



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

SPECIAL TELEPHONIC BOARD OF DIRECTORS MEETING

Thursday June 27, 2019 – 4:00 p.m.

**CJPRMA Office
3201 Doolan Road, Suite 285
Livermore, CA 94551
(925) 837-0667**

Dial In #: 866 - 866 – 2244

Participant Code: 1414792

1. *City of Alameda, 2263 Santa Clara Avenue, Room 280, Alameda, CA 94501*
2. *City of Chico, 411 Main Street., Chico, CA 95927*
3. *City of Fairfield, 1000 Webster Street, Fairfield, CA 94533*
4. *City of Fremont, 3300 Capitol Avenue, Fremont, CA 94538*
5. *City of Livermore, 1052 S. Livermore Avenue, Livermore, CA 94550*
6. *LFPD, City of Pleasanton, 123 Main Street, Pleasanton, CA 94566*
7. *City of Lodi, 221 West Pine Street, Lodi, CA 95240*
8. *NCCSIF, City of Oroville, 1735 Montgomery Street, Oroville, CA 95965*
9. *City of Petaluma, 11 English Street, Petaluma, CA 94952*
10. *City of Redding, 777 Cypress Avenue, Redding, CA 96001*
11. *REMIF, City of Sonoma, 414 West Napa Street, Sonoma, CA 95476*
12. *City of Richmond, 450 Civic Center Plaza, Richmond, CA 94804*
13. *City of Roseville, 311 Vernon Street, Roseville, CA 95678*
14. *City of San Leandro, 835 East 14th Street, San Leandro, CA 94577*
15. *City of San Rafael, 1400 Fifth Avenue, San Rafael, CA 94915*
16. *City of Santa Rosa, 100 Santa Rosa Avenue, Room 9, Santa Rosa, CA 95404*
17. *SCORE, Town of Loomis, 3665 Taylor Road, Loomis, CA 95650*
18. *City of Stockton, 400 E. Main Street, 3rd floor, Stockton, CA 95202*
19. *City of Sunnyvale, 456 West Olive Avenue, City Attorney's Office, Sunnyvale, CA 94086*
20. *City of Vacaville, 650 Merchant Street, Vacaville, CA 95688*
21. *YCPARMIA, City of Woodland, 77 W. Lincoln Avenue, Woodland, CA 95695*
22. *Gibbons & Conley, 3480 Buskirk Avenue, Suite 200, Pleasant Hill, CA 94523*
23. *CJPRMA, 3201 Doolan Road, Suite 285, Livermore, CA 94551*

MINUTES-draft

I. CALL TO ORDER: President Greer called the meeting to order at 4:01P.M.

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact CJPRMA at (925) 837-0667 24 hours in advance of the meeting.

II. ROLL CALL

PRESENT

- | | |
|--------------------------------------|--|
| 1) Lucretia Akil, <i>Alameda</i> | 8) David Rawe, <i>Roseville</i> |
| 2) Chris Carmona, <i>Fairfield</i> | 9) Mary Ann, Perini, <i>San Leandro</i> |
| 3) Jas Sidhu, <i>Livermore</i> | 10) Sylvia Gonzalez-Shelton, <i>San Rafael</i> |
| 4) Janice Magdich, <i>Lodi</i> | 11) Dominique Kurihara, <i>Santa Rosa</i> |
| 5) Cecilia Quiambao, <i>Petaluma</i> | 12) Gail Kiyomura, <i>Stockton</i> |
| 6) Amy Northam, <i>REMIF</i> | 13) Scott Mann, <i>Sunnyvale</i> |
| 7) Kim Greer, <i>Richmond</i> | 14) GeorgeAnne Meggers-Smith, <i>Vacaville</i> |

OTHERS PRESENT

- | | |
|-----------------------------------|--|
| 15) Tony Giles, <i>CJPRMA</i> | 19) Byrne Conley, <i>Board Counsel</i> |
| 16) Lola Deem, <i>CJPRMA</i> | 20) Robert Lowe, <i>Alliant Insurance Services</i> |
| 17) Marinda Griese, <i>CJPRMA</i> | 21) Beverly Jensen, <i>Lodi</i> |
| 18) Marcia Hart, <i>CJPRMA</i> | 22) Ritesh Sharma, <i>REMIF</i> |

NOT PRESENT

Chico, Fremont, LPFD, NCCSIF, Redding, SCORE and YCPARMIA

III. PRESENTATIONS

- None

VI. THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD OF DIRECTORS ON MATTERS OF BOARD BUSINESS. STATE LAW PROHIBITS ACTION BY THE BOARD ON NON-AGENDA ITEMS.

VII. COMMUNICATIONS

- A. Board Members
- B. General Manager/Secretary
- C. Next Scheduled Meetings: Board of Directors (08/15/2019) CJPRMA Office
Executive Committee (09/19/2019) CJPRMA Office

VIII. APPROVAL OF MINUTES

- None

IX. CONSENT CALENDAR

- None

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X. ACTION (A) AND INFORMATION (I) CALENDAR

1. Approval of Revised Premium and Deductibles for the Property Renewal for Program Year 2019-2020 (A)

The general manager reviewed that at the CJPRMA Annual Meeting on May 22-23, 2019, the property program participants approved authority for the general manager to take the appropriate actions to bind the coverage for the property program not to exceed \$4,637,539 with a deductible of \$100,000 for all-risk and an expected deductible for wildfire of \$500,000. At the time of the annual meeting, final quotations had not been provided by the insurance carriers.

When the market provided its final quotes, the total premium for the property program was \$5,452,393 with an all-risk deductible of \$250,000, and a wildfire deductible at \$500,000, increasing the premium cost by \$814,854 due to premium increase for the primary \$25 million layer of the program. All other elements of the program came in at or under the premiums reported at the annual meeting.

Alliant has been in constant communication with the London and domestic markets. Since the annual meeting, the market continued to deteriorate resulting in the carriers insisting on higher premium, and refusing to budge from the \$250,000 all-risk deductible. As of June 25, 2019, Alliant had requested quotes from 53 insurance carriers; 26 declined to quote, and 2 have not responded.

There is a slight possibility that the market could bring the deductible down to \$100,000 for additional premium. Our London broker, RKH Specialty, estimated the additional premium to be approximately \$500,000.

The property program members were given two options for program year 2019-2020:

Option 1. Approval. *The general manager recommends the property program participants approve the revised premium quote of \$5,452,393 for the 2019-2020 program year and authorize the general manager to take appropriate actions to bind coverage. Deductibles shall be as follows: all-risk at \$250,000; wildfire at \$500,000; flood zones A & V at \$1,000,000; all other flood zones at \$250,000.*

Option 2. Approval. *The general manager recommends the property program participants approve the revised premium quote of \$5,452,393 for the 2019-2020 program year and authorize the general manager to take appropriate actions to bind coverage. Deductibles shall be as follows: all-risk at \$250,000; wildfire at \$500,000; flood zones A & V at \$1,000,000; all other flood zones at \$250,000. Additionally, the general manager requests approval to bind coverage with a \$100,000 all-risk deductible if that coverage can be purchased for an additional premium of \$500,000 or less.*

- A motion was made by Director Rawe and seconded by Director Mann to adopt Option 1, approval of the revised premium quote of \$5,452,393 for the 2019-2020 program year and authorize the general manager to take appropriate actions to bind coverage. Deductibles would be as follows: all-risk at \$250,000; wildfire at \$500,000; flood zones A & V at \$1,000,000; all other flood zones at \$250,000. A roll call vote was held for the 17 property program members;

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REMIF, Roseville, Santa Rosa, Stockton and Sunnyvale voted yes. Alameda, Fairfield, Livermore, Lodi, Petaluma, Richmond, San Leandro, San Rafael and Vacaville voted no. Chico, Fremont and Redding were absent. Motion did not pass.

- Director Akil made a motion to adopt Option 2, which would give the general manager authority to bind coverage with a \$100,000 all-risk deductible if that coverage can be purchased for an additional premium of \$500,000 or less, and seconded by Director Magdich. Another roll call vote was held; Alameda, Fairfield, Livermore, Lodi, Petaluma, Richmond, San Leandro, San Rafael and Vacaville voted yes. REMIF, Roseville, Santa Rosa, Stockton and Sunnyvale voted no. Chico, Fremont and Redding were absent. Motion passes.

The property program members gave direction to the general manger to develop some financial resolutions for a self-insured/banking layer for program year 2020-2021.

XI. ADJOURNMENT

- President Greer adjourned the meeting at 4:45 P.M.