



Property Program Manual

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Prepared by:



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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

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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 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, a Claim Reporting Form is included in the “Appendix” section of this document.. It may be convenient to fax this information to the Program Administrators at (415) 402-0773; 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

Copy of Policy Document

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

(415) 403-1404
mleavell@alliantinsurance.com

SECTION 4

PROPERTY INSURANCE PROGRAM PARTICIPATION AGREEMENT

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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.

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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 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 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 cause of losses and in the investigation, adjudication and settlement of claims.

RESPONSIBILITY FOR PROPERTY INSURANCE PROGRAM EXPENSES:

It is understood that Property Program Participants 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.

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* * * * *

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

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**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 liability 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.

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

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(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

Property Loss Notice		DATE:		
Alliant Insurance Services 100 Pine Street, 11 th Floor San Francisco, CA 94111-5101		1. Date of loss: Time of Loss: Previously Reported? Yes No		
Producer Phone: (415) 403-1400 Producer Fax: (415) 403-1466				
2. INSURED		3. CONTACT		
4. LOSS Location:				
5. Kind of Loss:		6. Probable Amount entire loss (if known)		
Fire Lightning Theft	Hail/Wind Other: _____	\$		
7. Description				
8. ITEM	Subject of Insurance	Amount	Deductible	Coverage
	Bldg Cnts Other	\$		
	Bldg Cnts Other	\$		
	Bldg Cnts Other	\$		
9. Remarks/Other Insurance				
10. Reported by:		11. Report to:		
		Cathy O'Meara McLarens Young International 1301 Dove Street, Suite 200 Newport Beach, CA 92660 Telephone: 949-757-1413 FAX: 949-757-1692 cathryn.omeara@mclarensyoung.com		
12. Producer Signature:				