CSRMA

Ensuring the Future of Clean Water

California Sanitation Risk Management Authority
c/o ALLIANT INSURANCE SERVICES, INC.
560 Mission Street, 6th Floor, San Francisco, CA 94105

Insurance License No.: 0C36861
Tel: 415.403.1400

POOLED LIABILITY PROGRAM
COMMITTEE AGENDA

Meeting Via Teleconference at the Following Locations:

11301 E Conejo Ave, Kingsburg, CA 93631

36 East Mountain Road, Peterborough, NH 03458

Phone One-Tap: +16699006833,,91817005462#,,,,*517167#
Meeting URL: https://alliantinsurance.zoom.us/j/91817005462?pwd=yoMtIQh5KewdLmdYPapXODPvc4KQ1W.1

Date/Time: Monday, November 17, 2025
11:00 AM

LOCATION: Alliant Offices
2185 N. California Blvd., Suite 400
Walnut Creek, CA 94596

A.	**CALL TO ORDER**		**A = Action**	
			I = Information	
B.	**PUBLIC AND COMMITTEE MEMBER COMMENTS**		**V = Verbal**	
			S = Separate	
C.	**GENERAL ADMINISTRATION**		**H = Handout**	
	1.	**Meeting Minutes: September 8, 2025** *Recommendation: Review and approve minutes from their last meeting.*	**A**	**p. 5**
	2.	**Proposed 2026 Meeting Calendar** *Recommendation: Review and adopt the proposed 2026 Meeting Calendar.*	**A**	**p. 12**
D.	**CLOSED SESSION TO DISCUSS PENDING CLAIMS**			
	Action may be taken per Government Code Section 54956.95. See Reverse for Full Listing of Claims to be Discussed		**A**	
E.	**CLAIMS ADMINISTRATION**			
	1.	**Reporting and Ratification of Claims Settlements** *Recommendation: Recieve report and ratify claims settlements approved in closed session.*	**A/V**	
	2.	**Claims Audit Presentation - TIME CERTAIN: 11:10 AM** *Recommendation: Receive a report on the most recent claims audit.*	**I**	**p. 14**
	3.	**Quarterly Claims Report as of September 30, 2025** *Recommendation: Review the quarterly claims report.*	**I**	**p. 27**
F.	**UNDERWRITING ISSUES**			
	1.	**Actuarial Study** *Recommendation: Receive the actuarial study results.*	**I/S**	**p. 28**
	2.	**Program Year 40 (2025-26) Renewal** *Recommendation: Review and approve the estimated renewal costs.*	**A**	**p. 29**
	3.	**DRAFT Retrospective Rating Calculation at 6/30/25** *Recommendation: Review and approve the draft retrospective rating calculation.*	**A**	**p. 33**
	4.	**Dividend Calculation as of 6/30/25** *Recommendation: Review and discuss the draft dividend calculation.*	**A**	**p. 36**
G.	**LOSS CONTROL**			
	1.	**2- Year Risk Control Work Plan** *Recommendation: Provide input and direction for the FY 26/28 Risk Control Work Plan.*	**I**	**p. 41**
H.	**PROPERTY PROGRAM**			
	1.	**Property Appraisals** *Recommendation: Receive an update on the direction provided by the Executive Board.*	**I**	**p. 42**

I.	**INFORMATION ITEMS**			
	1.	**Poem of the Day**	**I**	**p. 44**
	2.	**Article - *Antioch's new $116M desalination plant will produce 6 MGD of drinking water* - localnewsmatters.org**	**I**	**p. 46**
	3.	**Article - *Distinguishing Vendors from Subcontractors* - CarrierChronicles.com**	**I**	**p. 51**
	4.	**Article - *Online Criminals Are Upping Their Website Spoofing Game* - Travelers RMplusonline**	**I**	**p. 54**
	5.	**CSRMA 2025 Meeting Calendar**	**I**	**p. 58**
	6.	**CSRMA Organizational Chart**	**I**	**p. 59**
	7.	**CSRMA Service Team**	**I**	**p. 60**
		Recommendation: Review the presented Information Items.		

J. ADJOURNMENT

The next meeting is tentatively scheduled for February 17, 2026 (Teleconference)

Per Government Code section 54954.2, persons requesting disability-related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Alliant at (415) 403-1400 twenty-four hours in advance of the meeting. Entrance to the meeting location requires routine provision of identification to building security. However, CSRMA does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3.

CSRMA - Claim Register

CARL WARREN & COMPANY Claims Management and Solutions | A VENBROOK Company

Report Criteria: Feature Status <> C And Tier 1 = CAL SANITATION RMA And As-Of Transaction Begin Date = And As-Of Transaction End Date = And Loss Run? = Yes | Row Count: 76 | Report Run: 11/1/2025 04:32 AM

Member District	Claim Number	Claimant Number	Claimant Name	Coverage	Date Of Loss	Claim Date Reported
CENTRAL MARIN SANITATION AGENCY	3109827	1	LaMunyon, Toby	PROPERTY DAMAGE	05/21/2025	05/21/2025
ENCINA WASTEWATER AUTHORITY	3035218	1	[redacted]	EMPLOYMENT PRACTICES	11/08/2021	07/29/2022
ENCINA WASTEWATER AUTHORITY	3074475	1	Salinas, Dario	BODILY INJURY	07/01/2024	08/12/2024
FAIRFIELD/SUISUN SEWER DISTRICT	3109769	1	Frank-Lin Distillers, Ltd	PROPERTY DAMAGE	09/01/2022	05/19/2025
FAIRFIELD/SUISUN SEWER DISTRICT	3115501	1	Fox, Josh	INCIDENT	08/13/2025	08/20/2025
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT	3108148	1	Ayou, Camille	BODILY INJURY	08/10/2024	03/27/2025
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT	3110068	1	Silverman, Jaime	PROPERTY DAMAGE	03/13/2025	06/02/2025
MID-COASTSIDE	3042504	1	Sorfleet, Bill	PROPERTY DAMAGE	01/02/2023	01/17/2023
MID-COASTSIDE	3042504	2	Love, Bobbie Sue	PROPERTY DAMAGE	01/02/2023	01/17/2023
MID-COASTSIDE	3042504	3	Reiken, Chris & Beth	PROPERTY DAMAGE	01/02/2023	01/17/2023
MID-COASTSIDE	3061621	1	Ball , Emma	SUBROGATION	09/01/2023	09/06/2023
MID-COASTSIDE	3061621	2	Kitz , Madison	SUBROGATION	09/01/2023	09/06/2023
MID-COASTSIDE	3061621	3	Whiting, Shane	SUBROGATION	09/01/2023	09/06/2023
MONTARA	3028986	1	Blum, Gonul & Mitch	PROPERTY DAMAGE	12/24/2021	01/11/2022
MONTARA	3028986	2	Kaplan/Pettigrew-Kap, Jerry/Michelle	PROPERTY DAMAGE	12/24/2021	01/11/2022
MONTARA	3109904	1	Kim, Nayoung Susie.	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	2	Boston, Andrew	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	3	Witt Family Trust, Lawrence & Lana	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	4	Noel, Nancy & Matthew	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	5	Kennedy, Thomas & Jennif	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	6	Vaccari, Sergio	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	7	Dobie, Christine	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	8	Bierdeman, Edgar	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	9	Ravella, Sarah	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3109904	10	Peterson, Carl & Mary	PROPERTY DAMAGE	03/13/2025	05/27/2025
MONTARA	3115225	1	Moss, Alan	PROPERTY DAMAGE	02/15/2025	08/13/2025
MONTARA	3115225	2	Guion, Carol	PROPERTY DAMAGE	02/15/2025	08/13/2025
MONTARA	3115621	1	Kresge, John	PROPERTY DAMAGE	03/27/2025	08/26/2025
MONTECITO SANITARY DISTRICT	3066345	1	Withers , Cynthia	PROPERTY DAMAGE	02/19/2024	03/06/2024
MT. VIEW SANITARY DISTRICT	3078748	1	Dambrusio, Vanessa	PROPERTY DAMAGE	01/17/2025	01/17/2025
NEVADA COUNTY WASTEWATER	3062589	1	[redacted]	EMPLOYMENT PRACTICES	11/16/2022	10/11/2023
NOVATO SANITARY DISTRICT	3110088	1	Liddle, Ed	PROPERTY DAMAGE	02/27/2025	06/03/2025
ORO LOMA SANITARY DISTRICT	3049970	1	Cooper, Melody	BODILY INJURY	02/21/2019	08/11/2023
ORO LOMA SANITARY DISTRICT	3065955	1	Daniels, Deidra	BODILY INJURY	11/16/2023	02/20/2024
ORO LOMA SANITARY DISTRICT	3065955	2	Progressive West Insurance ASO, Deidre	PROPERTY DAMAGE	11/16/2023	02/20/2024
ORO LOMA SANITARY DISTRICT	3117168	1	Velazquez, Roberto Aguilera.	BODILY INJURY	05/02/2025	10/21/2025
ORO LOMA SANITARY DISTRICT	3117226	1	Cuello, Victoria	BODILY INJURY	04/09/2025	10/22/2025
ROSS VALLEY SANITARY DISTRICT	3107809	1	[redacted]	EMPLOYMENT PRACTICES	02/14/2025	03/14/2025
ROSS VALLEY SANITARY DISTRICT	3114701	1	Murphy, Patrick	PROPERTY DAMAGE	07/17/2025	07/23/2025
SANTA MARGARITA WATER DISTRICT	3041926	1	Mobasherifar, Najmeh	BODILY INJURY	12/13/2022	01/12/2023
SANTA MARGARITA WATER DISTRICT	3068531	1	Progressive Ins a/s/o, Gruszczynski	PROPERTY DAMAGE	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3068531	2	Gruszczynski, Andrew	BODILY INJURY	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3068531	3	Gruszczynski, Justin	BODILY INJURY	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3069123	1	GUYOT, CAESAR & IRENE	PROPERTY DAMAGE	04/20/2022	04/24/2024
SANTA MARGARITA WATER DISTRICT	3075790	1	Sweeney, Kevin	PROPERTY DAMAGE	09/28/2024	09/30/2024
SANTA MARGARITA WATER DISTRICT	3078391	1	[redacted]	EMPLOYMENT PRACTICES	10/15/2024	01/07/2025
SANTA MARGARITA WATER DISTRICT	3116241	1	Green, Kara	BODILY INJURY	07/12/2025	09/18/2025
SELMA-KINGSBURG-FOWLER COUNTY SANITATION DISTRICT	3077808	1	Lake, Joslin	BODILY INJURY	11/17/2022	12/11/2024
SILICON VALLEY CLEAN WATER	3107114	1	[redacted]	EMPLOYMENT PRACTICES	09/20/2023	02/19/2025
STEGE SANITARY DISTRICT	3066967	1	Wolter, Jonathon and Lynn	PROPERTY DAMAGE	09/08/2024	09/08/2024
STEGE SANITARY DISTRICT	3111704	2	Richardson, Kary	INCIDENT	07/02/2025	07/21/2025
STEGE SANITARY DISTRICT	3116602	1	Good, Lani	INCIDENT	09/27/2025	10/01/2025
TAHOE-TRUCKEE SANITATION AGENCY	3078127	1	[redacted]	EMPLOYMENT PRACTICES	06/27/2024	12/23/2024
TAHOE-TRUCKEE SANITATION AGENCY	3116541	1	[redacted]	EMPLOYMENT PRACTICES	03/31/2024	09/30/2025
UNION SANITARY DISTRICT	3049241	1	Johnson, Davina	BODILY INJURY	01/10/2023	07/10/2023
UNION SANITARY DISTRICT	3117092	1	Cuello, Victoria	BODILY INJURY	04/09/2025	10/17/2025
VALLEJO FLOOD AND WASTE WATER DISTRICT	3045772	1	Cabrera, Trever-James F.	BODILY INJURY	08/03/2022	04/14/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3073566	1	Vincenty, Clifford	BODILY INJURY	03/27/2023	07/09/2024
VALLEJO FLOOD AND WASTE WATER DISTRICT	3114931	1	Cullen, Denise & Dennis	PROPERTY DAMAGE	02/14/2018	08/01/2025
VALLEJO FLOOD AND WASTE WATER DISTRICT	3115186	1	Tigerino Miranda, David	PROPERTY DAMAGE	08/12/2024	08/12/2025
VALLEJO FLOOD AND WASTE WATER DISTRICT	3115335	1	Tigerino Miranda, David	PROPERTY DAMAGE	07/21/2025	08/15/2025

CSRMA - Claim Register

Report Criteria: Feature Status <> C And Tier 1 = CAL SANITATION RMA And As-Of Transaction Begin Date = And As-Of Transaction End Date = And Loss Run? = Yes | Row Count: 76 | Report Run: 11/1/2025 04:32 AM

Member District	Claim Number	Claimant Number	Claimant Name	Coverage	Date Of Loss	Claim Date Reported
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY	1980783	1	[redacted]	EMPLOYMENT PRACTICES	05/21/2018	05/21/2018
VICTOR VALLEY WASTEWATER RECLAMATION AUTHORITY	2005386	1	[redacted]	EMPLOYMENT PRACTICES	01/01/2014	12/17/2019
WEST BAY SANITARY DISTRICT	3106422	1	Lim, Kyna	PROPERTY DAMAGE	07/23/2024	01/29/2025
WEST BAY SANITARY DISTRICT	3115490	1	PG&E	PROPERTY DAMAGE	02/26/2025	08/20/2025
WEST BAY SANITARY DISTRICT	3117493	1	Young, Ondine	PROPERTY DAMAGE	10/28/2025	10/28/2025
WEST COUNTY WASTEWATER DISTRICT	3039920	1	[redacted]	EMPLOYMENT PRACTICES	11/09/2022	11/09/2022
WEST COUNTY WASTEWATER DISTRICT	3045201	1	Williams, Maurice & Mohania	PROPERTY DAMAGE	03/28/2023	03/30/2023
WEST COUNTY WASTEWATER DISTRICT	3045201	2	McKneely , Wilford & Gwendolyn	PROPERTY DAMAGE	03/28/2023	03/30/2023
WEST COUNTY WASTEWATER DISTRICT	3061610	1	[redacted]	EMPLOYMENT PRACTICES	09/01/2023	09/05/2023
WEST COUNTY WASTEWATER DISTRICT	3077882	1	Shapiro, Matt	PROPERTY DAMAGE	12/15/2024	12/16/2024
WEST COUNTY WASTEWATER DISTRICT	3114909	1	Kinney, Rich	PROPERTY DAMAGE	07/29/2025	08/01/2025
WEST COUNTY WASTEWATER DISTRICT	3115615	1	[redacted]	EMPLOYMENT PRACTICES	04/03/2025	08/26/2025
WEST COUNTY WASTEWATER DISTRICT	3116713	1	Unknown	PROPERTY DAMAGE	10/03/2025	10/03/2025
WEST VALLEY SANITATION DISTRICT	1992584	1	YOUNGBLOOD, FRANKIE & DORIS	PROPERTY DAMAGE	03/17/2019	03/19/2019
WEST VALLEY SANITATION DISTRICT	3107412	1	Augar, Robert	PROPERTY DAMAGE	09/01/2024	02/28/2025

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY
MINUTES OF THE
POOLED LIABILITY COMMITEE MEETING
SEPTEMBER 8, 2025
TELECONFERENCE

MEMBERS PRESENT

Mr. Sergio Ramirez, West Bay Sanitary District
Mr. Mark Carlson, Union Sanitary District
Mr. Jordan Damerel, Fairfield-Suisun Sewer District (via teleconference)
Ms. Veronica Cazares, Selma-Kingsburg-Fowler County Sanitary District
Mr. Robert Grantham, Santa Margarita Water District (arrived 11:05 a.m.)

MEMBERS ABSENT

Mr. Patrick Ostly, North of River Sanitary District, Chair

GUESTS AND CONSULTANTS PRESENT

Mr. Dennis Mulqueeney, Alliant Insurance Services, Inc. (arrived 11:04 a.m.)
Mr. Seth Cole, Alliant Insurance Services, Inc.
Mr. P.J. Skarlanic, Alliant Insurance Services, Inc.
Mr. Myron Leavell, Alliant Insurance Services, Inc.
Mr. Steve Davidson, Alliant Insurance Services, Inc.
Mr. Tom Barber, Alliant Insurance Services, Inc.
Mr. David Patzer, Risk Management Solutions
Mr. Byrne Conley, Gibbons & Conley (left 12:41 p.m.)
Mr. Bill Kirker, Carl Warren & Company
Ms. Beth Tavares, Carl Warren & Company

A. CALL TO ORDER

Sergio Ramirez called the meeting to order at 11:03 a.m.

B. PUBLIC AND COMMITTEE MEMBER COMMENTS

None.

C. GENERAL ADMINISTRATION

C.1. Meeting Minutes of May 5, 2025

The Meeting Minutes of May 5, 2025 were reviewed.

A motion was made to approve the meeting minutes as presented.

MOTION: Mark Carlson **SECOND:** Veronica Cazares **MOTION CARRIED**

AYES: Carlson, Cazares, Damerel, Grantham, Ramirez
NAYS: None
ABSTAIN: None
ABSENT: Ostly

C.2. Preliminary 2026 Meeting Calendar

Seth Cole reviewed the preliminary 2026 meeting calendar with the Committee. The Committee's February and May meetings are normally held via teleconference, with the remainder held in person at the Alliant Walnut Creek offices. The Committee was asked to inform the Program Administrators of any known conflicts with the proposed meeting schedule. No known conflicts were reported at the meeting.

The Program Administrators will bring back the meeting calendar to the Committee at their November meeting for approval.

D. CLOSED SESSION

The Committee entered Closed Session at 11:06 a.m. pursuant to Government Code Section 54956.95. The Committee left Closed Session at 11:41 a.m., at which time it was announced that the Claims Administrator was provided with direction concerning the disposition of certain claims; however, no final settlements were approved, nor was any action taken.

E. CLAIMS ADMINISTRATION

E.1. Reporting and Ratification of Claims Settlements

None.

E.2. Quarterly Claims Report as of June 30, 2025

P.J. Skarlanic reviewed the Quarterly Claims Report with the Committee. This report reflects the claims activity as of June 30, 2025. The loss ratio represents incurred claims as a percentage of pooled deposits collected. The loss ratio for Program Year 39 through June 30, 2025 is 7.88%, well below the 5-year program average of 58.07%, and lower than the 39-year program average of 45.72%.

Loss frequency has been continuing a downward trend in recent years; however, severity has increased, most notably in the more recent program years, due to a number of factors, including social inflation and increased loss costs.

E.3. Carl Warren & Company Contract Renewal 2026

Seth Cole advised that the expiration date of Carl Warren & Company's contract with CSRMA expires in 2027. The Program Administrators were off by a year. This will be agendized for the Pooled Liability Committee's September 2026 meeting.

F. UNDERWRITING ISSUES

F.1. PY 40 (2025-2026) Renewal Update

Seth Cole reviewed the item with the Committee, providing an update on the renewal effective December 31, 2025 in a couple of key areas. The Pooled Deposit/CWIC Gross Premium actuarial studies are in progress. Claims frequency has been trending downwards for the Pooled Liability Program, however, claim severity has increased considerably and it is expected this will have an impact on the renewal costs.

Seth advised that Clean Water Insurance Captive, Inc (CWIC) has been reinsuring the Pooled Liability Program's pooled layer since PY 38, beginning December 31, 2023. We will evaluate doing the same for the PY 40 renewal.

Seth also provided an update on the reinsurance/excess insurance. He noted that we continue to be in a challenging insurance environment, with many carriers further reducing their capacity and increasing retentions in California. Based on early conversations with Munich Re, the lead reinsurer on the program, it is expected that they will continue to provide $10M in capacity. It is also expected, however, that the lead reinsurer will require an increase in the Program's self-insured retention from $750k to $1M. Berkley proves the second layer of coverage and is expected to offer renewal terms in line with rate changes in the underlying layer from Munich Re. AWAC, who currently provides the last layer of coverage for the Program, has indicated that they may reduce their capacity from $10M to $5M excess of the Berkeley layer. The Program Administrators are actively marketing options to replace AWAC's expiring layer. Updates will be provided to the Committee at its November 2025 meeting.

The Program Administrators are estimating a 10-20% increase in total cost for the renewal, largely due to the challenging insurance market conditions and claims activity in the Program.

Lastly, Seth advised the Committee that an application submission portal for the Pooled Liability Program has been developed by the Program Administrators and is nearly ready to roll out to members. Dennis Mulqueeney demoed the online portal for the Committee.

F.2. Deductible Selection Policy and Procedure

Seth Cole reviewed the item with the Committee and explained that each year prior to the renewal of the Program, the Program Administrators perform a review of the members loss history to determine appropriate deductible levels. If a member agency's loss history constitutes "Adverse Loss Experience" as defined in the Deductible Selection Policy & Procedure, a risk management audit is triggered and the member agency's General Liability and/or Employment Practices Liability deductible will be established as provided in the Policy and Procedure.

Seth reviewed the General Liability deductible selection worksheet with the Committee. Based on loss data as of June 30, 2025, one member (Santa Margarita Water District) qualifies as having adverse General Liability loss experience. Based on the claims activity within the scope of the Policy & Procedure and the District's relative size to other members in the Pooled Liability Program, the Program Administrators recommended that Santa Margarita Water District's General Liability deductible be increased to a minimum of $100k, increasing from $50k. The District will be provided with an option at $250k for consideration.

Seth then reviewed the Employment Practices Liability deductible selection worksheet with the Committee. Per the definition in the Policy and Procedure, three members (Santa Margarita Water District, Encina Wastewater Authority, and West County Wastewater Authority) qualify as having adverse Employment Practices Liability loss experience with two or more claims in the five most recent program years.

Seth advised that Santa Margarita Water District has provided EPL training to their employees beyond that required by CSRMA. West County Wastewater Authority's General Manager asked CSRMA for direction on advising the Agency's Board on the need for additional EPL training. Encina Wastewater Authority implemented additional training for staff and Board members, and the claims that contributed to their Adverse Loss Experience were from 2 or more years ago. As such, no action was recommended with respect to members' EPL deductibles.

David Patzer advised that the Risk Control Advisor will be adding 6 additional trainings in the coming year on interpersonal skills.

A motion was made to recommend to the Executive Board that Santa Margarita Water District's General Liability deductible be increased to a minimum of $100,000.

MOTION: Mark Carlson **SECOND:** Jordan Damerel **MOTION CARRIED**

AYES: Carlson, Cazares, Damerel, Ramirez
NAYS: None
ABSTAIN: Grantham
ABSENT: Ostly

G. LOSS CONTROL

G.1. Fall/Winter 2025 Area Training Update

David Patzer briefly reviewed the Fall/Winter 2025 area training schedule with the Committee and explained that training seminars are provided on topics of interest to the CSRMA membership throughout the year. The Area Training Schedule is as follows:

<table>
<tr><th colspan="2">Topic</th><th>Tentative Dates</th><th>Tentative Locations</th></tr>
<tr><td colspan="2">Sentinel Training Program for WC members</td><td>Ongoing</td><td>Zoom</td></tr>
<tr><td colspan="2">Sewer Summit</td><td>October 9</td><td>Virtual conference</td></tr>
<tr><td colspan="2">Webinars Scheduled To Date:</td><td>September-Jan</td><td>Webinars</td></tr>
<tr><td>8/27/25</td><td colspan="3">Small Water Systems Drinking Water Rules</td></tr>
<tr><td>8/28/25</td><td colspan="3">Job Hazard Analysis - Your Safety Super Tool</td></tr>
<tr><td>9/2/25</td><td colspan="3">Underground Utility Locator</td></tr>
<tr><td>9/3/25</td><td colspan="3">WeTip and CSRMA</td></tr>
</table>

9/4/25	Lone Worker Best Practices: How to Keep Lone Rangers Safe When There Isn't a Tonto
9/11/25	Combination Hydro-Vac & CCTV Inspection Unit - Strategies for Safe and Efficient Use (Heavy Equipment)
9/23/25	Sewer Backup Response: Reducing Liability and Responding Professionally
9/25/25	SERP Services: Sewer Spill Help Hotline and SWRCB Training Membership
10/16/25	Effective Tailgate Safety Meetings/Trainings
10/23/25	What Supervisors Need to Know About Workers' Compensation to Avoid Legal Pitfalls
10/28/25	Soft Tissue Injury Prevention for PW/Water/Wastewater Workers - Part I
11/4/25	KnowledgeVine- Leveraging Technology to Create a Sustainable Safety Culture.
11/6/25	How To ID and Classify Confined Spaces for Wastewater Workers
11/11/25	Ergonomics in Action: Preventing Injuries Through Smarter Work Practices
11/13/25	CalOSHA Inspections: Survival Planning and Tips
11/18/25	From Chlorination to UV: Disinfection in Wastewater Treatment
11/20/25	Are You Prepared for Bypass Pumping
12/10/25	The Importance of Documentation, Reports, and SCADA
12/17/25	Drinking Water Disinfection
1/6/26	CalOSHA Inspection and Serious Injury Reporting - Understanding and Knowing Your Responsibilities. Rights and Requirements
1/13/26	Sludge Thickening, Digestion, and Dewatering: Solids Handling in Wastewater Treatment
1/13/26	Dog Bite Prevention for Public Works and Water Utility Employees
1/21/26	Supervising for Safety: Coaching Teams to Prevent Soft Tissue Injuries

G.2. Annual Liability Loss Analysis Reports

David Patzer presented loss trends for the CSRMA Pooled Liability Program to the Committee. This analysis will help focus CSRMA's loss control efforts and target areas of greatest loss. David advised the Committee that the top 3 liability claims, as reported to Carl Warren & Company are:

1. Sewer backups
    - SBU claims count is continuing a downward trend, however the average cost per claim is trending upwards.
2. Auto
    - CSRMA auto claims count has decreased, but the average claim cost is on the rise.
    - David recommended that defensive driver training be required for new employees if operating district vehicles, as well as refresher courses be offered to all employees.
3. Employment Practices Liability
    - Infrequent claims, but they tend to be more expensive.

Take aways from the analysis included:

- Continue to focus risk control efforts on sewer backups

- Training
  - Sewer Summit
  - Webinars (~30% of CSRMA webinars focus on sewer collections issues)
  - Online Training
  - Job Competencies – Moving member culture from tribal knowledge form of training to strategic, systematic and measurable standards-based training
    - Training Plans for job skills (1-month, 3-month, 6-month and beyond)
    - SOPs
    - Just in Time Training Tools
    - Competency evaluations (initial and periodic)

- Auto claims
  - One of most frequent, but average cost is relatively low except for a few outliers
  - Defensive driver training every 2 years and DMV PULL Program
  - Added to CSRMA Webinar Lineup for FY24/25
- EPL
  - Education on EPL Hotline
  - Training by LCW via 10 seminars/year
  - Adding 6 Interpersonal Skills live virtual seminar annually
  - CSRMA incentive/recognition program for EPL-prevention efforts

H. PROPERTY PROGRAM

H.1. Program Year 36 (2025/26) Post Renewal Report

P.J. Skarlanic provided a recap of the Pooled Property Insurance Program renewal effective July 1, 2025. P.J. advised that the total renewal cost was approximately 2.5% less than last year's renewal. This change was based on a 3.8% increase in Total Insured Values (TIV) and a 6.9% rate decrease. Additionally, the All Risk per occurrence limit was increased from $1.0B to $1.25B. At the May 2025 meeting, the Pooled Liability Committee recommended approval of the renewal based on estimated costs. The Executive Board as presented with firm numbers at their June meeting and approved the renewal. P.J. noted that a Property Post Renewal Report was also provided to the Board of Directors at their July 2025 meeting.

H.2. Property Appraisals

P.J. Skarlanic reviewed the item with the Committee. Members of the CSRMA Property Program obtain coverage through the Alliant Property Insurance Program (APIP), an insurance program managed by Alliant. In order to maintain accurate insurable values, property appraisals for buildings valued at over $5,000,000 and wastewater treatment facilities with capacity of greater than 10 MGD are provided by APIP every 5-7 years. The last appraisal was performed in 2018-19.

Alliant Appraisal Services has provided the Program Administrators with a proposal to provide replacement cost appraisals for all member locations. There is no cost associated to have buildings over $5,000,000 and wastewater treatment plants with capacity greater than 10 MGD appraised. For all the remaining locations, the total cost of the appraisal services would be $294,450, with specific costs per class of building/facility broken out in a chart provided for the Committee's review.

P.J. advised that Alliant could obtain quotes for "desktop appraisals" from Alliant Appraisal Services, which could provide rough estimates of building/facility values at a lower cost than the full appraisals currently quoted.

The Program Administrators were asked to obtain quotes for desktop appraisals and present the desktop appraisal quotes alongside the full appraisal quotes to the Executive Board for direction on the appraisals.

I. INFORMATION ITEMS

I.1. *"Poem of the Day"*

I.2. Article – *Marin County wastewater plant to become idyllic city's largest housing plan in decades* – newsbreak.com

I.3. Article – *East Coast beaches hit with fecal contamination warnings ahead of Labor Day weekend* – foxnews.com

I.4. Article – *Social Media and Browser Extensions: The One-Two Punch Online Criminals Prefer* – Travelers RMplusonline

I.5. CSRMA 2025 Meeting Calendar

I.6. CSRMA Organizational Chart

I.7. CSRMA Service Team

The Committee reviewed the presented information items.

J. ADJOURNMENT

The meeting was adjourned at 1:15 p.m. The next meeting is scheduled for November 17, 2025, at the Alliant Walnut Creek Office.

2026 Meeting Calendar

ISSUE: Every year the Executive Board adopts a meeting calendar. The Pooled Liability Committee meetings are included in that calendar. The Pooled Liability Committee reviewed the proposed meetings dates at their last meeting and there were no known conflicts at that time.

Historically, the February and May meetings have been held as a teleconference. The remainder of the calendar year meetings are slated to be held in-person at the Alliant Walnut Creek offices.

RECOMMENDATION: The Program Administrator recommends that the Pooled Liability Committee approve their dates on the 2026 meeting calendar.

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENTS: Proposed 2026 Meeting Calendar – PL Version

CSRMA MEETING CALENDAR 2026

JANUARY	FEBRUARY	MARCH	APRIL
CSRMA EB - TUE - 13	CSRMA LIAB (TC) - TUE - 17	**CSRMA LRP - SUN - TUE - 1, 2, 3**	**CSRMA FIN - TUE - 27 (SFO)**
CSRMA BD - WED - 14	**CSRMA WC - THUR - 19 (SFO)**		
CASA January 13 - 16	***PARMA February 24 - 27***		
Indian Wells	***Monterey***		
MAY	**JUNE**	**JULY**	**AUGUST**
CSRMA LIAB (TC) - MON - 4	CSRMA EB (TC) - MON - 8		**CSRMA EB - TUE - 4**
CSRMA OC (TC) - TUES - 5	CSRMA BOD (TC) - WED - 17		**CSRMA BD - WED - 5**
CSRMA WC (TC) - THUR - 14	CSRMA OC (TC) - WED - 24		
			CASA August 4 - 7
			Napa
SEPTEMBER	**OCTOBER**	**NOVEMBER**	**DECEMBER**
CSRMA LIAB - TUE - 8 (WC OFFICE)	**CSRMA EB - MON - 5 (SFO)**	CSRMA FIN (TC) - MON - 9	CSRMA EB (TC) - MON - 7
CSRMA OC (TC) - FRI - 11	CSRMA WC (TC) - WED - 14	**CSRMA LIAB - MON - 16 (WC OFFICE)**	CSRMA OC (TC) - THUR - 10
	CSRMA OC (TC) - FRI - 30		
CAJPA September 15 - 18			
South Lake Tahoe			

Meetings in RED are IN-PERSON

Agenda Item No. E.2
Pooled Liability Committee Meeting
Meeting Date: November 17, 2025

Pooled Liability Program Claims Audit

ISSUE: In order to ensure that CSRMA members continue to benefit from above average claims handling services, the third-party administrator undergoes a claims handling audit every two years. This year, Praxis Claims Consulting ("Praxis") was selected through a competitive RFP process to conduct an audit of Carl Warren & Company. The audit revealed no major concerns and concluded that Carl Warren is providing effective claims administration services. However, the report did identify "opportunities for improvement" in the communication with defense counsel in some of the litigated claims. Carl Warren has provided a response to address these areas, and their written response is attached to the agenda.

Tim Vincent from Praxis will present the results of the claims audit to the Pooled Liability Program Committee at the meeting, and his report is attached to this item. Sensitive claim information has been redacted from the report.

RECOMMENDATION: None at this time.

FISCAL IMPACT: The cost of the audit was $6,450.

BACKGROUND: The claims audit is designed to capture key measurements that allow a JPA to gauge the effectiveness of its Third-Party Administrator (TPA) to resolve claims in a prompt, equitable and efficient manner. It not only reviews what our TPA is doing, but also how claims are being reported and managed by our members. Auditing claims services is not only a good risk management practice but also is recommended by the California Association of Joint Powers Authority (CAJPA), and is a benchmark for their accreditation process, in which we participate.

The areas of focus for the audit include adequacy of member reporting, file set-up & initial contact, liability determination & investigation, file documentation, damage evaluation, reporting to excess/reinsurance, litigation management, contribution/subrogation, reserve and reserve adequacy, financial reconciliation, case disposition/settlement, and supervision.

Carl Warren & Company has been CSRMA's claims administrator since the inception of the Pooled Liability Program and has undergone an audit every two years. An RFP process was conducted prior to this year's audit, and Praxis Claims Consulting was selected by the Committee amongst three total respondents.

ATTACHMENTS: 1) Audit Report from Praxis Claims Consulting
2) Carl Warren's response to the audit

36 East Mountain Road
Peterborough, NH 03458
Mobile: (802) 249-6320
Toll free & Fax: (800) 651-7021
www.praxisclaims.com

SENT VIA E-MAIL- October 31, 2025

California Sanitation Risk Management Authority
C/O: P.J. Skarlanic, CPCU, ARM
Senior Vice President
Alliant Insurance Services, Inc.
560 Mission Street, 6th Floor
San Francisco, CA 94105

RE: CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY (CSRMA) LIABILITY CLAIMS AUDIT

Audit Dates: September 22-26, 2025
Audit Location: Remote

INTRODUCTION

This narrative will serve as Praxis' report of findings following the remote audit and claims handling review for the California Sanitation Risk Management Authority (CSRMA). The claim files reviewed are administered by Carl Warren & Company, a third-party claims administrator.

EXECUTIVE SUMMARY

Observations:

Exceeds Expectations

- Claims are evaluated for sufficiency and timeliness.
- The initial set-up of the claim file and contacts are made timely.
- Claim files are actively managed with appropriate diary spans.
- There is evidence of consistent supervisory review and involvement in each of the claim files reviewed.

Meets Expectations

- Each file reviewed contains an analysis of coverage upon receipt of the claim or lawsuit.
- With one exception, the identification of potential coverage concerns and the issuance of reservation of rights letters is timely and well documented.
- Investigations are timely and comprehensive.
- With one exception, the claim files reviewed contain liability assessments that take into consideration government codes, immunities, case law, etc.
- The claim activity notes outline interactions with claimants, members, legal counsel, and vendors. Praxis did identify four files with gaps in documentation however each of those gaps occurred over a year prior to the claim review.
- The current status and plan of action are noted in all but one of the claim files reviewed.
- Relevant claim file documentation is attached in FileHandler, Carl Warren & Company's claims management system.
- Comprehensive damage evaluations taking into consideration both compensatory and general damages could not be located in two of the claim files reviewed.
- The management of litigation in terms of assignment, defense strategy, and disposition is appropriate.
- With two exceptions, initial and status reporting is in adherence with excess reporting requirements. Praxis identified one applicable file with no reporting to excess and another file with delayed initial reporting.
- Co-defendants are identified and cross complaints are filed when appropriate. Tender of defense & indemnity are pursued in applicable cases.
- Reserves are established taking into account the liability and damage evaluations to reflect the ultimate expected exposure.
- Reserves are re-evaluated when new facts are presented. There is no evidence of stair-stepping or suppression of reserves. Praxis recommends one loss reserve increase as well as two ALAE reserve increases. Case specific recommendations are outlined within the audit review worksheet.
- Negotiations and settlements are appropriately pursued which helps mitigate damages and legal expenses.
- The claim files reviewed exhibit an appropriate evaluation of exposure and potential for dismissal through motion practice or defense verdict.
- Specific to the claim files reviewed, Praxis did not identify any discrepancies in the financial transactions and the supporting documentation in the claims system. Claim payments are issued timely and accurately.

Opportunities for Improvement

- In the thirty-two litigated files reviewed, Praxis identified seven files in which the reporting and communication by defense counsel is not in accordance with the litigation management guidelines despite appropriate requests by the claims handler.

Recommendations:

- Specific to litigated files, Praxis recommends the following:

  - Approved defense panel firms should receive a copy of the requirements included within the litigation management guidelines yearly and be required to sign off regarding their receipt and understanding.

  - The initial assignment of each matter to approved panel counsel should include the requirements as it relates to reporting and communication as outlined within the litigation management guidelines.

  - CSRMA in collaboration with Carl Warren & Company should conduct performance evaluations and exit analysis regarding panel defense counsel adherence to the litigation management guidelines at least yearly, and if necessary, make periodic recommendations to the CSRMA Board of Directors concerning the removal of a particular defense counsel or firm from the approved defense panel if their reporting and communication is not up to standards.

AUDIT LOGISTICS

Prior to the claim audit review, planning and scheduling of the audit was coordinated through P.J. Skarlanic as well as multiple individuals from Carl Warren & Company. An initial virtual meeting was conducted on August 12, 2025, with Mr. Skarlanic, Steve Davidson, and Myron D. Leavell.

Kelly Carter, Director, Client Services, of Carl Warren & Company provided the requested reference material for the claims audit and facilitated access to FileHandler, the claims management system.

The remote audit took place September 22-26, 2025. Praxis reviewed fifty claim files. The claim files were reviewed by Timothy Vincent, CPCU, of Praxis.

EXHIBITS

The following exhibit is included with this report:

1) Audit Review Spreadsheet - Exhibit 1.

TECHNICAL REVIEW

Government Codes/File Set-up/Initial Contacts

This category considers the adequacy of member reporting, file set-up, and initial contacts.

In addition, each case being brought against CSRMA should be analyzed to determine that proper claim reporting procedures are followed to ensure that files are timely and sufficient. The file handler should evaluate the applicable government codes and immunities available to the defense.

The Client Services Instructions indicate that initial contacts are to be made within twenty-four hours of receipt.

Findings

Claims are evaluated for sufficiency and timeliness.

The initial set-up of the claim file and contacts are made timely.

Coverage:

This category evaluates the assessment of coverage, applicable immunities, potential exclusions, limitations, and sub-limits. Praxis also assesses whether reservation of rights letters are drafted timely to address potential coverage concerns.

Findings

Each file reviewed contains an analysis of coverage upon receipt of the claim or lawsuit.

With one exception, the identification of potential coverage concerns and the issuance of reservation of rights letters is timely and well documented.

Liability Determination/ Investigation:

The liability determination takes into consideration government codes and immunities as well as case law. Following that initial assessment, the claim handler needs to evaluate the duties owed as well as the duties breached. In determining comparative aspects, the importance of each duty is also evaluated. If there is evidence of a breach of duty owed, the claims handler then evaluates whether there was notice, either actual or constructive. Each of these components make up the overall liability assessment.

Findings

Investigations are timely and comprehensive.

With one exception, the claim files reviewed contain liability assessments that take into consideration government codes, immunities, case law, etc.

File Documentation/ Action Plan:

Throughout the life of the claim or litigated case, the file activity notes should contain chronological documentation of activities, and the cause and effect of these activities as they relate to exposure. Received and generated correspondence should be uniformly stored and identified for ease of access.

A properly documented claim file or litigated case, as applicable, should have activity notes that contain at a minimum:

- A clear, detailed description of the claim being made.
- An initial analysis of coverage and any applicable immunities.
- Known facts and unknown information needed.
- An initial plan of action.
- A prompt and detailed initial investigation with documented results.
- An assessment of that investigation as it relates to liability and damages.
- A detailed documented rationale supporting the loss reserve and as needed, expense reserves.
- An updated assessment of liability, damages and reserve changes as needed, and a revised detailed plan of action based on the results of any new or developing information.
- Files in litigation should contain an initial case evaluation report from defense counsel that details initial case analysis, a litigation budget, and a proposed litigation plan.
- Defense counsel should provide a meaningful updated status every three to six months depending on the stage in the life of the file.
- The file notes should contain a summary and analysis of all documents received. The notes should reflect that the document has been read and its effect on the exposure.
- An activity diary that is set at an interval commensurate with the needs of the file, and the file notes should be updated periodically by the examiner depending on what stage it is in, or if there is a significant change or event.
- A summary of any roundtable discussions or supervisory direction as applicable.

The Client Services Instructions indicate that action plans need to be set within thirty days of claims receipt as well as every claim action thereafter. In addition, diaries are to be set on each file every thirty to forty-five days.

Findings

The claim activity notes outline interactions with claimants, members, legal counsel, and vendors. Praxis did identify four files with gaps in documentation however each of those gaps occurred over a year prior to the claim review.

The current status and plan of action are noted in all but one of the claim files reviewed.

Claim files are actively managed with appropriate diary spans.

Relevant claim file documentation is attached in FileHandler, Carl Warren & Company's claims management system.

Damage Evaluation:

This category measures the evaluation and potential financial impact of each claim and the documentation within the claim file to support the evaluation. Industry claims handling practices require the claims handler to develop and document liability probabilities together with an estimate of reasonable economic and general damages. Further, the claims handler must adjust the evaluation as additional facts are developed. The claims handler, as early as possible, should form an opinion as to liability by applying the facts to the law, and estimate the probable outcomes to reach a reasonable range for settlement value. This process should also form the basis for ultimate reserve development. Evaluations should be properly documented to clearly explain and convey the claim handler's view of liability, damages and other factors that may influence the settlement value.

Findings

Comprehensive damage evaluations taking into consideration both compensatory and general damages could not be located in two of the claim files reviewed.

Reporting to Excess/Reinsurance:

CSRMA's required excess/reinsurance reporting triggers are in accordance with industry standard practices. Claims handlers must report all claims that meet the reporting criteria to excess carriers/reinsurers per the reporting requirements.

Findings

With two exceptions, initial and status reporting is in adherence with excess reporting requirements. Praxis identified one applicable file with no reporting to excess and another file with delayed initial reporting.

Litigation Management:

This category evaluates whether files being litigated are being managed in accordance with the litigation management guidelines as well as industry best practices.

The claim handler should engage counsel and interact in all aspects of the case, as well as ensure that litigation defense strategy, defense budget, reporting, and billing are prompt and complete. The management of litigation in terms of assignment, defense strategy, and disposition is proper.

Specific to CSRMA, the reporting requirements indicate a preliminary evaluation is needed within thirty days. An initial case evaluation and budget are required within forty-five days as well as pre-trial reports within sixty days of the date of trial.

Findings

The management of litigation in terms of assignment, defense strategy, and disposition is appropriate.

In the thirty-two litigated files reviewed, Praxis identified seven files in which the reporting and communication by defense counsel is not in accordance with the litigation management guidelines despite appropriate requests by the claims handler.

Recommendations

Praxis recommends the following:

- Approved defense panel firms should receive a copy of the requirements included within the litigation management guidelines yearly and be required to sign off regarding their receipt and understanding.

- The initial assignment of each matter to approved panel counsel should include the requirements as it relates to reporting and communication as outlined within the litigation management guidelines.

- CSRMA in collaboration with Carl Warren & Company should conduct performance evaluations and exit analysis regarding panel defense counsel adherence to the litigation management guidelines at least yearly, and if necessary, make periodic recommendations to the CSRMA Board of Directors concerning the removal of a particular defense counsel or firm from the approved defense panel if their reporting and communication is not up to standards.

Contribution/Subrogation:

This category measures whether opportunities for third party contribution and indemnity are identified and pursued.

Findings

Co-defendants are identified and cross complaints are filed when appropriate. Tender of defense & indemnity are pursued in applicable cases.

Reserves & Reserve Adequacy:

This category confirms that initial reserves are posted timely and in accordance with the claim handler's best estimate of exposure at the time the loss is received.

Loss reserves should reflect neither the best nor worst possible result, but a realistic assessment of the most likely outcome with any unresolved or disputed factors considered. The loss reserve should at all times reflect the analyzed settlement value of the case.

The Client Services Instructions indicate that initial reserves should be set within five days of receipt and every thirty to sixty days thereafter.

Findings

Reserves are established taking into account the liability and damage evaluations to reflect the ultimate expected exposure.

Reserves are re-evaluated when new facts are presented. There is no evidence of stair-stepping or suppression of reserves. Praxis recommends one loss reserve increase as well as two ALAE reserve increases. Case specific recommendations are outlined within the audit review worksheet.

Financial Reconciliation:

Reconciliation is the process of comparing the accuracy and validity of financial transactions in the claims management system to supporting documentation in the claim file.

Findings

Specific to the claim files reviewed, Praxis did not identify any discrepancies in the financial transactions and the supporting documentation in the claims system. Claim payments are issued timely and accurately.

Case Disposition/ Settlement:

This category evaluates the claims handler's evaluation of the liability and damages evaluation, potential for dismissal through motion practice or a defense verdict, and their communication with the claimant/plaintiff/counsel. In matters of adverse liability, we look to see if the claim handler is proactive in attempting to settle cases versus having prolonged litigation and increased defense expenses.

Findings

Negotiations and settlements are appropriately pursued, which helps mitigate damages and legal expenses.

The claim files reviewed exhibit an appropriate evaluation of exposure and potential for dismissal through motion practice or defense verdict.

Supervision:

This category confirms that files are monitored on a supervisory review diary and contain evidence of appropriate evaluation/supervision. Appropriate supervision involves confirmation that claim files are in adherence with the Client Services Instructions as well as industry best practices. If there is found to be a deviation to best practices, then there should be constructive guidance and recommendations to assist the claim handler in meeting those expectations.

The Client Services Instructions indicate that supervisory reviews should take place within ten days of the opening of the claim as well as every thirty days thereafter.

Findings

There is evidence of consistent supervisory review and involvement in each of the claim files reviewed.

WRAP-UP DISCUSSION

Upon completion of the claim file review, the audit review worksheet was provided to Alliant and Carl Warren & Company for review and comment on September 26, 2025.

A virtual meeting wrap-up discussion with Angelique King, Beth Tavares, and Myron D Leavell took place on October 17, 2025. Praxis' findings, observations, and recommendations were generally discussed.

CONCLUSION:

Carl Warren & Company personnel demonstrate the technical expertise and sophistication necessary to effectively manage CSRMA's claims to proper resolution.

Sincerely,

Brian D. Stiefel, CPCU
President & Founder
Praxis Claims Consulting
brian@praxisclaims.com

Timothy Vincent, CPCU
Managing Partner
Praxis Claims Consulting
tim@praxisclaims.com

CC: Angelique King
President
Carl Warren & Company

CARL WARREN & COMPANY
A VENBROOK COMPANY

11/5/2025

P.J. Skarlanic
Via email: pskarlanic@alliantinsurance.com

Dear P.J.,

We sincerely appreciate the opportunity to respond to the audit report and are grateful for our long-standing partnership as the Third-Party Administrator (TPA) for CSRMA. Your trust in our services is valued immensely.

While overall audit results were favorable, we concur with the identified opportunity for continued improvements.

Regarding reporting and communication from defense counsel in alignment with the litigation management guidelines. We are committed to implementing the recommendations provided by Praxis for litigated files and propose the following:

1. Annual Guidelines Review and Acknowledgment • Distribute the litigation management guidelines to all approved defense panel firms annually • Require signed acknowledgment of receipt and understanding from each firm
2. Clear Communication of Expectations • Include specific reporting and communication requirements in the initial assignment of each matter to approved panel counsel • Emphasize adherence to the litigation management guidelines
3. Performance Evaluation and Quality Assurance • Conduct yearly performance evaluations and exit analyses of panel defense counsel's adherence to the litigation management guidelines, in collaboration with CSRMA • Present periodic recommendations to the CSRMA Board of Directors regarding the retention or removal of defense counsel or firms based on their reporting and communication standards
4. Proactive Follow-up and Escalation Protocol • Implement a 45-day diary for required information from defense counsel • Establish an immediate escalation process for unresponsive counsel

While not specifically identified as areas of opportunity, we also acknowledge the need for complete and thorough analysis, file notes documentation, and timely notice to excess carriers/reinsurers. The results of the audit have been shared with the claims team and expectations reiterated.

We welcome any additional feedback or suggestions you may have. Our goal is to continually refine our processes to best serve CSRMA's needs with exceptional claims handling and maintain our valued partnership.

Sincerely,

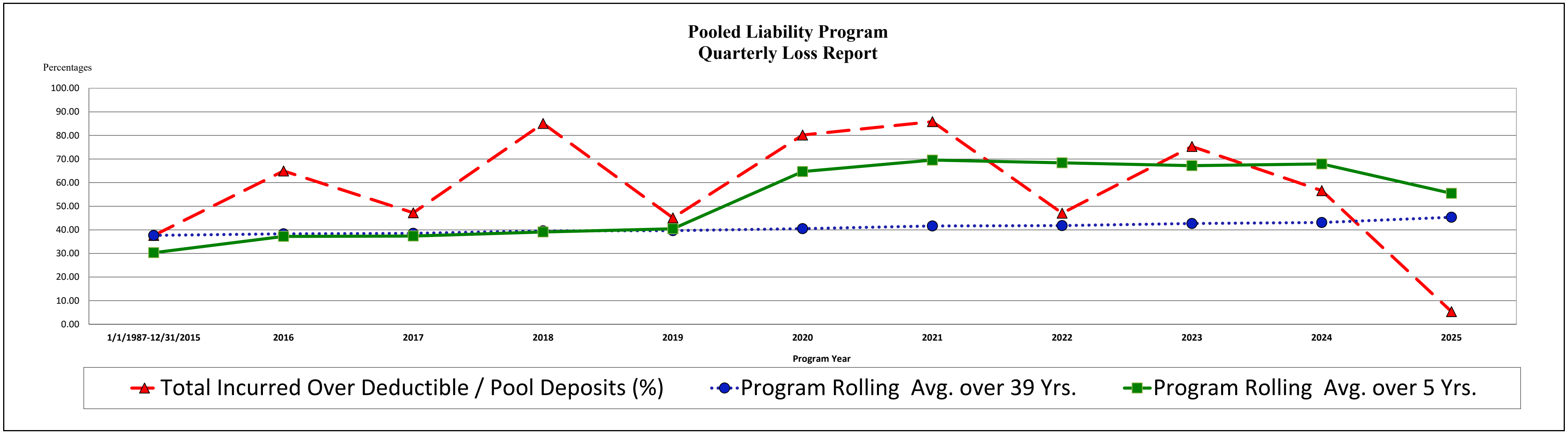
P.O. Box 2411 | Tustin, CA 92781 | Tel: 657.622.4200
www.carlwarren.com | CA License 2607296

CARL WARREN & COMPANY
A VENBROOK COMPANY

Angelique King
President of Carl Warren & Co.
Cell: 951-565-3005
Email: Aking@carlwarren.com

POOLED LIABILITY PROGRAM Quarterly Claims Report As of September 30, 2025													
Program Year	PY 1-29 1987-2015	PY 30 2016	PY 31 2017	PY 32 2018	PY 33 2019	PY 34 2020	PY 35 2021	PY 36 2022	PY 37 2023	PY 38* 2024	PY39* 2025	Program Avg Over 5 yrs	Program Avg Over 39 yrs
Number of Members	N/A	40	40	40	40	40	40	41	41	41	41	N/A	N/A
Total Number of Claims	2,561	117	76	58	74	37	73	49	46	39	27	47	81
Initial Pool Deposits	56,058,894	2,715,342	2,718,212	2,682,244	2,496,726	2,641,494	3,206,015	3,436,283	3,679,709	4,020,058	2,921,081	3,452,629	2,219,899
Total Paid To Date	34,665,001	2,597,236	1,979,513	2,943,067	1,954,074	2,476,282	3,642,761	1,229,947	3,105,927	1,675,555	231,887	1,977,215	1,448,750
Total Reserved	126,561	0	0	10,000	31,176	0	267,640	1,149,034	486,445	1,261,021	286,108	690,050	92,769
Total Incurred	34,791,563	2,597,236	1,979,513	2,953,067	1,985,250	2,476,282	3,910,402	2,378,981	3,592,372	2,936,576	517,995	2,667,265	1,541,519
POOL PENETRATION													
No. of Occurrences Over Deductible	13	13	12	12	6	8	11	8	9	6	2	7	11
Total Paid Over Deductible (per occurrence)	1,763,028	1,763,028	1,284,123	2,281,822	1,125,665	2,117,867	2,484,277	637,340	2,509,174	1,281,692	78,062	1,398,109	937,086
Total Reserves Over Deductible (per occurrence)	0	0	0	0	0	0	267,640	979,839	263,037	993,319	78,164	516,400	69,450
Total Incurred Over Deductible	21,109,865	1,763,028	1,284,123	2,281,822	1,125,665	2,117,867	2,751,917	1,617,179	2,772,211	2,275,010	156,226	1,914,509	1,006,536
Total Incurred Over Deductible / Pool Deposits (%)	37.66	64.93	47.24	85.07	45.09	80.18	85.84	47.06	75.34	56.59	5.35	55.45	45.34

* - The pooled layer has been transferred to CWIC as of 12/31/2023.



G:\CLIENT\jpa\CSRMA\Pool Liability\lossrun\2025 09 30 Loss Reports - Pool Liability\Quarterly report\lqtr 09.30.25_capped.xlsx

Actuarial Study

ISSUE: An Actuarial Study for the Pooled Liability Program was performed to re-evaluate past General Liability, Auto Liability and Employment Practices Liability projections using current loss data and to project future payment patterns. CSRMA's actuary prepared a summary presentation highlighting the results of the study, included as an attachment to this item. The Program Administrators will review the highlights with the Committee at the meeting.

RECOMMENDATION: None at this time. Information only.

FISCAL IMPACT: The cost of the annual review is $14,000. This amount is budgeted for FY 2025/26.

BACKGROUND: Aon performed the Actuarial study last year.

Effective December 31, 2023, CSRMA began transferring the risk for the Pooled Layer (Member Deductible to $750,000) to the Clean Water Insurance Captive (CWIC). CWIC uses an actuary to develop the go forward gross premium to reinsure the Pooled Layer. CSRMA's actuary re-evaluates past General Liability, Auto Liability and Employment Practices Liability projections using current loss data for the Program Years prior to CWIC, which is separate from the actuarial study performed for CWIC to develop the gross premium for the Program renewal. CSRMA's actuary has also provided projected funding (pool deposits) for comparison purposes.

ATTACHMENTS: Aon Presentation

Program Year 40 (2025-26) Renewal

ISSUE: The Pooled Liability Program will be renewing December 31, 2025. The Committee should consider a recommendation for the renewal.

CWIC's actuary is projecting a substantial year-over-year increase in funding based on industry loss development. Given this increase, options at various Program structures ranging from self-funding the pooled layer to using 'net position' in the Program to offset the proposed increase in CWIC gross premium will be reviewed with the Committee.

We are approximately 6 weeks out from the renewal and are currently negotiating the reinsurance and excess insurance with the incumbent markets and having conversations with potential alternative markets. As reported at the last Committee meeting, we continue to be in a challenging insurance environment, and we may need to restructure the program as carriers look to further reduce their capacity and increase retentions in California. Based on early conversations with the lead reinsurer on the program (Munich Re), we expect they will continue to provide $10M in capacity however, they will likely require an increase in the self-insured retention from $750K to $1M. AWAC provides the top layer of coverage and may look to reduce their capacity from $10M to $5M, necessitating the need to potentially introduce new capacity to the program. An update on the estimated reinsurance / excess costs will be provided at the meeting.

RECOMMENDATION: A recommendation will be made at the meeting.

FISCAL IMPACT: The charts attached to this item depict the Program Administrators' expectation of the Program's renewal costs at various program structures with ***estimated*** reinsurance / excess costs.

BACKGROUND: A description of each line item in the above chart follows, as well as a discussion of other issues:

1. Pool Deposits / CWIC Gross Premium: This is CWIC's actuary's suggested "Gross Premium" to fund losses in the pooled layer (member deductible – SIR) + administrative expenses. Options are provided at various program structures.

2. Reinsurance / Excess Cost: This is an ***estimate*** of the reinsurance / excess cost net of commission.

3. Fixed Expenses: Estimated expenses to operate the program which include an allocation of overall JPA expenses.

4. Pool Deposit Fees: Fees paid to the program administrator per its contract and CSRMA's budget. Alliant is also paid a commission on the reinsurance/excess insurance placement, which offsets the pool deposit fee.

There are three components of this year's renewal that merit further discussion. They are Pool Deposits / CWIC Gross Premium, Reinsurance / Excess Insurance Costs, and Fixed Expense (JPA Charge).

Alliant's actuarial team performed the actuarial analysis to develop the "CWIC gross premium". The analysis includes the costs to fund losses at various attachment points, underwriting margin and CWIC's administrative expenses. The actuary is projecting a substantial year-over-year increase in funding based on industry loss development. Because of the proposed increase in the CWIC gross premium, several options at various Program structures have been provided for the Committee's consideration.

The Program Administrators are currently negotiating reinsurance and excess insurance renewals with underwriters, as discussed in the Issue section. The Program Administrators have conservatively estimated the reinsurance and excess insurances cost to increase 15%.

The Fixed Expense (JPA Charge) is expected to increase by approximately 12.13% ($53,169), largely due to an increase in the approved Risk Control Work Plan and the costs associated with development of a large language model (LLM).

Other Factors to Consider

Stop Loss Aggregate

Stop Loss Aggregate coverage is designed to protect pool (CWIC) assets against a series of catastrophic events in the pooled layer (member deductible - $750K or $1M) in a single Program Year. Based on historical loss experience in the Program and the pricing/structure to secure Stop Loss Aggregate coverage, CSRMA has elected not to purchase this coverage in the past. Should the loss experience in the Program change such that Stop Loss Aggregate coverage warrants consideration, the Program Administrators will bring this item back to the Committee for further discussion.

Employment Practices Liability (EPL) Deductible Reduction Incentive Program Update

The Program Administrators have sent regular reminders to the members regarding the Board adopted EPL Deductible Reduction Incentive Program that became effective 12/31/23. Members who did not meet the eligibility requirements had their EPL deductible increased from $25,000 to $50,000. Member eligibility is reviewed annually.

ATTACHMENTS: PY 40 Renewal Options.

PY 40 RENWAL OPTIONS

Option #1 CWIC Gross Premium with Risk Load

Expense Item	*$750K SIR* PY 39 2024/25 $25.75 million limit	*$1M SIR* PY 40 2025/26 $26.00 million limit	Change	
CWIC Gross Premium + Risk Load	3,764,684	6,830,175	3,065,491	81.43%
Est. Reinsurance/Excess Costs (Net)	3,864,474	4,444,145	579,671	15.00%
Est. Fixed Expense (JPA Charge)	438,287	491,456	53,169	12.13%
Pool Deposit Fees	686,000	686,000	0	0.00%
Total Expected Costs	**8,753,445**	**12,451,776**	**3,698,331**	**42.25%**

Option #2 CWIC Gross Premium without Risk Load

Expense Item	*$750K SIR* PY 39 2024/25 $25.75 million limit	*$1M SIR* PY 40 2025/26 $26.00 million limit	Change	
CWIC Gross Premium - Risk Load	3,764,684	$5,305,348	1,540,664	40.92%
Est. Reinsurance/Excess Costs (Net)	3,864,474	4,444,145	579,671	15.00%
Est. Fixed Expense (JPA Charge)	438,287	491,456	53,169	12.13%
Pool Deposit Fees	686,000	686,000	0	0.00%
Total Expected Costs	**8,753,445**	**10,926,949**	**2,173,504**	**24.83%**

Option #3 CWIC Gross Premium without Risk Load and Transfer CSRMA Net Position to CWIC

Expense Item	*$750K SIR* PY 39 2024/25 $25.75 million limit	*$1M SIR* PY 40 2025/26 $26.00 million limit	Change	
CWIC Gross Premium - Risk Load	3,764,684	$5,305,348	1,540,664	40.92%
Transfer CSRMA Net Position to CWIC	NA	-1,000,000	NA	NA
Est. Reinsurance/Excess Costs (Net)	3,864,474	4,444,145	579,671	15.00%
Est. Fixed Expense (JPA Charge)	438,287	491,456	53,169	12.13%
Pool Deposit Fees	686,000	686,000	0	0.00%
Total Expected Costs	**8,753,445**	**9,926,949**	**1,173,504**	**13.41%**

PY 40 RENWAL OPTIONS

Option #4 Self Fund Member Deductible to SIR

Expense Item	*$750K SIR* PY 39 2024/25 $25.75 million limit	*$1M SIR* PY 40 2025/26 $26.00 million limit	Change	
Pool Deposit (Self-Fund)	3,764,684	3,605,000	-159,684	-4.24%
Est. Reinsurance/Excess Costs (Net)	3,864,474	4,444,145	579,671	15.00%
Est. Fixed Expense (JPA Charge)	438,287	491,456	53,169	12.13%
Pool Deposit Fees	686,000	686,000	0	0.00%
Total Expected Costs	**8,753,445**	**9,226,601**	**473,156**	**5.41%**

Option #5 Self-Fund Member Deductible to $500K + CWIC Gross Premium without Risk Load ($500K xs $500K)

Expense Item	*$750K SIR* PY 39 2024/25 $25.75 million limit	*$1M SIR* PY 40 2025/26 $26.00 million limit	Change	
Pool Deposit (Self-Fund to $500K)	3,764,684	2,590,194	-1,174,490	-31.20%
CWIC Gross Premium - Risk Load ($500K xs $500K)	NA	2,591,479	NA	NA
Est. Reinsurance/Excess Costs (Net)	3,864,474	4,444,145	579,671	15.00%
Est. Fixed Expense (JPA Charge)	438,287	491,456	53,169	12.13%
Pool Deposit Fees	686,000	686,000	0	0.00%
Total Expected Costs	**8,753,445**	**10,803,274**	**2,049,829**	**23.42%**

Option #6 Self-Fund Member Deductible to $750K + CWIC Gross Premium without Risk Load ($250K xs $750K)

Expense Item	*$750K SIR* PY 39 2024/25 $25.75 million limit	*$1M SIR* PY 40 2025/26 $26.00 million limit	Change	
Pool Deposit (Self-Fund to $500K)	3,764,684	$3,278,000	-486,684	-12.93%
CWIC Gross Premium - Risk Load ($250K xs $750K)	NA	1,275,892	NA	NA
Est. Reinsurance/Excess Costs (Net)	3,864,474	4,444,145	579,671	15.00%
Est. Fixed Expense (JPA Charge)	438,287	491,456	53,169	12.13%
Pool Deposit Fees	686,000	686,000	0	0.00%
Total Expected Costs	**8,753,445**	**10,175,493**	**1,422,048**	**16.25%**

Draft Retrospective Rating Calculation at 6/30/25

ISSUE: Each year the Program Administrators perform the Retrospective Rating Calculation for prior program years based on the formula adopted by the Board of Directors. The calculation grants either returns or assessments to members based on their individual experience and the experience of the group as a whole. The Retrospective Rating Calculation based on updated loss information and financial data as of June 30, 2025 is complete.

$1.3M was returned to the membership in previous retro calculations for PY 2020-21. Claims in PY 2020-21 have developed unfavorably, and the Program must now collect the funds previously returned from the members. The Program Administrators recommend that members be given the opportunity to pay the amount due in installments if the retro adjustment is financial hardship to their agency.

Further, the Program is eligible for a partial dividend as discussed in Item F.4. The Committee could consider using the partial dividend to offset the retro adjustment to be collected from the members.

RECOMMENDATION: Discuss and make a recommendation at the meeting.

FISCAL IMPACT: $1,427,583 to be collected from the members based on the calculation results. The draft audited financials as of 6/30/25 indicate retained funds in the Pooled Liability Program in the amount of $5,618,369.

BACKGROUND: The Retro plan was adopted to spread losses amongst members. Each program year will be evaluated beginning three and a half years (42) months after expiration and annually thereafter. The retro calculation is performed based on financial data as of June 30.

Major components of the retrospective rating plan include:

- Paid Losses
- Claims Reserves
- Incurred but not reported (IBNR) losses
- Administrative Costs
- Investment Income

The retro adjustments appear as a debit or credit on member's renewal invoices. The calculation is performed by a computer program, which applies a formula adopted by the Board of Directors.

ATTACHMENTS: Draft Retrospective Rating Results as of June 30, 2025 for Program Years Twenty-Nine through Thirty-Five

CSRMA Liability Program
Calculation of Retro Adjustments - Losses valued at June 30, 2025

Member Name	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total Selected Years
Carmel S.D.	-	-	-	(1,493)	-	4,312	17,253	**20,072**
Carpinteria S.D.	-	2,687	-	(1,285)	-	3,688	-	**5,090**
Central Marin S.A.	-	3,312	-	(1,927)	-	5,947	19,422	**26,754**
Delta Diablo S.D.	-	7,479	-	(3,707)	-	9,846	34,981	**48,599**
Dublin San Ramon Services Dist	-	9,695	-	(5,574)	-	16,321	45,301	**65,743**
East Bay Discharges Authority	-	1,825	-	(1,084)	-	-	12,957	**13,698**
Encina Admin. Agency	-	9,539	-	(3,978)	-	14,443	55,573	**75,577**
Fairfield/Suisun S.D.	-	6,148	-	(2,788)	-	7,999	31,357	**42,716**
Goleta S.D.	-	5,039	-	(2,554)	-	7,603	23,779	**33,867**
Ironhouse S.D.	-	5,073	-	(2,358)	-	7,086	26,001	**35,802**
Lake Arrowhead C.S.D.	-	5,894	-	(3,024)	-	8,500	(36,549)	**(25,179)**
Las Gallinas Valley S.D.	-	4,033	-	(1,947)	-	-	21,815	**23,901**
Leucadia County W.D.	-	4,662	-	(2,208)	-	6,359	25,131	**33,944**
Montecito S.D.	-	2,499	-	(1,209)	-	3,346	14,377	**19,013**
Monterey Regional W.P.C.A.	-	9,173	-	(4,877)	-	13,678	39,663	**57,637**
Mt. View Sanitary District	-	3,857	-	(1,173)	-	3,467	(8,116)	**(1,965)**
Nevada County SD							5,778	**5,778**
North of River S.D.	-	6,246	-	(3,045)	-	-	29,884	**33,085**
Novato S.D.	-	6,953	-	(3,111)	-	9,126	31,864	**44,832**
Ojai Valley S.D.	-	3,824	-	(1,827)	-	5,274	18,355	**25,626**
Oro Loma S.D.	-	4,057	-	(2,003)	-	5,115	56,298	**63,467**
San Elijo JPA	-	2,085	-	(1,109)	-	3,046	13,278	**17,300**
Sanitary Dist. No. 1 of Marin	-	-	(101)	(2,428)	-	6,713	-	**4,184**
Sanitary Dist. No. 5 of Marin	-	1,936	-	(1,028)	-	2,830	12,998	**16,736**
Santa Margarita WD	-	23,375	-	-	-	33,185	231,369	**287,929**
Sausalito Marin City S.D.	-	1,956	-	(1,032)	-	2,833	13,003	**16,760**
Selma-Kingsburg-Fowler S.D.	-	5,396	-	-	-	-	26,178	**31,574**
Sewer Authority of Mid-Coastside	(101)	786	-	(2,188)	-	-	-	**(1,503)**
S.A.S.M.	-	2,864	-	(1,455)	-	4,468	16,068	**21,945**
South Bayside S.A.	-	7,267	-	-	-	11,198	36,046	**54,511**
South Orange County Wastewater Authority	-	9,214	-	(4,642)	-	12,709	39,805	**57,086**
Stege S.D.	-	5,410	-	-	-	-	-	**5,410**
Tahoe-Truckee S.A.	-	3,655	-	-	-	5,002	17,131	**25,788**
Truinfo County S.D.	-	4,210	-	(1,876)	-	5,843	(10,048)	**(1,871)**
Union Sanitary Distirct	-	3,610	-	(1,907)	-	5,277	28,484	**35,464**
Vallejo Sanitation & Flood	-	2,614	-	(1,369)	-	5,782	30,227	**37,254**
Ventura Regional S.D.	-	3,193	-	(1,786)	-	4,372	(5,797)	**(18)**
Victor Valley W.R.A.	-	8,360	-	-	-	-	34,143	**42,503**
West Bay S.D.	-	-	-	(2,451)	-	6,816	26,013	**30,378**
West Contra Costa S.D.	-	5,007	-	(2,632)	-	7,234	33,243	**42,852**
West Valley S.D.	-	8,538	-	(4,038)	-	12,067	38,677	**55,244**
Total All Members	**(101)**	**201,471**	**(101)**	**(81,113)**	**-**	**261,485**	**1,045,942**	**1,427,583**

Dividend Calculation as of 6/30/25

ISSUE: The Pooled Liability Program Policy & Procedure No. 5-L allows for dividends to be declared from completed program years if the following requirements are met:

- Dividends can be declared only if, on an aggregate basis, all eligible program years are fully funded at the confidence level established in the procedure, and the retained fund amount is in excess of seven (7) times the pooled layer program's per occurrence limit currently in force prior to the dividend calculation, ***subject to a minimum retained fund balance in the program after the dividend is calculated in the amount of $5,000,000.***

- Dividends cannot be declared sooner than five years after expiration of a program year.

- No more than 25% of any years' retained earnings will be declared as dividends.

Program Years 1986/87, 1988/89 through 1994/95, 1997/98, 1999/00, 2001/02 through 2003/04, 2005/06 through 2016/17, 2018/19 and 2019/20 are eligible for dividend declaration.

As of June 30, 2025, the Pooled Liability Program retained funds were $5,618,369. A partial dividend in the amount of $618,369 could be considered.

RECOMMENDATION: The Program Administrators recommend that the Committee consider declaration of a partial dividend.

FISCAL IMPACT: Declaration of the calculated dividend would reduce the program's retained funds by $1,705,992, below the minimum retained fund balance threshold of $5,000,000. The Committee could consider a partial dividend in the amount of $618,369.

BACKGROUND: The Authority has two mechanisms with which to return retained earnings to members. The retrospective rating plan does not generally return all retained funds to members. Therefore, the authority adopted Policy & Procedure No. 5-L in order to distribute the balance of retained funds to members. Unlike the retro plan, all members are eligible to receive dividends even if a member has had a poor loss experience in the program year for which a dividend is being declared.

The dividend is calculated using the liability program matrix as of June 30, and the retrospective rating plan calculation as of June 30.

ATTACHMENTS: 1) Dividend Summary
2) CSRMA PLP Program Manual P & P 5L

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY
POOLED LIBILITY PROGRAM SUMMARY OF DIVIDENDS FOR ELIGIBLE PROGRAM YEARS
CALCULATED EFFECTIVE 06.30.2025

Member Agency	Program Year 1-11 86/87-96/97	Program Year 12 1997-98	Program Year 13 1998-99	Program Year 14 1999-00	Program Year 15 2000-01	Program Year 16 2001-02	Program Year 17 2002-03	Program Year 18 2003-04	Program Year 19 2004-05	Program Year 20 2005-06	Program Year 21 2006-07	Program Year 22 2007-08	Program Year 23 2008-09
Aliso Water Management Agency	(172)	(53)	0	(139)	0	(2,403)	NA	NA	NA	NA	NA	NA	NA
Bolinas C.P.U.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Capistrano Beach S.D.	(88)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Carmel Area Wastewater Dist.	(165)	(27)	0	(82)	0	(1,335)	(188)	(179)	0	(298)	(572)	(1,133)	(477)
Carpinteria S. D.	(57)	(24)	0	(71)	0	(1,136)	(130)	(136)	0	(230)	(453)	(814)	(343)
Central Marin S.A.	(230)	(49)	0	(127)	0	(2,094)	(241)	(224)	0	(413)	(731)	(1,236)	(521)
Dana Point S.D.	(47)	(25)	0	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Delta Diablo	(231)	(51)	0	(106)	0	(2,032)	(278)	(318)	0	(479)	(1,010)	(1,783)	(751)
Dublin San Ramon Services District	(400)	(94)	0	(229)	0	(4,198)	(602)	(608)	0	(733)	(1,586)	(2,917)	(1,228)
East Bay Dischargers Authority	(16)	(29)	0	(70)	0	(1,409)	(159)	(136)	0	(212)	(359)	(578)	(244)
East Palo Alto S.D.	(106)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Encina Wastewater Authority	(386)	(127)	0	(257)	0	(4,121)	(586)	(545)	0	(1,034)	(1,955)	(3,210)	(1,352)
Fairfield/Suisun Sewer Dist.	(168)	(54)	0	(101)	0	(1,787)	(231)	(223)	0	(370)	(710)	(1,184)	(499)
Fallbrook S.D.	(225)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Goleta S.D.	(248)	(82)	0	(158)	0	(2,513)	(330)	(318)	0	(549)	(1,096)	(1,886)	(794)
Ironhouse S.D.	(67)	(45)	0	(90)	0	(1,494)	(266)	(270)	0	(484)	(957)	(1,701)	(717)
Lake Arrowhead C.S.D.	0	(188)	0	(385)	0	(5,911)	(807)	(489)	0	(874)	(1,623)	(2,826)	(1,191)
Las Gallinas Valley S.D.	(80)	(53)	0	(116)	0	(1,798)	(247)	(241)	0	(374)	(749)	(1,309)	(551)
Leucadia C.S.D.	(258)	(42)	0	(78)	0	(1,598)	(199)	(184)	0	(336)	(590)	(1,332)	(561)
Montecito S.D.	(58)	(38)	0	(69)	0	(1,103)	(140)	(148)	0	(260)	(446)	(791)	(333)
Monterey Regional W.P.C.A.	(352)	(109)	0	(198)	0	(2,937)	(585)	(542)	0	(966)	(1,657)	(3,080)	(1,297)
Mt. View S.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	(295)
North of River S.D.	(175)	(48)	0	(99)	0	(1,926)	(262)	(255)	0	(441)	(951)	(1,645)	(693)
Novato Sanitary District	(187)	(56)	0	(107)	0	(1,662)	(220)	(210)	0	(361)	(712)	(1,287)	(542)
Ojai Valley S.D.	(175)	(58)	0	(102)	0	(1,635)	(213)	(208)	0	(332)	(708)	(1,225)	(516)
Oro Loma S.D.	(263)	(73)	0	(151)	0	(2,352)	(323)	(273)	0	(461)	(862)	(1,495)	(630)
San Elijo JPA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Ross Valley Sanitary District	(98)	(84)	0	(154)	0	(2,455)	(345)	(281)	0	(480)	(944)	(1,671)	(703)
Sanitary District #5	(35)	(23)	0	(55)	0	(1,103)	(127)	(109)	0	(166)	(292)	(495)	(208)
Santa Margarita WD	NA	NA	NA	NA	NA	NA	NA	(1,825)	0	(2,493)	(4,820)	(6,888)	(2,901)
Sausalito Marin City S.D.	(51)	(26)	0	(57)	0	(1,126)	(131)	(112)	0	(169)	(310)	(492)	(207)
Selma-Kingsburg-Fowler C.S.D.	(189)	(68)	0	(119)	0	(1,750)	(253)	(255)	0	(473)	(1,003)	(1,750)	(737)
Sewer Authority of Mid-Coastside	(145)	(49)	0	(110)	0	(1,774)	(186)	(241)	0	(388)	(919)	(1,457)	(614)
Sewerage Agency of Southern Marin	(190)	(64)	0	(137)	0	(1,854)	(217)	(203)	0	(402)	(634)	(1,096)	(462)
Silicon Valley Clean Water	(298)	(89)	0	(229)	0	(3,779)	(523)	(492)	0	(854)	(1,562)	(2,477)	(1,043)
South East Regional R.A.	(258)	(57)	0	(114)	0	(2,195)	NA	NA	NA	NA	NA	NA	NA
South Orange County Wastewater Authority	NA	NA	NA	NA	NA	NA	(539)	(529)	0	(936)	(1,626)	(2,809)	(1,183)
South Tahoe PUD.	(303)	(244)	0	(446)	0	(6,489)	(962)	(989)	0	(1,739)	(3,174)	(5,344)	(2,251)
Stege S.D.	(188)	(59)	0	(131)	0	(2,091)	(243)	(236)	0	(414)	(743)	(1,312)	(553)
Tahoe-Truckee S.A.	(153)	(43)	0	(71)	0	(1,245)	(159)	(172)	0	(350)	(686)	(1,104)	(465)
Triunfo S.D.	(109)	(28)	0	(66)	0	(1,350)	(154)	(134)	0	(201)	(354)	(581)	(245)
Union S.D.	(328)	(103)	0	(172)	0	(2,580)	(315)	(283)	0	(471)	(826)	(1,351)	(569)
Vallejo Sanitation & Flood Control	(168)	(50)	0	(79)	0	(1,609)	(181)	(158)	0	(241)	(421)	(733)	(309)
Ventura Regional S.D.	(630)	(183)	0	(233)	0	(3,639)	(512)	(428)	0	(723)	(1,397)	(2,435)	(1,026)
Victor Valley W.R.A.	(180)	(73)	0	(150)	0	(2,389)	(338)	(348)	0	(673)	(1,354)	(2,341)	(986)
West Bay S.D.	(235)	(63)	0	(148)	0	(2,273)	(254)	(242)	0	(418)	(788)	(1,366)	(575)
West County W.D.	(442)	(118)	0	(147)	0	(2,305)	(288)	(273)	0	(477)	(966)	(1,553)	(654)
West Valley	0	(71)	0	(138)	0	(3,074)	(408)	(402)	0	(685)	(1,470)	(2,532)	(1,066)
Windsor W.D.	(112)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Total	**(8,266)**	**(2,820)**	**0**	**(5,491)**	**0**	**(90,524)**	**(12,142)**	**(13,219)**	**0**	**(21,960)**	**(42,016)**	**(71,219)**	**(30,292)**

G:\Share\CLIENT\jpa\CSRMA\Pool Liability\retdiv\div_2025.xlsm

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY
POOLED LIBILITY PROGRAM SUMMARY OF DIVIDENDS FOR ELIGIBLE PROGRAM YEARS
CALCULATED EFFECTIVE 06.30.2025

Member Agency	Program Year 24 2009-10	Program Year 25 2010-11	Program Year 26 2011-12	Program Year 27 2012-13	Program Year 28 2013-14	Program Year 29 2014-15	Program Year 30 2015-16	Program Year 31 2016-17	Program Year 32 2017-18	Program Year 33 2018-19	Program Year 34 2019-20	Total Amount of Dividends
Aliso Water Management Agency	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**(2,767)**
Bolinas C.P.U.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**0**
Capistrano Beach S.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**(88)**
Carmel Area Wastewater Dist.	(1,650)	(1,291)	(1,503)	(1,408)	(3,031)	(3,410)	(1,077)	(3,481)	0	(1,231)	(2,465)	**(25,003)**
Carpinteria S. D.	(1,289)	(902)	(1,052)	(982)	(2,125)	(2,386)	(779)	(2,630)	0	(937)	(1,846)	**(18,322)**
Central Marin S.A.	(1,689)	(1,039)	(1,306)	(1,240)	(2,541)	(2,772)	(733)	(2,486)	0	(1,125)	(2,131)	**(22,928)**
Dana Point S.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**(72)**
Delta Diablo	(2,519)	(2,136)	(2,014)	(1,987)	(4,764)	(5,278)	(1,877)	(6,228)	0	(2,099)	(4,338)	**(40,279)**
Dublin San Ramon Services District	(4,906)	(3,763)	(4,609)	(4,573)	(10,318)	(10,815)	(3,215)	(11,670)	0	(4,268)	(9,254)	**(79,986)**
East Bay Dischargers Authority	(861)	(645)	(794)	(800)	(1,809)	(1,848)	(549)	(1,890)	0	(756)	(1,486)	**(14,650)**
East Palo Alto S.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**(106)**
Encina Wastewater Authority	(3,618)	(2,402)	(2,960)	(2,883)	(6,235)	(6,906)	(1,901)	(6,387)	0	(2,296)	(4,658)	**(53,819)**
Fairfield/Suisun Sewer Dist.	(3,985)	(3,138)	(2,683)	(2,653)	(5,517)	(5,914)	(1,611)	(5,075)	0	(1,860)	(3,834)	**(41,597)**
Fallbrook S.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**(225)**
Goleta S.D.	(2,449)	(1,753)	(2,195)	(2,134)	(4,861)	(5,395)	(1,447)	(5,211)	0	(1,865)	(4,009)	**(39,293)**
Ironhouse S.D.	(2,414)	(1,855)	(2,262)	(2,344)	(5,097)	(5,430)	(1,447)	(5,169)	0	(1,660)	(3,862)	**(37,631)**
Lake Arrowhead C.S.D.	(4,887)	(3,626)	(3,858)	(3,020)	(6,459)	(6,864)	(2,086)	(7,258)	0	(2,603)	(5,674)	**(60,629)**
Las Gallinas Valley S.D.	(2,037)	(1,475)	(1,717)	(1,643)	(3,602)	(4,089)	(1,213)	(4,075)	0	(1,502)	(3,288)	**(30,159)**
Leucadia C.S.D.	(2,394)	(1,845)	(2,253)	(2,210)	(4,908)	(5,031)	(1,593)	(5,295)	0	(1,999)	(4,313)	**(37,019)**
Montecito S.D.	(1,389)	(1,026)	(1,251)	(1,177)	(2,574)	(2,769)	(844)	(2,896)	0	(1,008)	(2,082)	**(20,402)**
Monterey Regional W.P.C.A.	(4,075)	(2,856)	(3,444)	(3,434)	(7,241)	(7,541)	(2,242)	(7,965)	0	(2,677)	(5,628)	**(58,826)**
Mt. View S.D.	(1,592)	(1,171)	(1,427)	(1,375)	(2,971)	(2,722)	(781)	(2,708)	0	(1,004)	(2,105)	**(18,151)**
North of River S.D.	(2,454)	(1,700)	(2,508)	(2,448)	(5,315)	(6,047)	(1,793)	(5,967)	0	(2,270)	(5,300)	**(42,297)**
Novato Sanitary District	(3,335)	(2,371)	(2,814)	(2,618)	(5,794)	(6,160)	(1,970)	(6,707)	0	(2,475)	(5,422)	**(45,010)**
Ojai Valley S.D.	(2,007)	(1,465)	(1,760)	(1,663)	(3,580)	(4,026)	(1,207)	(4,075)	0	(1,549)	(3,118)	**(29,622)**
Oro Loma S.D.	(2,741)	(2,260)	(2,675)	(2,471)	(5,711)	(5,814)	(1,767)	(5,740)	0	(2,165)	(4,557)	**(42,784)**
San Elijo JPA	0	(668)	(806)	(808)	(1,779)	(2,011)	(575)	(1,957)	0	(767)	(1,395)	**(10,766)**
Ross Valley Sanitary District	(2,673)	(2,002)	(2,537)	(2,546)	(5,636)	(5,542)	(1,749)	(5,749)	0	(2,136)	(4,507)	**(42,292)**
Sanitary District #5	(851)	(635)	(749)	(753)	(1,708)	(1,917)	(582)	(1,976)	0	(747)	(1,417)	**(13,948)**
Santa Margarita WD	(10,623)	(8,115)	(11,613)	(9,409)	(20,868)	(23,874)	(6,847)	(23,997)	0	(9,876)	(18,591)	**(162,740)**
Sausalito Marin City S.D.	(837)	(557)	(668)	(662)	(1,485)	(1,661)	(491)	(1,697)	0	(631)	(1,137)	**(12,507)**
Selma-Kingsburg-Fowler C.S.D.	(2,764)	(2,002)	(2,416)	(2,311)	(5,048)	(5,370)	(1,637)	(5,543)	0	(2,078)	(4,643)	**(40,409)**
Sewer Authority of Mid-Coastside	(2,395)	(1,699)	(1,898)	(1,811)	(4,043)	(4,461)	(1,394)	(4,445)	0	(1,427)	(2,336)	**(31,792)**
Sewerage Agency of Southern Marin	(1,512)	(1,036)	(1,239)	(1,218)	(2,648)	(2,918)	(895)	(3,128)	0	(1,197)	(2,445)	**(23,495)**
Silicon Valley Clean Water	(3,172)	(2,397)	(2,327)	(2,246)	(4,597)	(4,890)	(1,500)	(5,281)	0	(1,984)	(3,905)	**(43,645)**
South East Regional R.A.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**(2,624)**
South Orange County Wastewater Authority	(3,910)	(2,570)	(3,059)	(2,927)	(6,348)	(7,013)	(1,903)	(6,660)	0	(2,192)	(4,380)	**(48,584)**
South Tahoe PUD.	(8,288)	(5,895)	(5,870)	(5,695)	(12,511)	(13,760)	(4,237)	(13,556)	0	0	0	**(91,753)**
Stege S.D.	(2,072)	(1,539)	(1,862)	(1,774)	(3,908)	(4,282)	(1,256)	(4,392)	0	(1,664)	(3,697)	**(32,416)**
Tahoe-Truckee S.A.	(1,447)	(1,061)	(1,318)	(1,237)	(2,499)	(2,745)	(868)	(2,772)	0	(1,157)	(2,094)	**(21,646)**
Triunfo S.D.	(974)	(1,099)	(1,569)	(1,480)	(2,826)	(3,236)	(1,010)	(3,228)	0	(1,178)	(2,487)	**(22,309)**
Union S.D.	(3,742)	(2,832)	(3,412)	(3,381)	(7,765)	(8,753)	(2,709)	(9,153)	0	(3,517)	(8,048)	**(60,310)**
Vallejo Sanitation & Flood Control	(2,872)	(2,114)	(2,599)	(2,570)	(5,910)	(6,666)	(2,060)	(6,807)	0	(2,729)	(6,616)	**(44,892)**
Ventura Regional S.D.	(4,798)	(1,978)	(2,198)	(2,155)	(4,546)	(4,871)	(1,554)	(5,421)	0	(2,042)	(4,126)	**(44,895)**
Victor Valley W.R.A.	(3,221)	(2,128)	(2,816)	(2,635)	(5,888)	(6,313)	(1,821)	(5,852)	0	(1,791)	(4,080)	**(45,377)**
West Bay S.D.	(2,345)	(1,790)	(2,197)	(2,181)	(4,909)	(5,462)	(1,735)	(5,676)	0	(2,111)	(4,490)	**(39,258)**
West County W.D.	(2,735)	(2,214)	(2,701)	(2,668)	(5,864)	(6,281)	(1,845)	(6,265)	0	(2,393)	(5,029)	**(45,218)**
West Valley	(4,166)	(3,139)	(3,729)	(3,602)	(7,975)	(8,919)	(2,686)	(9,004)	0	(3,219)	(7,054)	**(63,339)**
Windsor W.D.	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	**(112)**
Total	**(117,688)**	**(86,189)**	**(102,668)**	**(97,132)**	**(213,214)**	**(232,162)**	**(69,486)**	**(235,472)**	**0**	**(82,185)**	**(171,847)**	**(1,705,992)**

G:\Share\CLIENT\jpa\CSRMA\Pool Liability\retdiv\div_2025.xlsm

CSRMA
POLICY AND PROCEDURE
#5-L

SUBJECT: **Pooled Liability Program Dividend from Retained Funds**

EFFECTIVE: **January 19, 2001**
Revised January 28, 2021

Policy:

Participants in the Pooled Liability Program will receive dividends from funds that are no longer required by the Authority, and in a manner which supports the following goals:

- Protect the overall program from catastrophic loss
- Reduce reliance on non cost-effective insurance
- Stabilize future years' loss rates for payment of expected claims and expenses

An actuarial study will be relied upon to develop the funding necessary on prior program years; to assure that adequate funds are held for incurred liabilities. Funding in excess of the Program's liabilities is categorized as either designated or undesignated retained funds. Retained Funds not returned automatically through the Retrospective Rating Plan (RRP) are eligible to be paid to members participating in that program year in the form of a dividend declared by the Board of Directors.

Dividends can be declared only if, on an aggregate basis, all eligible program years are fully funded at the confidence level established in the procedure below, and the retained fund amount is in excess of seven (7) times the pooled layer program's per occurrence limit currently in force prior to the dividend calculation, subject to a minimum retained fund balance in the program after the dividend is calculated in the amount of $5,000,000 (catastrophic reserve).

Eligibility:

Dividends cannot be declared sooner than five (5) years after expiration of a Program Year.

Dividends will be paid from eligible Program Years with no more than 25% of any Program Year's retained funds being released as part of any declared dividend. All retained funds remaining will be returned to Program Year participants when that year is declared "closed" by the Board of Directors.

Procedure:

The Program Administrators will prepare a recommendation to be reviewed by the Executive Board prior to a regularly scheduled Board of Directors meeting. The purpose of the dividend will be stated, and the advantages and disadvantages of releasing the recommended amount will be addressed.

Members' share of declared dividends are *calculated as a percentage of the total dividends declared using the Retrospective Rating Plan results as a basis for the calculation*. The formula that calculates the percentage shore of a program year dividend is:

$$DS = \left(\frac{\text{Individual MD-RA}}{\text{Total of all members (MD-RA)}} \right) \quad X \quad AA$$

Where:

DS	=	Dividend Share
MD	=	Member Deposits
RA	=	Retrospective Adjustments
AA	=	Amount Available for Distribution

For example:

Amount available for distribution equals 25% of each Program Years' undesignated retained funds less any "catastrophic reserve" established by the Board of Directors, multiplied by each member's "percentage share" which is calculated as follows:

Member's deposit plus deposit adjustments minus member's updated Retrospective Rating Plan adjustment divided by the total of all members' deposits plus deposit adjustments minus the total of updated Retrospective Rating Plan adjustments.

Confidence Level:

70% discounted

2-Year Risk Control Work Plan

ISSUE: Each year, the chairs of the Workers' Compensation Committee and the Pooled Liability Committee meet with the Risk Control Advisor in December to develop a draft Risk Control Work Plan for the coming Program Year. The draft Work Plan is then presented to each Committee for review and input. The final draft Work Plan is then presented to the Executive Board for review at their Long-Range Planning meeting held each March.

For 2025, the Risk Control Subcommittee will update the FY25/26-26/27 Risk Control Work Plan and form the FY 26/27-27/28 Risk Control Work Plan.

RECOMMENDATION: None – information only.

FISCAL IMPACT: None

BACKGROUND: The CSRMA Executive Board, at its 2016 Long Range Planning meeting changed the format of the CSRMA Risk Control Work Plan from a single year to encompass two years for the following reasons:

- Reduce workload for the Committees and Executive Board
- Increase CSRMA's ability to address long term risk trends
- Plan risk control projects over a longer budgeting horizon to allow for more complex risk control activities
    - o Example: The SOP App was funded over two fiscal years as this project required more work than could be completed in a single year.

The work plan is envisioned to be adjusted annually to reflect new or emerging exposures and risk control activities that will reduce exposures.

ATTACHMENTS: None

Agenda Item No. H.1
Pooled Liability Committee Meeting
Meeting Date: November 17, 2025

Property Program
Appraisals

ISSUE: The Pooled Liability Committee reviewed a cost proposal from the Alliant Appraisal team at the September meeting and directed the Program Administrators to seek an additional option to conduct "desktop" appraisals in lieu of on-site appraisals for locations not paid for by APIP. Pricing for the desktop appraisals was provided and shared with the Executive Board at their October meeting. After their review of this option the Executive Board is not recommending desktop appraisals given a higher hourly rate for buildings valued at less than $1M and Treatment Plants not being eligible for desktop appraisals. The costs are broken out in the Fiscal Impact section of this item and will be discussed in further detail at the meeting.

The Executive Board concurred with the Pooled Liability Committee's recommendation to approve the on-site appraisal work to be provided at no cost. They have also approved the option of appraising the additional 28 Treatment Plants, with a capacity of 10 MGD or less, at a cost of $146,400. Lastly, the Executive Board has given the Program administrators direction to utilize the Archipelago software to evaluate replacement cost values of the remaining locations not included in the scope of the appraisal work.

The Program Administrators are currently working with the appraisal team on a timeline to conduct the site visits. A communication will be sent out to the members to inform them of the forthcoming appraisal work and details on the scheduling process with the appraisal team.

RECOMMENDATION: None. Information only.

FISCAL IMPACT: The total cost for the work approved by the Executive Board is $146,400 to be budgeted in FY 2026/27.

Buildings	Approx. Total Insurable Values	"On-Site" Appraisal Cost	"Desktop" Appraisal Cost	Direction from Executive Board
62 Buildings Valued Over $5 Million ***Paid by APIP***	$728,570,766	$0	N/A	On-Site Appraisals Approved
18 Members w/ Treatment Plants > 10 MGD's ***Paid by APIP***	$4,022,297,160	$0	N/A	On-Site Appraisals Approved
216 Buildings valued < $5mm to > $1mm @ $250/building	$479,504,849	$54,000	$42,120	Program Administrators will conduct valuation analysis using Archipelago. No Cost.
627 Buildings valued < $1mm @ $150/building	$193,627,587	$94,050	$122,265	Program Administrators will conduct valuation analysis using Archipelago. No Cost.
28 Treatment Plants < 10 MGD's	$1,816,732,656	$146,400	Not Eligible	On-Site Appraisals

				Approved

Funds were not budgeted in the current Fiscal Year 25/26 to cover the cost to appraise the Treatment Plants with capacity of less than 10 MGD. As such, the appraisal work will be spread over a 2-year period, with the free work scheduled to begin in the current fiscal year and the appraisal of the 28 smaller treatment plants to begin in the 26/27 fiscal year.

BACKGROUND: Members of the CSRMA Property Program obtain coverage through the Alliant Property Insurance Program (APIP), an insurance program managed by Alliant. To maintain accurate insurable values, property appraisals for buildings valued at over $5,000,000 and Treatment Plants with capacity of greater than 10 MGD are provided by APIP every 5-7 years at no additional cost. The last appraisal was performed over a two-year period, 2018-2019.

ATTACHMENTS: None.

The Peace of Wild Things

grateful.org/resource/the-peace-of-wild-things

Wendell Berry

March 31, 2015

When despair for the world grows in me
and I wake in the night at the least sound
in fear of what my life and my children's lives may be,
I go and lie down where the wood drake
rests in his beauty on the water, and the great heron feeds.
I come into the peace of wild things
who do not tax their lives with forethought
of grief. I come into the presence of still water.
And I feel above me the day-blind stars
waiting with their light. For a time
I rest in the grace of the world, and am free.

Listen to Wendell Berry read this poem with accompanying illustrations by Charlotte Anger:

Directed and animated by Katy Wang. Illustration and art direction by Charlotte Ager. Music and sound by David Kamp.

Join the Conversation

We love to share poetry that resonates with our values here at Grateful Living. It is with happy hearts that we celebrate and share the value of poetry by offering you an opportunity to receive a poem each month in your inbox.

Antioch's new $116M desalination plant will produce 6M gallons of drinking water per day

localnewsmatters.org/2025/09/21/antiochs-new-116m-desalination-plant-will-produce-6m-gallons-of-drinking-water-per-day

Thomas Hughes, Bay City News — September 21, 2025

A LONG-ANTICIPATED DESALINATION PLANT that will convert the mixture of salt and fresh water known as brackish water from the San Joaquin River mouth into drinking water for the city of Antioch launched operations this past week.

The roughly $116 million Brackish Water Desalination Plant will ultimately produce as much as 6 million gallons a day of potable water, enough to provide up to 40% of the drinking water for the city of about 112,000 people, according to the city and the California Department of Water Resources.

The plant is the second of its kind in the Bay Area and the first in the Sacramento-San Joaquin Delta. It is one of 14 planned or already operating around the state as part of a strategy launched in 2022 by the state to create more water security in the face of climate change, drought, and changing conditions in the Delta.

The Antioch plant was pitched as both a way to increase what the state calls regional water “resilience” and address rising salinity levels in the San Joaquin River.

The plant was conceived of more than a decade ago and planning began in earnest in 2016 with the application for a state loan to get the process started, according to city documents. The city of Antioch contributed $17 million to the project, which consisted of a new intake pump in the San Joaquin River, the facility, and 4.3 miles of new pipeline to take the brine left over from the process to the Delta Diablo Wastewater Treatment Plant before being discharged back into the Delta.

‘A transformational investment’

The desalination facility was constructed at the site of the existing water treatment plant at 401 Putnam St. City leaders and state and regional water officials held a ribbon cutting at the plant Monday.

Antioch Mayor Ron Bernal said the desalination plant was “a transformational investment that not only provides a critical water supply to meet Antioch’s health and safety needs during severe drought, but improves drought supplies for our neighboring members of (Contra Costa Water District) and protects Antioch’s water rights and Delta diversions for decades to come.”

Antioch Mayor Ron Bernal speaks at the ribbon cutting ceremony for the city of Antioch's Brackish Water Desalination Plant, a new facility that uses energy-efficient, low-waste technology to treat Delta brackish water. The plant is designed to supply up to 40% of Antioch's drinking water, enhancing drought resilience and climate adaptation. (Andrew Nixon/California Department of Water Resources via Bay City News)

The city said salinity levels would rise near the brine discharge point west of the intake pumps but would be within a range that was safe for local species.

Ian Wren, senior staff scientist for the environmental nonprofit organization San Francisco Baykeeper, said ongoing monitoring of salinity levels, particularly downstream, was one of the organization's biggest concerns with the plant.

Wren said the organization understood the need for the city to create sustainable water supplies but urged other measures like conservation and exhausting all methods of water recycling before turning to desalination, warning it would not be a "panacea" for the region's water problems. He said managers of the water coming from its source in the Sierra Nevada range needed to decrease diversions to farmland that were contributing to the rising salinity levels in the Delta.

"The Bay needs more freshwater, not less. And that means that state agencies need to be making smarter long-term water policy decisions that will reduce diversions and keep more freshwater flowing into the Bay," Wren said in a written statement.

He said San Francisco Baykeeper would continue to monitor the impacts on species from the brine discharge created by the desalination process.

“The success of this first-in-the-Delta desalination project will be measured not just by its water production, but by its long-term environmental stewardship of our already stressed Bay-Delta ecosystem,” Wren said.

Energy efficient and less waste produced

Desalination of brackish water uses half the energy as desalination of seawater and produces about a quarter of the waste, according to the city.

Once fully running, the plant will produce about 3,000 acre-feet of water per year. The state has set a goal of producing 28,000 acre-feet of desalinated brackish water annually by 2030 and 84,000 acre-feet per year by 2040, according to the Department of Water Resources.

Karla Nemeth, the department’s director, said the desalination plant was exactly the type of project that would lead to sustainable water solutions to guard against climate change.

A look inside Antioch’s new Brackish Water Desalination Plant reveals a labyrinth of reverse osmosis membrane tubes used to transform brackish Delta water into potable water. Brine removed in the treatment process is pumped back into the San Joaquin River. The plant is designed to supply up to 40% of Antioch’s drinking water. (Andrew Nixon/California Department of Water Resources via Bay City News)

“It’s this type of state-local partnership that enables innovative, new technologies to secure water supply over time for communities like Antioch as rising sea levels bring water quality challenges right to their doorstep,” Nemeth said. “We have to move with a sense of urgency and this project ensures Antioch will have enough water during the next drought which is right around the corner.”

The project was funded in part by a $10 million grant from the state’s Proposition 1, a $7.5 billion bond measure approved by voters in 2014 to pay for a range of water infrastructure and conservation projects.

The Department of Water Resources also provided $60 million in low interest loans to the city to construct the plant.

Distinguishing Vendors from Subcontractors

Leslie Barton

November 3, 2025

Carrier Chronicles » Underwriting » Distinguishing Vendors from Subcontractors
Underwriting

Misclassifying vendors and subcontractors can expose contractors to costly construction risk insurance and liability risks. Learn how to tell the difference and why collecting certificates of insurance from every subcontractor is essential for compliance and protection.

November 3, 2025

Vendors and subcontractors are two types of suppliers relied upon by businesses. Both are issued 1099s by the business paying for their services, and they look similar at first glance. However, distinguishing between the two is important due to key differences in liability exposure, workers' compensation, and general liability insurance coverages.

“In addition to contract requirements, there are available legal remedies for liability claims and insurance coverage for injuries sustained in the workplace,” said Brian Rome, Risk Control Manager at Safety National. “For this reason, it is critical that an insured contractor collects certificates of insurance from all subcontractors they use. Misclassifying a vendor as a subcontractor and failing to obtain a certificate could result in the client being required to pay workers' compensation premiums for all uninsured subcontractors.”

Here are the elements that help define each class of supplier.

Vendors

A vendor in construction is an entity or individual that sells or delivers products, materials, or standard services to the project or company. Sometimes also referred to as a dealer, distributor, or merchant, they provide goods or pre-defined services based on purchase orders or supply contracts, usually at a fixed price. Vendors operate with limited project involvement and have no control over how the materials are installed or integrated into the project.

Examples of vendors include a:

- Lumber yard supplying framing materials to a general contractor.
- Ready-mix concrete supplier delivering concrete to a job site, but not performing placement or finishing.
- Tool rental company providing heavy equipment or tools.
- Building supply dealer selling roofing shingles, nails, or drywall.
- Consulting firm performing administrative or design support services, such as estimating or surveying, without site work responsibilities.

Subcontractors

A subcontractor is an entity or individual hired by a general contractor or construction manager to perform a specific, substantive portion of a construction project. Subcontractors are responsible for adhering to applicable regulatory compliance requirements and executing physical work or specialized tasks in accordance with a contract or scope of work that contributes directly to the overall project's completion. Subcontractors have control over their own means, methods, and labor, and are usually responsible for compliance with safety, licensing, and insurance regulations. They must carry their own liability and workers' compensation insurance, while providing certificates of insurance to the general contractor before work begins.

Examples of subcontractors include a:

- Concrete subcontractor hired to pour and finish slabs for a commercial building.
- Electrical contractor wiring a new office complex.
- Roofing subcontractor installing membranes and flashing on a warehouse project.
- Mechanical subcontractor responsible for HVAC installation and commissioning.
- Drywall and framing subcontractor completing interior partitions on a tenant improvement job.

Differences Between Vendors and Subcontractors

There are several differences between vendors and subcontractors, including:

1. **Scope of Work and Control –** Subcontractors have greater control over the scope of the project being performed, rather than performing to exact specifications provided by the prime contractor. Vendors supply materials or standard goods and services according to specifications set by the contractor or architect.
2. **Project Involvement –** Subcontractors contribute directly to the construction process and are integral to completing project milestones. Vendors support the project indirectly through materials or equipment delivery.
3. **Insurance and Risk –** Subcontractors must carry and provide proof of liability and workers' compensation insurance. Vendors generally provide proof of product liability or commercial general liability, but are not covered under workers' compensation for on-site labor since they do not perform work on the site.
4. **Contractual Relationship –** Subcontractors sign a subcontract agreement outlining their scope, schedule, and compliance responsibilities. Vendors receive a purchase order for materials or standard services.

In the construction industry, distinguishing vendors from subcontractors ensures proper risk management and compliance. Accurate classification protects the general contractor or construction manager from unexpected liability, insurance exposure, and premium increases.

Tags:

construction
policy terms
subcontractors
vendors

Travelers RMplusonline

Online Criminals Are Upping Their Website Spoofing Game By Exploiting Google Searches

November 6, 2025

Online scammers are increasingly setting up fake websites that climb high in Google Search results, making them appear legitimate and trustworthy to unsuspecting users.

These fraudulent sites often imitate real brands, reputable organizations, or popular services. They employ various techniques like search engine optimization (SEO) manipulation to ensure their links show up at, or near, the top of user searches. As a result, people searching for downloads or information are being lured to these fake platforms instead of accessing official sites.

Once on the site, users might be prompted to download software or files, which are malware. This hidden malware can infect users' devices, steal sensitive information, or even provide hackers with ongoing remote access.

Traditional warning signs, like obvious spelling mistakes or low-quality graphics, are often missing from these fake sites. The scammers behind them invest significant effort into mimicking the look and feel of authentic platforms, making it difficult for even vigilant users to tell the difference.

Security researchers and experts are warning that Google's current safeguards are not always sufficient to catch every malicious site, especially as criminals grow more sophisticated in their methods.

Experts advise caution when clicking on any link from search engines and recommend that users go directly to official websites whenever possible, rather than relying on top search results. This growing problem highlights the need for search engines and cybersecurity companies to develop stronger tools to identify and remove malicious actors before they can trick more users.

Source: *https://www.msn.com/en-in/money/news/fake-websites-are-climbing-google-s-search-results-tricking-users-into-downloading-hidden-malware/ar-AA1IfKOE*

Commentary

The practice of creating fake websites that trick users into downloading malware or divulging sensitive information falls under the broader category of online crimes known as phishing and, more specifically, website spoofing.

Website spoofing occurs when criminals create counterfeit websites that closely imitate genuine brands, banking services, or popular platforms. These fake sites are designed to deceive users by mimicking the look and feel of legitimate sites - sometimes by using website addresses that are nearly identical to those of the legitimate sites.

As technology and search engine algorithms have evolved, so too have the tactics of these cybercriminals. Early phishing attempts often relied on poorly designed sites and obvious scams, but today's sophisticated versions can manipulate search engine results to place themselves high in rankings. This increased visibility in search results - not just through email or ads -marks a significant progression, making it harder for average users to distinguish between real and fake sites.

Signs that may indicate a spoofed or phishing website include:

- Subtle changes in the website's URL, such as swapped letters or added characters, which differ from the official web address.
- An absence of a secure connection, indicated by the lack of a padlock icon and HTTPS in the website address.
- Websites that request immediate downloads, especially when these requests are unsolicited or come from search results.

It is important to note that even seemingly authentic visual design cannot guarantee legitimacy because advanced scammers faithfully reproduce logos, layouts, and language.

To avoid falling victim to these types of scams, users are advised to avoid clicking directly on search engine links when looking for important downloads, logins, or sensitive information.

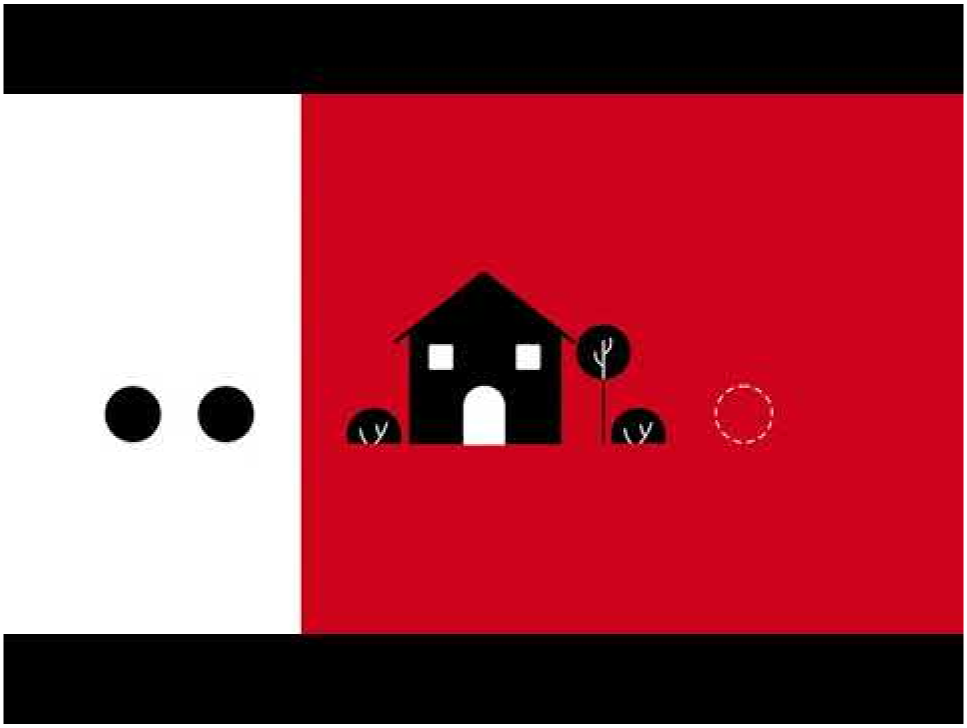
Instead, navigate to official websites by typing the address manually or using trusted bookmarks.

Effective strategies include keeping devices and security software updated; carefully inspecting website addresses for small discrepancies; and being skeptical of urgent calls to action, such as prompts to update security or download software.

If a website appears unfamiliar despite a high search ranking, it is wise to double-check its legitimacy by reviewing other independent sources before entering information or downloading files.

Additional Sources: *https://www.fortinet.com/resources/cyberglossary/types-of-phishing-attacks; https://www.fbi.gov/how-we-can-help-you/scams-and-safety/common-frauds-and-scams/spoofing-and-phishing; https://consumer.ftc.gov/articles/how-recognize-and-avoid-phishing-scams*
Finally, your opinion is important to us. Please complete the opinion survey:

Travelers: ID Fraud Expense Reimbursement — Uncover the Risks



Watch Video At: https://youtu.be/G7Q4K-8UO4M

Additional Resources

- Travelers Identity Fraud Insurance >
- Travelers Financial Institutions >
- Travelers Webinars >
- How to file a claim >
- RMPlusOnline Overview >
- Employment Practices Liability Hotline
- ERISA HelpLine

Special Features from Travelers

Documents

A Consumer's Top 10 Tips to Prevent Identity Fraud

Categories

Travelers Webinars

Risk Management Plus+ Online® is a value-added service offered to certain Travelers Bond & Specialty Insurance policy holders. Many of the materials on this site are produced by The McCalmon Group, Inc., an outside risk management firm, and in using this site you are signifying your agreement to The McCalmon Group's User Agreement and Privacy Policy below. Travelers Casualty and Surety Company of America and its property casualty affiliates ("Travelers") makes no warranty, guarantee, or representation as to the accuracy or sufficiency of the content on this site. The use of the information and the implementation of any practices described on this site is at your sole discretion. Travelers disclaims all warranties, express or implied. In no event will Travelers be liable in contract or in tort for any loss arising out of the use of Risk Management Plus+ Online or any other of The McCalmon Group's content or products.

The materials contained on this site do not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced on this site can depend on underwriting qualifications and state regulations.

CSRMA MEETING CALENDAR 2025

JANUARY	FEBRUARY	MARCH	APRIL
CSRMA EB - TUE - 28	CSRMA LIAB (TC) - TUE - 18	**CSRMA LRP - SUN - TUE - 16, 17, 18**	**CSRMA FIN - TUE - 15 (SFO)**
CSRMA BD - WED - 29	**CSRMA WC - THUR - 20 (SFO)**		
CASA January 29 - 31	***PARMA February 23 - 26***		
Palm Springs	***Anaheim***		
MAY	**JUNE**	**JULY**	**AUGUST**
CSRMA LIAB - MON - 5 (WC OFFICE)	CSRMA EB (TC) - MON - 9	**CSRMA EB - TUE - 29**	
CSRMA OC (TC) - TUES - 6	CSRMA BOD (TC) - WED - 18	**CSRMA BD - WED - 30**	
CSRMA WC (TC) - THUR - 15	CSRMA OC (TC) - WED - 25		
		CASA July 30 - August 1	
		San Diego	
SEPTEMBER	**OCTOBER**	**NOVEMBER**	**DECEMBER**
CSRMA LIAB - MON - 8 (WC OFFICE)	**CSRMA EB - MON - 6 (SFO)**	CSRMA FIN (TC) - MON - 3	CSRMA EB (TC) - MON - 8
CSRMA OC (TC) - FRI - 12	CSRMA WC (TC) - WED - 15	**CSRMA LIAB - MON - 17 (WC OFFICE)**	CSRMA OC (TC) - THUR - 11
	CSRMA OC (TC) - FRI - 31		
CAJPA September 16 - 19			
Monterey			

Meetings in RED are IN-PERSON

CSRMA
Board of Directors
60 Members

Finance Committee
Jason Dow, Chair
Philip Leiber
Ryan Green
Jeffery Tucker

Executive Board
Sandeep Karkal, Novato SD (President)
Vince De Lange, Delta Diablo (Vice President)
Michael Thornton, San Elijo JPA
Tyson Zimmerman, Ironhouse SD
Curtis Paxton, Las Gallinas Valley SD
VACANT
Patrick Ostly, North of River SD
Jimmy Dang, Oro Loma SD (Alternate)

Officers Committee
Sandeep Karkal
Vince De Lange

Treasurer-Auditor
Jason Dow

Secretary
Roland Williams

Legal Counsel
Byrne Conley, Esq.
Gibbons & Conley

Financial Auditor
James Marta,
James Marta & Company

Financial Advisor
Michael Kronbetter,
PFM Asset Management LLC

Program Management
Alliant Insurance Services, Inc.

JPA Administration & Insurance

Dennis Mulqueeney
Seth Cole
Myron Leavell
Marilyn Schley
P.J. Skarlanic
Steve Davidson
Thary Ou
Tevea Him
Phuntsok Gaphel

Loss Control Services

David Patzer, Patzer Risk Control Services
CSRMA Risk Control Advisor

Heather Truro, HT Consulting
Return to Work Consultant

Accounting

Tami Giovanni

Pooled Liability Program Committee
Patrick Ostly, North of River SD, Chair
Sergio Ramirez, West Bay SD
Mark Carlson, Union SD
Jordan Damerel, Fairfield-Suisun SD
Veronica Cazares, Selma-Kingsburg-Fowler County SD
Robert Grantham, Santa Margarita Water District

Claims
Bill Kirker
Carl Warren & Co.

Workers' Compensation Program Committee
Tyson Zimmerman, Ironhouse SD, Chair
Jeffrey Kingston, Sausalito-Marin City SD
Jennifer Sabine, Encina Wastewater Authority
Jan Lee, Dublin San Ramon SD
Matt Anderson, Silicon Valley Clean Water
Erik Brown, Novato SD

Claims
Stella Sebastiani
Athens

CSRMA California Sanitation Risk Management Authority

Service Team

Phuntsok Gaphel
Account Executive
Accounting Support Services
(415) 403-1447
pgaphel@alliant.com

Tevea Him
Account Manager
Administrative Support Services
(415) 403-1416
thim@alliant.com

Steve Davidson
Asst. Account Manager
Account Support Services
(415) 855-8563
steve.davidson@alliant.com

Tami Giovanni
Accounting
(925) 963-0951
tgiovanni@alliant.com

P.J. Skarlanic
Senior Vice President
JPA / Insurance Administration
(415) 403-1455
pskarlanic@alliant.com

Thary Ou
Account Manager
Account Support Services
(415) 403-1433
tou@alliant.com

David Patzer
Risk Control Advisor
Risk Control Consulting Services
(707) 373-9709
dpatzer@dkfsolutions.com

Myron Leavell
Account Executive
JPA / Insurance Administration
(415) 403-1404
mleavell@alliant.com

Marilyn Schley
Account Executive
Insurance Administration
(415) 403-1432
mschley@alliant.com

Seth Cole
Senior Vice President
Assistant JPA Manager
(415) 403-1419
scole@alliant.com

Dennis Mulqueeney
Senior Vice President
JPA Manager
(415) 403-1421
dmulqueeney@alliant.com