

**RECLAMATION DISTRICT 828
AGENDA FOR
BOARD OF TRUSTEES SPECIAL MEETING
8:30 A.M., JULY 21, 2017
509 WEST WEBER, 5TH FLOOR
STOCKTON, CALIFORNIA**

Call to Order

Agenda Items

1. Public Comment. Under Government Code section 54954.3, members of the public may address the Board concerning any item that has been described in this notice for the July 21, 2017 Reclamation District No. 828 Special Meeting. The public may comment on each item on the agenda as it arises.
2. Insurance. Select and approve insurance provider and policy.
3. Adjournment.

This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code §54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact Daniel J. Schroeder at 209-948-8200 during regular business hours, at least twenty-four hours prior to the time of the meeting.

Materials related to an item on this Agenda submitted to the Trustees after distribution of the agenda packet are available for public inspection in the office of the District Secretary at Neumiller & Beardslee, 509 W. Weber Avenue, 5th Floor, Stockton, California during normal business hours.

**AGENDA PACKET
RECLAMATION DISTRICT 828
JULY 21, 2017**

ITEM

COMMENTARY

- | | |
|----|----------------------|
| 1. | Self-explanatory |
| 2. | Please see attached. |
| 3. | Self-explanatory |



INSURANCE PROPOSAL
Reclamation District No. 828 - Weber Tract

EFFECTIVE DATE
8/1/2017

PRESENTED BY:
Dohrmann Insurance Agency



PROGRAM MANAGER
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
Agency License No. 733176
CA License No. 0L01269



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by your insurance broker. It may or may not contain all terms requested on the application. Proposed coverages are provided by the Allied Public Risk WaterPlus policy forms and are subject to the terms, exclusions, conditions and limitations of those policy forms. Actual policies should be reviewed for specific details. Specimen policies are available from your insurance broker.

PAGE	COVERAGE SECTION	PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment)	\$ 500.00
8	SECTION 2. COMMERCIAL CRIME	\$ 250.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$ 2,628.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefit Plans)	\$ 500.00
12	SECTION 5. BUSINESS AUTO	\$ N/A
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$ 500.00

TOTAL ANNUAL PREMIUM (excludes state-imposed taxes, surcharges, and fees)	\$	4,378.00
TERRORISM PREMIUM	\$	26.00
FULLY EARNED POLICY FEE	\$	100.00
STATE-IMPOSED TAXES, SURCHARGES, AND FEES	\$	N/A
TOTAL AMOUNT DUE*	\$	4,504.00

*Payment is due in accordance with the producer agreement.

NOTES:

INSURED: Reclamation District No. 828 - Weber Tract
EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 1. PROPERTY*

***IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Special Causes of Loss
- Proprietary
- Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$10,000
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$50,000
Equipment Breakdown / Boiler & Machinery:	Included
Mobile Equipment (Scheduled):	N/A
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	N/A
Mobile Equipment (borrowed, rented & leased):	N/A
Earthquake (earth movement excluded):	N/A
Flood Zone AE:	N/A
Flood Zone X (shaded/unshaded)	N/A

DEDUCTIBLES:

\$1,000	Property
N/A	Mobile Equipment
\$1,000	Equipment Breakdown (aboveground & less than 50 feet belowground)
\$2,500	Equipment Breakdown (greater than 50 feet belowground)
N/A	Earthquake (earth movement excluded)
N/A	Flood Zone X (per occurrence)
N/A	Flood Zone AE* (per occurrence)
N/A	Flood Zone AE* (per damaged structure / per occurrence)
	*the greater of the deductibles will be applied
N/A	Named Storm Wind/Hail* (per occurrence)
N/A	Named Storm Wind/Hail* (per damaged structure / per occurrence)
	*the greater of the deductibles will be applied

POLICY HIGHLIGHTS:

- Blanket Policy Limits
- Blanket Coverage Extension Limits
- No Coinsurance Penalty
- Equipment Breakdown
- Broad Definition of Covered Property
- Proprietary Coverage Extensions

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

INSURED: Reclamation District No. 328 - Weber Tract
EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SPECIAL COVERAGES:

- **New Locations Or Newly Constructed Property:**
Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.
- **Utility Services – Direct Damage, Business Income & Expense:**
Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense Expense.
- **Pollution Remediation Expenses:**
Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the policy period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.
- **SCADA Upgrades:**
Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.
- **Contract Penalties:**
Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- **Contamination:**
Pays up to \$100,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.
- **Property In Transit:**
Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.
- **Unintentional Errors:**
Pays up to \$100,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.



KEY DEFINITIONS

■ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Glass which is part of a building or structure;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 1000 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 1000 feet of premises described in the Declarations;
- Underground vaults and machinery.

■ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

■ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.



KEY DEFINITIONS *(continued)*

■ **Remediation Expenses:**

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

■ **Outdoor Property:**

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises;
- Dumpsters, concrete trash containers, or permanent recycling bins;
- Hydrants; or
- Electric utility power transmission and distribution lines and related equipment owned by the insured.

■ **Equipment Breakdown:**

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage	Limit
Accounts Receivable	\$500,000
Valuable Papers and Records	\$500,000
Contamination	\$100,000
Tools and Equipment Owned by Your Employees	\$5,000
Personal Effects and Property of Others	\$5,000
Outdoor Property (unscheduled)	\$25,000
New Locations or Newly Constructed Property	\$1,000,000
Business Personal Property at New Locations	\$1,000,000
Utility Services - Direct Damage	\$250,000
Utility Services – Business Income and Extra Expense	\$250,000
Dependent Business Premises	\$250,000
Property at Other Locations	\$250,000
Pollution Remediation Expense (specified cause of loss)	\$250,000
Pollution Remediation Expense (covered cause of loss)	\$100,000
Contract Penalties	\$100,000
SCADA Upgrades	\$100,000
Property in Transit	\$100,000
Backup/Overflow of Water from Sewer, Drain, Sump	\$100,000
Fine Arts	\$25,000
Limited Coverage for "Fungus", Wet Rot or Dry Rot	\$25,000
Trees, Shrubs & Plants (maximum \$1,000 any one item)	\$25,000
Indoor and Outdoor Signs (unscheduled)	\$25,000
Arson Reward	\$10,000
Fire Department Service Charge	\$5,000
Non-Owned Detached Trailers	\$5,000
Cost of Inventory or Adjustment	\$5,000
Patterns, Dies, Molds, Forms	\$2,500
Fire Protection Devices	\$2,500
Debris Removal	25% of scheduled limit
Ordinance or Law Provision	25% of scheduled limit

NOTES:

Premium is calculated from attached property schedule; review property schedule for coverage and limit adequacy. Earthquake and Flood coverages are excluded.

INSURED: Reclamation District No. 828 - Weber Tract
EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 2. COMMERCIAL CRIME*

*IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary
- Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
\$100,000	\$100,000	\$100,000	\$5,000	\$100,000	\$100,000	\$10,000	\$100,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

POLICY HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

INSURED: Reclamation District No. 828 - Weber Tract

EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 3. COMMERCIAL GENERAL LIABILITY*

*IS SECTION INCLUDED IN THE PROPOSAL? Yes

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence
- Proprietary

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Products & Completed Operations Aggregate	\$3,000,000
Personal & Advertising Injury Aggregate	\$1,000,000
Damage to Premises Rented to You	\$1,000,000
Medical Payments	\$10,000

DEDUCTIBLE:

N/A

POLICY HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Insured
- Fellow Employee
- Per Location Aggregate
- Blanket Additional Insured Endorsement

OPTIONAL COVERAGES INCLUDED IN QUOTE:

Hired and Nonowned Auto Liability
Dam, Levee & Dike Structural Failure

INSURED: Reclamation District No. 828 - Weber Tract
EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SPECIAL COVERAGES:

- **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any insured to adequately supply water.
- **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.
- **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Insured. However, no coverage is provided under this exception for petroleum underground storage tanks.

NOTES:

INSURED: Reclamation District No. 828 - Weber Tract
EFFECTIVE DATE: 8/1/2017

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SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

*IS THIS SECTION INCLUDED IN THE PROPOSAL? Yes

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Claims Made

DEFENSE COSTS:

- Outside the Limits of Liability

LIMITS:

Wrongful Acts	\$1,000,000	per act
Employment Practices (including third party discrimination)	N/A	per offense
Employee Benefit Plans	N/A	per offense
Injunctive Relief	\$5,000	per act
	\$3,000,000	aggregate limit

SPECIAL COVERAGES:

- Inverse Condemnation : Yes

RATING BASIS

- On file with underwriter
- Non auditable

DEDUCTIBLE

\$1,000 each claim including expenses

RETROACTIVE DATE:

8/1/2010

POLICY HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Named Insured including Past and Future Employees
- Outside Directorship
- Punitive Damages are Covered Where Insurable by Law
- No Intentional Acts, Assault & Battery or Bodily Injury Exclusions

NOTES:

INSURED: Reclamation District No. 828 - Weber Tract

EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 5. BUSINESS AUTO*

***IS THIS SECTION IS INCLUDED IN THE PROPOSAL? No**

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- ISO Business Auto

PORTFOLIO:

	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	No Coverage	N/A
Hired Auto Liability	No Coverage	N/A
Non-Owned Auto Liability	No Coverage	N/A
"No-Fault" or Statutory Personal Injury Protection (each person)	No Coverage	N/A
Medical Payments	No Coverage	N/A
Uninsured / Underinsured Motorists	No Coverage	N/A
Hired Physical Damage	No Coverage	N/A
Owned Physical Damage – Comprehensive	No Coverage	N/A
Owned Physical Damage – Collision	No Coverage	N/A

DEDUCTIBLE:

Liability: None
 Comprehensive: N/A
 Collision: N/A

NOTES:

This part of the Proposal is excluded. Please refer to the GL section for Hired and Nonowned Auto Liability coverage.

INSURED: Reclamation District No. 828 - Weber Tract
EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

SECTION 6. COMMERCIAL EXCESS LIABILITY*

*IS THIS SECTION IS INCLUDED IN THE PROPOSAL? Yes

CARRIER:

- Allied World Assurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary
- Following Form

LIMITS:

\$1,000,000 / \$1,000,000

RATING BASIS:

- On file with underwriter
- Non auditable

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes

Hired and Non-Owned Auto Liability - Yes

Public Officials & Management Liability - Yes

Wrongful Acts - Yes

Employment Practices - No

Employee Benefit Plans - No

Owned Auto Liability - No

Employer's Liability (minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000) - No

Other:

NOTABLE EXCLUSION:

- Workers' Compensation

NOTES:

Employers' Liability subject to Allied World security requirements.

INSURED: Reclamation District No. 828 - Weber Tract

EFFECTIVE DATE: 8/1/2017

DISCLAIMER: Actual coverage is subject to the language of the policies as issued. Your issued policy may contain limits, exclusions, and limitations that are not detailed in this proposal.

**INSURANCE SUPPLEMENT - TERRORISM
POLICYHOLDER DISCLOSURE
NOTICE OF TERRORISM
INSURANCE COVERAGE**

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, as defined in Section 102(1) of the Act. The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of the Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of an air carrier or vessel or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS EXCLUSION FOR NUCLEAR EVENTS. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES [85% THROUGH 2015; 84% BEGINNING ON JANUARY 1, 2016; 83% BEGINNING ON JANUARY 1, 2017; 82% BEGINNING ON JANUARY 1, 2018; 81% BEGINNING ON JANUARY 1, 2019 AND 80% BEGINNING ON JANUARY 1, 2020] OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURERS' LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

Acceptance or Rejection of Terrorism Insurance Coverage

<input type="checkbox"/>	I hereby elect to purchase terrorism coverage for a prospective premium of \$26.00.
<input type="checkbox"/>	I hereby decline to purchase terrorism coverage. I understand that I will have no coverage for losses resulting from acts of terrorism

	Allied World Assurance Company (U.S.) INC.
Policyholder/Applicant's Signature	Insurance Company
Reclamation District No. 828 - Weber Tract	
Print Name	Policy Number
Date	



COVERAGE CHECKLIST

CAL MUTUALS IS DEDICATED TO MUTUAL WATER COMPANIES.
OUR COVERAGES ARE CUSTOMIZED AND PRICING AFFORDABLE
FOR SMALL PUBLIC WATER SYSTEMS.



CAL MUTUALS	THEM	COVERAGE CHECKLIST
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Property policy include Blanket protection without a coinsurance penalty for all your scheduled locations and separate Blanket protection for key coverages such as business income and extra expense?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Property policy include special extensions such as Unintentional Errors, Off Premises Utility Services, SCADA Upgrades (above replacement cost), Property in Transit, Contract Penalties, Rental Reimbursement – Mobile Equipment, and Water Contamination Notification Expense?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Property policy include Contamination for \$100,000 (not limited to just ammonia), Pollution Remediation Expense for either \$250,000 (Specified Cause of Loss)* or \$100,000 (Covered Cause of Loss), Outdoor Property (w/ windstorm) for \$100,000, and \$50,000 for Fungus, Wet Rot or Dry Rot?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Crime policy provide minimum limits of \$100,000 for Employee Dishonesty, Theft of Money & Securities, Computer Fraud, Funds Transfer Fraud, and Money orders?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your General Liability policy include aggregate limits of \$10,000,000 as well as special coverage for Water & Wastewater Testing E&O, Waterborne Asbestos, Lead, Fungi & Bacteria, Product Recall, and Impaired Property?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your General Liability policy include Failure to Supply Water and Dam Failure Liability as well as Pollution for your potable water, treatment chemicals, natural gas, hostile fire, smoke drift, sewer or wastewater backup/line breaks, and any pollution event that is sudden & accidental?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Public Officials & Management Liability policy include aggregate limits of \$10,000,000 for Wrongful Acts, Employment Practices, and Employee Benefit Plans as well as inverse condemnation and outside directorship?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Automobile policy include \$100,000 Hired Physical Damage, \$75 per Day Rental Reimbursement/Towing, and Fleet Automatic?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Excess Liability insurance policy follow the coverages in your underlying policies?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your Cyber Liability policy include Credit Monitoring Costs for \$1,000,000 without a deductible or retention?

*180 day reporting period required

This flyer is only a brief illustration of our program and may contain unintentional inaccuracies, outdated material or coverages not included in our quotations. You must refer to the actual Memorandum of Coverage (MOC) for a description of coverages, exclusions and conditions. Specimen MOCs are available for review and analysis. 1/2017



POOL CHECKLIST

CAL MUTUALS IS DEDICATED TO MUTUAL WATER COMPANIES. WE ESTABLISHED THE FIRST POOL IN THE NATION FOR MUTUAL WATER COMPANIES AND SPONSORED THE LEGISLATION.



CAL MUTUALS	THEM	CHECKLIST
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Did your pool's association partner sponsor the legislation allowing mutual water companies the right to participate in a joint powers authority like other special districts? Did they provide any support via letters or testimonials?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your pool's association partner exclusively serve as a legislative advocate and technical solutions provider for mutual water companies?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your pool have an independent board of directors comprised of fellow mutual water companies? How many mutual water companies are on the board? Do the members own your pool and control its future?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your pool offer workers' compensation and property & liability on a fully reinsured, non risk to member basis?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your pool offer a dividend plan on the workers' compensation coverage?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Did your pool remove all minimum premiums for their property & liability coverages?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your pool permit members to exit without penalty if rate increases exceed 15% in any one calendar year?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Will your pool be working with other stakeholders, including regulatory agencies, in support of grants and project advancements for mutual water companies?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Has your pool partnered with California's largest insurance specialist in public water systems and a network of supportive, knowledgeable and local insurance brokers?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Has your pool's Insurance Administrator grown their California portfolio of water accounts to almost 1,000 public water systems in the past four years?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Has your pool's Insurance Administrator <u>never</u> doubled minimum premiums for small mutual water companies in the past?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Has your pool engaged a third party consultant to submit a formal coverage and rate analysis to ensure its products are exceptionally competitive and meaningful for its mutual water company members?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does your pool have the same coverages referenced in the preceding checklist?

This flyer is only a brief illustration of our program and may contain unintentional inaccuracies, outdated material or coverages not included in our quotations. You must refer to the actual Memorandum of Coverage (MOC) for a description of coverages, exclusions and conditions. Specimen MOCs are available for review and analysis. 1/2017

ABOUT CAL MUTUALS

OUR MISSION

The mission of the **California Association of Mutual Water Companies (CAMWC)** is to bring together California's mutual water companies, facilitate the exchange of quality information, offer valuable resources, and represent its members through grassroots activities and statewide lobbying.

CAMWC is a non-profit trade association under Internal Revenue Code Section 501 (c)(6) organized under the non-profit mutual benefit corporation law (Federal Tax ID: 46-3976195). The specific purpose of this corporation is to act as a statewide association for mutual water companies and to pursue issues of common interest among mutual water companies throughout California.

CAMWC was founded in 2013 by 14 mutual water companies. These *Charter Members* recognized the need to bring together leaders of the industry and to give a voice to small water systems that serve residential, small business, farms, municipalities and disadvantaged communities throughout the state.

CAMWC retains a staff and governmental relations team who operate under the direction of the Board of Directors. The Board of Directors currently meets on a monthly basis and is supported by Legislative, Executive and Membership committees.

CAMWC provides its members compliance seminars, training opportunities, technical knowledge and resources, people-to-people networking, conferences, government relations support, and statewide lobbying.

CAMWC established the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (JPRIMA) as a result of California's legislature passing AB 656 in September 2015.

This legislation, which allows mutual water companies to participate in a joint powers authority for purposes of insurance and supporting services, was initiated by Cal Mutuals and supported by Valley (Central) Ag Water Coalition, California Firefighters' Association, and scores of mutual water companies as well as independent insurance agencies.

Technical resources and augmented advisory assistance are a critical component of this legislation and our JPRIMA. As a public agency, we are committed to providing quality insurance products that blend competitive rates with meaningful value-added services and impeccable financial security.

What's Ahead for CAMWC

We started 2015 with more than 100 members and are adding new members on a regular basis. **It was the support of our members and the Board of Directors last year that enabled the incorporation of mutual water companies as eligible applicants in the water bond – Proposition 1 – approved by voters last November, and preserved duplication of service protections once threatened by AB 2443 (Rendon).** We also increased our visibility among California's state agencies and, most importantly, the State Water Resources Control Board, which is now seeking Cal Mutuals assistance in providing statewide training on the NPDES potable water system permit, along with cutting edge data exchange and technical assistance programs.

CAL MUTUALS JPRIMA BOARD & STAFF

Board:

Jim Byerrum, President & Chairman of the Board (California Domestic Water Company)
Dave Michalko, Vice President (Valencia Heights Water Company)
Ken Bradbury, Secretary (Montebello Land and Water Company)
Lisa Yamashita-Lopez, Director (Rubio Cañon Land and Water Company)
Doug Nunneley, Director (Oildale Mutual Water Company)
Dave Armstrong, Director (South Mesa Water Company)
Ken Tcheng, Director (Sunny Slope Water Company)

Staff:

Jim Byerrum, Executive Officer
Adan Ortega, Executive Director
Jim Ciampa, General Counsel
Denise Peralta Gailey, Managing Director



"A pool dedicated to mutual water companies and supported by a committed network of local independent insurance agencies."

California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
www.calmutuals.org
www.waterinsuranceauthority.com



Insurance Administrator:
Allied Public Risk, LLC
CA DBA: Allied Community Insurance Services, LLC
Attn: Mia Garza, JPRIMA P&C/WC Manager
mgarza@alliedpublicrisk.com
T: 830 837 4369
CA License No. 0L01269
NPN 17536322

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INSURANCE ADMINISTRATOR

Allied Public Risk, LLC is a specialty program manager that provides a broad spectrum of products and services to select brokers and clients throughout the United States. Our water practice comprises various water-related entities such as public water systems, investor-owned utilities, irrigation districts, sewer districts, reclamation districts, conservation districts, and special service districts. National enrollment is approaching three thousand (3,000) entities, including several regional water authorities and hundreds of mutual water companies. Our experience with California water-related entities exceeds 20 years, the longest of any specialty program manager.

The California Association of Mutual Water Companies (Cal Mutuals) Joint Powers Risk and Insurance Management Authority (JPRIMA) is fully reinsured by an AM Best "A XV" rated carrier and distributed through independent insurance brokers. Marketplace differential is maintained via consequential non-insurance benefits such as technical support, advisory assistance, and regulatory compliance. There is no financial risk to members.

For more information, please contact your broker or visit us at www.alterisus.com.

Insurance Administrator:
Allied Public Risk, LLC

CA DBA: Allied Community Insurance Services, LLC
Attn: Mia Garza, JPRIMA P&C/WC Manager
mgarza@alliedpublicrisk.com, T: 830-837-4369
CA License No. 0L01269 NPN 17536322



**California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority**

JPRIMA PRODUCT GUIDE



Disclaimer: Coverages listed in this summary may or may not apply. Please review the actual quotation for a clear understanding of the coverages being offered. In addition, please request and carefully review the actual Memorandum of Coverage (MOC) for a clear understanding of our terms, conditions, limitations, and exclusions. The MOC itself will be the sole criterion to determine whether coverage applies to any claim or tender request. The MOC summary and any quotation will not supersede the terms contained in the MOC. 4/2016



CUSTOM COVERAGE • COMPETITIVE RATES • LOCAL BROKERS

PROPERTY

Proprietary Policy Form

- Property, Equipment Breakdown & Mobile Equipment
- No Coinsurance Penalty

Blanket Policy Limit

- Real Property
- Business Personal Property

Blanket Coverage Extension Limit

- A separate limit applies to the following:
 - Business Income
 - Extended Business Income
 - Civil Authority
 - Commandeered Property
 - Extra Expense
 - Tenant Leasehold Interest
 - Electronic Data
 - Preservation of Property

Coverages Specific to Water

Related Entities

- Property in Transit
- Mobile Equipment
- Pollution Remediation Expenses
- Fungus, Wet Rot or Dry Rot
- SCADA Upgrades
- Contamination

Additional Coverages

- Accounts Receivable
- Arson Reward
- Backup/Overflow of Water from Sewer, Drain, Sump
- Water Contamination Notification Expenses
- Lock and Key Replacement

- Rental Reimbursement - Mobile Equipment
- Business Personal Property at New Locations
- Collapse
- Contract Penalties
- Debris Removal
- Indoor & Outdoor Signs (unscheduled)
- New Locations or Newly Constructed Property
- Ordinance or Law Provision
- Outdoor Property (unscheduled)
- Patterns, Dies, Molds, Forms
- Personal Effects & Property of Others
- Tools & Equipment Owned by Your Employees
- Trees, Shrubs & Plants
- Unintentional Errors & Omissions
- Utility Services
- Valuable Papers & Records

CRIME

Proprietary Policy Form

- Faithful Performance
- Employee Benefit Plans
- Available Coverage for Designated Agents
- Coverages
 - Employee Theft
 - Forgery or Alteration
 - Inside The Premise - Theft of Money & Securities
 - Inside The Premise - Robbery or Safe Burglary
 - Outside The Premise

- Computer Fraud
- Funds Transfer of Fraud
- Money Orders & Counterfeit Paper Currency

GENERAL LIABILITY

Proprietary Policy Form

- Duty to Defend
- Nonauditable
- Broad Definition of Insured
- Blanket Additional Insured
- \$10M Aggregate Limit
- Coverages Extensions
 - Failure to Supply Water (no sublimit)
 - Water & Wastewater Testing E&O
 - Medical Payments
 - Sewage from Backups & Breaks (no sublimit)
 - Fire Damage Legal Liability
 - Pollution Liability
 - Contractual Liability-Railroads
 - Dam, Levee & Dike Structural Failure & Existence Hazard
 - Lead from Potable Water
 - Product Recall Exceptions
 - Impaired Property Exceptions
 - Waterborne Asbestos from Potable Water
 - Watercraft
 - Nonowned Aircraft

BUSINESS AUTO

Coverages

- Combined Single Limit
- Uninsured Motorists

- Hired & Non Owned Auto Liability
- Medical Payments/ Personal Injury Protection
- Hired Physical Damage
- Comprehensive & Collision
- Fleet Automatic
- Towing & Rental Car Reimbursement

PUBLIC OFFICIALS & MANAGEMENT LIABILITY

Proprietary Policy Form

- Duty to Defend
- Nonauditable
- Broad Definition of Insured
- \$10M Aggregate Limit
- Coverages
 - Wrongful Acts
 - Employment Practices
 - Employee Benefit Plans
- Coverages Extensions
 - Inverse Condemnation
 - Outside Directorship
 - Third Party Discrimination

PRIVACY LIABILITY & NETWORK RISK

Coverages

- \$1M Privacy & Network Security
- \$1M Notification & Credit Monitoring Costs
- \$100K Data Forensic & Public Relations

EXCESS LIABILITY

Proprietary Policy Form

- Following Form
- \$10 Million Capacity



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JPRIMA and Zenith Insurance Company

...a partnership of service, alignment, and member advocacy.

The California Association of Mutual Water Companies (Cal Mutuals) Joint Powers Risk and Insurance Management Authority (JPRIMA) was established as a result of California's legislature passing AB 656 in September 2015. This legislation was initiated by Cal Mutuals and supported by Valley (Central) Ag Water Coalition, California Firefighters' Association, and scores of mutual water companies. It allows mutual water companies to participate alongside water-related special districts in a joint powers authority for purposes of insurance and supporting services. Technical resources and augmented advisory assistance are a critical component of this legislation and our JPRIMA. As a public agency, we are committed to providing quality insurance products that blend competitive rates with meaningful value-added services and impeccable financial security.

Our reinsurance partner, which bears all the risk, is Zenith Insurance Company. They are an indirect, wholly-owned subsidiary of Fairfax Financial Holdings Limited and a specialist in workers' compensation. Zenith's reputation as an industry leader is built upon providing its customers superior services and consistently achieving results that outperform the industry. These attributes have created one of the largest, oldest and most stable workers' compensation carriers in California. Zenith is committed to workplace safety and health, quality medical care, managing claim costs, returning employees to work, and fighting fraud and abuse. Zenith proudly distributes its products through its network of appointed insurance agents and brokers.

Insurance Administrator:
Allied Public Risk, LLC

CA DBA: Allied Community Insurance Services, LLC

AiTrn: Mia Garza, JPRIMA P&C/WC Manager
mgarza@alliedpublicrisk.com, T: 830-837-4369

CA License No. 0101269_NPN 17536392

TheZenith®
A FAIRFAX Company



JPRIMA and Zenith Insurance Company
California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority

JPRIMA
WORKERS' COMPENSATION
PRODUCT GUIDE



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ELIGIBILITY	PRIMARY CLASSIFICATION CODES		
	CODE	CLASSIFICATION	DESCRIPTION
<ul style="list-style-type: none"> o Mutual Water Companies o Public Water / Sewer Districts o Irrigation / Drainage Districts o Reclamation / Levee Districts o Community Services Districts o Other Special Districts 	0251	Irrigation, Drainage, or Reclamation Works Operation	This classification is applicable to all work incidental to maintenance and operation of irrigation or drainage systems, pumps, valves, and control gates. This classification does not contemplate the construction of these systems. The cleaning of mains, ditches, lateral flow lines, and the spreading or spraying of oil performed in connection with mosquito control is included in this classification. Examples of operations are water districts and other public agencies.
<p>HIGHLIGHTS</p> <ul style="list-style-type: none"> o Workers Compensation <ul style="list-style-type: none"> ▸ Statutory Benefits for the State of CA o Employers' Liability <ul style="list-style-type: none"> ▸ \$1M Policy Limit ▸ Per Accident / Per Disease o Twelve Month Policy <i>(unless pro-rated)</i> <ul style="list-style-type: none"> ▸ Auditable o Rates per \$100 of payroll <ul style="list-style-type: none"> ▸ Adjustments based on: ▸ Experience Modification Factor ▸ Premium Size Credit ▸ Scheduled Credits & Debit ▸ Territorial Factor o Flexible Payment Plans <i>(annual to monthly)</i> <ul style="list-style-type: none"> ▸ Direct Bill & EFT Options ▸ \$750 Minimum Premium 	7520	Waterworks	This classification applies to the operations of publicly or privately operated water companies that supply potable water to communities. This classification includes but is not limited to the construction of water mains and lateral lines, the treatment of water, the operation and maintenance of pumping stations and the installation and repair of water meters. Repair, maintenance and installation of water mains, taps, meters and fire hydrants are included in this classification.
	7580	Sanitary or Sanitation Districts Operations	This classification shall apply to all work incidental to the maintenance and operation of sewer systems or sewage disposal plants. Additions to, alterations or construction of sewer lines or sewage disposal plants shall be separately classified.
	8742	Salespersons	Outside salespersons are defined as those employees (1) who are engaged exclusively in sales or collection work away from the premises of the employer or (2) who are engaged in such work for any portion of their time and devote the balance of their time to clerical office duties. The statement of payroll shall include the entire remuneration of all outside salespersons, including those whose duties take them outside the State of California. When salespersons are required to pay their own traveling expenses out of their remuneration, not less than two-thirds of such remuneration shall be included as payroll.
<p>SPECIAL FEATURE</p> <ul style="list-style-type: none"> o Dividend Plan <ul style="list-style-type: none"> ▸ 100% Proceeds to JPRIMA / Members 	8810	Clerical Office Employees	Clerical office employees are those employees engaged exclusively in bookkeeping, in record keeping, in correspondence, or in other office work where books and other records are kept or correspondence is conducted. This classification applies only to employees who work in areas physically separated from other operations by structural partitions and in which work of clerical office employees as defined in this rule is performed exclusively. If such an employee has any other duty, the total payroll of that employee shall be assigned to the highest rated classification of operations to which the employee is exposed.
<p>VALUE ADDED SERVICES</p> <ul style="list-style-type: none"> o Zenith Claims Handling & Loss Prevention o In House Examiners & Nurses o In House Safety & Health Engineers o 24 / 7 Concierge Service o Website Portal o Video & Online Training Library o Onsite Visits o Specialized Services 			



**AGREEMENT TO BECOME A PARTY TO THE
AMENDED JOINT POWERS AGREEMENT
CREATING THE
CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY**

_____ [insert name of company or district]
(referred to as "Member") hereby agrees to become a party to the Amended Joint Powers Agreement Creating the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (the "Authority"), in the form attached hereto as Exhibit A, and agrees to abide by the terms and conditions of that agreement.

Member hereby represents that its action to become a party to the above-referenced agreement and to participate in the Authority has been duly authorized by action of its governing board taken at a duly called and noticed meeting.

Executed this _____ day of _____, 201__ at
_____, California.

[Company or District name]

By _____

Printed Name: _____

Title: _____

**Amended Joint Powers Agreement
Creating the
California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority**

THIS AGREEMENT is made and entered into in the County of Los Angeles, State of California, by and among the Companies and Districts, as defined herein, organized and existing under the laws of the State of California, which are parties signatory to this Agreement and listed in Appendix "A," which is attached hereto and made a part hereof. Said Companies and Districts are sometimes referred to herein as "parties" or "Members."

RECITALS

WHEREAS, subdivision (a) of California Government Code Section 6525 authorizes a mutual water company and a public agency to enter into a joint powers agreement for the purpose of jointly exercising any power common to those contracting parties, and, effective January 1, 2016, subdivision (b)(1) of California Government Code Section 6525 provides that a mutual water company and a public agency may enter into a joint powers agreement for the purpose of risk-pooling in accordance with Government Code Section 990.8; and

WHEREAS, California Government Code Section 990 authorizes the self-insurance against tort liabilities and inverse condemnation by public entities and California Labor Code Section 3700 provides for self-insurance of liabilities imposed by Labor Code Section 3200, et seq.; and

WHEREAS, California Government Code Section 990.8 states that a mutual water company and a public agency may, by a joint powers agreement, provide coverage for any purpose by any one or more of the methods specified in Government Code Section 990.4; and

WHEREAS, the parties desire to establish a structure to provide such coverage products at contributions competitive with the insurance market and in a manner that alleviates risk through coverage products that are reinsured; and

WHEREAS, the parties to this Agreement desire to join together for the purpose of purchasing insurance or reinsurance at reduced rates and to provide technical support, continuing education, safety engineering, and operational and managerial advisory assistance to said parties in order to reduce risk liabilities and further the technical, managerial and financial capacity of those parties; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement to do so;

NOW THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

Article 1 — Definitions

The following definitions shall apply to the provisions of this Agreement:

- (a) **"Association"** shall mean the California Association of Mutual Water Companies.
- (b) **"Auditor/Controller"** shall mean that person, designated by the Board of Directors who is required to draw, or cause to be drawn, checks, warrants, and electronic payments on behalf of the Authority.
- (c) **"Authority"** shall mean the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority (CAMWC-JPRIMA) created by this Agreement.
- (d) **"Board of Directors" or "Board"** shall mean the governing body of the Authority.
- (e) **"Chief Executive Officer"** shall mean that employee or other agent of the Authority who is so appointed by the Board of Directors.
- (f) **"Company"** shall mean a mutual water company, as defined in California Corporations Code Section 14300, which is a "Regular Member" of the Association, as defined in Article III, Section 1(a) of the Association's Bylaws; or a ditch company that is formed and operates as a non-profit mutual benefit corporation under California law and is an "Affiliate Member" of the Association, as defined in Article III, Section 1(c) of the Association's Bylaws.
- (g) **"Director"** shall mean an individual elected by the Members to serve on the Authority's Board of Directors.
- (h) **"District"** shall mean any public agency that is an "Associate Member" or "Affiliate Member" of the Association, as defined in the Association's Bylaws.
- (i) **"Duly Constituted Board Meeting"** shall mean any Board of Directors meeting noticed and held in the required manner and at which a quorum was determined to be present at the beginning of the meeting.
- (j) **"Finance and Audit Committee"** shall mean the committee of the Authority composed of financial staff of Members appointed by the Board President and ratified by the Board of Directors.
- (k) **"Fiscal Year"** shall mean the calendar year.
- (l) **"Insurance"** shall mean any Program of the Authority providing

coverage against losses to Members who are participants in the Program, regardless of the exact nature of the coverage to be provided by or on behalf of the Authority.

(m) **"Insurance Program Administrator"** shall mean the individual or firm retained by the Board of Directors to administer the Authority's Programs.

(n) **"Member"** shall mean any **"Company"** or **"District"** which is a signatory to this Agreement.

(o) **"Program"** or **"Programs"** means the specific type of Insurance as set forth in the terms, conditions and exclusions of any coverage documents for Insurance provided to a Member.

(p) **"Re-Insurance"** shall mean that insurance or reinsurance which may be purchased on behalf of the Authority and/or the Members to protect the funds of the Members against catastrophic losses.

(q) **"Secretary"** shall mean the person appointed by the Board of Directors to record or cause to be recorded, and keep or cause to be kept, at the principal executive office or such other place as the Board of Directors may order, a book of minutes of actions taken at all meetings of the Board of Directors.

(r) **"Services"** shall mean various services and programs offered from time to time or on an ongoing basis by or on behalf of the Authority to increase Members' technical, managerial and financial capacity, and to reduce risks of losses.

(s) **"Treasurer"** shall mean the person appointed by the Board of Directors to keep and maintain, or cause to be kept and maintained, adequate and correct financial records of the Authority and who will act as a liaison with the Authority's outside auditor in preparing the Authority's annual audit.

Article 2 — Purposes

This Agreement is entered into by the Members pursuant to the provisions of California Government Code sections 990, 990.4, 990.8 and 6500 *et seq.*, in order to provide comprehensive and economical general liability, public liability, property damage, auto liability, boiler and machinery, directors' and officers' errors and omissions, employment practices, employee dishonesty, employee benefits liability coverage, workers' compensation coverage, and coverage for such other risks as the Board of Directors may determine from time to time; and to allow the Authority to undertake necessary administrative actions pursuant to Government Code Section 6525(a) in advance of the effective date of AB 656 on January 1, 2016.

Additional purposes are to reduce the amount and frequency of losses, to decrease the cost incurred by Members in the handling and litigation of claims and to assist the Members through the Services in building their technical, managerial and financial capacity. These purposes shall be accomplished through the exercise of the powers of such Members jointly in the creation of the Authority as a separate entity in accordance with applicable law.

It is also the purpose of this Agreement to provide, to the extent permitted by law, for the inclusion at a subsequent date of such additional Members organized and existing under the laws of the State of California as may desire to become parties to the Agreement and members of the Authority, subject to approval by the Board of Directors as set forth herein.

Article 3 — Parties to Agreement

Each party to this Agreement certifies that it intends to and does contract with all other parties who are signatories to this Agreement and, in addition, with such other parties as may later be added as parties to and signatories to this Agreement pursuant to Article 18. Each party to this Agreement also certifies that the deletion of any party from this Agreement, pursuant to Article 19 or Article 20, shall not be considered the completion of the purpose of this Agreement or affect this Agreement or such party's intent to contract as described above with the other parties to the Agreement then remaining. All parties to this Agreement must be either a Company or a District.

Article 4 — Term of Agreement

This Agreement became effective January 1, 2016, and it shall continue until terminated as hereinafter provided. This Agreement shall become effective as to each new Member upon: (i) approval of its membership by the Board of Directors, (ii) the execution of this Agreement by the Member, and (iii) upon payment by the Member of any initial contribution as the Board of Directors may determine. Any subsequent amendments to the Agreement shall be in accordance with Article 27 of this Agreement.

Article 5 — Creation of Authority

Pursuant to Section 6500 *et seq.* of the California Government Code, there is hereby created a public entity separate and apart from the parties hereto, to be known as the California Association of Mutual Water Companies Joint Powers Risk and Insurance Management Authority. Pursuant to Government Code Section 6508.1, the debts, liabilities and obligations of the Authority shall be solely its own, no District member shall be responsible for the underlying debts or liabilities of the Authority, and such debts, liabilities or obligations of the Authority shall not constitute debts, liabilities or obligations of any party to this Agreement or of any Company or District. Such Company and District Members shall be fully indemnified by the Authority against such debts, liabilities or obligations, to the extent permitted by law, specifically including Government Code Section 6525(b)(1). The Authority exists separately and apart from the Member Agencies.

The Authority is not an insurer, and the Programs offered by or on behalf of the Authority are to be interpreted in conformance with Government Code sections 990, 990.4, 990.8 and 6500 *et seq.* and contract law. The laws of insurance shall not apply.

Article 6 — Powers of Authority

(a) The Authority shall have the powers common to Members and the powers set forth in Government Code Section 6525(b), and is hereby authorized to do all acts necessary for the exercise of said powers, including, but not limited to, any or all of the following:

- (1) To make and enter into contracts;
- (2) To incur debts, liabilities or obligations as necessary, including to finance any Programs and Services offered to Members;
- (3) To receive grants and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- (4) To acquire, hold, lease or dispose of property, contributions and donations of property, funds, services and other forms of assistance from persons, firms, corporations and governmental entities;
- (5) To employ agents and employees, and/or to contract for services rendered by such agents and employees;
- (6) To sue and be sued in its own name;
- (7) To exercise all powers and perform all acts as otherwise provided for in the Bylaws; and
- (8) To exercise all powers necessary and proper to carry out the terms and provisions of this Agreement, or otherwise authorized by law.

(b) Said powers shall be exercised pursuant to the terms hereof and in the manner provided by law. In accordance with Government Code Section 6509, the foregoing powers shall be subject to the restrictions upon the manner of exercising such powers applicable to North of the River Municipal Water District.

Article 7 — Board of Directors

(a) Subject to the limitations of this Agreement and the laws of the State of California, the Authority shall be governed by a Board of Directors which is hereby established and designated to administer this Agreement pursuant to Government Code Section 6506. The powers of the Authority shall be exercised through the Board of Directors, who may, from time to time, adopt and modify bylaws and other policies and procedures for that purpose and for the conduct of its meetings as it may deem proper.

(b) The Board of Directors shall be composed of between five (5) and nine (9) directors, as determined upon the formation of the Authority by the initial Members and thereafter determined by the Board of Directors from time to time. The initial Board of Directors shall be appointed by the original Members and upon expiration of that initial term, the directors shall be elected by the Members who have executed this Agreement, as it

may be amended. The terms of directors, procedures for election of directors and procedures for meetings shall be as set forth in the Bylaws. Each Member of the Board of Directors shall have one vote. Each Member of the Board shall serve as set forth in the Bylaws.

(c) The Board of Directors shall meet as specified in the Bylaws. All meetings of the Board of Directors, including, without limitation, regular, adjourned regular and special meetings, shall be called, noticed, held and conducted in accordance with the provisions of the Ralph M. Brown Act, California Government Code Sections 54950 *et seq.*

Article 8 — Powers of the Board of Directors

The Board of Directors of the Authority shall have the powers and functions as set forth in the Bylaws.

Article 9 — Officers of the Authority

The officers of the Authority shall be a President, Vice President, Chief Executive Officer, Secretary, Treasurer and Auditor/Controller, whose duties shall be as set forth in the Bylaws or as prescribed by applicable provisions of law. The position of Treasurer and Auditor/Controller may be held by the same person concurrently.

Article 10 — Standing Committees

The Bylaws shall establish standing committees deemed necessary for the management of the Authority. In addition to those standing committees established in the Bylaws, the Board of Directors may establish other standing or temporary committees from time to time, as provided in the Bylaws.

Article 11 — Insurance Program Administrator and Other Staff

(a) **Insurance Program Administrator.** The Board of Directors shall appoint an Insurance Program Administrator who shall be responsible for the general administration of the Authority's Programs and related activities as directed by the Board of Directors.

(b) **Legal Counsel.** The Board of Directors shall appoint an attorney at law who shall serve as general Legal Counsel to the Authority.

(c) **Other Staff.** The Board of Directors shall provide for such other staff of the Authority, to be hired by the Chief Executive Officer, as may be necessary for the efficient and productive administration and operation of the Authority.

Article 12 — Insurance Coverage

(a) The Authority shall provide for such types and levels of coverage for Programs as the Board of Directors, with the advice of the Authority's Advisory Committee, shall determine.

(b) The Programs provided for Members by or on behalf of the Authority may include protection for comprehensive and economical general liability, public liability, property damage, directors' and officers' errors and omissions, auto liability, boiler and machinery, employment practices, employee benefits liability coverage, workers' compensation, and/or coverage for other risks which the Board of Directors may determine to be advisable. The Board of Directors may arrange for the purchase of insurance or Reinsurance.

Article 13 — Accounts and Records

(a) **Annual Budget.** The Board shall annually adopt an operating budget. As deemed appropriate by the Board of Directors, that budget may include separate budgets for individual Programs and individual types of Services to be provided to the Members.

(b) **Funds and Accounts.** The Treasurer shall establish and maintain such funds and accounts as required by the Board of Directors and as required by generally accepted accounting principles. Books and records of the Authority shall be open to any inspection at all reasonable times by authorized representatives of Members as otherwise required by law. Quarterly unaudited financial statements shall be produced and distributed to all Members. The Authority shall adhere to the standard of strict accountability set forth in Government Code Section 6505.

(c) **Financial Reports.** The Auditor-Controller shall present a complete written report of all financial and investment activities of the Authority for the most recently completed fiscal year to the Board of Directors and to all Members no later than ninety (90) days after completion of the Authority's fiscal year, and shall prepare quarterly reports as required under Government Code Section 53646, and such reports as are required by law.

(d) **Annual Audit.** The Auditor/Controller shall cause to be made by an outside certified public accountant experienced in local governmental agency auditing an annual audit of the accounts and records of the Authority, which audit shall conform to generally accepted auditing standards. Such report shall be presented to the Board of Directors for approval and concurrence. Costs of the audit shall be considered a general expense of the Authority.

Article 14 — Responsibility for Monies

(a) The Auditor-Controller shall have the authority to delegate the signatory function of the Auditor-Controller to such persons as are authorized by resolution of the Board of Directors.

(b) The Auditor-Controller shall perform, and to the extent allowed by law, may cause to be performed, all duties set forth in Government Code Section 6505.5.

(c) A bond in an amount determined adequate by the Board of Directors shall be required of all officers and personnel authorized to disburse funds of the Authority. The premium for such bond shall be paid for by the Authority.

(d) The Treasurer of the Authority shall assume the duties described in California Government Code Section 6505.5, including:

- (1) Receive and acknowledge receipt for all money of the Authority and place it in the treasury of the Authority;
- (2) Be responsible upon his or her official bond for the safekeeping and disbursement of all of the Authority's money so held by him or her;
- (3) Pay, when due, out of money of the Authority so held by him or her, all sums payable on any outstanding bonds or other liabilities of the Authority;
- (4) Pay any other sums due from Authority money only upon checks, warrants, or electronic payments approved by the Chief Executive Officer or his or her designee. The checks, warrants, or electronic payments shall be reviewed by the President of the Board and either the Treasurer or the Chair of the Finance and Audit Committee.

Article 15 — Services Provided by the Authority

The Authority may provide, at the sole discretion of the Board of Directors, the following services to the Members:

- (a) Establish Programs through which Members shall procure coverage as necessary.
- (b) Assist each Member's designated risk manager with the implementation of that risk management function as it relates to risks faced by Members in their ordinary course of business.
- (c) Provide, or cause to be provided, the Services to Members, as well as loss prevention and safety consulting services, as required.
- (d) Review Member contracts to determine sufficiency of indemnity and Insurance provisions when requested.
- (h) Conduct risk assessments for each Member.
- (i) The Authority shall provide such other services and have such other responsibilities as deemed necessary by the Board of Directors.

Article 16 — Responsibilities of Members

Members shall have the following responsibilities:

- (a) Each Member shall appoint an employee or other representative of the Member to be responsible for the risk management function within that Member and to serve as a liaison between the Member and the Authority as to risk management.
- (b) Each Member shall maintain an active safety program through a designated safety officer.
- (c) Each Member shall timely pay its contributions for any Programs.
- (e) Each Member shall cooperate fully with the Authority and any insurer or reinsurer under any Program in determining the causes of losses, in the settlement of losses and in any other matters relating to this Agreement.
- (f) Each Member shall provide the Authority with such other information or assistance as may be necessary for the Authority to carry out the Programs under this Agreement.
- (g) Each Member shall comply with all Bylaws and policies and procedures adopted by the Board of Directors.
- (h) Each Member shall remain a “Regular Member,” “Affiliate Member” or “Associate Member,” as defined in the Association’s Bylaws and as applicable in relation to that Member’s entity status, in good standing of the Association.

Article 17 - Programs and Services

The Authority may develop and implement Programs and provide Services the Authority deems necessary, advisable and beneficial to Members. The Authority, through the Board of Directors, shall use its best efforts to develop outside funding sources to avoid imposing on the Members any monetary obligations other than contributions to be paid as consideration for participation in the Programs. Each Member may apply for membership and participation in any Program conducted by the Authority and to receive any Service provided by the Authority, but acceptance in any Program shall be subject to the approval of the Insurance Program Administrator or the Board of Directors.

Article 18 — New Members

The Authority shall allow new Members to join the Authority and participate in the Programs and receive the Services upon approval by the Board of Directors, and upon any conditions or limitations that the Board deems appropriate. Members entering under this Article may be required to pay their share of the Authority’s organizational expenses as determined by the Board of Directors. Any such new Member must be a “Regular

Member,” “Associate Member” or “Affiliate Member” of the Association, as may be applicable. Any new Member of the Authority must commit to membership for an initial term of three (3) years, subject to earlier withdrawal only in accordance with the provisions of Article 19, below.

Article 19 — Withdrawal

(a) A Member may withdraw as a party to this Agreement upon thirty (30) days’ advance written notice to the Authority if it has never been a participant in any Program, or if it has withdrawn from all Programs in which it was a participant in accordance with subdivision (b), below; provided, however, that no Member may withdraw before the expiration of its initial three (3) year membership term unless: (i) there is an increase of fifteen percent (15%) or more in any single year in that Member’s contribution(s) for any particular Program(s) that does not result from the Member’s actions or misconduct; or (ii) the Insurance Program Administrator in place at the time the Member joined the Authority separates from the Authority for any reason, including, but not limited to, the Authority’s termination of the Insurance Program Administrator’s engagement with the Authority or the Insurance Program Administrator’s resignation from the Authority.

(b) Subject to the provisions of subdivision (a), above, after becoming a participant in a Program, a Member may withdraw from that Program only at the end of a coverage year, or as may otherwise be allowed by the Board of Directors; and only if the Member has given the Authority at least six (6) months’ advance written notice of that proposed withdrawal.

(c) A former Member who again desires to participate in an Authority Program after having withdrawn from that Program must again join the Authority as a new Member before it may participate in that Program. The terms of each Program shall determine whether any benefits will be held over from that Member’s former status as a previous Program participant.

(d) A Member may not withdraw as a party to this Agreement nor as a member of the Authority until it has withdrawn from all of the Programs of the Authority.

(e) Notwithstanding any other provision of this Article 19, a District that is the only District that is a Member of the Authority at a particular time may not withdraw from the Authority until the first of the following occurs: (i) six (6) months have elapsed since that District has given the Authority written notice of its desire to withdraw; or (ii) the Authority has secured a written commitment from another District to join the Authority.

Article 20 — Cancellation by Authority of Membership or Participation

(a) Notwithstanding the provisions of Article 19, the Authority shall have the right to cancel any Member’s participation in any Program upon a two-thirds vote of the Directors present at any Duly Constituted Board Meeting, provided that a reasonable time shall be afforded, at the discretion of the Board of Directors, to place coverage

elsewhere before that cancellation shall be effective. For purposes of this subdivision, a reasonable time shall consist of at least ninety (90) days' prior written notice, unless the cancellation results from a material increase in hazard as a result of the Member's operations, in which case at least ten (10) days' written notice shall be provided. Such cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 21(b).

(b) Notwithstanding any other provisions of this Agreement, the participation of any Member of the Authority, including participation in any of the Authority's Programs and receiving any of the Services, shall cease and be canceled automatically at the end of the next complete coverage year for each Program and Service whenever such Member's membership in the Association ceases. Such automatic cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 21(b).

(c) Notwithstanding any other provisions of this Agreement, the participation of any Member, including participation in any of the Authority's Programs and Services, may be canceled at the discretion of the Board of Directors whenever such Member is dissolved, consolidated, merged or annexed. A reasonable time shall be afforded, in the discretion of the Board of Directors, to place coverage elsewhere. Any such cancellation shall not relieve the Member or former Member of its responsibilities as provided for in Article 21(b).

Article 21 — Effect of Withdrawal or Cancellation

(a) The withdrawal or cancellation of any Member from this Agreement shall not terminate the Agreement and a Member by withdrawing or being canceled shall not be entitled to payment or return of any contribution, consideration or property paid, or donated by the Member to the Authority, or to any distribution of assets, except as provided in Article 22(c).

(b) The withdrawal or cancellation of any Member after the effective date of any Program shall not terminate its responsibility to pay its share of the costs of that Program until all claims, or other unpaid liabilities, covering the Program period any part of which the Member was signatory thereto have been finally resolved

Article 22 — Termination and Distribution

(a) This Agreement may be terminated at any time by the written consent of three-fourths (3/4) of the Members, provided, however, that this Agreement and the Authority shall continue to exist for the purpose of disposing of all claims, distributing assets and all other functions necessary to wind up the affairs of the Authority. This Agreement shall also terminate if a District that is the only District then a Member of the Authority withdraws in accordance with Section 19(e), above, and no other District becomes a Member of the Authority before that withdrawal becomes effective.

(b) The Board of Directors is vested with all powers of the Authority for the purpose of winding up and dissolving the business affairs of the Authority.

(c) Upon termination of this Agreement, all properties and cash of the Authority shall be distributed only among the Members that have been signatories hereto, including any of those Members which previously withdrew pursuant to Article 19(d) or were canceled pursuant to Article 20 of this Agreement, in accordance with and proportionate to their cash contributions (including payments and property contributions at market value when received) made during the term of this Agreement. The Board of Directors shall determine such distribution within six (6) months after satisfaction of the last remaining liability of the Authority.

(d) In the absence of a Board of Directors, the Chief Executive Officer shall exercise all powers and authority under this Article. The decision of the Board of Directors or, in the absence of a Board of Directors, the Chief Executive Officer under this Article shall be final.

Article 23 -- Enforcement

The Authority is hereby granted authority to enforce this Agreement. In the event action is instituted to enforce the terms of this Agreement, the Bylaws and/or any policies and/or procedures of the Board of Directors and the nondefaulting party(s) should employ attorneys or incur other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party(s) herein contained, the defaulting party agrees that it will on demand therefore pay to the nondefaulting party(s) the reasonable fees of such attorneys and such other expenses so incurred by the nondefaulting party(s).

Article 24 -- Non-liability of Directors, Officers and Employees

In accordance with Government Code Sections 825 et seq., the Board of Directors, and the officers and employees of the Authority, including former Directors, officers and employees, shall not be liable to the Authority, to any Member or former Member, or to any other person, for actual or alleged breach of duty, mistake of judgment, neglect, error, misstatement, misleading statement, or any other act or omission in the performance of their duties hereunder; for any action taken or omitted by any employee or independent contractor; for loss incurred through the investment or failure to invest funds; or for loss attributable to any failure or omission to procure or maintain insurance; except in the event of fraud, gross negligence, or intentional misconduct of such Director, officer or employee. The Authority shall defend and shall indemnify and hold harmless its Directors, officers and employees, including former Directors, officers and employees, from any and all claims, demands, causes of action, and damages arising out of their performance of their duties as such Directors, officers or employees of the Authority except in the event of fraud, gross negligence, corruption, malice or intentional misconduct, and the funds of the Authority shall be used for such purpose. The Authority may purchase conventional insurance to protect the Authority, and its participating Members or former Members, against any such acts or omissions by its Directors, officers and employees, including former Directors, officers and employees.

Article 25 — Provision for Bylaws and Mission Statement

As soon as practicable after the first meeting of the Board of Directors, the Board shall cause to be developed Authority Bylaws and a Mission Statement.

Article 26 — Notices

Notices to Members hereunder shall be sufficient if delivered to the principal office of the respective Member.

Article 27 — Amendment

This Agreement may be amended at any time by a majority vote of the Members, and any such amendment shall be binding on the Members to the extent allowed by law.

Article 28 — Prohibition against Assignment

No Member may assign any right, claim or interest it may have under this Agreement, and no creditor, assignee or third party beneficiary of any Member shall have any right, claim or title or any part, share, interest, fund, contribution or asset of the Authority.

Article 29 – Counterparts

This Agreement may be executed in one or more counterparts and shall be as fully effective as though executed in one document.

Article 30 – California Law

This Agreement shall be governed by and construed under the laws of the State of California.

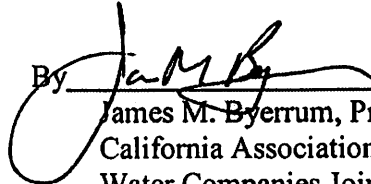
Article 31 – Severability

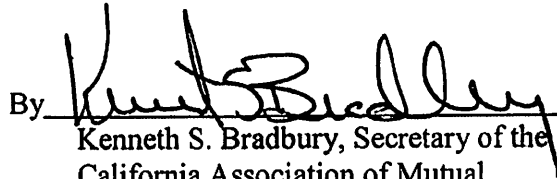
Should any part, term or provisions of this Agreement be determined by any court of component jurisdiction to be illegal or in conflict with any law of the State of California or otherwise be rendered unenforceable or ineffectual, the validity of the remaining portions or provisions shall not be affected thereby.

Article 32 — Agreement Complete

The foregoing constitutes the full and complete Agreement of the parties. There are no oral understandings or agreements not set forth in writing herein.

IN WITNESS WHEREOF, this Amended Joint Powers Agreement Creating the California Association of Mutual Companies Joint Powers Risk and Insurance Management Authority was unanimously approved pursuant to Article 27 of the original Joint Powers Agreement Creating the California Association of Mutual Companies Joint Powers Insurance Authority (the "Authority") by the Authority's Board of Directors, by action taken at a duly noticed and held public meeting on January 28, 2016.

By  _____
James M. Byerrum, President of the
California Association of Mutual
Water Companies Joint Powers Risk
and Insurance Management Authority

By  _____
Kenneth S. Bradbury, Secretary of the
California Association of Mutual
Water Companies Joint Powers Risk
and Insurance Management Authority

APPENDIX A

**INITIAL MEMBERS OF THE
CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY**

North of the River Municipal Water District (public agency member)

Bellflower-Somerset Mutual Water Company (mutual water company member)

California Domestic Water Company (mutual water company member)

Covina Irrigating Company (mutual water company member)

Montebello Land & Water Company (mutual water company member)

Oildale Mutual Water Company (mutual water company member)

Rubio Cañon Land and Water Association (mutual water company member)

South Mesa Water Company (mutual water company member)

Sunny Slope Water Company (mutual water company member)

Valencia Heights Water Company (mutual water company member)



**CALIFORNIA ASSOCIATION OF MUTUAL WATER COMPANIES
JOINT POWERS RISK AND INSURANCE MANAGEMENT AUTHORITY (JPRIMA)**

**INSURANCE PROPOSAL
Reclamation District No. 828 - Weber Tract**

**COVERAGE PERIOD
8/1/2017 - 4/1/2018**

**PRESENTED BY:
Dohrmann Insurance Agency**



Insurance Administrator
www.alliedpublicrisk.com
Allied Community Insurance Services, LLC
CA License Number: 0L01269
National Producer Number: 17536322



PREMIUM SUMMARY

NOTE: This proposal is prepared from information supplied to us on the application submitted by you or insurance broker. It may or may not contain all terms requested on the application. Coverage is provided by the JPRIMA Memorandum of Coverage (MOC) and subject to its terms, exclusions, conditions and limitations. A specimen MOC is available for your review, as is the JPRIMA Member Agreement. Enrollment in the JPRIMA requires execution of the JPRIMA Member Agreement as well as membership in the California Association of Mutual Water Companies (Cal Mutuals).

PAGE	COVERAGE SECTION		PREMIUM
3-7	SECTION 1. PROPERTY (Property, Equipment Breakdown & Mobile Equipment)	\$	133.00
8	SECTION 2. COMMERCIAL CRIME	\$	125.00
9-10	SECTION 3. COMMERCIAL GENERAL LIABILITY	\$	1,399.00
11	SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY (Wrongful Acts, Employment Practices & Employee Benefit Plans)	\$	266.00
12	SECTION 5. BUSINESS AUTO	\$	N/A
13	SECTION 6. COMMERCIAL EXCESS LIABILITY	\$	333.00
14-15	SECTION 7. PRIVACY LIABILITY & NETWORK RISK	\$	N/A
		MEMBER CONTRIBUTION	\$ 2,256.00
		JPRIMA ADMINISTRATION FEES	\$ 326.00
		TOTAL AMOUNT DUE*	\$ 2,582.00
*Payment is due within thirty (30) days of binding.			

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2017.
Your proposal is being pro-rated from your current effective date to April 1, 2018.
Annual Contribution: \$3,389 + \$439 (Fees) = \$3,828
Terrorism coverage is automatically included for Property and General Liability.



SECTION 1. PROPERTY*

***PROPERTY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	\$10,000
Blanket Coverage Extension: A separate blanket limit that applies to the following coverages: Business Income, Extended Business Income, Commandeered Property, Civil Authority, Extra Expense, Tenant Leasehold Interest, Electronic Data, Preservation of Property.	\$50,000
Equipment Breakdown / Boiler & Machinery:	INCLUDED
Mobile Equipment (scheduled):	N/A
Mobile Equipment (unscheduled, maximum \$10,000 any one item):	N/A
Mobile Equipment (borrowed, rented & leased):	N/A
Flood Zone X: (shaded/unshaded)	N/A

DEDUCTIBLES:

- \$1,000** Property
- N/A** Mobile Equipment
- \$1,000** Equipment Breakdown (aboveground & less than 50 feet belowground)
- \$2,500** Equipment Breakdown (greater than 50 feet belowground)
- N/A** Flood Zone X (per occurrence)

COVERAGE HIGHLIGHTS:

- Blanket Property Limits & Blanket Coverage Extension Limits
- No Coinsurance Penalty
- Equipment Breakdown
- Foundations as Covered Property

VALUATION:

- Replacement Cost: Real Property & Business Personal Property
- Actual Cash Value: Mobile Equipment
- Actual Loss Sustained: Loss of Income & Expenses
- Market Price: Fine Arts

KEY EXCLUSIONS:

- Earthquake & Earth Movement
- Flood (unless coverage is designated above, such coverage would be limited to locations in Zone X only)

INSURANCE PROPOSAL FOR MEMBER: Reclamation District No. 828 - Weber Tract

EFFECTIVE DATE: 8/1/2017 - 4/1/2018

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SPECIAL COVERAGES:

- ❑ **New Locations or Newly Constructed Property:**
Pays up to \$1,000,000 for your new real property while being built on or off described premises as well as real property you acquire, lease or operate at locations other than the described premises; and business personal property located at new premises.
- ❑ **Utility Services – Direct Damage, Business Income & Expense:**
Pays up to \$250,000 for covered property damaged by an interruption in utility service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss and does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. Separate limits apply to Direct Damage and Business Income/Expense.
- ❑ **Pollution Remediation Expenses:**
Pays up to \$100,000 or \$250,000 for remediation expenses resulting from a Covered Causes of Loss or Specified Cause of Loss occurring during the coverage period and reported within 180 days. Covered Causes of Loss means risks of direct physical loss unless the loss is excluded or limited by the Property Coverage Form. Specified Cause of Loss means the following: fire; lightning; explosion; windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow; ice or sleet; water damage; and equipment breakdown.
- ❑ **SCADA Upgrades:**
Pays up to \$100,000 to upgrade your scheduled SCADA system after direct physical loss from a Covered Cause of Loss. The upgrade is in addition to its replacement cost. SCADA means the Supervisory Control and Data Acquisition system used in water and wastewater treatment and distribution to monitor leaks, waterflow, water analysis, and other measurable items necessary to maintain operations.
- ❑ **Contract Penalties:**
Pays up to \$100,000 for contract penalties you are required to pay due to your failure to deliver your product according to contract terms solely as a result of direct physical loss or damage by a Covered Cause of Loss to Covered Property.
- ❑ **Contamination:**
Pays up to \$250,000 for loss or damage to covered property because of contamination as a result of a Covered Cause of Loss. Contamination means direct damage to real property and business personal property caused by contact or mixture with ammonia, chlorine, or any chemical used in the water and / or wastewater treatment process.
- ❑ **Property In Transit:**
Pays up to \$100,000 for direct physical loss or damage to covered property while in transit more than 1000 feet from the described premises. Shipments by mail must be registered for covered to apply. Electronic data processing property and fine arts are excluded.
- ❑ **Unintentional Errors:**
Pays up to \$250,000 for any unintentional error or omission you make in determining or reporting values or in describing the covered property or covered locations.



KEY DEFINITIONS

☐ **Real Property:**

The buildings, items or structures described in the Declarations that you own or that you have leased or rented from others in which you have an insurable interest. This includes:

- Aboveground piping;
- Aboveground and belowground penstock;
- Additions under construction;
- Alterations and repairs to the buildings or structures;
- Buildings;
- Business personal property owned by you that is used to maintain or service the real property or structure or its premises, including fire-extinguishing equipment; outdoor furniture, floor coverings and appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- Completed additions;
- Exterior signs, meaning neon, automatic, mechanical, electric or other signs either attached to the outside of a building or structure, or standing free in the open;
- Fixtures, including outdoor fixtures;
- Foundations;
- Glass which is part of a building or structure;
- Light standards;
- Materials, equipment, supplies and temporary structures you own or for which you are responsible, on the premises or in the open (including property inside vehicles) within 1000 feet of the premises, used for making additions, alterations or repairs to buildings or structures at the premises;
- Paved surfaces such as sidewalks, patios or parking lots;
- Permanently installed machinery and equipment;
- Permanent storage tanks;
- Solar panels;
- Submersible pumps, pump motors and engines;
- Underground piping located on or within 100 feet of premises described in the Declarations;
- Underground vaults and machinery.

☐ **Business Personal Property:**

The property you own that is used in your business including:

- Furniture and fixtures;
- Machinery and equipment;
- Computer equipment;
- Communication equipment;
- Labor materials or services furnished or arranged by you on personal property of others;
- Stock;
- Your use interest as tenant in improvements and betterments.
- Leased personal property for which you have a contractual responsibility to insure.

☐ **Pollution Conditions:**

The discharge, dispersal, release, seepage, migration, or escape of any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, minerals, chemical elements and waste. Waste includes materials to be recycled, reconditioned or reclaimed.



KEY DEFINITIONS (continued)

☐ Remediation Expenses:

Expenses incurred for or in connection with the investigation, monitoring, removal, disposal, treatment, or neutralization of pollution conditions to the extent required by: (1) Federal, state or local laws, regulations or statutes, or any subsequent amendments thereof enacted to address pollution conditions; and (2) a legally executed state voluntary program governing the cleanup of "pollution conditions."

☐ Outdoor Property:

Fixed or permanent structures that are outside covered real property including but not limited to:

- Historical markers or flagpoles;
- Sirens, antennas, towers, satellite dishes, or similar structures and their associated equipment;
- Exterior signs not located at a premises;
- Fences or retaining walls;
- Storage sheds, garages, pavilions or other similar buildings or structures not located at a premises;
- Dumpsters, concrete trash containers, or permanent recycling bins; or
- Hydrants.

☐ Equipment Breakdown:

Direct damage to mechanical, electrical or pressure systems as follows:

- Mechanical breakdown including rupture or bursting caused by centrifugal force;
- Artificially generated electrical current, including electrical arcing, that disturbs electrical devices, appliances or wires;
- Explosion of steam boilers, steam piping, steam engines or steam turbines owned or leased by you, or operated under your control;
- Loss or damage to steam boilers, steam pipes, steam engines or steam turbines; or
- Loss or damage to hot water boilers or other water heating equipment;
- If covered electrical equipment requires drying out as a result of a flood, we will pay for the direct expenses for such drying out.
- None of the following are covered objects as respects to equipment breakdown:
 - a. Insulating or refractory material;
 - b. Buried vessel or piping;
 - c. Sewer piping, piping forming a part of a fire protection system or water piping other than:
 - (1) Feed water piping between any boiler and its feed pump or injector;
 - (2) Boiler condensate return piping; or
 - (3) Water piping forming a part of refrigerating and air conditioning vessels and piping used for cooling, humidifying or space heating purposes;
 - d. Structure, foundation, cabinet or compartment containing the object;
 - e. Power shovel, dragline, excavator, vehicle, aircraft, floating vessel or structure, penstock, draft tube or well-casing;
 - f. Conveyor, crane, elevator, escalator or hoist, but not excluding any electrical machine or electrical apparatus mounted on or used with this equipment; and
 - g. Felt, wire, screen, die, extrusion, late, swing hammer, grinding disc, cutting blade, cable chain, belt, rope, clutch late, brake pad, non-metallic part or any part or tool subject to frequent, periodic replacement.



PROPERTY SUBLIMITS:

Coverage		Limit	
Accounts Receivable	X \$500,000 <input type="checkbox"/>	\$1,000,000 <input type="checkbox"/>	\$2,000,000
Valuable Papers and Records	X \$500,000 <input type="checkbox"/>	\$1,000,000 <input type="checkbox"/>	\$2,000,000
Contamination	X \$250,000		
Tools and Equipment Owned by Your Employees	X \$5,000 <input type="checkbox"/>	\$10,000 <input type="checkbox"/>	\$25,000
Personal Effects and Property of Others	X \$5,000 <input type="checkbox"/>	\$10,000 <input type="checkbox"/>	\$25,000
New Locations or Newly Constructed Property	\$1,000,000		
Business Personal Property at New Locations	\$1,000,000		
Backup/Overflow of Water from Sewer, Drain, Sump	\$250,000		
Utility Services - Direct Damage	\$250,000		
Utility Services –	\$250,000		
Business Income and Extra Expense			
Dependent Business Premises	\$250,000		
Property at Other Locations	\$250,000		
Pollution Remediation Expense (specified cause of loss)	\$250,000		
Outdoor Property (unscheduled)	\$100,000		
Contract Penalties	\$100,000		
Pollution Remediation Expense (covered cause of loss)	\$100,000		
Property in Transit	\$100,000		
SCADA Upgrades	\$100,000		
Indoor and Outdoor Signs (unscheduled)	\$50,000		
Limited Coverage for "Fungus", Wet Rot or Dry Rot	\$50,000		
Fine Arts	\$25,000		
Fire Department Service Charge	\$25,000		
Fire Protection Devices	\$25,000		
Key and Lock Replacement Expenses	\$25,000		
Trees, Shrubs & Plants (maximum \$1,000 any one item)	\$25,000		
Arson Reward	\$10,000		
Rental Reimbursement – Mobile Equipment	\$10,000		
Cost of Inventory or Adjustment	\$5,000		
Non-Owned Detached Trailers	\$5,000		
Water Contamination Notification Expenses	\$5,000		
Patterns, Dies, Molds, Forms	\$2,500		
Debris Removal	25% of scheduled limit plus \$250,000		
Ordinance or Law Provision	100% of scheduled limit plus 25%		

NOTES:

Contribution is calculated from attached property schedule; review property schedule for coverage and limit adequacy.

Mobile Equipment, Flood and Earthquake coverages are excluded.

INSURANCE PROPOSAL FOR MEMBER: Reclamation District No. 828 - Weber Tract

EFFECTIVE DATE: 8/1/2017 - 4/1/2018

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

COVERAGE GROUP SELECTED	EMPLOYEE THEFT	FORGERY OR ALTERATION	INSIDE THE PREMISES Theft of Money and Securities	INSIDE THE PREMISES Robbery or Safe Burglary or Other Property	OUTSIDE THE PREMISES	COMPUTER FRAUD	FUNDS TRANSFER FRAUD	MONEY ORDERS & COUNTERFEIT PAPER CURRENCY
X	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$500,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$1,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	\$2,000,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000

DEDUCTIBLE:

\$1,000 each claim

DESIGNATED EMPLOYEE BENEFIT PLAN(S):

COVERAGE HIGHLIGHTS:

- Separate Limits Apply to Each Coverage
- Coverage Extended to Directors and Authorized Volunteers
- Faithful Performance

NOTES:

INSURANCE PROPOSAL FOR MEMBER: Reclamation District No. 828 - Weber Tract
EFFECTIVE DATE: 8/1/2017 - 4/1/2018
DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SECTION 3. GENERAL LIABILITY*

***GENERAL LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Occurrence
- Defense Costs Outside the Limit
- Proprietary & Integrated

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Per Occurrence	\$ 1,000,000
General Aggregate	\$10,000,000
Products & Completed Operations Aggregate	\$10,000,000
Personal & Advertising Injury Aggregate	\$ 1,000,000
Damage to Premises Rented to You	\$ 1,000,000
Medical Payments	\$ 10,000

DEDUCTIBLE:

N/A

COVERAGE HIGHLIGHTS:

- Duty to Defend
- Broad Definition of Enrolled Named Member
- Blanket Additional Enrolled Named Member
- Water & Wastewater Testing Errors & Omissions
- Expanded Pollution Liability
- Failure to Supply (no ISO limitation)
- Lead (potable water)
- Waterborne Asbestos (potable water)
- Product Recall
- Impaired Property
- Fungi & Bacteria

OPTIONAL COVERAGES:

- Hired & Non Owned Automobile Liability
- Employee Benefits Liability
- Dam, Levee & Dike Structural Failure

INSURANCE PROPOSAL FOR MEMBER: Reclamation District No. 828 - Weber Tract

EFFECTIVE DATE: 8/1/2017 - 4/1/2018

DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.



SPECIAL COVERAGES:

- ❑ **Water & Wastewater Testing Errors & Omissions:**
Coverage is provided for damages arising out of an act, error or omission which arises from your water or wastewater testing.
- ❑ **Failure To Supply:**
Coverage is provided for bodily injury or property damage arising out of the failure of any Enrolled Named Member to adequately supply water.
- ❑ **Waterborne Asbestos:**
Coverage is provided for bodily injury or property damage from waterborne asbestos arising out of potable water which is provided by you to others.
- ❑ **Contractual Liability - Railroads:**
Coverage is provided for any contract or agreement that indemnifies a railroad for bodily injury or property damage arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing.
- ❑ **Pollution:**
Coverage is provided for bodily injury or property damage which occurs or takes place as a result of your operations and arises out of the following:
 - Potable water which you supply to others;
 - Chemicals you use in your water or wastewater treatment process;
 - Natural gas or propane gas you use in your water or wastewater treatment process;
 - Urgent response for the protection of property, human life, health or safety conducted away from premises owned by or rented to or regularly occupied by you;
 - Your application of pesticide or herbicide chemicals if such application meets all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government;
 - Smoke drift from controlled or prescribed burning that has been authorized and permitted by an appropriate regulatory agency.
 - Fuels, lubricants or other operating fluids needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts
 - Escape or back-up of sewage or waste water from any sewage treatment facility or fixed conduit or piping that you own, operate, lease, control or for which you have the right of way, but only if property damage occurs away from land you own or lease.
 - Sudden and accidental events that are neither expected nor intended by an Enrolled Named Member. However, no coverage is provided under this exception for petroleum underground storage tanks.
- ❑ **Damage to Impaired Property or Property Not Physically Injured**
Coverage is provided for bodily injury or property damage arising from your potable water, nonpotable water, or wastewater as well as any loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.
- ❑ **Fungi or Bacteria**
Coverage is provided for bodily injury or property damage arising from any "fungi" or bacteria that are, are on, or are contained in a good or product intended for consumption; or to any injury or damage arising out of or caused by your water, irrigation, or wastewater intake, outtake, reclamation, treatment and distribution processes.
- ❑ **Recall of Products, Work or Impaired Property**
Coverage applies to any injury or damage arising out of or caused by your potable water, nonpotable water, or wastewater for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of: "Your product"; "Your work"; or "Impaired property"; if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

NOTES:

INSURANCE PROPOSAL FOR MEMBER: Reclamation District No. 828 - Weber Tract
EFFECTIVE DATE: 8/1/2017 - 4/1/2018
DISCLAIMER: Actual coverage is subject to the language of the MOC as issued.

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The MOC may contain limits, exclusions, and limitations that are not detailed in this proposal.



SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY*

***PUBLIC OFFICIALS & MANAGEMENT LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Claims Made
- Defense Costs Outside the Limits

RATING BASIS:

- On file with underwriter
- Non auditable

LIMITS:

Wrongful Acts	\$ 1,000,000 per act
Employment Practices (including third party discrimination)	\$ N/A per offense
Employee Benefit Plans	\$ N/A per act
Injunctive Relief	\$ 5,000 per act
	\$10,000,000 aggregate limit

SPECIAL COVERAGE:

- Inverse Condemnation

RETROACTIVE DATE:

8/1/2010

DEDUCTIBLE:

\$1,000 each claim including expenses

COVERAGE HIGHLIGHTS:

- Duty To Defend
- Broad Definition of Enrolled Named Member including Past and Future Employees
- Outside Directorship

NOTES:



SECTION 5. BUSINESS AUTO*

***BUSINESS AUTO IS INCLUDED IN THE PROPOSAL: No**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- Occurrence
- Defense Costs Outside the Limits

PORTFOLIO:

Coverage	Symbol	Limit
Combined Single Limit for Bodily Injury & Property Damage (each accident)	No Coverage	N/A
Hired Auto Liability	No Coverage	N/A
Non-Owned Auto Liability	No Coverage	N/A
Medical Payments	No Coverage	N/A
Uninsured / Underinsured Motorists	No Coverage	N/A
Hired Physical Damage	No Coverage	N/A
Owned Physical Damage – Comprehensive	No Coverage	N/A
Owned Physical Damage – Collision	No Coverage	N/A
Towing & Rental Car Reimbursement (covered accident)		N/A
Fleet Automatic		N/A

DEDUCTIBLE:

Liability: None
 Comprehensive: N/A
 Collision: N/A

NOTES:

This section of the proposal is excluded. There is no Business Auto coverage afforded to this insured. Please refer to General Liability section for Hired and Non-Owned Auto Liability coverage.



SECTION 6. EXCESS LIABILITY*

***EXCESS LIABILITY IS INCLUDED IN THE PROPOSAL: Yes**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Following Form
- Occurrence
- Defense Costs Outside the Limits

LIMITS:

\$1,000,000/\$1,000,000

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - Yes
 Hired and Non-Owned Auto Liability - Yes
 Owned Auto Liability - No
 Public Officials & Management Liability - Yes
 Wrongful Acts - Yes
 Employment Practices - No
 Employee Benefit Plans - No
 Employers' Liability: *(minimum underlying limit requirement of \$500,000 / \$500,000 / \$500,000)* - No
 Other:

NOTABLE EXCLUSION:

- Workers' Compensation
- Uninsured Motorists / Underinsured Motorists
- Underlying Limits < \$1,000,000 except for Employers' Liability

NOTES:

Employers' Liability subject to JPRIMA security requirements.



SECTION 7. PRIVACY LIABILITY & NETWORK RISK*

*** PRIVACY LIABILITY & NETWORK RISK ARE INCLUDED IN THE PROPOSAL: No**

ISSUER:

- California Association of Mutual Water Companies
Joint Powers Risk and Insurance Management Authority (JPRIMA)
- No Joint and Several Liability for Members
- 100% Reinsured

REINSURER:

- Allied World Insurance Company or affiliate
- A XV (Excellent) A.M. Best Rating

FORM:

- Proprietary & Integrated
- First & Third Party
- Claims Made
- Defense Inside the Limits

RETENTION:

- None

RETROACTIVE DATE

N/A

PORTFOLIO:

COVERAGE	LIMIT*
<p>Privacy Wrongful Acts & Network and Security Wrongful Acts Coverage: Protects against any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty committed by an Enrolled Named Member or Third Party Contractor, which results in a breach of the Enrolled Named Member's Network Security, the consequences of which are:</p> <ol style="list-style-type: none"> 1. Unauthorized access to, use of or tampering with a third party's Network; 2. the inability of an authorized third party to gain access to the Enrolled Named Member's services; 3. denial or disruption of Internet service to an authorized third party; 4. Identity Theft or credit/debit card fraud; 5. the transmission of Malicious Code; or 6. the unauthorized release of a third party's confidential and proprietary business. 	N/A
<p>Breach Response Consultation including Credit Monitoring Costs Coverage: Provides reimbursement to the Enrolled Named Member for the costs incurred for notification to, and for credit monitoring of, any persons residing in the USA, including Employees, arising from a Privacy Wrongful Act, which takes place during the coverage period.</p>	N/A



COVERAGE	LIMIT*
<p>Data Forensic Expenses Coverage: Covers the reasonable and necessary costs incurred by the Enrolled Named Member to retain a qualified forensics firm to investigate, examine and analyze the Enrolled Named Member's Network, to find the cause, source and extent of a Data Breach.</p>	N/A
<p>Public Relations Coverage: Means the following amounts when incurred during, or within ninety (90) days prior to, a Material Event:</p> <ol style="list-style-type: none"> 1. Amounts for which the Enrolled Named Member becomes legally liable for those services performed by a public relations firm, crisis management firm or law firm selected by the Enrolled Named Member and approved in advance in writing by the Issuer, to minimize potential harm to the Enrolled Named Member arising from a Material Event, including, without limitation, maintaining and restoring public confidence in the Enrolled Named Member, and providing advice to the Enrolled Named Member or any of its directors, officers, partners or Employees; and 2. amounts for which the Enrolled Named Member becomes legally liable for the reasonable and necessary printing, advertising, mailing of materials, or travel by directors, officers, partners, Employees or the firm rendering services as referenced above. Crisis Management Expenses shall not include compensation, fees, benefits, overhead, or the charges or expenses of any Enrolled Named Member or any Third Party Contractor. 	N/A
<p>*\$1,000,000 maximum annual aggregate applies per Enrolled Named Member, with a \$2,000,000 coverage form aggregate applicable to all participating Enrolled Named Members.</p>	

NOTES:

This section of the proposal is excluded. There is no Privacy Liability & Network Risk coverage afforded to this insured.