



**FIRE AGENCIES INSURANCE RISK AUTHORITY MINUTES OF THE BOARD AND EXECUTIVE BOARD MEETING**

**September 14, 2020 at 10:30 a.m.**

**To be posted by all Districts in accordance with the Ralph M. Brown Act, California Government Code Section 54950, et seq.**

Telephonic Meeting held on WebEx

**PRESENT:** Brian Boggeln (Alpine FPD); Mark Pomi (Kentfield FPD); Criss Brainard (San Miguel Consolidated FPD); Sean Bailey (Northstar CSD); Eric Walder (South Placer FPD); Don Butz (Lakeside FPD); Scott Draper (Mason Valley FPD); Mike Sims (Bonita-Sunnyside FPD);

**Absent:** David Fulcher (Aromas Tri-County FPD) President Jonathan Wilby (Orange County FA); Howard Wood (Vacaville FPD); Richard Pearce (Tiburon FPD) Mark Johnson (Fresno FPD).

**Staff:** Susan Blankenburg (FAIRA General Manager); Zack Phillips (Arthur J. Gallagher); Ryan Jacques (Arthur J. Gallagher); Alex Banks (FAIRA Analyst); Eric Kikalo (Arthur J. Gallagher); Jim Smith (FAIRA); Andrew Diesel (Arthur J. Gallagher).

**Guests:** Lawrence Shaw (AAAtraq); Dale Bacigalupi (FAIRA General Counsel).

**ITEM 1 - CALL TO ORDER AND DETERMINATION OF A QUORUM**

Vice President Criss Brainard called the meeting to order at 10:41 am and confirmed we have a quorum.

**Item 2 – Confirmation of Agenda**

A **motion** was made to approve the Agenda.

***M/S/P Walder/Butz***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

**ITEM 3 - ORAL COMMUNICATIONS TO THE BOARD, OPPORTUNITY FOR PUBLIC COMMENT WITH RESPECT TO MATTERS NOT ON THE AGENDA**

There was no public comment.

**ITEM 4 - APPROVAL OF MINUTES OF THE June 15, 2020 BOARD MEETING OF THE FAIRA BOARD AND EXECUTIVE BOARD.**

A **motion** was made to approve the minutes of the June 15, 2020 FAIRA Board and Executive Meeting, as submitted.

***M/S/P Sims/Bailey***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

**Item 5 – AAAtraq Website Compliance for Visually Impaired**

Susan Blankenburg introduced Lawrence Shaw who gave a presentation on Gallagher partner AAAtraq – an organization that ensures entities’ websites are compliant for the visually and auditory impaired. Mr. Shaw gave his background which includes 17 years in website compliance. With the ongoing COVID pandemic, many entities are pushing to an online platform, which many law firms and individuals are using to their advantage to find websites that are non-compliant with ADA regulations. Mr. Shaw gave examples of some ADA cases and gave some potential costs that can be associated with a lawsuit related to non-compliance with ADA. A test was run and it determined that roughly 94% of websites worldwide are non-compliant, with 68% at “high risk.” If purchased, each Member would have access to see their compliance. It is an automated report that generates independent audits of your website, and lets you know what needs to be done in order to become compliant. An additional perk is that if there is any litigation against your District, AAAtraq has a wide range of law firms on standby that are ready to act quickly with your District. Mr. Shaw finished with a note stating that with one lawsuit equivalent to a 50-year AAAtraq subscription, it is an unnecessary risk to not sign up. Ms. Blankenburg asked the Board if they are aware of the ADA compliance. Mike Sims noted this is very similar to the California Voter Rights and that the same type of lawyers are targeting ADA. He thinks it is a good idea to address it before it is a problem and asked Mr. Shaw if there is a discount for a full Membership registration. Mr. Shaw confirmed there is a discount – about 70%. The total cost that FAIRA is promised for life is \$28,500 a year. He added that many cases are being dropped when the defendant can prove that they have been taking necessary steps to gain compliance. Ms. Blankenburg advised that if we cannot get the Board to agree for the full Membership to register, individual Districts can sign up for \$500 a year. Eric Walder added that there is a lot of risk and it is the first presentation that he has seen and needs to read more on it before voicing his opinion. He asked if anyone has looked into this and Don Butz said they have. He thought his website was compliant and with a quick AAAtraq review, it showed they were not. Director Butz is in favor of engaging and believes that it is their responsibility to reduce the liability.

A **motion** was made to give FAIRA staff and Board President the authority to finalize the details of the proposal with legal review and execute all documents to engage AAAtraq.

***M/S/P Butz/Sims***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

**Item 6.1 – Deductible Update**

Zack Phillips said it is a similar story in that we are benefiting from AWAC being slow with invoicing FAIRA for the deductibles. Though the process has been slow, we are getting AWAC to submit supporting documentation for the deductibles around faster.

*No action required.*

**Item 6.2 – Investment Update as of 8/31/20**

Mr. Phillips stated that we exceeded interest income budget despite the big dip in March. This year we are looking good with being right on budget.

*No action required.*

**Item 7.1 – Update on FAIRA Board Positions**

Ms. Blankenburg noted that with President Jonathan Wilby's departure, FAIRA needs to replace him as the Board President. Orange County Fire Authority has a permanent seat as they are the largest Member in FAIRA. They have a resolution on file that notes whoever is the Risk Manager is appointed to the FAIRA Board. That position is filled by Ronda Haynes effective immediately. Typically, the Vice President steps into the President role. Ms. Blankenburg advised she spoke to Director Brainard and he was more than happy to assume the role. Ms. Blankenburg asked if there were any additional nominations and there were none. After the first motion passed, President Brainard was advised by Director Butz that he was interested in the role of Vice President. President Brainard asked if there were any other nominations and there were none. After the motion passed, President Brainard asked the Board that if anyone had an interested in serving as the Member At Large position, previously held by Director Butz, to contact him offline. Subsequent to the Board meeting, President Brainard advised that Director Walder was interested in the position and was appointed per the authority of our new Board President.

A **motion** was made to appoint Criss Brainard as the President.

***M/S/P Walder/Pomi***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

A **motion** was made to appoint Don Butz as the Vice President.

***M/S/P Sims/Boggeln***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

**Item 7.2 – Brokerage: Scope of Services**

President Brainard advised the Board that the Brokerage team executed an updated scope of services. All additions were presented in red to simplify what has been added since the last update.

A **motion** was made to approve the Brokerage Scope of Services.

***M/S/P Butz/Walder***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

**Item 7.3 – General Manager: Scope of Services**

Ms. Blankenburg noted that similar to the Brokerage scope of services, the FAIRA staff executed an updated scope of services, with this one too having changes in red. There is no increase in the fee this year, saving about \$7,000. There is a cap of a 2-4% increase year to year. In 2018, FAIRA staff picked up the financial services for an additional \$4,000 a year. Considering the amount of additional work picked up by Mr. Phillips, the \$4,000 is a bargain.

A **motion** was made to approve the General Manager Scope of Services.

***M/S/P Pomi/Bailey***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

**Item 7.4 – John Paget – Request for Increase in Fee**

John Paget, FAIRA's accountant, has held his fee of \$1,350 flat for the last six years. Since that time, his work and responsibilities has been increased, mostly with following renewal payments and deductible reimbursements. He is asking for a fee increase of \$150, bringing the monthly fee to \$1,500. On page 5 of the agreement, there is a reference to workers compensation and auto liability coverage requirements. He has no employees and does not do any driving on behalf of FAIRA. Dale Bacigalupi, FAIRA's General Counsel, advised these requirements are not necessary and we can proceed with just the errors and omissions and general liability, which Mr. Paget has provided. President Brainard asked when the agreement would be effective and Mr. Bacigalupi advised it would be effective September 1, 2020.

A **motion** was made to approve the fee increase with the amendment of the insurance requirements.

***M/S/P Butz/Sims***

Motion passed via Roll Call. Approvals by: Sean Bailey, Northstar; Mike Sims, Bonita-Sunnyside; Mark Pomi, Kentfield; Eric Walder, South Placer; Criss Brainard, San Miguel; Brian Boggeln, Alpine; Scott Draper, Mason Valley; Don Butz, Lakeside.

**Item 8.1 – Loss Control Fleet Safety Analysis**

Ms. Blankenburg advised the Board of longtime Loss Control Consultant Marco Guardi's departure from Gallagher. Jim Smith is the new day-to-day Consultant and Andrew Diesel will be running with the Fleet Safety Analysis. Mr. Diesel noted he had previously held a meeting with Mr. Wilby and Mr. Guardi to discuss FAIRA as a whole. He presented FAIRA offerings from Gallagher which include: Risk Evaluation & Analysis, Business Intervention Strategy, and Implementation. The Fleet Safety Analysis consists of this three prong approach. Mr. Smith presented an overview of the project. They have selected the top three high loss Districts from small Districts (0-10 vehicles), medium Districts (11-20 vehicles) and large Districts (21+ vehicles). The way the top three are decided is by claims per 100 calls. Under the small District category, the top three that will be examined are Alta FPD, Chalfant Valley FD CSD, and Lee Vining FPD. The medium sized Districts that will be examined will be South Coast FPD, Montezuma FPD, and Smith Valley FPD. The large group consists of Vacaville FPD, Montecito FPD, and San Ramon Valley FPD.

Among trends that were found in FAIRA Auto Losses, the top five were collisions with stationary objects, collisions with parked cars, backing accidents, intersection collisions, and rear end collisions. Mr. Diesel advised that they are not here to tell you how to drive a fire truck, but their goal is conversational interaction to implement safe driving habits and protocol to ensure fewer claims. Ms. Blankenburg asked when we will see some information back and Mr. Diesel advised that once we get approvals from the Districts, it can be completed in a few months. They see the project starting late this year or early 2021. She then asked the Board who they should be contacting and they advised it should go through the Fire Chief. She asked if the Chiefs will be ready for these meetings and Director Walder advised that with the heavy fire season expected to go through November, it may be hard to get in contact with Chiefs or get them to commit time to this. He thinks maybe December would be a better time to start.

*No action required.*

**Item 8.2 – Drive to Survive Courses**

Alex Banks noted that at the June meeting, it was determined that the Drive to Survive courses were not going to happen in July as they typically do. Ms. Blankenburg noted that at the June meeting, we would secure dates for November. Dates were secured,

though Director Butz recommended that we push it to Spring 2021. President Brainard agreed and Ms. Blankenburg advised we will secure dates for March.

*No action required.*

**Item 8.3 – Update Regarding Districts’ Compliance with AB1825**

Mr. Banks said that at the last September meeting, we had a total of 32 Districts that were non-compliant with the state mandated AB1825 law. As of October, that is now down to 18. This is in part to the Gallagher Core360 Loss Control marketing efforts Mr. Banks has pushed on Districts to ensure they are compliant. Director Butz asked if it would make sense to send a letter to the non-compliant Districts to remind them about their non-compliance. Ms. Blankenburg said we can send out a letter reminding them, with another note on Gallagher’s Core360 Loss Control Portal. Scott Draper asked if this applies to the Nevada Districts and Mr. Banks said it does not. Ms. Blankenburg asked Eric Kikalo and Mr. Banks to put together a letter for the non-complaint Districts.

*No action required.*

**Item 9.1 – Potential Litigation. [Government Code 54956.9(b)]**

**Item 9.2 – Potential Litigation. [Government Code 54956.9(a)]**

**Item 9.3 – FAIRA Claims and Loss Report**

*No action required.*

**Item 10 – Other Business**

No other business.

**Item 11 – Correspondence and Informational Items**

Ms. Blankenburg presented a letter that was sent to Sean Grinnell, the Secretary/Treasurer at Sonoma County FDA, who asks for a quarterly FAIRA activity update.

*No action required.*

**Item 12 – Adjournment**

The meeting was adjourned at 12:18 p.m.

A **motion** was made to adjourn the meeting.

**M/S/P Sims/Butz**