have been around for some time and if we were to identify a number of members that needed the same policy developed, Staff and the members would contact one of the vendors outlined above and arrange for a policy to be developed that could then be tailored to each member.

Mr. Hancock asked how bundling several cities into a single training session or developing a Cal OSHA policy would impact the costs listed in the survey analysis document.

Ms. Adams answered by saying that the costs shown only include the Members that responded to the survey with an indication that they would want to participate in the training. She went on to say that most cities either already have or should have some of the programs identified in the survey analysis in place and will just need to update them, therefore incurring only a fraction of the cost of developing a new policy. For the members that need these policies developed, SCORE would pay the vendor to develop a generic plan and then allow members to tailor the plan to their needs as much as possible in an effort to achieve additional cost savings.

Mr. Simmons addressed the Board and stated that it would be beneficial for members that have not responded to the survey to provide some input in the near future so that the pool can better identify what their needs are.

Mr. Hancock suggested that SCORE might think about creating a library to serve members and make it a more uniform process for all JPA members to become compliant, ensure that all SCORE members are using current policies as well as reduce the risk of members using outdated policies.

Mr. Simmons noted that if any members are in need of a sample policy to use for their City, staff would contact one of the vendors listed and most likely be able to provide such a document within 48 hours that was recently developed and is still current.

Mr. John Duckett asked if the items that are marked as available from TargetSolutions also offer a sample policy to use. Mr. Simmons stated that they should offer such a policy but that each Member should verify that the policy is California specific (where applicable), and is not too multi-state generic.



Mr. Simmons inquired on whether or not any other members or the committee would like to add any comments to the discussion. He also added that the reason this meeting was called now is to make sure members hear the recommendations developed by staff and the Ad Hoc Committee and to allow Cities to use loss control funds immediately, not having to wait until October or later.

Mr. Baker addressed the Board and stated that he looks at this discussion and proposal as a pilot project that will be further refined in the future, depending on input received from members and needs of the pool. He then thanked the committee and staff for working on developing the current format proposal.

Mr. Simmons added that if towards the end of the fiscal year the funds have not been fully utilized, staff will report utilization data to the Board and may recommend that the funds are made available to those members who would like to use them. Mr. Simmons stated that if members find that they need risk control questions answered, they should contact staff and let them know what they need and staff will work to get the issue addressed in a timely manner by involving one of the qualified loss control vendors identified on the approved vendor list.

Members were also encouraged to adopt the use of TargetSolutions' online platform training offerings as they are a great resource for a large part of the risk control solutions that Cities need to be aware of and implement. The program is currently available at no additional cost to members.

Mr. Hancock suggested that moving forward, staff should identify a set of minimum requirements for all SCORE members to include the mandatory training cycles and policies every member should have in place.

Mr. Simmons agreed that this would be beneficial to the group and pointed out that most members are in fact aware that most, if not all the items listed in the loss control survey that was sent out are requirements of Cal OSHA and the State Water Resources Control Board but that most Cities are not always in compliance.

Mr. Hancock recognized that this plan can act as a transition plan into a future agreement with a full time safety and loss control vendor that will address each cities loss exposures as well as monitor their compliance with OSHA and State Water Resources Control Board requirements.

Ms. Adams stated that a loss control vendor agreement will be discussed at a later time during the meeting and can be part of the solution when it comes to bringing members into compliance with minimum regulatory requirements as well as to assist with all other risk control needs of the JPA.

There were no further comments to this item.

Mr. Carroll requested a motion be made to approve the plan as presented.



A motion was made to approve the proposed FY 2013-14 Safety and Loss Control Service Plan

MOTION: Kathy LeBlanc **SECOND:** Randolph Darrow

The motion was subject to a roll call vote and PASSED unanimously.

MOTION CARRIES

F2. Risk Management Grant Program Introduction and Proposal

Ms. Adams addressed the Board and stated that after analyzing the responses from Members to the safety and loss control survey, it has become apparent that the pool has a real need for increased funding for Loss Control and Risk Management needs.

After discussing this conclusion with the ad hoc committee, it was agreed to bring a recommendation to the Board for implementing a Risk Management Grant Fund Program.

The funds would originate from the JPA's Liability and Workers' Compensation Programs and the allocation of funds would be based on percentage (%) of contributions made by members to each program annually. The funds will be available on a combined basis from both programs (i.e. if a member is not part of the WC program, they will only be allocated funds out of the \$100,000 originating from the Liability Program, based on the members' % of the total Liability Contribution for the year).

This would allow members to control what their Risk Management funds are spent on and hopefully create an incentive to address some of their risk exposures more effectively. The vendors used would have to be approved by the Board (a list would be created) and any exceptions will need prior approval from the Board in order to be eligible for reimbursement from the grant funds.

This is a very different approach than what was done in the past in the sense that instead of one exclusive contract with a single vendor, Cities will be able to decide what training they need, or what risk control needs they want to target and spend their funds as they see fit.

Ms. Adams then asked the Board for their opinion on the proposed plan. She also noted that this is not on the agenda for approval at this time but that staff wanted to give the Board an overview and allow the opportunity for discussion and suggestions. A recommendation for approval would come at a future Board meeting if the Board felt this program would benefit the JPA.

Mr. Carroll, answered by saying he finds the idea to be very good and that it will allow members to adopt a more proactive approach to managing risk in the future.

Ms. Carol McKay inquired on how loss control services were funded in the past. Ms. Susan Adams answered that in the past, Loss Control funds were collected every year as a separate line item in the SCORE Budget.



These funds would differ from the funds collected as part of the annual member contributions in the sense that they would originate from the pool's equity at the time retrospective dividends are declared, instead of members having to increase their loss control deposits as part of the budget.

Mr. Simmons and Ms. Adams addressed the Board and clarified what the funds can be spent on. An example was given of a City that used a similar grant to purchase ergonomic chairs. Another example was given of an agency that replaced their old worn out carpet to eliminate a well known tripping hazard in their City Hall building. In essence, each member can determine what their fund allocation will be spent on, as long as it is a project or training that has the potential to reduce future claims in their City.

Mr. Simmons added that this would be a good way to ensure that the money that is being returned back to members is being spent to reduce future losses vs. simply returning the dividends to a members' general fund. Once the money ends up going back to the general fund, the JPA has no control on how funds end up being spent. The focus of such a program is to incentivize members to dedicate the expenditures of this money to reducing losses within their City.

Mr. Carroll inquired on whether there were any other comments regarding this item.

No further comments were present. This was an information item and no action was taken.

F3. FY 2014-15 Safety and Loss Control Plan

Ms. Adams addressed the Board and noted that this item was included to give the Board an opportunity to provide feedback regarding the perceived need to hire a professional loss control firm to serve the pool year round.

She noted that several years prior, SBK, Willis and Bickmore submitted proposals to a RFP issued by SCORE. The costs quoted at that time have been provided as a ballpark estimate as to what entering into an agreement would cost the JPA. It was also noted that if a vendor was hired, the determinations made as respects training and risk control needs would be considered and risk management grant funds would be made available to address any needs that are identified.

Mr. Carroll inquired on whether these issues would be included in the October 2013 meeting agenda.

Mr. Simmons advised that both the risk management grant fund item and the loss control vendor consideration item will be on the agenda for October along with whether or not the ad Hoc committee on loss control will continue to operate with the intention to provide input to staff as the Risk Management Grant Fund framework and/or a possible RFP for a Loss Control Vendor are developed.

Mr. Carroll inquired on whether there were any other comments regarding this item.



No further comments were made. This was an information item and no action was taken.

G. CLOSING COMMENTS

There were no closing comments.

AJOURNMENT

The meeting was adjourned at 11:01 AM.

NEXT MEETING DATE: October 24 & 25, 2013 in Napa, CA

Respectfully Submitted,

Pamela Russell, Secretary

Date

DRAFT