



CALIFORNIA JOINT POWERS RISK MANAGEMENT AUTHORITY

BOARD OF DIRECTORS MEETING

June 15, 2000 – 9:35 A.M.

**Holiday Inn
1350 Holiday Lane
Fairfield, CA 94533**

(707) 422-4111

Minutes

I. CALL TO ORDER:

President Davis called the meeting to order at 9:35 a.m. on June 15, 2000.

II. ROLL CALL

PRESENT

- | | |
|-------------------------------------|---|
| 1) Darrell Handy, <i>Alameda</i> | 11) Craig Robinson, <i>Roseville</i> |
| 2) Bob Koch, <i>Chico</i> | 12) Mary Richardson, <i>San Leandro</i> |
| 3) Linzie Kramer, <i>CSJVRMA</i> | 13) Sharon Andrus, <i>San Rafael</i> |
| 4) Robyn Kain, <i>Fairfield</i> | 14) William Kaslar, <i>Santa Rosa</i> |
| 5) Patricia Born, <i>Fremont</i> | 15) Roger Carroll, <i>SCORE</i> |
| 6) Bill Henderson, <i>Livermore</i> | 16) George Bist, <i>Stockton</i> |
| 7) Rex Miller, <i>NCCSIF</i> | 17) Kerry Adamo, <i>Sunnyvale</i> |
| 8) Mike Acorne, <i>Petaluma</i> | 18) Paul Wildermuth, <i>Vacaville</i> |
| 9) Jeff Davis, <i>REMIF</i> | 19) David Lindquist, <i>Vallejo</i> |
| 10) Barry Mlinarcik, <i>Redding</i> | 20) Jeff Tonks, <i>YCPARMIA</i> |

ABSENT

Lodi, CCCMRMIA

OTHERS PRESENT

- | | |
|--|--|
| 1) Robert German, <i>CJPRMA</i> | 6) Phyllis Sammon, <i>J & H Marsh & McLennan</i> |
| 2) Caren White, <i>CJPRMA</i> | 7) Pam Durocher, <i>Roseville</i> |
| 3) Marylin Kelley, <i>Driver</i> | 8) Gus Guinan, <i>San Rafael</i> |
| 4) Byrne Conley, <i>Gibbons & Conley</i> | 9) Myriam Castenada, <i>Sunnyvale</i> |
| 5) Jim Pinckney, <i>J & H Marsh & McLennan</i> | |

III. APPROVAL OF MINUTES

A motion by Director Kain, seconded by Director Acorne, to approve the minutes of the April 19 and 20, 2000 meeting, passed unanimously.

IV. PRESENTATIONS

A plaque was presented to Director Kramer and he was thanked for his 14 years of service on the Board.

The General Manager said that a presentation would be made at the annual membership meeting in October for the outgoing president. A small gift was presented to him in the mean time.

V. CONSENT CALENDAR

1. Financial Reports of CJPRMA for the period ending February 29, 2000

Director Wildermuth asked when they could expect to see financial reports for March, 200 and April 2000. The General Manager said that Ms. Adams was working on closing out those months and that the new Accountant would start as soon as possible. He said that they would try to get those months out as quickly as possible.

2. Additional Covered Party Certificates Approved by the General Manager

3. Notification of New Claims Received

4. Notification of Claims Closed

The General Manager said that a revised exhibit of closed claims would be handed out because one of the claims listed was not actually closed.

5. Appointment of New Board Members/Alternates

A motion by Director ?, seconded by Director ?, to approve the Consent Calendar, passed unanimously.

VI. THIS TIME IS RESERVED FOR MEMBERS OF THE PUBLIC TO ADDRESS THE BOARD OF DIRECTORS ON MATTERS OF BOARD BUSINESS

- No one addressed the Board of Directors

VII. ACTION CALENDAR

6. Proposed Amendment to PERS Contract

The General Manager said that this amendment would allow employees to purchase, at their own expense, additional years of retirement credit for years of military service. He said that there was no expense to the organization, they only had to allow the employees to do so. He said that he was recommending that they Board approve this amendment.

Director Koch asked whom the amendment would affect. The General Manager said that it would affect any staff member who had military service. Director Acorne said that it also allowed for purchase of time for Peace Corp service and other service organizations.

Director Kain said that she remembered some discussion of the issue and asked if it had gone through the Personnel Committee.

The General Manager said that it hadn't gone through the Personnel Committee because there was no cost to the organization.

Director Koch said that matters that affect personnel should go through the Personnel Committee.

Myriam Castenada said that she was familiar with the PERS military service credit purchase and that members could purchase up to four years of service with certain restrictions and requirements. She said that there was no up-front cost to the organization but that it was something that would eventually be figured into the new rates and that there might be some cost in the future.

The General Manager said that they had asked PERS specifically if there were any costs and that they had been told that there was no cost.

Director Kain said that she would suggest that in the future, personnel issues being proposed to the Board for adoption should be run through the Personnel Committee first.

A motion by Director Acorne, seconded by Director Bist, to amend the PERS contract, was approved unanimously.

7. Report from Insurance Broker

Jim Pinckney, of J & H Marsh & McLennan, said that since the last meeting in April, they had been trying to get all placements ready for the new program year. He said that his presentation would include an update on the property programs, some information on FEMA, a statement of income by coverage line, and some administrative issues.

Phyllis Sammon, of J & H Marsh & McLennan, said that there had been a few more updated values for the property program and two losses since the last meeting. She said that one of the losses had occurred last July but hadn't been reported until recently because the vendor was going to take care of it. She said that they should always report potential losses, even if the other party is going to take care of it, in order for the proper investigations to take place. She said that as soon as they had all the updated values, they would get the binders out. She said that as soon as they had the policy numbers and binders they could get the property certificates out.

President Davis asked if the two losses would raise their premiums for the upcoming year. Ms. Sammon said that, at that time, it wouldn't affect the premiums, but that the rates were figured based on the loss history in April and that it could possibly change.

Director Henderson asked when they needed the final values by. Ms. Sammon said that any time was fine. She said that they usually did the allocation by the middle of July and that anything that came in after that would be addressed by the semi-annual audit.

Director Henderson asked if they could expect the certificates by the first of August. Ms. Sammon said that they should have them well before that.

Director Kain said that, at the April meeting, they had talked about putting together a handbook on property claims. Ms. Sammon said that that would be done this year and that she and the General Manager were deciding the best way to do that.

Ms. Sammon said that they had obtained the definition of an eligible applicant or entity, which stated that it was a government or special district who has facilities to provide services to the public and that a joint power

group did not meet the definition. She said that there had been great silence since the comment period ended on the proposed ruling. She said that there was a conference call between the Office of Emergency Services and FEMA but that no one knows what went on. She said that there had been another conference call that involved FEMA individuals, OES, lobbyists for CSAC and the League of Cities, as well as OREM. She said that the result of that call was that they were going to start all over. She said that FEMA hadn't met any of their timelines. She said that the proposed ruling had disappeared from the FEMA website. She said that they were going back to rethink the limits and the number of losses, but that nothing had been confirmed yet.

Director Kramer said that they had never opened the second ninety-day comment period.

Director Henderson asked if the market had reacted to this by dropping rates. Ms. Sammon said that they hadn't and that, in fact, the property market was getting worse.

Director Henderson asked where they were with the DIC and if they were going to buy the underlying federal program for them if they bought into the DIC program.

Mr. Pinckney said that they had two presentations on that in April. He said that there had been a master program that was of interest to them if it met FEMA's requirements. He said that, secondly, Ms. Sammon had given them quotes for each entity that had requested it that were in compliance with FEMA rules. Ms. Sammon said that they could take care of the federal flood program for those members who were interested.

Director Henderson asked if that still stood. He asked if the federal flood program would be bought individually or if it was part of the DIC program. Ms. Sammon said that both were options.

Mr. Pinckney said that the indications put forth in April still held. He said that if they wanted to go ahead with the programs they could, but that they could also wait for the ruling. He said that they were unaware of what would happen with the property programs and DIC if they waited.

Director Acorne said that it could be two or three more years before FEMA made any final decisions.

Ms. Sammon said that that was true. She said that it was up to an entity to decide if it wanted that coverage for itself now. She said that it would protect the city itself and let the city have coverage in place for when FEMA finalized the rules.

President Davis said that as he understood the original proposal, it wouldn't go into effect for at least three years. Ms. Sammon said that that was correct except for properties that had already collected FEMA money. President Davis said that it seemed to him that his organization would continue to buy insurance on a JPA basis until FEMA says that it is no longer acceptable. He said that he thought that the rates would continue to rise to FEMA's proposed .30 rate. He said that he thought that it was a good time to get into the market.

Director Acorne said that if they were going to raise the rates, it wouldn't matter when they got in.

Ms. Sammon said that if they carried earthquake and flood insurance over time, their rates would be lower than those of an entity that was new in the market.

Mr. Pinckney said that what concerned him was that it was a very limited marketplace for earthquake coverage. He said that there wasn't enough capacity.

Ms. Sammon said that she thought that a major earthquake would have to happen outside of California before the government would do something about it.

Mr. Pinckney said that the excess reinsurance placement was going forward as indicated in April. He said that they were making some payroll adjustments but that they expected no problems. He said that the APD program had also gone together as indicated. He said that they had just renewed the office facility policy for general liability and personal property in June. He said that they had already drafted the resumes for attachment on July 1, 2000. He said that it was a thumbnail sketch of the placements for master policies. He said that they were waiting for final policy numbers and that they would forward it to the General Manager as soon as they had it. He said that, in the past, they had given a property seminar at the annual meeting in Tahoe. He said that they would do that again in October if the Board wanted.

Mr. Pinckney said that the General Manager had asked them to prepare an exhibit on their estimated incomes on the programs going forward. He said that the exhibit outlined the incomes per line. He said that there had been some adjustments downward since last year due to payroll reductions.

The General Manager said that if they removed the commissions for the reinsurance and compared it to the commissions from three years ago, it was about \$26,000 less. He asked if that was a reflection of the market.

Mr. Pinckney said that they were definitely less. He said that it came up with the APD, for example, because the rate went down. He said that because they were on a commission basis that if the rate goes down, the income goes down as well. He said that the incomes were definitely less than last year, including the reinsurance. He said that the reinsurance program had been set up so that if a member left or joined the premium would adjust. He said that that commission would go up or down depending on the payroll of the entire group.

Director Henderson asked if he had an idea of the difference, percentage wise, between this year and last. He said that, for example, YCPARMIA was no longer in the APD program.

Mr. Pinckney said that they were down 15-20% from last year.

Director Henderson asked if these numbers were the bottom line. He asked if there were any other percentages on top of it.

Mr. Pinckney said that there was not. He said that the only changes would be from changes in property values that were still pending.

8. Proposed Budget for the 2000-2001 Program Year

The General Manager said that the budget had been held over at the request of the Board until the Executive Committee could determine what additional costs there would be for the consultants. He said that the Executive Committee was recommending that \$100,000 be added to the budget to cover consultant fees for the training, marketing and other programs that came out of the goals and objectives process. He said that the budget for the 1999-2000 program year was projected to come in an additional \$8000 under budget, or 11.8% as opposed to 11.1%. He said that two items were added back into the proposed budget, \$500 for tuition reimbursement as a benefit to the staff and \$4000 for the CIPRA program. He said that CIPRA and CAJPA were in discussions regarding CAJPA taking on authority over the CIPRA program with a target date of January 1, 2001. He said that the cost for running the CIPRA program should drop at that time and that the program would focus more on liability issues. He said that the reason this item was put back into the budget was that CIPRA hoped to be self-sustaining for one more year during the transition period. He said that there was an anticipated \$8300 reduction in personnel costs and that, aside from the \$100,00 for consultants, the recommended budget increase had dropped from \$16,000 to \$14,000. He said that staff recommended that the Board approve the proposed operating budget with those adjustments in mind.

Director Koch said that it should be noted that the \$100,000 was only an estimate based on all the work that came out of the goals and objectives. He

said that they didn't expect to spend that amount but that they wanted to have the money budgeted if it became necessary.

President Davis said that putting the money in the budget and not spending it did not effect them.

Director Carroll asked if contracts were brought to the Board for approval.

The General Manager said that the Executive Committee had struggled with the goals and objectives and that as they discussed how to achieve them, it became obvious to them that it was a much larger job than they had expected. He said that it was an estimate in terms of the money, but that they wanted to make sure they had enough money to do what they had wanted to do.

Director Born asked about the question marks on the member training item. The General Manager said that Ms. Adams had been unsure if that item was to remain in the budget, but that the Executive Committee had decided to leave that program as it was.

A motion by Director Henderson, seconded by Director Acorne, to approve the proposed operating budget, passed unanimously.

9. Proposed Amendment to the By-Laws

The General Manager said that there had been a question about the qualifications for Board members and alternates. He said that at the April meeting, they had discussed the requirement that they be an employee or officer of the member entity and that at that point, they had decided to amend the By-Laws to delete that requirement. He said that he and Board Counsel had found that the same requirement was also in the JPA Agreement so the only way to make that change required amending both documents. He said that amending the JPA Agreement required taking the change back to the member entities and getting approval of two-thirds of the membership. He said that his recommendation was to not change the By-Laws and JPA Agreement and that they enforce the governing documents as they were written. He said that if they wanted to make the change, that was up to them.

Director Carroll said that, as the only organization that did not comply with the By-Laws, SCORE would solve its own problem. He said that if they decided at some point in the future that they would rather have an amendment that they would bring it back to the Board at that time.

10. Proposed Revisions to Memorandum of Coverage

Board Counsel said that there had been a long discussion at the April meeting regarding the inverse condemnation exclusion and, in particular, flooding. He said that there had been some flooding cases, and there was a question of whether there was coverage if a city is sued for negligence, nuisance or dangerous condition on public property because the storm water system is flooding the neighborhood. He said that there was a difference of opinion between members of the Board regarding the language in Exclusion 14, which states that there is no coverage for inverse condemnation. He said that there was an exception to the exclusion relating to accidentally caused physical injury to or destruction of tangible property. He asked if that meant a physical accident to the city property or a design deficiency or failure of the engineer to anticipate further upstream development. He said that some of the Board members didn't want there to be coverage for simple inadequacy of the system or failure of the city to spend enough money on its system to handle anticipated storm drainage. He said that his recommendation was to leave Exclusion 14 as it was and add "storm drainage" to the language in Exclusion 19.

President Davis said that, by adding the language to Exclusion 19, if a city built a 50-year storm drain when they should have built a 100-year drain and it failed, there would be no coverage.

Board Counsel said that if it failed simply due to the inadequacies of the facilities to provide storm drainage, there would be no coverage, but if there was an accident, such as a stick getting lodged in the flapper valve, it would be covered. He said that the new language in Exclusion 19 would affect tort liability and not only inverse condemnation liability.

Director Acorne said that one of the major issues was upstream development to existing systems. He said that the argument would be that it was inverse condemnation because damage to downstream property occurred when the city allowed upstream development.

Director Kain said that she was in support of Board Counsel's recommendation but that she had a claim to report that dealt with that sort of situation. She said that the inverse portion of the claim would probably not be as expensive as the cost to repair the problem. She said that she didn't know that there was a possibility for coverage until the issue came up. She said that she thought that the group's intent was that they didn't want to open themselves up to that sort of claim. She said that they needed to clarify it.

Director Acorne said that even projected engineering fixes from the past would probably not be sufficient in the future because no engineer or council would overbuild to such an extent to mitigate all problems.

President Davis said that he thought that cities had to take existing infrastructure into consideration when new construction goes in.

Director Acorne said that the Board might want to consider having some aggregate set aside for this type of claim.

Board Counsel said that the *Yue v. Auburn* was the archetypal case for these types of claims. He said that Yue owned some property in the city of Auburn, and a shopping mall and parking lot was built uphill, increasing the amount of surface water that the storm drain could handle. The case said that Yue had stated a cause of action against the city for inverse condemnation, and that the storm drain system was imposing flood conditions on Yue's property that didn't exist before and that the city was liable for that. He said that his question to the Board was whether they wanted coverage for that.

Board Counsel said that there had been debate in the Coverage Committee regarding whether it was only an inverse condemnation theory, whether it would be an accident in that case, as opposed to expected or intended. He said that there could be an issue about that, but that there was no exclusion for tort liability.

President Davis said that they had never intended for there to be an exclusion. He said that what he typically saw in those claims were many negligent complaints and one inverse claim that was the controlling issue.

Director Mlinarcik asked if there would have been coverage in the *Yue* case. Board Counsel said that he thought it would have been under the current language. He said that if there were an inverse claim, then the question would have been whether it was accidentally caused. He said that the city hadn't intended for the flooding to happen.

Director Wildermuth said that they should discuss the changing weather patterns. He said that a city might design for a 50 or 100 year flood standard and then experience two 100-year floods in a row. He said that they weren't going to redesign their whole system based on that.

Board Counsel said that there might be a defense on the merits. He said that they may be able to convince a court that it was an act of god and that there was no negligence. He said that in the city of Richmond there was coverage for this type of claim.

President Davis said that they needed to research the reinsurer's attitude on this issue. Board Counsel said that they would follow CJPRMA's form.

Director Kramer said that there had been a lot of difference of opinion on the Coverage Committee on what was accidental. He said that he and Board Counsel disagreed on what was accidental. He said that if a city regulated land and allowed a parking lot to go in, even if the end consequences weren't intended, he would consider that to be excluded and not accidental. He said that there could be some changes if that was what the Board wanted, but that there should be more discussion. He said that if they wanted to provide coverage that they should change the language to make it clearer.

Director Mlinarcik asked if the coverage, if it existed, would apply to the mitigation efforts of the city. Board Counsel said that that would not be covered because it wasn't damages. He said that he didn't think that they would ever recommend to the Board that they pay for a city to upgrade its facilities.

Marylin Kelley asked what would happen if there was another storm, causing the same damage to another third party, while in the process of mitigating the original problem. She asked if that would still be accidental, and therefore covered. Board Counsel said that it would depend on the Board's interpretation of an occurrence.

Director Kaslar said that he was inclined to agree with Director Kramer. He said that if a city tried to design something, but it didn't work, he didn't think that it was an accident.

Board Counsel said that the point was to decide whether they wanted to cover this type of claim. He said that if they didn't, that it would be better to say that they didn't cover storm drainage damages, which is what he was recommending with the change in Exclusion 19.

Director Handy said that the reason for having a storm drain system was because it was expected that a storm would happen at some point. He said that they just didn't know to what degree a storm would occur.

Marylin Kelley asked if that was the definition of an accident, some unintended consequence. She said that if a drainage system was built but overwhelmed by a 100-year flood, that wasn't an anticipated consequence.

Director Kramer said that they were better off trying to define exactly what they wanted covered.

President Davis asked if they wanted to approve Board Counsel's proposed language for Exclusion 19 and then have Board Counsel bring back other language for sublimits for coverage to the October meeting.

Board Counsel said that they had sent him back before and that he still was unsure of what the Board wanted. He said that if the Board told him what they wanted that he would draft the language.

Director Bist said that he thought that the language was flawed. He said that it had taken a strict liability theory and tried to put an intent on it, but that the intent was nebulous. He said that they would have to define what they wanted to cover and then rewrite the exclusion from there.

Director Kramer said that he had been through similar issues with two or three other pools. He said that the other groups had made logical extensions of what they would cover by adding limits and aggregates. He said that CJPRMA needed to decide where they wanted to draw the line on what they would cover.

Board Counsel said that one option they had was to make an agreement to pay on the first claim but then there would be a specific exclusion on any more claims from that location.

Director Lindquist asked if there was the possibility of having the same type of inverse exposure with electrical systems if they didn't change the language. Board Counsel said that electricity was included in Exclusion 19 for failure to supply. He said that if the city were to be found liable, that there would be coverage.

Director Kain suggested that they refer this matter to the Coverage Committee to explore how the issue is handled in other JPAs and to develop some options for the Board.

Director Bist said that it seemed that the language on page three of Board Counsel's letter did not include accidents. He said that if they didn't adopt the proposed language that they were opening themselves up to more liability. He said that that explanation was very clear and that they should adopt it. He said that the paragraph regarding upstream development resulting in additional burden on the system was a lack of proper planning and design. He said that if they provided umbrella coverage for lack of proper planning and design was a bad idea.

Director Mlinarcik asked Director Kramer how the JPA that had extended coverage came up with their limits. Director Kramer said that they did a collection of data, with many immature claims, and substantial debates.

Director Bist said that he would suggest that they talk with the reinsurer to find out what their position was on this issue.

Director Koch asked when the change would take effect. President Davis said that in the past they had made changes retroactive to July 1 of the program year. Director Koch said that it seemed that they would be in the middle of the rainy season by the time any decisions were made. He said that he would recommend that they adopt the proposed change to Exclusion 19 and then let the Coverage Committee do further study.

Board Counsel said that they knew that the reinsurer would not have a problem with adding to an exclusion. He said that he thought that they had very broad coverage at that time.

Director Kramer said that they should remember that they were only talking about one small piece of the problem by adding “storm drainage” to Exclusion 19. He said that there were a number of other potential problems to consider.

A motion by Director Kain, seconded by Director Henderson, to send the inverse condemnation issue back to the Coverage Committee for further review, to return to the full Board at the October meeting, and to adopt the revised language for Exclusion 19, passed with Petaluma abstaining.

Board Counsel said that there were a few other issues to discuss, but that they hadn’t been agendaized for a vote. He said that since they were going to have a Coverage Committee meeting, they could talk about it. He said that the city of Fairfield was building a firing range, and that he had talked to Director Kain about Exclusion 33 and Endorsement 3, which state that firing ranges are only covered when the city’s own employees are using them. He said that third party law enforcement agencies could also use them, in the case of Fremont, as long as there is an indemnity agreement and a range master. He said that he saw no reason why they couldn’t extend Endorsement 3 for any city that wanted to have a firing range.

Director Kain said that the cities of Vallejo and Benicia were looking at being partners in the firing range.

Director Kramer said that they should keep in mind that even if they have an indemnification agreement, that if an injury results as the sole negligence of the city who constructed the range that they won’t be able to transfer the liability.

Board Counsel said that the city of Vacaville wanted to build an archery range. He said that they didn’t have any archery range exclusions so they would ask the Coverage Committee to look into that.

Director Wildermuth said that they weren’t exactly building an archery range. He said that they had an archery activist who was seeking the permanent use

of city property to have an archery range. He said that they were looking at studying the issue.

Board Counsel said that the City of Sunnyvale was going to build light rail. He said that there was a transit exclusion but that it did not apply if city employees owned or operated the system. He said that the question was whether they wanted to underwrite it as a separate risk.

Director Adamo said that the other issue that came up was the possibility of a lane closure created by public works crews were working in or around the light rail station led to a vehicle being driven into the light rail vehicle. He asked if they needed additional railroad insurance to cover such liability.

Board Counsel said that that situation hadn't been thought of and therefore hadn't been excluded but that they would ask the Coverage Committee to look into it.

Director Adamo said that the Valley Transit Authority ran the light rail service, the county sheriff department provided security service but that Sunnyvale police would respond to any emergencies or crimes along the light rail and that the fire department would respond to any vehicle accidents caused by light rail. He said that there was one intersection that was a potential problem.

Director Acorne suggested that they check with either San Francisco or Sacramento for input on their light rail systems.

Director Henderson said that he was interested in the expansion of the endorsement regarding firing ranges. He said that the City of Livermore had a range and that other agencies used it. He asked what was necessary to be included in the endorsement.

Board Counsel said that it would come up with the Coverage Committee. He said that he was asking the Board if there was anything else that they wanted the committee to look at.

Director Kain said that she wanted clarification of Exclusion 31. Board Counsel said that what it basically meant was the Public Officials Errors and Omissions coverage is only for financial and monetary losses and not meant to overlap bodily injury or personal injury because the definition of "occurrence" is different. Director Kain asked if there was a way to state that exclusion with more clarity.

Director Kain said that she had received a flyer from the housing authority JPA regarding building inspector errors and omissions coverage that would require lead-based paint testing beginning September 15, 2000. She said that

there was a potential coverage issue with that organization and that they might want to look at it to see if it was an issue for CJPRMA.

Board Counsel said that they had coverage for activities of the covered parties to test for, clean up, remove, contain or treat pollutants on someone else's property. He said that as long as the inspectors were testing on someone else's property that that was one of the exceptions to the pollution exclusion.

Marilyn Kelley said that if it was a housing authority, it was possible that it could be city property.

11. Election of Officers and Executive Committee Members

A motion by Director Adamo, seconded by Director Born, to elect Director Henderson as president and Director Koch as vice president by acclamation, was approved unanimously.

The General Manager said that the governing documents required that JPAs hold two seats on the Executive Committee and that there were three seats available. He said that Director Tonks and President Davis were the only JPA representatives on the ballot and would be elected to the Executive Committee. He said that that left one seat for selection at that time. He said that there would be another election to fill the remaining year of Director Henderson's term, which required a majority vote of the Board, and that there was no restriction on nominations.

After counting the votes, the General Manager said that President Davis, Director Tonks and Director Wildermuth were elected to the Executive Committee. He said that the vacated, one-year position would be held by Director Born.

VIII. CLOSED SESSION

1. Government Code Section 54956.9 (a)

Conference with Legal Counsel - Pending Litigation

Name of Case: Calderon v. City of Redding

Court: United States District Court, Eastern District of California

Case No.: CIV S-99-1231 LKK/JFM

2. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation
Name of Case: Oviedo v. City of Shafter
Court: Kern County Superior Court
Case No.: 239624-SPC

3. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation
Name of Case: Lyon v. County of Yolo
Court: Yolo County Superior Court
Case No.: V97000736

4. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation
Name of Case: Lease v. City of Redding
Court: California State Court of Appeal, Third Appellate District
Case No.: 3 Civil C034090

5. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation
Name of Case: Kuns v. City of Ukiah
Court: California State Court of Appeal, First Appellate District
Case No.: A 087470

6. **Government Code Section 54956.9 (a)**
Conference with Legal Counsel - Pending Litigation
Name of Case: Headwaters Forest Defense v. City of Eureka
Court: United States Court of Appeals for the Ninth Circuit
Case No.: 98-17250

7. **Government Code Section 54954.5**
Public Employee Performance Evaluation
Title: General Manager

IX. ACTION ON CLOSED SESSION ITEMS

X. ADJOURNMENT