

**POOLED LIABILITY ASSURANCE NETWORK JOINT
POWERS AUTHORITY
(PLAN JPA)**

**MINUTES OF THE CLAIMS COMMITTEE
MEETING OF MARCH 25, 2021**

A regular meeting of the Claims Committee was held on March 25, 2021, via videoconference.

MEMBERS PRESENT: Donald Larkin, Chair, Morgan Hill
Brenda Olwin, East Palo Alto
Ann Ritzma, Hillsborough
Rebecca Mendenhall, San Carlos

MEMBERS ABSENT: Robert Schultz, Los Gatos
Marc Zafferano, San Bruno

OTHERS PRESENT: Jon Paulsen, General Manager
Katie Sullivan, Assistant General Manager
Susan DeNardo, Litigation Manager
Greg Rubens, Board Counsel
Suzanne Creekmore, Tiburon (*Left after Agenda Item 6.A*)
Ben Stock, Tiburon City Attorney (*Left after Agenda Item 6.A*)

1. CALL TO ORDER:

The Regular Meeting of the PLAN JPA Claims Committee meeting was called to order at 1:31 p.m.

2. INTRODUCTIONS:

A roll call was taken, and it was determined there was a quorum present.

3. APPROVAL OF THE AGENDA AS POSTED (OR AMENDED):

Ann Ritzma moved to approve the agenda as posted. Rebecca Mendenhall seconded the motion. A roll call vote was taken and the motion passed unanimously by Donald Larkin, Brenda Olwin, Ann Ritzma, and Rebecca Mendenhall.

4. PUBLIC COMMENTS:

None.

5. CONSENT CALENDAR:

Rebecca Mendenhall moved to approve the following items: A) Minutes from the February 25, 2021, Claims Committee Meeting. Ann Ritzma seconded the motion. A roll call vote was taken, and the motion passed by majority vote by Donald Larkin, Brenda Olwin, and Rebecca Mendenhall.

6. ADMINISTRATIVE MATTERS:

A. Consideration of Addition to PLAN JPA's Defense Counsel Panel

During the February 25, 2021, Claims Committee Meeting, the Committee discussed the Town of Tiburon's request of Attorney Gregory Thomas from the Burke, Williams, & Sorenson firm, to represent them in the matter of Awash/Khalif v. Town of Tiburon as Mr. Thomas was not on PLAN JPA's approved panel list. Discussion ensued on whether the intent was to add Mr. Thomas to the panel or only for this one claim.

Suzanne Creekmore, Town of Tiburon, and Benjamin Stock, Tiburon City Attorney, were present to state their case to the Committee. They clarified it was intended for just this individual claim. Additionally, Mr. Thomas agreed to follow PLAN JPA's Litigation Management Guidelines and Best Practices.

A brief discussion ensued around who would cover the costs of utilizing Mr. Thomas as his hourly rate was significantly above PLAN JPA's approved maximum rate and Mr. Thomas was not willing to reduce his rate. An agreement was made for PLAN JPA to reimburse the Town up to their approved rate for defense counsel and the Town would be responsible for the difference. Another stipulation agreed upon was if the Town does not accept PLAN JPA's recommendation to settle, the Town would be responsible for all litigation costs.

A concern was raised around the fact that if PLAN JPA allows Mr. Thomas to serve, it would set a precedent for all members to utilize whichever defense counsel they prefer, instead of utilizing PLAN JPA's approved panel list. Mr. Stock confirmed this is the first time he has made this request due to the nature of the claim. He acknowledged he generally always utilizes attorneys listed on PLAN JPA's defense panel list and has no issues. The Committee agreed due to the special request for this specific claim, they would allow Mr. Thomas to represent the Town of Tiburon.

Donald Larkin moved to approve the one-time use of Greg Thomas of Burke, Williams, matter. Ann Ritzma seconded the motion. A roll call vote was taken, and the motion passed by majority vote by Donald Larkin, Brenda Olwin, and Rebecca Mendenhall.

B. Consideration of Proposed Changes to the Claims Handling Guidelines and Best Practices

On June 11, 2020, the PLAN JPA Board of Directors adopted the Claims Handling Guidelines and Best Practices. The guidelines define reporting requirements and how the Third-Party Administrator (TPA) should be procedurally handling claims and interacting with the members. The Claims Handling Guidelines and Best Practices should be reviewed and updated as needed I TPA personnel change or if PLAN JPA's excess/reinsurance changes.

Ms. DeNardo reviewed the proposed updates with Committee, noting they include the new claim reporting email address, insurer's names and policy numbers.

Rebecca Mendenhall moved to approve the proposed changes to the PLAN JPA Claims Handling Guidelines and Best Practices. Brenda Olwin seconded the motion. A roll call vote was taken, and the motion passed by majority vote by Donald Larkin, Brenda Olwin, and Rebecca Mendenhall.

C. Consideration of Claims Audit Proposal from Farley Consulting

In September 2019, PLAN JPA approved for staff to obtain a contract with Aon for claims auditing services for the 2020 program year, with a cost not to exceed \$17,500. Aon provided an agreement; however, once the initial review by staff was complete, staff felt the pricing was high, along with some other concerns.

Staff reached out to Tim Farley of Farley Consulting for a proposal. Mr. Farley has exception experience working on many of the other pools Sedgwick manages and his pricing has always been very reasonable.

Rebecca Mendenhall moved to approve the audit proposal from Farley Consulting. Donald Larkin seconded the motion. A roll call vote was taken, and the motion passed by majority vote by Donald Larkin, Brenda Olwin, and Rebecca Mendenhall.

7. CLOSED SESSION:

A. The Committee convened to closed session, pursuant to Government Code section 54956.95(a) at 2:02 p.m. to discuss the following claims:

- Zelnik v. City of San Carlos
- O’Neil, Shawn Hooker v. City of South San Francisco
- Sheks Construction Company, et al v. City of South San Francisco

B. Pursuant to Government Code Section 54957.1, the Committee reconvened to open session at 2:13 p.m. The following actions were taken under closed session:

No reportable action was taken during closed session.

8. CLOSING COMMENTS:

A. Claims Committee

None.

B. Staff

None.

9. ADJOURNMENT

The Regular Meeting of the PLAN JPA Claims Committee was adjourned at 2:14 p.m.



Katie Sullivan, Assistant General Manager