



Property Program Manual

October 2013

Prepared by:



Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
415-403-1400

TABLE OF CONTENTS

- 1. INTRODUCTION**
- 2. CLAIMS HANDLING PROCEDURES**
- 3. COPY OF POLICY DOCUMENT**
- 4. PROPERTY INSURANCE PROGRAM PARTICIPATION AGREEMENT**
- 5. POLICY & PROCEDURE**
- 6. APPENDIX**

SECTION 1

INTRODUCTION

Property Program Manual

The Property Insurance Program has been developed by CSRMA to provide comprehensive insurance coverages for wastewater agencies.

"Special form" Property (formerly known as "All Risk"), Boiler & Machinery and Terrorism coverages are the core of the Property Insurance Program. All participants must purchase these coverages through the program. A master policy is issued in the name of CSRMA, with endorsements detailing the coverages, limits and deductibles applicable to each entity. Each entity receives a complete copy of policy forms applicable to their selected coverages.

The Property Insurance Program master policy is effective on an annual basis commencing on July 1. Agencies may join mid-term and renew at the policy anniversary thereafter. The Participation Agreement allows withdrawal from the program by an entity once a full program year has been completed and two months written notice of intention to withdraw has been submitted to the Program Directors.

CSRMA has created a manual for each of its programs and one additional manual, which contains the Authority's general documents. Together, these manuals are a valuable resource to your agency's insurance program. Any questions about the Authority or its programs should be directed to the Program Administrators at:

**CSRMA Program Administrators
Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111
Telephone: (415) 403-1400
Facsimile: (415) 402-0773**

SECTION 2

CLAIMS HANDLING PROCEDURES

Property Program Manual

Claims Handling Procedures

The carrier should be notified of any Property or Boiler & Machinery loss against a member of the Property Insurance Program, which may exceed the deductible. All claims should be reported through the Program Administrators. The Program Administrators will forward the claim to the carrier, and an adjuster in your area will be assigned. Failure to comply with claims reporting requirements and conditions found in the policy may result in a diminished recovery.

Each member should work cooperatively with a representative of the insurer to efficiently process claims. If a Program participant is not satisfied with the service provided by the adjuster, the Program Administrators should be notified so that appropriate action may be taken.

The following are important items of information, which should be provided when reporting claims or occurrences:

1. The date, time and location of the event causing a loss
2. The person at the agency to contact regarding the claim
3. A description of the circumstances of the loss (fire, theft, etc)
4. Estimated amount of loss
5. A complete copy of any police or fire report

For your assistance, Claim Reporting Forms for the various coverages provided in the Property Program are included in the “Appendix” section of this document. It may be convenient to e-mail this information to Bob Frey, Alliant Insurance Services Claims Manager, at rfrey@alliant.com; otherwise, mail information to:

CSRMA Program Administrators
Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111

SECTION 3

COPY OF POLICY DOCUMENT

Property Program Manual

Copy of Policy Document

If you would like to obtain a copy of the policy document, please contact Myron Leavell.

(415) 403-1404
mleavell@alliant.com

SECTION 4

PROPERTY INSURANCE PROGRAM PARTICIPATION AGREEMENT

Property Program Manual

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY (CSRMA)

**PARTICIPATION AGREEMENT
FOR THE
PROPERTY INSURANCE PROGRAM**

We, _____, signatory to the California Sanitation Risk Management Authority ("CSRMA") Joint Exercise of Powers Agreement, have agreed by action of our Board of Directors on _____, 20____, to participate in the CSRMA Property Insurance Program, hereinafter referred to as "Property Program." As evidenced by the authorized signatures on page 3 of this document, we agree to become a participant in the Property Program and be referred to as a "Program Participant."

It is understood that this Participation Agreement pertains only to the Property Insurance Program and not to any other program operated by CSRMA.

We understand that provided the following requirements are met, Property Insurance Program coverage shall begin on _____ :

- 1) We have paid the Property Program Fee;
- 2) We have executed this Property Program Participation Agreement; and
- 3) We are a member of the Joint Powers Authority. This means we:
 - a) have been approved for Joint Powers Authority membership by the Executive Committee;
 - b) have executed the Joint Exercise of Powers Agreement;
 - c) have executed a "Resolution to Join" in accordance with the Joint Exercise of Powers Agreement; and
 - d) have paid the initial membership fee.

MINIMUM PARTICIPATION PERIOD:

It is understood that the CSRMA Property Program requires an initial full program year commitment in order to participate in the program. Withdrawal from the Property Program cannot occur until a full year of participation has occurred, that is, from the coverage inception date until the end of the first full program year in which the entity has participated, and only then if a two-month prior notice is provided.

Property Program Manual

Our initial commitment to the Property Program will expire on July 1, 20____, unless the program anniversary date is modified by the Property Program Participants. After the initial participation commitment has been met, withdrawal can occur at the end of a program year provided a two-month prior notice of intent to withdraw is provided to the Authority, as noted above.

It is understood that the Minimum Participation Required will be waived if we move our Property Insurance from the Property Program to another of the Authority's Insurance Programs.

RESPONSIBILITIES OF PROGRAM PARTICIPANTS:

It is understood that as a Program Participant, we are obliged to do the following:

- Take such action, including providing the Property Program staff with such statistical and loss experience data and other information, as is necessary to carry out the CSRMA Property Program as required by the CSRMA Joint Exercise of Powers Agreement, Bylaws and the policies established by the Executive Committee and/or the Board of Directors;
- Pay the Property Program when due, for any and all Premiums for each Program Year. Withdrawal does not relieve a Program Participant from liability for owed premiums; and
- Fully cooperate with the Property Program staff and/or representatives in determining the causes of losses and in the investigation, adjudication and settlement of claims.

RESPONSIBILITY FOR PROPERTY INSURANCE PROGRAM EXPENSES:

It is understood that Property Program Participant's are responsible for their share of all Property Program expenses. A Program Participant's share of the program costs shall be reflected, as accurately as possible, within its Program Fee, which is based upon the Property Program's budgetary needs, and any other expenses deemed necessary by the Board of Directors.

The withdrawal or termination of any Program Participant from the Property Program shall not terminate the responsibility to continue to contribute to its share of financial obligations incurred by reason of its previous participation.

CSRMA – California Sanitation Risk Management Authority

Property Program Manual

* * * * *

We acknowledge and agree that this Participation Agreement shall automatically conform to any amendments made to the CSRMA Joint Exercise of Powers Agreement or Bylaws, which affect the conditions of participation in the Property Program. Any other amendments to this Participation Agreement shall require a two-thirds vote of the Property Program Participants.

In recognition of the above, this Participation Agreement is executed on _____, 20 ____.

Program Participant

Signed

Name

Title

ATTEST:

Signed

Name

Title

SECTION 5

POLICY & PROCEDURES

Property Program Manual

CSRMA Policy & Procedure Memorandum #1-P

Effective: July 1, 1992

Subject: Allocation of Loss Limits

Issue:

This policy and procedure addresses the settlement of claims through the Property Insurance Program in the event that more than one member agency is involved in an occurrence which triggers the loss limit.

Discussion:

Effective July 1, 1992 the Property Insurance Program includes certain maximum amounts that the insurer is liable to pay in the event of losses. These are known as "Loss Limits." These limits are shared by all members of the Property Insurance Program and, in the case of Flood coverage, to member agencies. In addition to a per occurrence loss limit, the flood coverage offered includes an aggregate limit per policy period. For example, available limits could be exhausted in the following situations:

- A single agency has a loss in excess of the aggregate
- More than one agency is involved in the same loss event resulting in total payable claims in excess of the aggregate
- A series of unassociated loss events during the policy term involve more than one agency resulting in total payable claims in excess of the aggregate

Policy:

The following Loss Limit Sharing Formula (LLSF) shall govern recoveries by member agencies from the property insurer in any case when the total payable claims of affected member agencies exceed either a per occurrence loss limit or an annual aggregate loss limit specified in the policy such that, in either case, the insurance coverage available is insufficient to pay all payable claims of affected member agencies.

CSRMA – California Sanitation Risk Management Authority

Property Program Manual

$$\frac{\text{Member's T.I.V.}}{\text{Total of affected members' T.I.V.}} \times \text{Available Limits} = \text{Amount Covered}$$

(T.I.V. refers to total insurable value, meaning limits carried by the member agencies)

In any event where it appears that LLSF may require proration of member agencies' claims, the Executive Board shall be, and is, empowered to instruct the insurer concerning the manner in which claims of affected member agencies shall be paid so as to achieve the objectives required by this Policy. However, in exercising this power, the Executive Board shall give due consideration to the needs of affected member agencies for expeditious administration and prompt payment of their claims, and payment of proper claims shall not be unduly delayed because of the application of this Policy. If in any case, a member agency should receive payments for its claim or claims which exceed, in the aggregate, the amount to which the member agency is entitled under the LLSF, the member agency shall promptly refund the excess funds to CSRMA for redistribution in accordance with this Policy.

SECTION 6

APPENDIX

ALLIANT INSURANCE SERVICES, INC.
ALLIANT PROPERTY INSURANCE PROGRAM SUMMARY OF CLAIMS REPORTING

- I. First Notice of Claim should be reported to Alliant Insurance Services via telephone, fax, mail or e-mail to our San Francisco Office:

Bob Frey	Diana Walizada
First Vice President, Claims Manager	Assistant Vice President
Voice: (415) 403-1445	Voice: (415) 403-1453
Email: rfrey@alliant.com	Email: dwalizada@alliant.com
Cell: (415) 518-8490	<i>After hours claims reporting number</i>

Address: Alliant Insurance Services, Inc.
100 Pine St, 11th Floor
San Francisco CA 94111
Toll Free Voice: (877) 725-7695 Fax: (415) 403-1466

Please be sure to copy APIP's Claim Administrator on all Claims correspondence:

Cathryn O'Meara
McLaren's
1301 Dove St., Suite 200
Newport Beach, CA 92660
Voice: (949) 757-1413 Fax: (949) 757-1692
Email: cathryn.omeara@mclarens.com

- II. Cyber Carrier Beazley NY needs to also be provided with Notice of Claim immediately (If coverage applies):

Bob Frey	Beth Diamond
First Vice President, Claims Manager	Beazley Group
Voice: (415) 403-1445	1270 Avenue of the America's, Suite 1200
Cell: (415) 518-8490 After hours	New York, NY 10020
Email: rfrey@alliant.com	Telephone: (646) 943-5900 Fax: (546) 378-4039
	Email: tmbclaims@beazley.com

Elaine G. Kim, CISR
Claims Advocate, Alliant Insurance Services, Inc.
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
Voice: (415) 403-1458 Fax: (415) 403-1466
Email: ekim@alliant.com

- III. Pollution Liability Carrier ACE Environmental, Risk Claims Manger (if coverage applies):

Bob Frey	ACE USA Claims
First Vice President, Claims Manager	PO Box 5103
Voice: (415) 403-1445	Scranton, PA 18505-0510
Cell: (415) 518-8490 After hours	Environmental Emergency: (888) 310-9553
Email: rfrey@alliant.com	Fax: (800) 951-4119
	Email:
	CasualtyRiskEnvironmentalFirstNotice@acegroup.com

Diana Walizada
Assistant Vice President
100 Pine Street, 11th Floor
San Francisco, CA 94111-5101
Voice: (415) 403-1453 Fax: (415) 403-1466
Email: dwalizada@alliant.com

PROPERTY LOSS REPORTING:

- 1) Follow your organization's procedures for reporting and responding to an incident*
- 2) Alert local emergency authorities, as appropriate*
- 3) Report the incident to Alliant Insurance Services immediately at:*

877-725-7695

All property and boiler & machinery losses must be reported as soon as practicable upon knowledge within the risk management or finance division of the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) Report the incident to McLarens AND your Alliant representative*

PROPERTY FIRST NOTICE OF LOSS FORM

SEND TO: Alliant Insurance Services, Inc.

BY MAIL: 100 Pine Street, 11th Floor, San Francisco, CA 94111

BY FAX: (415) 403-1466

BY EMAIL: dwalizada@alliant.com

COPY AIP Claims Administrator: cathryn.omeara@mclarens.com and your Alliant representative

Today's Date: _____

Type of Claim: (check all that apply)

☐ Real Property

☐ Vehicles

☐ Personal Property

☐ Other

Insured's Name & Contact Information

Company Name: _____

Point of Contact: _____

Phone #: _____

Address: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims

Point of Contact: Diana Walizada

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 1-877-725-7695

Fax #: 415-403-1466

Policy Information

Policy Number: _____

Policy Period: 07/01/2013 to 07/01/2014

Limits of Liability: _____ per _____ agg

Self-Insured Retention/Deductible: _____

Loss Information

Date of Incident/Claim: _____ Location: _____

Description of Loss: _____

Please list all attached or enclosed documentation: ☐ (check if none provided) _____

Name of Person Completing This Form: _____ **Signature:** _____

CYBER LOSS REPORTING:

- 1) Follow your organization's procedures for reporting and responding to an incident*
- 2) Alert authorities, as appropriate*
- 3) Report the incident to Beazley Group immediately at:*

646-943-5900

All Cyber losses must be reported as soon as practicable upon knowledge by the insured that a loss has occurred.

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident.

- 4) Report the incident to Alliant Claims Department and your Alliant representative*

SPECIAL NOTE REGARDING PRIVACY NOTIFICATION COSTS:

The policy provides a \$500,000 Aggregate Limit for Privacy Notification Costs. If you utilize a Beazley claims response vendor, the limit is increased to \$1,000,000.

Please contact Beazley for a list of approved vendors.

CYBER FIRST NOTICE OF LOSS FORM

SEND TO: Beazley Group

BY MAIL: 1270 Avenue of the America's, Suite 1200, New York, NY 10020

BY FAX: (546) 378-4039

BY EMAIL: tmbclaims@beazley.com

CC Alliant Claims Department: ekim@alliant.com And your Alliant representative

Today's Date: _____

Insured's Name & Contact Information

Company Name: _____ **Point of Contact:** _____

Address: _____

Phone #: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims **Point of Contact:** Elaine G. Kim, CISR

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 877-725-7695 **Fax #:** 415-403-1466

Policy Information

Policy Number: C121280 **Policy Period:** 7/1/13 to 7/1/14

Limits of Liability: _____ **per** _____ **agg** **Self-Insured Retention/Deductible** _____

Loss Information

Date of Incident/Claim: _____ **Location:** _____

Description of Loss: _____

Please list all attached or enclosed documentation: ☐ (check if none provided) _____

Name of Person Completing This Form: _____ **Signature:** _____

CYBER LOSS REPORTING

A. REFER TO YOUR POLICY FOR COMPLETE CLAIM REQUIREMENTS

B. IMPORTANT POLICY LANGUAGE REGARDING:

NOTICE OF CLAIM, LOSS OR CIRCUMSTANCE THAT MIGHT LEAD TO A CLAIM

1. If any **Claim** is made against the **Insured**, the **Insured** shall, as soon as practicable upon knowledge by the **Insured**, forward to the Underwriters through persons named in Item 9.A. of the Declarations written notice of such **Claim** in the form of a telecopy, or express or certified mail together with every demand, notice, summons or other process received by the **Insured** or the **Insured's** representative; provided that with regard to coverage provided under Insuring Agreements I.A. and I.C., all **Claims** made against any **Insured** must be reported no later than the end of the **Policy Period**, in accordance with the requirements of the **Optional Extension Period** (if applicable), or within thirty (30) days after the expiration date of the **Policy Period** in the case of **Claims** first made against the Insured during the last thirty (30) days of the **Policy Period**.
2. With respect to Insuring Agreement I.B. for a legal obligation to comply with a **Breach Notice Law** because of an incident (or reasonably suspected incident) described in Insuring Clause I.A.1 or I.A.2, such incident or reasonably suspected incident must be reported as soon as practicable during the **Policy Period** after discovery by the Insured. For such incidents or suspected incidents discovered by the **Insured** within 60 days prior to expiration of the Policy, such incident shall be reported as soon as practicable, but in no event later than 60 days after the end the **Policy Period**, provided; if this Policy is renewed by Underwriters and covered **Privacy Notification Costs** are incurred because of such incident or suspected incident reported during the 60 day post **Policy Period** reporting period, then any subsequent **Claim** arising out of such incident or suspected incident is deemed to have been made during the **Policy Period**.
3. With respect to Insuring Agreements I.A. and I.C., if during the **Policy Period**, the **Insured** first becomes aware of any circumstance that could reasonably be the basis for a **Claim** it may give written notice to Underwriters in the form of a telecopy, or express or certified mail through persons named in Item 9.A. of the Declarations as soon as practicable during the **Policy Period** of:
 - a. the specific details of the act, error, omission, or **Security Breach** that could reasonably be the basis for a **Claim**;
 - b. the injury or damage which may result or has resulted from the circumstance; and
 - c. the facts by which the **Insured** first became aware of the act, error, omission or **Security Breach**

Any subsequent **Claim** made against the **Insured** arising out of such circumstance which is the subject of the written notice will be deemed to have been made at the time written notice complying with the above requirements was first given to the Underwriters.

4. A **Claim** or legal obligation under section X.A.1 or X.A.2 above shall be considered to be reported to the Underwriters when written notice is first received by Underwriters in the form of a telecopy, or express or certified mail or email through persons named in Item 9.A. of the Declarations of the **Claim** or legal obligation, or of an act, error, or omission, which could reasonably be expected to give rise to a **Claim** if provided in compliance with sub-paragraph X.A.3. above.

POLLUTION CLAIMS REPORTING



Environmental Risk

IN THE EVENT OF AN ENVIRONMENTAL EMERGENCY:

- 1) *Follow your organization's procedures for reporting and responding to an incident*
- 2) *Alert local emergency authorities, as appropriate*
- 3) *Report the incident to ACE Environmental Risk immediately at:*

888-310-9553

All pollution incidents must be reported within 7 days of discovery

Be prepared to give basic information about the location and nature of the incident, as well as steps which have been taken in response to the incident. You will be contacted by a trained representative of ACE to discuss further response steps as soon as possible.

- 4) *Report the incident to your Alliant representative*

DO follow your organization's detailed response plan
DO contact your management as well as appropriate authorities
DO ensure anyone who could come in contact with a spill or release is kept away

DO NOT ignore a potential spill or leak
DO NOT attempt to respond beyond your level of training or certification

POLLUTION CLAIMS REPORTING



ACE ENVIRONMENTAL RISK FIRST NOTICE OF LOSS FORM

SEND TO: ACE Environmental Risk Claims Manager

BY MAIL: ACE USA Claims, P.O. Box 5103, Scranton, PA 18505-0510

BY FAX: (800) 951-4119

BY EMAIL: CasualtyRiskEnvironmentalFirstNotice@acegroup.com

CC Alliant Insurance: dwalizada@alliant.com And your Alliant representative

Today's Date: _____

Notice of: (check all that apply)

- | | | |
|--|--|---|
| <input type="checkbox"/> Pollution Incident | <input type="checkbox"/> Potential Claim | <input type="checkbox"/> Other _____ |
| <input type="checkbox"/> Third-Party Claim | <input type="checkbox"/> Litigation Initiated | |

Insured's Name & Contact Information

Company Name: _____ **Point of Contact:** _____

Address: _____

Phone #: _____

Broker/Agent's Name & Contact Information

Company Name: Alliant Insurance Services - Claims **Point of Contact:** David Sutton

Address: 100 Pine Street, 11th Floor, San Francisco, CA 94111

Phone #: 415-403-1400

Policy Information

Policy Number: PPL G24544837 003 **Policy Period:** 7/1/13 to 7/1/14

Limits of Liability: _____ **per** _____ **agg** **Self-Insured Retention/Deductible** _____

Loss Information

Date of Incident/Claim: _____ **Location:** _____

Claimant Name/Address: _____

Description of Loss: _____

POLLUTION CLAIMS REPORTING

Please list all attached or enclosed documentation: ☐ (check if none provided) _____

Name of Person Completing This Form: _____ Signature: _____

A. REFER TO YOUR POLICY FOR COMPLETE CLAIM REQUIREMENTS

B. IMPORTANT POLICY LANGUAGE REGARDING:

VII. REPORTING AND COOPERATION

A. The “insured” must see to it that the Insurer receives written notice of any “claim” or “pollution condition”, as soon as practicable, at the address identified in Item 7.a. of the Declarations to this Policy. Notice should include reasonably detailed information as to:

1. The identity of the “insured”, including contact information for an appropriate person to contact regarding the handling of the “claim” or “pollution condition”;
2. The identity of the “covered location” or “covered operations”;
3. The nature of the “claim” or “pollution condition”; and
4. Any steps undertaken by the “insured” to respond to the “claim” or “pollution condition”. In the event of a “pollution condition”, the “insured” must also take all reasonable measures to provide immediate verbal notice to the Insurer.

B. The “insured” must:

1. As soon as practicable, send the Insurer copies of any demands, notices, summonses or legal papers received in connection with any “claim”;
2. Authorize the Insurer to obtain records and other information;
3. Cooperate with the Insurer in the investigation, settlement or defense of the “claim”;
4. Assist the Insurer, upon the Insurer’s request, in the enforcement of any right against any person or organization which may be liable to the “insured” because of “bodily injury”, “property damage”, “remediation costs” or “legal defense expense” to which this Policy may apply; and
5. Provide the Insurer with such information and cooperation as it may reasonably require.

C. No “insured” shall make or authorize an admission of liability or attempt to settle or otherwise dispose of any “claim” without the written consent of the Insurer. **Nor shall any “insured” retain any consultants or incur any “remediation costs” without the prior express written consent of the Insurer, except in the event of an “emergency response”. (Emergency Response coverage is limited to the first 7 days)**

D. Upon the discovery of a “pollution condition”, the “insured” shall make every attempt to mitigate any loss and comply with applicable “environmental law”. The Insurer shall have the right, but not the duty, to mitigate such “pollution conditions” if, in the sole judgment of the Insurer, the “insured” fails to take reasonable steps to do so. In that event, any “remediation costs” incurred by the Insurer shall be deemed incurred by the “insured”, and shall be subject to the “self-insured retention” and Limits of Liability identified in the Declarations to this Policy.