

**MINUTES OF THE
MEETING OF THE BOARD OF DIRECTORS OF THE
BIG INDEPENDENT CITIES EXCESS POOL JOINT POWERS AUTHORITY
AUGUST 20, 2015**

A meeting of the Board of Directors of the Big Independent Cities Excess Pool Joint Powers Authority was held on August 20, 2015, at the offices of Best Best and Krieger LLP, 300 South Grand Avenue, 25th Floor, Los Angeles, California 90071

MEMBERS PRESENT: Patti Williams, President, City of Huntington Beach
Briza Morales, Vice President, City of Santa Ana
Michael More, Treasurer, City of Oxnard
Jennifer Curtis, City of Ventura

MEMBERS ABSENT: Bob Franco, City of West Covina
Helen Tran, City of San Bernardino

OTHERS PRESENT: Scott Campbell, General Counsel, Best Best and Krieger
Rob Kramer, Incoming Executive Director, Bickmore
Tim Thompson, Carl Warren
Courtney Ramirez, Alliant
Rennetta Poncy, Alliant

CALL TO ORDER

The Board of Directors meeting was called to order at 10:12 a.m. by President Patti Williams

INTRODUCTIONS

All those present introduced themselves.

APPROVAL OF AGENDA AS POSTED

Ms. Briza Morales moved to approve the agenda as posted. Mr. Michael More seconded. The motion passed unanimously.

1. APPROVAL OF MINUTES

President Williams inquired if there were minutes from the June 18, 2015 Board of Directors meeting. It was agreed that the minutes from the June 18, 2015, and July 22, 2015, Board of Directors meeting should be tabled.

Ms. Briza Morales moved to approve the minutes of the Special Board of Directors meeting held on June 30, 2015. Mr. Michael More seconded. The motion passed unanimously.

2. **PUBLIC COMMENTS**

None.

3. **CONSIDERATION OF CONTRACT WITH BICKMORE FOR GENERAL MANAGER SERVICES**

Mr. Scott Campbell, General Counsel, reported that, at its meeting held on July 22, the Board considered three proposals for general management services and ultimately selected Bickmore. The proposed contract is for a two-year term, and Bickmore would begin serving as general manager on September 1.

Mr. Rob Kramer was in attendance and it was noted he will serve as general manager until June 30, 2016, and then Beth Lyons will serve as general manager thereafter. Under the contract, Bickmore will provide all administrative services for BICEP, including the marketing of BICEP's services to potential new members.

It was explained the terms of the agreement is based upon Bickmore's proposal and subsequent negotiations. Bickmore will invoice BICEP for all services performed at the hourly rates set forth in the contract. All work will be billed in quarter-hour increments and the invoices will show the specific tasks performed. The total work will not exceed \$127,170 per year in the first year, and will be adjusted in the second year based on the local consumer price index. The not-to-exceed amount contains a 7.5% professional discount, and thus reflects a downward adjustment from the estimated costs.

Mr. Kramer broached with the Board the timing of the termination provisions in the contract. As drafted, the agreement provides that if Bickmore desires to terminate the agreement without cause, they are required to provide 120 days' notice to BICEP. Mr. Kramer requested the Board to consider having the termination without cause, timing the same as BICEP's and that both be a 90-day notice period.

Mr. Kramer also noted Bickmore's strong preference for fixed fee arrangements to avoid the administrative burden caused by time and expense billing. Mr. Kramer explained that Bickmore agrees to start as requested and hopefully this issue can be re-visited at a later time.

Ms. Briza Morales moved to approve Bickmore's contract with the requested revision of the without cause provision to 90 days for both parties. Ms. Jennifer Curtis seconded. The motion passed unanimously.

4. CONSIDERATION OF CONTRACT WITH BICKMORE FOR WORKERS' COMPENSATION CLAIMS AUDITING SERVICES

Mr. Scott Campbell, General Counsel, reported that, at its April 2, 2015, meeting, the Board directed staff to prepare a Request for Proposal (RFP) for workers' compensation audit services. In response, Bickmore submitted a proposal, and no other proposals were received. Bickmore's proposal offers to perform the audit for a flat fee of \$185 per claim. Under the proposed contract, Bickmore would prepare an assessment of BICEP's workers' compensation claims administration and prepare a report containing recommendations for cost savings, efficiency, improved communication, and accountability. In performing this assessment, Bickmore will review a sample of selected claims, assess various factors in the administration of such claims, and compare BICEP's practices to industry standards. The cost to audit 300 claims as outlined in the proposal is \$55,500.

Mr. Michael More moved to approve the contract with Bickmore for workers' compensation claims auditing services. Ms. Briza Morales seconded. The motion passed unanimously.

5. CONSIDERATION OF CONTRACT WITH HELLING AND ASSOCIATES FOR GENERAL LIABILITY CLAIMS AUDITING SERVICES

Mr. Scott Campbell, General Counsel, reported that since 2007, BICEP has had an agreement with Helling & Associates for liability claims auditing services, which has been extended from time to time. At its April 2, 2015, meeting, the Board received a letter from Helling & Associates offering to extend the Agreement for an additional two-year term, with an increase in the annual fee to reflect that the audit will now include the City of Ventura. The Amendment would adjust the annual fee to \$29,375, and gives BICEP the right to cancel the Agreement at any time with 15 days' notice.

The Board separately discussed whether to require the procurement of Errors and Omissions coverage by Helling and Associates.

Ms. Jennifer Curtis moved to approve Helling and Associates' contract for general liability claims auditing services. Ms. Briza Morales seconded. The motion passed unanimously.

6. AUTHORIZATION OF SIGNATURES FOR FINANCIAL ACCOUNTS

Mr. Scott Campbell explained that BICEP maintains its general fund account with Bank of America and also maintains a Local Agency Investment Fund (LAIF) account for the deposit of excess funds. Due to the Board's election to hire a new general manager, BICEP must remove its prior general manager as an authorized signer for BICEP's financial accounts. As a result, BICEP will now need to authorize new signatories in order to continue to conduct business. It was noted that it is customary for banks and other financial accounts to require a board resolution in order to make changes to the account.

Mr. Campbell recommended the Board take a general action to remove Mr. Spiker and his firm from all financial accounts, and to authorize the new signatories from Bickmore. Mr. Campbell reviewed the resolutions attached to the agenda with the Board.

Ms. Briza Morales moved to approve the banking and LAIF signatory resolutions removing Ken Spiker and Associates and adding Bickmore as signatories. Ms. Jennifer Curtis seconded. The motion passed unanimously.

7. DISCUSSION CONCERNING BICEP SEMINAR, OCTOBER 29, 2015

The Board discussed the arrangements and purpose for the upcoming BICEP seminar in October. It was requested Mr. Kramer see if Bickmore could assist with respect to expanding attendance and marketing the seminar to other public entities in the area.

No action was taken on this item.

8. UPDATE ON SAN BERNARDINO BANKRUPTCY

Mr. Campbell provided a general update regarding the pending bankruptcy proceedings taking place in the City of San Bernardino.

No action was taken on this item.

9. DISCUSSION OF TRANSITIONAL ISSUES FOR GENERAL MANAGER SERVICES

Mr. Kramer reviewed with the Board the outlines of the transition plan. He noted that of primary concern was the formal transition of the various banking arrangements previously discussed. Mr. Kramer explained that as soon as the electronic and paper files are available, his team in Sacramento is ready to review, organize and evaluate the documents upon receipt. Mr. Kramer noted he planned to provide a full report to the Board in October.

No action was taken on this item.

10. COMMENTS AND REPORTS BY THE BOARD OF DIRECTORS

The Board members thanked Mr. Scott Campbell, General Counsel, for his assistance in maintaining continuity and with the transition. The Board formally welcomed Mr. Kramer and his team to BICEP.

No action was taken on this item.

11. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95(a) TO DISCUSS CLAIMS

Pursuant to Government Code Section 54956.95(a), the Board recessed to closed session at 11:47 a.m. to discuss the following claim:

- Ramirez – City of Oxnard (Claim No. 1814099)

Report from Closed Session

The Board reconvened to open session at 12:03 p.m.

Mr. Campbell reported the Board met to discuss the claim listed. The Board voted to approve the recommended reserve.

12. ADJOURNMENT

The August 20, 2015, BICEP Board of Directors' meeting adjourned at 12:05 p.m. by general consent.

Rob Kramer, Incoming Executive Director