



SANTA MARIA PUBLIC AIRPORT DISTRICT

Friday
June 7, 2024

Administration Building
Airport Boardroom
12:00 P.M.

SPECIAL MEETING A G E N D A

This agenda is prepared and posted pursuant to the requirements of the California Government Code Section 54954.2 and 54956. By listing a topic on this agenda, the Santa Maria Public Airport District has expressed its intent to discuss and act on each item. The Santa Maria Public Airport District welcomes orderly participation at its meetings from all members of the public. This includes assistance under the Americans with Disabilities Act to provide an equally effective opportunity for individuals with a disability to participate in and benefit from District activities. To request assistance with disability accommodation, please call (805) 922-1726. Notification at least 48 hours prior to the meeting would enable the Santa Maria Public Airport District to make reasonable arrangements to ensure accessibility to this meeting.

CALL TO ORDER

ROLL CALL: Moreno, Adams, Brown, Clayton, Baskett

1. **PUBLIC SESSION:** Statements from the floor will be heard during public session for items on the agenda for the special meeting. Request to Speak forms are provided for those wishing to address the board. After completing the form, please give it to the Clerk. The Board will establish a time limit for receipt of testimony. The board reserves the right to establish further time limits for receipt of testimony.
2. **AUTHORIZATION FOR THE PRESIDENT AND SECRETARY TO EXECUTE SDRMA ENDORSEMENT EXCLUSION FOR DAVID BASKETT.**
3. **DISCUSSION AND CONSIDERATION OF RESOLUTIONS AND RELATED BOARD ACTION REGARDING COVERAGE EXCLUSION.**
4. **ADJOURNMENT.**

From: [Wendy Tucker](#)
To: [Kerry Fenton](#)
Cc: [Debbie Yokota](#); [Roberto Lozano](#)
Subject: SDRMA Policy - Exclusion for David Baskett
Date: Friday, May 24, 2024 4:10:44 PM
Attachments: [image001.png](#)
[Special_IndividualExclusion-Santa Maria Public Airport District-.docx](#)
[Special_IndividualExclusion-Santa Maria Public Airport District-Public Officials Personal.docx](#)

Good afternoon,

Recently SDRMA was contacted regarding an incident and concerns relating to district board member David Baskett. Our Chief Risk Officer has discussed with our coverage counsel and as a result, drafted exclusion endorsements which exclude Mr. Baskett from the liability policies as long as the district is a member of SDRMA. We are attaching the proposed exclusion forms for your review and signatures. Please feel free to reach out with any questions. Thank you and have a wonderful holiday weekend.

Wendy Tucker, AU

Underwriting/Program Manager



Special District Risk Management Authority
1112 I Street, Suite 300
Sacramento, California 95814
Direct Line: 916-231-4119 or 800-537-7790
Fax: 916-231-4111
www.sdrma.org

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P Please consider the environment before you print

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**ENDORSEMENT
EXCLUSION OF COVERAGE FOR DAVID BASKETT (LCA)**

Liability Coverage Agreement LCA-SDRMA-202324

THIS ENDORSEMENT CHANGES THE TERMS, CONDITIONS AND DEFINITIONS OF THE COVERAGES ISSUED BY SDRMA CONTAINED IN THE LIABILITY COVERAGE AGREEMENT. PLEASE READ IT CAREFULLY.

It is hereby agreed that this endorsement is added to the Liability Coverage Agreement attached hereto for the

Santa Maria Public Airport District:

The Liability Coverage Agreement does not apply under Coverage A because of **Personal Injury** or **Property Damage** due to an **Occurrence**, under Coverage B because of **Personal Injury** or **Property Damage** due to an **Auto Accident**, under Coverage C because of **Public Officials** and **Employees Errors and Omissions** due to a **Wrongful Act**, under Coverage D because of **Employee Benefits Liability** due to **Employee Benefits Acts, Errors or Omissions**, or under Coverage E because of **Employment Practices Liability** due to **Wrongful Employment Practices** or any combination thereof **caused by or resulting from any act or failure to act of** David Baskett for any **claim or suit** arising out of an **Occurrence**, an **Auto Accident**, a **Wrongful Act**, an **Employee Benefits Act, Error or Omission** or **Wrongful Employment Practices**.

As long as the Santa Maria Public Airport District is a Member of the Special District Risk Management Authority, this endorsement shall remain in effect, including upon any renewals of the Liability Coverage Agreement by Special District Risk Management.



Maximizing Protection. Minimizing Risk.

The Santa Maria Public Airport District agrees to this endorsement.

Authorized Representative
of Santa Maria Public Airport District

Date

Effective date of this endorsement is: June 1, 2024. All other terms and conditions remain unchanged.

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SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Approved by: 
Brian Kelley, MBA, ARM
Chief Executive Officer

9911174.1



Personal Liability for Board Members/Directors Coverage Agreement

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Authorized Representative
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Date



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SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Approved by: 

Brian Kelley, MBA, ARM
Chief Executive Officer

9908364.1



RESOLUTION NO. 935

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA MARIA PUBLIC AIRPORT DISTRICT CLARIFYING AUTHORITY OF DIRECTOR DAVID BASKETT IN HIS INDIVIDUAL CAPACITY AS A DIRECTOR OF THE DISTRICT

WHEREAS, the Santa Maria Public Airport District (the “District”) is an airport district duly formed and existing under the California Public Utilities Code (“PUC”) section 22001 *et. seq.*; and

WHEREAS, PUC section 22401 provides that, “A board of five directors is the governing body of the district,” and PUC section 22551 further provides that, “...the powers of the district shall be exercised by the board”; and

WHEREAS, the rules and regulations specifically governing the District are contained in the Official Administrative Code of the Santa Maria Public Airport District (“Administrative Code”) as amended from time to time by the District Board of Directors; and

WHEREAS, paragraph (a) of Section 11 of Article I of the Administrative Code provides that: “All action of the District shall be taken by the board. No individual board member shall represent a policy as the District's policy, unless said policy has been determined by the board”; and

WHEREAS, paragraph (b) of Section 11 of Article I of the Administrative Code continues: “The board of directors, acting as a board, shall be the policymakers of the District, establishing policy after receiving necessary information from staff and other persons as deemed necessary”; and

WHEREAS, the District is insured as a member of the Special District Risk Management Authority (“SDRMA”); and

WHEREAS, on May 24, 2024, the District received notice from SDRMA, which is attached hereto as Exhibit “A,” stating that, effective July 1, 2024, the Liability Coverage Agreement for the District will exclude all claims or suits “caused by or resulting from any act or failure to act of David Baskett”; and

WHEREAS, on May 24, 2024, the District received further notice from SDRMA, which is attached hereto as Exhibit “B,” that, effective July 1, 2024, “the Board Members/Directors Coverage Agreement does not apply to any liability of David Baskett for Personal Injury for any claim or suit arising out of an Occurrence”; and

WHEREAS, Director David Baskett (“Director Baskett”) currently serves as a member of the District Board of Directors; and

WHEREAS, maintenance of adequate insurance coverage is critical to the continued management, operation, and success of the District; and

WHEREAS, the coverage exclusion necessitates that the District Board of Directors clarify the authority of Director Baskett and protect the District from unnecessary risk created by the SDRMA coverage exclusion endorsement; and

WHEREAS, the District Board of Directors desires to protect the District from that risk and clarify the role of Director Baskett in the governance of the Airport and the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Santa Maria Public Airport District, that the Board of Directors reaffirms the limitation contained in state law and District Administrative Code, as described in section 11 of Article I, that, “[all] action of the District shall be taken by the board. No individual board member shall represent a policy as the District’s policy, unless said policy has been determined by the board.”

BE IT FURTHER RESOLVED that Director Baskett serves only as an individual member of the District Board of Directors and as such has no independent authority delegated to him under state law, under the Administrative Code, or by this body to act or speak on behalf of the District or its Board of Directors.

BE IT FURTHER RESOLVED that, as of the date of this resolution, Director Baskett does not serve as an officer of the District Board of Directors, and as such has no separate authority delegated to him under state law, under the Administrative Code, or by this body to act or speak on behalf of the District or its Board of Directors.

BE IT FURTHER RESOLVED that, for the foregoing reasons, Director Baskett is not a legal agent or officer of the District and does not have any delegated authority to act or speak on behalf of the District or its Board of Directors; and the District Board of Directors hereby repudiates any act taken by Director Baskett after the date of this resolution representing any such authority.

BE IT FURTHER RESOLVED that District staff are hereby directed and authorized to take any reasonable and lawful steps to protect the interests of the District necessitated by the coverage exclusion described in this resolution.

BE IT FURTHER RESOLVED that the Board of Directors does not desire to limit the right of Director Baskett to lawfully participate as an individual member of the District Board of Directors, such as the right to attend meetings and vote on matters that come properly before the board, and any other rights of office that may be specified by state law; this resolution shall not be interpreted as infringing on those rights of office, and to the extent that any provision of this resolution is deemed by a court of law as infringing on those rights, that provision shall be severable without affecting the validity of any other provision of this resolution.

PASSED AND ADOPTED at the regular meeting of the Board of Directors of the Santa Maria Public Airport District held on June 7, 2024, on Motion of _____,
Seconded by _____, and carried by the following roll call vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Ignacio Moreno, President

ATTEST:

Steve Brown, Secretary

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Maximizing Protection. Minimizing Risk.

The Santa Maria Public Airport District agrees to this endorsement.

Authorized Representative
of Santa Maria Public Airport District

Date

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SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY

Approved by: 
Brian Kelley, MBA, ARM
Chief Executive Officer

9911174.1



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