

Ponderosa Community Services District

RESPONSIBLY PROVIDING PURE MOUNTAIN WATER AND EFFECTIVE SNOW REMOVAL

Minutes of *SPECIAL* meeting

October 24, 2021

Present: *(all participants present via Zoom)*

Directors: B. Benton, S. Alexander, J. Cavagnaro

Staff: J. Robertson, T. Griesbach

Guest: Mrs. Alexander

The Zoom link was available to the public on the Ponderosa CSD website.

NOTE: This SPECIAL meeting is to authorize the purchase of insurance for new snow removal equipment

The meeting was called to order at 7:30 pm by Ms. Benton, followed by the flag salute.

Welcome ---- Guest Introductions ----- Flag Salute

Public Comments: None

Imperative Business

- Review of insurance proposal(s). Discussion and vote to authorize the purchase of insurance on snow removal equipment
- 1. Only one quote was received for insurance for the snow blowers. Brown & Brown is the same insurance company that High Sierra used for their equipment.

Coverage Type	Coverage Basis
Commercial General Liability	Occurrence

Coverage	Limit	Ded	Applies To	Basis
General Aggregate	\$2,000,000			Aggregate
Products/Completed Ops Aggregate	\$2,000,000			
Personal & Advertising Injury	\$1,000,000			
Each Occurrence	\$1,000,000	\$1,000	Both BI & PD	Per Claim
Fire Damage	\$100,000			
Medical Expense	\$5,000			

Loc #	Category	Scheduled/Unscheduled	Coverage	Limit	Ded	Ded Type	Valuation
1	Contractor Equipment	U	Broad form	\$115,000	\$1,000	Flat	Actual Cash Value

Line of Business	Renewal Premium
General Liability	\$5,000.00
Inland Marine	\$3,450.00
CA State Tax & CA Stamping Fee	\$297.38
Carrier Fee	\$700.00
Agency / Broker Fee	\$550.00
Total	\$ 9,997.38

There was general discussion that insurance was immediately needed, and no other quotes had been received. Ms. Benton thought that the cost was fair since it included comprehensive coverage for both snow blower machines. Mr. Alexander and Mr. Cavagnaro would have liked to see competing quotes but understood the necessity of coverage. B. Benton moved to accept the insurance proposal from Brown & Brown. S. Alexander seconded it. The motion carried with 3 ayes, and none opposed.

2. There is a need to ratify the purchase of insurance for the snowplow truck.

Ms. Benton unilaterally made the decision to authorize our current insurance broker to arrange purchase of insurance without consulting the other members of the board. Ms. Benton defended her actions as immediately necessary since there was a snowstorm due and the truck could be needed.

Mrs. Robertson explained that while the situation was understood, the proper course of action was to let the policy lapse, call for a special meeting, and have the rest of the board authorize our insurance broker to make the purchase.

Per attorney: Legally, the transaction is not a District transaction unless the Board approves it (so as of now it is a personal transaction undertaken by Beth, and the decision is subject to nullification with her being financially responsible for all consequences). I suppose the Board could notice a special meeting (24 hours notice), meet and consider the action and decide whether to 1) ratify it as a Board decision, or 2) decline to ratify the action and admonish the President that individual unilateral actions are not authorized.

I'd recommend letting the President know that she could be on the hook for that transaction personally, and that there are major legal ramifications to taking unilateral actions and with the presumption that the Board will ratify them. In this case, because insurance is a professional service, the 3 bids are not necessarily legally required (but of course a typically a standard and good practice for public agencies).

J. Cavagnaro moved to ratify the purchase of insurance for the snowplow truck. S. Alexander seconded the motion. The motion carried with 3 ayes, and none opposed. The purchase of snowplow truck insurance is now a district transaction, and the balance of the policy will be paid by the PCSD treasurer. Ms. Benton will be reimbursed, by the district, for her personal expense in securing the policy.

Mr. Griesbach added that although the intentions were good in securing the insurance for the truck, it is necessary to always follow proper protocols. No board member, regardless of title, can act individually and unilaterally to commit district funds, set policy, or enter a contract without the full board's authorization.

Communications

Regular communications will be reported at the next regular meeting.

Reports – regular staff reports carried forward to the next regular meeting

Director Comments

All other Unfinished and New Business carried forward to the next regular meeting.

The next regular meeting will be held one week later due to Veteran's Day. The meeting date is Thursday November 18, 2021 at 12:30 pm in the district building.

Meeting declared adjourned with none opposed at 7:50 pm.

Minutes prepared by Jennifer Robertson/Board Secretary