



# **SAWPA Insurance Policy Review**

**Presented by: Karen Williams – DGM/CFO –  
November 3, 2020      Item No. 6.A.**

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- 1 Risk Management
  - 2 Insurance Policies
  - 3 Property & Liability
  - 4 Environmental Legal Liability
  - 5 Earth Movement

# What is Risk?



Risk is defined as the product of the probability that an outcome will occur (the frequency) and its consequences, given that it occurs (the severity)

# What is Risk Management?



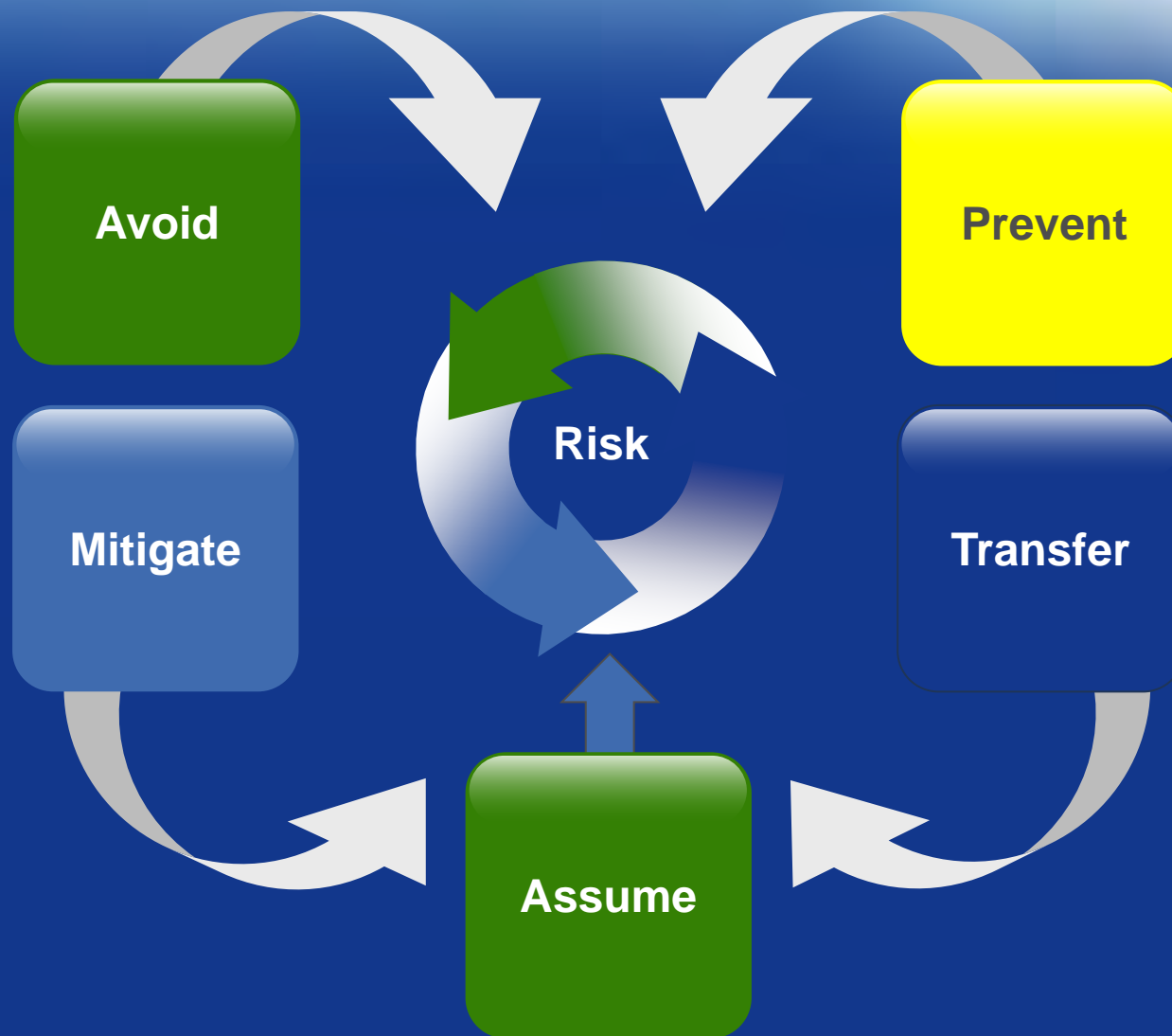
Risk management is an important business practice that helps businesses identify, evaluate, track, and mitigate the risks present in the business environment.

It is concerned with the minimization of uncertain negative consequences.

# Risk Management Process



# Risk Control Options



# Transfer of Risk



**A transfer of risk is a business agreement in which one party pays another to take responsibility for mitigating specific losses that may or may not occur. This is an underlying tenet of the insurance industry.**

**SAWPA uses the listed insurance policies to transfers risk from the agency to an insurance company.**

- Property & Casualty**
- Environmental Legal Liability**
- Earth Movement**

# Insurance Policies

<b>Policy</b>	<b>Provider</b>	<b>Annual Premium</b>	<b>Policy Term</b>
Property & Casualty	JPRIMA	\$153,902.00	04/01/2020 – 04/01/2021
Environmental Legal Liability	Aspen Specialty Insurance	\$34,953.84	06/30/2019 – 06/30/2022
Earth Movement	Aegis Security Insurance	\$18,650.00	07/17/2020 – 07/17/2021



# Property & Casualty



- Property (including mobile equipment and equipment breakdown)
- Crime
- General Liability
- Public Officials & Management Liability  
(Including Wrongful Acts, Employment Related Practices & Employee Benefit Plans)
- Business Auto
- Excess Liability
- Privacy Liability & Network Risk

# Property Coverages

- Real Property
- Business Personal Property
  - Furniture & fixtures
  - Machinery & equipment
  - Computer equipment
  - Communication equipment
  - Tenant improvements and betterments
  - Leased personal property
- Additional Coverages

# Property Coverage

Coverage	Limits	Deductible
Real Property & Business Personal Property Blanket*	\$6,134,022	\$5,000
Equipment Breakdown	Included	\$5,000
Coverage Extension Blanket	\$2,000,000	\$5,000
Mobile Equipment (per schedule)	\$54,185	\$1,000
Mobile Equipment (unscheduled - \$10,000 max item)	\$25,000	\$1,000
Special Deductible Equipment Breakdown (applicable to equipment > 50 feet below ground)		\$5,000

\*Real Property includes building and air vacs. Below ground pipeline is not covered by any policy

# Crime Coverage

- Employee theft
- Forgery or alteration
- Inside Premises
  - **Theft of money & securities**
  - **Robbery/safe burglary**
- Outside Premises
  - **Computer fraud & money orders**
  - **Funds transfer fraud**
- Deductible per incident - \$1,000

# Crime Coverage

Coverage	Limits *	Deductible
Employee Theft (includes Faithful Performance)	\$1,000,000	\$1,000
Forgery or Alteration	\$250,000	\$1,000
Inside the Premises – Theft of Money & Securities	\$250,000	\$1,000
Inside the Premises – Robbery/Safe Burglary	\$250,000	\$1,000
Outside the Premises	\$250,000	\$1,000
Computer Fraud & Money Orders	\$250,000	\$1,000
Funds Transfer Fraud	\$250,000	\$1,000

\* per occurrence

# General Liability Coverage



- General Aggregate (Bodily injury, property damage & medical expenses)
- Products & completed operations aggregate
- Personal and advertising injury
- Damage to premises rented to you
- Medical expense

# General Liability Coverage

Coverage	Limits	Deductible
General Aggregate (Bodily Injury, Property Damage & Medical Expenses)	\$10,000,000	N/A
Products & Completed Operations Aggregate	\$10,000,000	N/A
Each Occurrence	\$1,000,000	N/A
Personal and Advertising Injury	\$1,000,000	N/A
Damage to Premises Rent to You (any one premises)	\$1,000,000	N/A
Medical Expenses (any one person)	\$10,000	N/A

# Public Officials & Management Liability



- Wrongful acts
- Employment practices
- Employee benefit plans
- Injunctive relief



# Public Officials & Management Liability

Coverage	Limits*	Deductible
Wrongful Acts	\$1,000,000	\$1,000
Employment Practices	\$1,000,000	\$1,000
Employee Benefit Plans	\$1,000,000	\$1,000
Injunctive Relief	\$5,000	\$1,000
Aggregate Limit	\$10,000,000	\$1,000

\* each act or offense

# Business Auto Coverage

Coverage	Limit of Insurance
Combined Single Limit for Bodily Injury & Property Damage (each accident)	\$1,000,000
Hired Auto Liability	\$1,000,000
Non-Owned Auto Liability	\$1,000,000
Medical Payments	\$5,000
Uninsured / Underinsured Motorists	\$1,000,000
Hired Physical Damage	\$100,000
Owned Physical Damage – Comprehensive	ACV
Owned Physical Damage – Collision	ACV
Towing & Rental Car Reimbursement	\$75 per day / 30 days
Deductible	\$500

# Excess Liability Coverage



- General Liability
- Public Officials & Management Liability
- Business Auto
- Employers Liability

# Excess Liability Coverage

Coverage	Limits*	Deductible
General Liability	\$5,000,000	N/A
Public Official & Management Liability	\$5,000,000	N/A
Business Auto	\$5,000,000	N/A
Employers Liability	\$5,000,000	N/A

\* per occurrence (\$5,000,000 aggregate)

# Privacy Liability & Network Risk

- **Privacy Wrongful Acts**

any actual or alleged act, error, misstatement, misleading statement, omission, neglect or breach of duty which results in:

- **the misappropriation or disclosure of Personally Identifiable Information;**
- **a breach or violation of U.S. federal or state law or regulations associated with the control and use of Personally Identifiable Information, or similar or related laws or regulations of any foreign jurisdiction;**
- **identity theft; or**
- **the unauthorized release of a third party's confidential and proprietary information.**

# Privacy Liability & Network Risk

- **Network Security Wrongful Acts**

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:

- **unauthorized access to, use of or tampering with a third party's Network;**
- **the inability of an authorized third party to gain access to the Enrolled Named Member's services;**
- **denial or disruption of Internet service to an authorized third party;**
- **identity theft;**
- **the transmission of Malicious Code; or**
- **the unauthorized release of a third party's confidential and proprietary business information.**

# Privacy Liability & Network Risk

Coverage	Limits*	Deductible
Breach Consultation Services	\$1,000,000	N/A
Breach Response Services	\$100,000	N/A
Public Relations & Data Forensics	\$100,000	N/A

\* per occurrence (\$2,000,000 aggregate)

# Environmental Legal Liability



- Aspen Specialty Insurance
- 3-year policy
- Premium \$104,861.52 (\$34,953.80/year)
- Deductible per incident - \$25,000
- Limit of Liability per incident - \$5,000,000



# Environmental Legal Liability



Coverage	Limits*	Deductible**
Clean-up	\$5,000,000	\$25,000
Emergency Response	\$5,000,000	\$25,000
Environmental Crisis	\$250,000	\$25,000
Insured Location	\$5,000,000	\$25,000
Non-Owned Site	\$5,000,000	\$25,000
Transportation	\$5,000,000	\$25,000
Covered Operations	\$5,000,000	\$25,000

\*Aggregate limit of liability per pollution incident

\*\*Deductible per pollution incident

# Earthquake – Earth Movement



- Aegis Security Insurance Company
- Annual premium \$18,650 (FYE 2021)
- Deductible per incident 5% of costs
- Limit of Liability per incident \$3,692,390

# Self Insurance Reserve Fund



- Contribute \$100,000 annually
- Used to cover claim deductibles
- Provides protection for losses arising from property, general liability, and worker's comp claims
- Fund balance as of September 30, 2020 - \$4,395,735

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Questions?

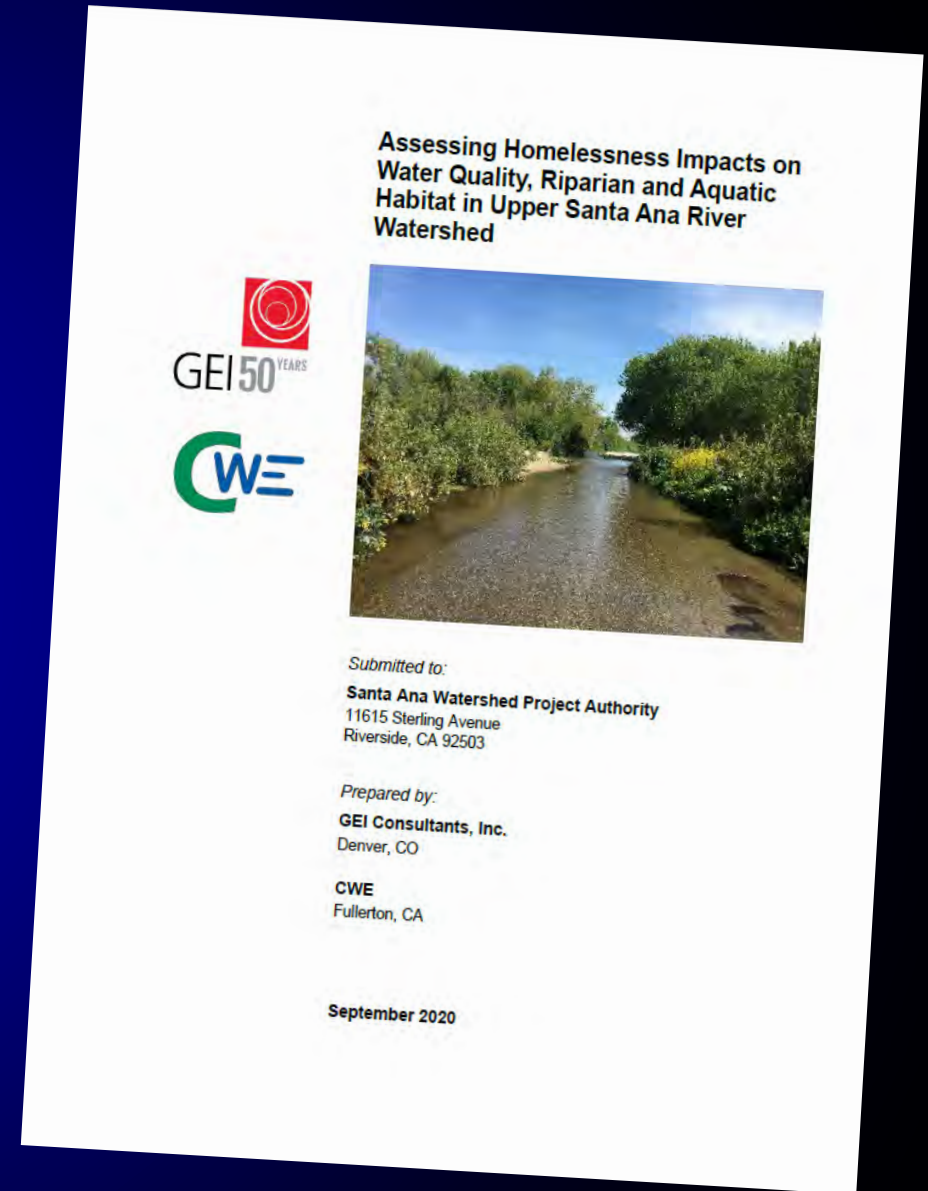
# Assessing Homelessness Impacts on Water Quality, Riparian and Aquatic Habitat in Upper Santa Ana River Watershed

Mark Norton, Water Resources & Planning Manager  
SAWPA Commission | November 3, 2020  
Item No. 6.B.



# Project Scoping & Report

- In late 2018, Commission directed staff to hire consultant to conduct assessment of the homelessness impact on water quality, riparian and aquatic habitat in upper Santa Ana River Watershed.
- Contract for work was approved on Feb. 5, 2019 with GEI Consultants to conduct work for \$74,441
- Report was funded by Prop 1 IRWM Disadvantaged Community Involvement Grant Program
- Report was officially completed and submitted to SAWPA 9/30/2020



# Commission Direction to Staff 9-20

- Seek funding partners for proposed Phase 1A Monitoring Program
- Better define benefits & value to SAWPA Member Agencies to potentially include in FY21-22 Budget
- Report back to SAWPA Commission in two months



# **Background and Overview**

## **Homeless Encampment Impact Monitoring Program – Phase 1A**



# Key Findings

- No studies found that directly tie water quality to homeless impacts
- Recently completed Middle Santa Ana River Synoptic Study found some evidence of human bacteria sources in river, but not consistent from week to week
- Transient nature of camps and differences in how they operate or handle waste made design of a preliminary monitoring program challenging



# Key Findings

- Upper Santa Ana River Watershed – Five areas where homeless encampments concentrated:
  - Van Buren Boulevard bridge upstream to Anza Drain
  - Along the Tequesquite Landfill
  - Above and below the Mission Boulevard bridge crossing
  - Upstream of the 60 Freeway
  - Between the I-215 bridge and Tippecanoe Road



# Three Proposed Phase 1A Monitoring Locations



# Van Buren Boulevard Bridge



# Mission Boulevard Bridge



# Market Street Bridge



# Preliminary Field Visits

## Baseline Conditions

- Assess initial water quality, riparian habitat, and aquatic habitat conditions

## Encampment Population Estimate

- Coordinate with Riverside County Point-in-Time Count

# Dry-weather Events

10 total monitoring events at each site

- Collect water samples for TSS, *E. coli*, and Human Fecal Genetic Marker 183
- Water Quality Parameters:  
Temp, pH, DO, Turbidity, EC
- Rapid Trash Assessment





# Rapid Trash Assessment

- Level of trash
- Number of items found
- Threat to aquatic life
- Threat to human health
- Illegal Dumping
- Accumulation of Trash



# Phase One: Alternative A

- One-year monitoring of four dry-weather events at each site and rapid trash assessment
- High flow suspension of recreation standards

<u>Task</u>	<u>Estimated Fee</u>
Kickoff meeting and project management	\$3,800
QAPP preparation	\$8,500
Preliminary field visits	
Baseline condition assessment	\$8,000
Population estimate and coordination	\$8,500
Dry-weather event sampling	\$40,000
Data management and one annual report	\$20,000
<b>Total</b>	<b>\$88,800</b>

# Agencies contacted to help financially support

- Santa Ana Regional Water Quality Control Board
- Riverside County Flood Control and Water Conservation District
- City of Riverside
- County of Riverside Executive Office
- San Bernardino County Executive Office
- Orange County Executive Office



# Funding Partner Commitments for FY 21-22

- **Riverside County Flood Control and Water Conservation District - \$10,000**
- **San Bernardino County Flood Control w-MS4 Co-permittees - \$10,000**

## **Possible Funding Partner:**

- **SAWPA Member Agencies - \$68,800**

# Why should SAWPA contribute?

- **Reflects SAWPA's Mission and Goals**
  - 1. Create value by building relationships among regulators, SAWPA members, regulated parties...;
  - 2. Provide regional capacity and neutral venue for supporting multi-agency forum...;
  - 3. Assist in..., facilitation of stakeholder processes to address watershed-specific issues.
- **Provides water quality data needed to support more cost-effective regulatory compliance**
- **Most SAWPA member agencies (IEUA, OCWD, WMWD, SBVMWD) are supporters of Upper SAR Habitat Conservation Plan – monitoring will be needed**



# Recommendation:

- Approve adding Phase 1A Dry Weather Monitoring Program in SAWPA FY 21-22 for future consideration.