



September 28, 2017
1:00 p.m.

AGENDA

**Board Executive Committee Meeting
Riverside County Administration Center
Board of Supervisors Conference Room C
4080 Lemon Street, Fifth Floor
Riverside, CA 92501**

Any person with a disability who requires a modification or accommodation in order to participate in this meeting, or any person with limited English proficiency (LEP) who requires language assistance to communicate with the Riverside Transit Agency Board of Directors during the meeting, should contact the Riverside Transit Agency Clerk of the Board, telephone number (951) 565-5044, no fewer than two business days prior to this meeting to enable the Riverside Transit Agency to make reasonable arrangements to assure accessibility or language assistance for this meeting.

Agenda item descriptions are intended to provide members of the public a general summary of business to be conducted or discussed. Posting of any recommended action on an agenda item does not indicate what action will be taken. The Board of Directors may take any action it believes is appropriate on the agenda item and is not limited in any way by the notice of any recommendation.

All documents related to any agenda item are available for public inspection at www.riversidetransit.com or through the Clerk of the Board's office at the Riverside Transit Agency, 1825 Third Street, Riverside, CA 92507.

ITEM

RECOMMENDATION

- 1. CALL TO ORDER**
- 2. SELF-INTRODUCTIONS**

ITEM

RECOMMENDATION

3. PUBLIC COMMENTS – NON-AGENDA ITEMS

Members of the public may address the Board regarding any item within the subject matter jurisdiction of the Board; however, no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to matters not listed on the agenda. Members of the public may comment on any matter listed on the agenda at the time that the Board considers that matter. Each person's presentation is limited to a maximum of three (3) minutes.

RECEIVE COMMENTS

4. APPROVAL OF MINUTES – JULY 27, 2017 EXECUTIVE COMMITTEE MEETING (P.3)

APPROVE

5. VINE STREET PROPERTY UPDATE

DISCUSS

6. CITY OF RIVERSIDE'S DIAL-A-RIDE SERVICE

DISCUSS

7. APPROVE AND ADOPT POLICY REGARDING LIABILITY CLAIMS HANDLING AND SETTLEMENT AUTHORITY (P.6)

APPROVE

8. APPROVE AND ADOPT POLICY REGARDING WORKERS' COMPENSATION CLAIMS HANDLING AND SETTLEMENT AUTHORITY (P.12)

APPROVE

9. NEXT MEETING

Thursday, October 26, 2017, 1:00 p.m.
Riverside Transit Agency
Conference Room
1825 Third Street
Riverside, CA 92507

10. MEETING ADJOURNMENT

RTA BOARD EXECUTIVE COMMITTEE MEETING MINUTES
Minutes
July 27, 2017

1. CALL TO ORDER

Chair Linda Krupa called the Board Executive Committee meeting to order at 1:05 p.m. on July 27, 2017 in the Board of Supervisor's Conference Room C, 4080 Lemon St., Riverside, CA.

2. SELF-INTRODUCTIONS

Self-introductions of those in attendance took place.

Committee Attendees

1. Chair Linda Krupa, City of Hemet
2. Immediate Past Chairman Frank Johnston, County of Riverside District II
3. First Vice-Chairman Art Welch, City of Banning
4. Director Tonya Burke, City of Perris
5. Director Berwin Hanna, City of Norco

Absent

1. Second Vice-Chairman Randon Lane, City of Murrieta

RTA Staff

1. Larry Rubio, Chief Executive Officer
2. Craig Fajnor, Chief Financial Officer
3. Vince Rouzaud, Chief Procurement & Logistics Officer
4. Jim Kneepkens, Director of Marketing
5. Bob Bach, Director of Maintenance

Other Attendees

1. Cassie Trapesonian, Agency General Counsel
2. Michael Tam, Agency General Counsel

3. PUBLIC COMMENTS - NON-AGENDA ITEMS

None.

4. APPROVAL OF MINUTES – JUNE 22, 2017 EXECUTIVE COMMITTEE MEETING
M/S/C (HANNA/WELCH) approving the minutes of the June 22, 2017 Executive Committee meeting.

The motion carried unanimously.

5. TRANSPORTATION NOW QUARTERLY ATTENDANCE REPORT

Mr. Kneepkens presented the Transportation NOW quarterly attendance report.

6. RIVERSIDE FACILITY SECURITY UPGRADES

Mr. Bach presented an update on the Riverside facility security upgrades.

7. HONORARY NAMING POLICY

M/S/C (WELCH/HANNA) approving and recommending this item to the full Board of Directors for their consideration as follows:

- Board policy.

The motion carried unanimously.

8. AMERICANS WITH DISABILITIES ACT (ADA) DIAL-A-RIDE (DAR) SERVICE TRANSITION UPDATE

Chair Krupa pulled this item from the agenda and it was not discussed.

The Executive Board Committee entered into closed session at 1:18 p.m.

9. CLOSED SESSION

A CLOSED SESSION WILL BE HELD PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(4) – CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION – ONE MATTER

The Executive Board Committee returned to open session at 1:37 p.m.

10. NEXT MEETING

Board Executive Committee Meeting
Thursday, September 28, 2017, 1:00 p.m.
Riverside County Administration Center
Board of Supervisors Conference Room C
4080 Lemon St, Fifth Floor
Riverside, CA 92501

11. MEETING ADJOURNMENT

The meeting was adjourned at 1:38 p.m.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 28, 2017

TO: BOARD EXECUTIVE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Rick Majors, Director of Risk Management
Craig Fajnor, Chief Financial Officer

SUBJECT: Approve and Adopt Policy Regarding Liability Claims Handling and Settlement Authority

Background: The Agency had been a member of the California Transit Indemnity Pool (CalTIP) for liability insurance from 1987 through April 2017. For the entirety of this arrangement, the Agency's liability self-insured retention (SIR) was \$25,000. After several years of increasing premiums, and seeking greater flexibility, the Board, at its February 23, 2017 meeting, approved the Agency's withdrawal from CalTIP, and its procurement of a stand-alone insurance arrangement.

The Agency's current stand-alone liability insurance arrangement includes various insurers at different levels with coverage up to \$25 million. The Agency's SIR is now \$400,000. This SIR was determined based on actuarial estimates of projected losses, so that when combined with the Agency's premiums, resulted in a lower total estimated cost than had we stayed in CalTIP. Going forward, the coverage limits, SIR's and premiums could change.

Heretofore, the handling and settling of claims had been a joint effort between Agency staff, CalTIP staff, and its Board. With a \$25,000 SIR, Agency staff was within signatory and procurement authority to effectuate the settlement of claims and suits. Claims or suits which exceeded the Agency's SIR were a matter for the CalTIP Member Services Committee and the full Board of Directors to handle.

Given the newly increased liability SIR of \$400,000, it is necessary to establish the Agency's policy to allow the continued handling and settlement of claims and suits against the Agency that fall within its current \$400,000 SIR.

Summary: To maintain congruence with historical Agency practice, the recommended policy authorizes Risk Management staff to continue with the handling of claims against the Agency, and a committee including the Director of Risk Management, the Chief Financial Officer and the Chief Executive Officer to jointly authorize settlements of claims and suits against the Agency up to \$100,000. This amount is consistent with the signatory authority of the Chief Executive Officer position.

Settlements of claims and/or suits in excess of \$100,000 and up to the current Agency SIR of \$400,000 will be authorized by the Board Executive Committee. Claims and suits with settlements in excess of the Agency's \$400,000 SIR will be authorized by the various insurance carriers involved in the pertinent layer of coverage.

Fiscal Impact:

None

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Approve and Adopt Liability Claims and Lawsuits Settlement Authorization Policy to be effective October 26, 2017.



LIABILITY CLAIMS AND LAWSUITS SETTLEMENT AUTHORIZATION POLICY

Recommended for Adoption by the Board of Directors

**RIVERSIDE TRANSIT AGENCY
LIABILITY CLAIMS AND LAWSUITS
SETTLEMENT AUTHORIZATION POLICY**

I PURPOSE

To identify the authority delegated by the Board of Directors to the Director of Risk Management, the Chief Financial Officer, the Chief Executive Officer and the Board Executive Committee regarding the settlement of liability claims and lawsuits, of any type, brought against the Agency.

II DELEGATION

In accordance with Government Code section 935.4 and Public Utilities Code section 24938 and 25702, the Board of Directors delegates, within certain limits, to the Director of Risk Management, the Chief Financial Officer, the Chief Executive Officer and the Board Executive Committee the authority to settle liability claims and lawsuits, of any type, brought against the Agency.

III PROCEDURES

In accordance with the above, the Board of Directors delegates the authority to settle liability claims and lawsuits to the positions or committees, and in the amounts identified, below:

A. Liability Claims Handling

1. The Director of Risk Management, or his/her designee, is authorized and directed to handle all phases of the liability claims procedure for liability claims brought pursuant to the California Tort Claims Act, including, but not limited to, the following:
 - a. Initial consideration and approval or denial of all liability claims filed with the Agency pursuant to the California Tort Claims Act; and
 - b. Consideration of late liability claims applications.
 - c. Consideration of insufficient liability claims.

B. Tort Liability Claims Settlement

1. A Claims Committee, comprised of the Director of Risk Management, the Chief Financial Officer and the Chief Executive Officer shall convene to decide whether to allow, compromise or settle a claim for personal injury or property damage which does not exceed one hundred thousand dollars (\$100,000).
2. Authorization to settle liability claims for personal injury or property damage in excess of one hundred thousand dollars (\$100,000) and below the Agency's self-insured retention of four hundred thousand dollars (\$400,000) shall be delegated to the Board Executive Committee by the Board of Directors.
 - a. Prior to submitting a proposed settlement agreement to the Board Executive Committee for approval, defense counsel representing the Agency in the matter will have reviewed the proposed settlement agreement, and the material, financial and legal aspects of the proposed settlement.
3. Liability claims, of any type, in excess of the Agency's self-insured retentions are within the authority of the pertinent excess insurance carriers, and are outside the purview of the Agency's authority.

C. Litigation

1. A Claims Committee, comprised of the Director of Risk Management, the Chief Financial Officer and the Chief Executive Officer shall convene to decide whether to allow, compromise or settle a suit which does not exceed one hundred thousand dollars (\$100,000).
2. Authorization to settle suits in excess of one hundred thousand dollars (\$100,000) and below the Agency's self-insured retention of four hundred thousand dollars (\$400,000) shall be delegated to the Board Executive Committee by the Board of Directors.
 - a. Prior to submitting a proposed settlement agreement to the Board Executive Committee for approval, defense counsel representing the Agency in the matter will have reviewed the proposed settlement agreement, and the material, financial and legal aspects of the proposed settlement.

3. Suits, of any type, in excess of the Agency's self-insured retentions are within the authority of the pertinent excess insurance carriers.

D. Payment

1. The Agency shall cause a warrant to be issued through its Third Party Administrator in the following circumstances:
 - a. Upon the written request of the Director of Risk Management, Chief Financial Officer and the Chief Executive Officer for allowances, compromises or settlements within authority as specified in Sections A through C, above.

RIVERSIDE TRANSIT AGENCY
1825 Third Street
Riverside, CA 92507

September 28, 2017

TO: BOARD EXECUTIVE COMMITTEE

THRU: Larry Rubio, Chief Executive Officer

FROM: Rick Majors, Director of Risk Management
Craig Fajnor, Chief Financial Officer

SUBJECT: Approve and Adopt Policy Regarding Workers' Compensation Claims Handling and Settlement Authority

Background: The Agency has been self-insured for workers' compensation since 1991. The Agency's current self-insured retention (SIR) for workers' compensation is \$750,000. The Agency has been a member of, and secured excess workers' compensation coverage through, the California State Association of Counties Excess Insurance Authority (CSAC EIA) for excess workers' compensation insurance since October 1, 2006.

The Excess Workers' Compensation policy through CSAC EIA includes coverage limits that exceed \$50 million. The current SIR was determined based on actuarial estimates of projected losses. The objective is to achieve the lowest total estimated cost. Going forward, SIR's and premiums may change.

Heretofore, the Agency has not had to settle any workers' compensation claims in excess of \$100,000 - the signatory authority of the Chief Executive Officer. In order to prepare for the eventuality to effectively handle the timely settlement of a claim in excess of \$100,000, it is necessary to establish an Agency policy to allow for the effective disposition of workers' compensation claims against the Agency that fall within its SIR.

Summary: To maintain congruence with current Agency practice, the recommended policy authorizes a committee comprised of the Director of Risk Management, the Chief Financial Officer and the Chief Executive Officer to jointly authorize settlements of workers' compensation claims against the Agency up to \$100,000.

Settlement of workers' compensation claims in excess of \$100,000 and up to the Agency's SIR (currently \$750,000) would be authorized by the Board Executive Committee. Claims and suits with settlements in excess of the Agency's SIR will be authorized by the various insurance carrier(s) involved in the pertinent layer of coverage as contracted by CSAC EIA.

Fiscal Impact:

None

Recommendation:

Approve and recommend this item to the full Board of Directors for their consideration as follows:

- Approve and Adopt Workers' Compensation Claims Settlement Authorization Policy to be effective October 26, 2017.



**WORKERS' COMPENSATION
CLAIMS
SETTLEMENT AUTHORIZATION
POLICY**

Recommended for Adoption by the Board of Directors

**RIVERSIDE TRANSIT AGENCY
CLAIMS AND LAWSUITS
SETTLEMENT AUTHORIZATION POLICY**

I PURPOSE

To identify the authority delegated by the Board of Directors to the Director of Risk Management, the Chief Financial Officer, the Chief Executive Officer and the Board Executive Committee regarding the settlement of workers' compensation claims brought against the Agency.

II DELEGATION

In accordance with Government Code section 935.4 and Public Utilities Code section 24938 and 25702, the Board of Directors delegates, within certain limits, to the Director of Risk Management, the Chief Financial Officer, the Chief Executive Officer and the Board Executive Committee the authority to settle workers' compensation claims brought against the Agency.

III PROCEDURES

In accordance with the above, the Board of Directors delegates the authority to settle workers' compensation claims to the positions or committees, and in the amounts identified, below:

A. Claims Handling

1. The Director of Risk Management, or his/her designee, is authorized and directed to handle all phases of the claims procedure for workers' compensation claims, including but not limited to the following:
 - a. Initial consideration and approval, delay or denial of all workers' compensation claims filed with the Agency pursuant to laws of the State of California; and
 - b. Administration of the claim, in coordination with the Agency's Third Party Administrator (TPA), to include medical treatment, disbursement of benefits and assignment of Counsel.

B. Workers' Compensation Claims Settlement

1. A Claims Committee, comprised of the Director of Risk Management, the Chief Financial Officer and the Chief Executive Officer shall convene to decide whether to allow, compromise or settle a workers' compensation claim which does not exceed one hundred thousand dollars (\$100,000).
2. Authorization to settle workers' compensation claims in excess of one hundred thousand dollars (\$100,000) and below the Agency's current self-insured retention of seven hundred fifty thousand dollars (\$750,000) shall be delegated to the Board Executive Committee by the Board of Directors.
 - a. Prior to submitting a proposed settlement agreement to the Board Executive Committee for approval, defense counsel representing the Agency in the matter will have reviewed the proposed settlement agreement, and the material, financial and legal aspects of the proposed settlement.
3. Workers' compensation claims in excess of the Agency's self-insured retentions are within the authority of the pertinent excess insurance carrier(s), and are outside the purview of the Agency's authority.

C. Payment

1. The Agency shall cause a warrant to be issued through its Third Party Administrator in the following circumstances:
 - a. Upon the written request of the Director of Risk Management, Chief Financial Officer and the Chief Executive Officer for allowances, compromises or settlements within authority as specified in Sections A and B above.