Feather River West Levee Financing Authority

Board of Directors Agenda – Regular Board Meeting, November 18, 2020, 3:00 p.m.

MODIFIED BROWN ACT REQUIREMENTS IN LIGHT OF COVID-19

In Compliance with CA Executive Orders N-25-20 and N-29-20 members of the Board of Directors and members of the public will participate in this meeting by teleconference. The call in information for the Board of Directors and the public is as follows:

Meeting URL: https://downeybrand.zoom.us/j/98446702597?pwd=b2w1K3BpL24vS1BjUmhnOTFnQnAxUT09
Meeting ID: 984 4670 2597
Phone number: 213-338-8477
Passcode: 372522

Any member of the public on the telephone may speak during Public Comment or may email public comments to admin@sutterbutteflood.org and comments will be read from each member of the public. During this period of modified Brown Act Requirements, Sutter Butte Flood Control Agency will use best efforts to swiftly resolve requests for reasonable modifications or accommodations with individuals with disabilities, consistent with the Americans with Disabilities Act, and resolving any doubt whatsoever in favor of accessibility.

Levee District 1	Levee District 9	Sutter County
Charlie Hoppin	Mike Morris	Mike Ziegenmeyer
Alt: Al Montna	Alt: Chris Schmidl	Alt: Mat Conant

AGENDA SUMMARY

REGULAR MEETING/CALL TO ORDER

- Roll Call
- Pledge of Allegiance

PUBLIC COMMENT

Members of the public will be allowed to address the Feather River West Levee Financing Authority Board of Directors on items of interest to the public that are within the subject matter jurisdiction of the Board. Any member of the audience who may wish to bring a matter before the Board that has not been placed on the agenda may do so at this time; however, State law provides that no action may be taken on any item not appearing on the posted Agenda.

PRESENTATION, DISCUSSION & ACTION ITEMS

1. Approval of the minutes for the October 14, 2020 Board Meeting

2. Consideration of Insurance Providers

3. FRWLFA Assessment District Engineering Update

4. SBFCA Services Update

ADJOURNMENT

The next regularly scheduled Board of Directors meeting will be held on December 9, 2020 at 3 p.m.

Feather River West Levee Financing Authority

Board of Directors Minutes Regular Meeting, October 14, 2020, 3 p.m.

MODIFIED BROWN ACT REQUIREMENTS IN LIGHT OF COVID-19

The Feather River West Levee Financing Authority (Authority) Board of Directors (Board), State of California, met on the above date at 3 p.m. in Compliance with CA Executive Orders N-25-20 and N-29-20 members of the Board of Directors and members of the public participated in this meeting by teleconference.

These minutes do not represent a transcript of the meeting and are intended to be a summary of the most important points. For a complete record, please refer to the video recording of the meeting, which is posted on SBFCA's website: http:/sutterbutteflood.org/board/meetings-agendas/

MEMBERS PRESENT

Levee District 1:	Charlie Hoppin
Levee District 9:	Mike Morris
County of Sutter:	Mike Ziegenmeyer (arrived after roll call vote and approval of minutes)

STAFF PRESENT: Michael Bessette, SBFCA Executive Director; Andrea Clark, Agency Counsel; Seth Wurzel, SBFCA Budget Manager, Kim Floyd, Public Outreach; and Terra Yaney, SBFCA Board Clerk

MEETING/CALL TO ORDER

At 3:00 p.m., Director Charlie Hoppin opened the meeting and led the group in the pledge of allegiance.

PUBLIC COMMENT

No public Comment

PRESENTATION, DISCUSSION & ACTION ITEMS

1. **Approval of the minutes for the August 19, 2020 Board Meeting**

A motion to approve the Minutes of the August 19, 2020 Board Meeting was made by Director Mike Morris and seconded by Director Charlie Hoppin. The motion passed with no objection. The motion was approved as follows:

- **Charlie Hoppin– yes**
- **Mike Morris– yes**

No public Comment

2. **FRWLFA Assessment District Engineering Update**
   SBFCA Executive Director gave a PowerPoint presentation and updated the board on the HDR/Willdan team's progress. He reviewed the process and general approach to moving forward with the project. He reported that Task Order No. 1 executed by the board at the August board meeting would provide project management, public outreach, assessment engineering services and contingency planning.

No public Comment

3. **<u>FRWLFA Risk Management and Insurance Update</u>**
   It was reported that staff is in the process of receiving information from insurance providers. SBFCA Budget Manager Seth Wurzel reported that we have only found two providers – Special District Risk Management Authority (SDRMA) and JPRIA. We are evaluating their proposals and will bring back to the board for consideration at the November board meeting.

No public Comment

4. **<u>SBFCA Services Update</u>**
   SBFCA Executive Director reported that the FRWLFA website is up and running.

5. **<u>Board Discussion and Direction – November Board Meeting</u>**
   It was discussed to move the November 11th board meeting to November 18th due to the Veteran's Day Holiday.

A motion to move the November Board Meeting date to November 18th was made by Director Charlie Hoppin and seconded by Director Mike Morris. The motion passed with no objection. The motion was approved as follows:

- **Charlie Hoppin– yes**
- **Mike Morris– yes**
- **Mike Ziegenmeyer - yes**

No public Comment

ADJOURNMENT
With no further business coming before the Board, the meeting was adjourned at 3:22 p.m.

ATTEST BY: ___________________________________

Terra Yaney, Board Clerk

____
Board Chair

Feather River West Levee Financing Authority

November 18, 2020

TO: Board of Directors

FROM: Michael Bessette – SBFCA Executive Director
Seth Wurzel – SBFCA Budget Manager
Andrew Stresser – LD 1 & LD 9 General Manager

SUBJECT: Consideration of Insurance Providers

Recommendation
The Board of Directors receive a report on quotes received from two insurance providers and provide direction regarding procurement.

Summary
As part of the Board's authorization of a Services Agreement between FRWLFA and SBFCA, SBFCA's scope of work includes general financial and legal services. Within the scope of these administrative areas lies the issue of risk management and insurance. In August, after a brief presentation regarding insurance, the Board authorized staff to work with insurance companies to receive quotes for insurance.

SBFCA staff worked with LD 1 and LD 9 staff to consult with their respective insurance providers as well as other insurance brokers and reclamation district representatives to canvass the available marketplace of insurance providers that service entities like FRWLFA. What staff found was that there are really only two providers working in this market segment. They are:

- CalMutuals Joint Powers Risk and Insurance Management Authority (JPRIMA) – A pool specializing in insurance for mutual water companies, however, they provide insurance to a wide gamut of water related entities including Levee and Reclamation Districts; and

- Special District Risk Management Authority (SDRMA) – SDRMA is a public agency formed under California Government Code Section 6500 et seq. that specializes in providing a full-service risk management program for Special Districts, including JPA's, like FRWLA.

Currently, JPRIMA provides insurance to Levee Districts 1 and 9, and SDRMA provides insurance to SBFCA.

Staff has worked with both providers to obtain premium quotes. The quotes provided are attached to this report. In addition, staff has conducted conference calls with representatives from each provider to ensure that the providers understood the scope of activities and services that FRWLFA will be engaging in and to further inquire about coverage specifics. Based on this information, staff has prepared a side by side comparison with what we believe are the most relevant terms related to the offered coverages.

It should be noted that in this particular marketplace, coverage limitations and features are not necessarily directly comparable and common between both providers. Each provider has developed programs that are designed to meet the specific needs of their current members/insureds and as such, there are distinct differences between the coverages offered. Further, there not a lot of options available to specifically tailor the coverage needed when the coverage limits needed are generally low. Additional excess insurance can always be purchased for an additional premium, but the minimum coverage limits and deductibles are generally fixed.

In general, staff has concluded that the premium difference of $1,233 is negligible. With respect to the liability coverage, which is the primary coverage to consider, SDRMA's minimum coverage of $2.5 million with a low $500 deductible presents a better value. However, one difference to consider is that while both insurers have a duty to defend, defense costs are included within limit of coverage for SDRMA and outside the limit with JPRIMA. With that said, given the large difference in the per occurrence limit of $1.5 million, staff still considers SDRMA's coverage a better value.

Another item to consider is the fact that with SDRMA's coverage, FRWLFA would be making a 3-year minimum commitment to participate in the program. JPRIMA does not have this requirement. However, staff did confirm that if FRWLFA was not successful in forming the proposed assessment district, the Agency would be able to exit the program prior to the three years without penalty.

Both insurance providers require membership in an affiliated association. For SDRMA, FRWLFA would need to become a member of the California Special District Association (CSDA), and for JPRIMA, FRWLFA would need to join the California Association of Mutual Water Companies (CalMutuals). There are nominal annual dues associated with membership in each association ranging between $100 to $700 as noted in attachment A.

Staff will be prepared to discuss the coverage differences and proposals during the meeting and would be looking for further direction from the Board on a direction to proceed.

Each provider would have additional future actions to formally bind coverage. Staff would return later with those actions after further coordination with a selected provider.

Attachments:

A. Side by Side Comparison Matrix
B. SDRMA Proposal
C. JPRIMA Proposal

ATTACHMENT A

Side by Side Summary / Comparisons for FRWLFA

	SDRMA	JPRIMA
Annual Premium Quoted	**$11,069.78**	**$9,837.00**
Limits by Coverage / Program		
General Liability		
Deductible	$500	$10,000
Per Occurance	$2,500,000	$1,000,000
Agg Limit	No Agg.	$10,000,000
Personal & Advertising Injury Limit	Included above	$1,000,000
Medical Payments	N/A	$10,000
Hired Non-Owned Auto Included	Yes	Yes
Duty to Defend	*Yes - Note: Defense Cost is included in Limit of Liability.*	*Yes - Note: Defense Cost is outside of Limit of Liability.*
Property Coverage	*Up to $800 million, no property listed so N/A.*	*N/A, due to no property listed.*
Commercial Crime	*Included as part of Program*	*Not included*
Deductible	*None*	
Limit	$1,000,000	
Public Officials		
PO Dishonesty	$1,000,000	$1,000,000
Injunctive Relief	None	$5,000
Aggregate	None	$10,000,000
Public Officials Personal Liability	$500,000 ($500 ded.)	N/A
E&O	$2,500,000	$1,000,000
EE Benefits	$2,500,000	N/A
EPLI	$2,500,000	N/A
	Note: Defense cost inside of limit.	*Note: Defense cost outside of limit.*
Business Auto Liability	*Included but not in effect until notified of ownership*	*Excluded*
Hired Non-Owned Auto	*Part of General Liability*	*Part of General Liability*
Bodily Injury	$2,500,000	N/A
Property Damage	$2,500,000	N/A
Additional Notes / Specifics		
Inverse Condemnation	$1,000,000 ** Specific circumstances*	$1,000,000
Property - Catastrophic Loss Deduct	$500,000	N/A
Commitment Timeframe	*3-Years*	*None*
Association Enrollment	*CSDA (Cat 1 - $186 / Cat 4 - $653) Based on Operating Revenue*	*Cal Mutuals (1st Year Waived / $100) $100 for RD's*
Other Note:	*Coverage excludes any liability for a 3rd Party Damage.*	*unclear of similar exclusion*

ATTACHMENT B

SDRMA
Special District Risk Management Authority

1112 I Street, Suite 300
Sacramento, California 95814-2865
T 916.231.4141 or 800.537.7790 * F 916.231.4111

Maximizing Protection. Minimizing Risk. * www.sdrma.org

September 29, 2020

Mr. Andrew Stressor
General Manager
Feather River West Levee Financing Authority
243 Second Street
Yuba City, California 95991

Dear Mr. Stressor,

Thank you for the opportunity to provide Feather River West Levee Financing Authority with this 2020-21 Property/Liability Program quotation. Established in 1986, the Special District Risk Management Authority has a proven reputation for competitive rates, actuarially based fiscal management, and sound underwriting practices. Our goal is to serve as an extension of your agency's staff and provide the best value through proactive loss prevention, effective claims cost containment and enhanced member services. Our partnerships with California Special District Association (CSDA), the CSDA Finance Corporation, and the Special District Leadership Foundation provide our members access to valuable services, resources, education and training opportunities.

Valid for sixty (60) days from the date of this letter, the following quotation represents twelve (12) months of coverage and is subject to verification and final underwriting review. Coverage bound mid-year will be prorated based on effective dates. Feather River West Levee Financing Authority's quotation is as follows:

PROPERTY/LIABILITY PROGRAM QUOTATION	
Coverage Limits: $2.5 Million - July 1, 2020 through June 30, 2021*	$11,069.78

Please refer to the attached list for detailed coverage limits and deductibles.

Please review the following requirements and conditions:

- Adoption of a Resolution by the Feather River West Levee Financing Authority Board of Directors approving the form and authorizing the Execution of the Sixth Amended Joint Powers Agreement and agreeing to membership in the SDRMA Property/Liability Program for an initial 3-program year commitment.
- Execution and delivery of the Sixth Amended Joint Powers Agreement of the Special District Risk Management Authority.
- Completion of the Alliant Crime Policy application.
- Approval by SDRMA's Board of Directors of Feather River West Levee Financing Authority's membership in the Property/Liability programs. (In the event the Ventura County Transportation Commission requires coverage prior to approval by SDRMA's Board of Directors, the SDRMA underwriters are authorized to issue a 60-day conditional binder).
- Initial three-program year member enrollment required. Upon meeting the initial three-program year commitment, a member may withdraw by submitting a 90-day (April 1) intent to withdraw letter before the annual renewal.
- Maintaining annual Membership in California Special Districts Association is required and separate from this quotation.
- Special District Risk Management Authority's Credit Incentive Program (CIP) awards up to 15% off the annual contribution for completion of approved risk management and training programs. Members can reduce future contributions each year by earning CIP points or not experiencing any paid claims.

Upon receipt of all membership documents, SDRMA will issue the policy and forward pro-rated invoices for the annualized Property/Liability Program contributions.

We look forward to Feather River West Levee Financing Authority's participation in the SDRMA Property/Liability Programs. Should you have any questions, or if we can provide any additional information, please do not hesitate to contact us at 800.537.7790. All necessary membership documents will be sent to you upon notification of your agency's decision to proceed with membership in the program.

Sincerely,
Special District Risk Management Authority

Ellen Mirabal Doughty, ARM
Chief Member Services Officer

Special District Risk Management Authority

Proposed Lines of Coverage for Program Year 2020-21

Feather River West Levee Financing Authority

Line of Coverage	Item Count	Total Insured Value (TIV)	Deductible	Limit
Property				
Property			$1,000	$800,000,000
Boiler & Machinery			$1,000	$100,000,000
Flood (excluding A and V)			$500,000	$800,000,000
Flood (A and V)			$500,000	$800,000,000
Pollution			$150,000	$2,000,000
Cyber			$50,000	$2,000,000
Catastrophic Loss			$500,000	$800,000,000
Mobile Equipment				
Mobile/Contractors Equipment			$1,000	$800,000,000
General Liability				
Bodily Injury			$0	$2,500,000
Property Damage			$500	$2,500,000
Public Officials Personal			$500	$500,000
Employment Benefits			$0	$2,500,000
Employee/Public Officials E & O			$0	$2,500,000
Employment Practices Liability			$0	$2,500,000
Employee/Public Officials Dishonesty (Crime)			$0	$1,000,000
Auto Liability				
Auto Bodily Injury			$0	$2,500,000
Auto Property Damage			$1,000	$2,500,000
Uninsured Motorist			$0	$1,000,000
Auto Physical Damage				
Auto PD - Comp				$100,000
Auto PD - Collision				$100,000
High Dollar Vehicles				$800,000,000
Trailer				
Trailer			$250	$100,000

* Special Deductibles/Limits

ATTACHMENT C

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

COVERAGE PROPOSAL
Feather River West Levee Financing Authority

COVERAGE PERIOD
11/1/2020 - 4/1/2021

PRESENTED BY:
Buttes 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)	$	N/A
8	**SECTION 2. COMMERCIAL CRIME**	$	N/A
9-10	**SECTION 3. COMMERCIAL GENERAL LIABILITY**	$	1,326.00
11	**SECTION 4. PUBLIC OFFICIALS & MANAGEMENT LIABILITY** (Wrongful Acts, Employment Practices & Employee Benefits, Privacy and Network Risk)	$	2,339.00
12	**SECTION 5. BUSINESS AUTO**	$	N/A
13	**SECTION 6. COMMERCIAL EXCESS LIABILITY**	$	N/A
	MEMBER CONTRIBUTION	$	3,665.00
	JPRIMA ADMINISTRATION FEES	$	466.00
	TOTAL AMOUNT DUE* *Payment is due within thirty (30) days of binding.	$	4,131.00

NOTES:

The JPRIMA MOC has a common anniversary date of April 1, 2020.
Your proposal is being pro-rated from your current effective date to April 1, 2021.
Annual Contribution: $8,852 + $985 (Fees) = $9,837
Terrorism coverage is automatically included for General Liability.
Additional Insured with Primary Non-Contributory wording, and Waiver of Subrogation Endorsements to be on file with Company for each contracting entity.

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

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

SECTION 1. PROPERTY*

***PROPERTY 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

LIMITS:

Blanket Property: (Real Property & Business Personal Property)	**N/A**
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.	**N/A**
Equipment Breakdown / Boiler & Machinery:	**Not 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:

N/A	Property
N/A	Mobile Equipment
N/A	Equipment Breakdown (aboveground & less than 50 feet belowground)
N/A	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)

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.

- **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~~	☐	~~$500,000~~	☐	~~$1,000,000~~	☐	~~$2,000,000~~
~~Valuable Papers and Records~~	☐	~~$500,000~~	☐	~~$1,000,000~~	☐	~~$2,000,000~~
~~Contamination~~	☐	~~$250,000~~				
~~Tools and Equipment Owned by Your Employees~~	☐	~~$5,000~~	☐	~~$10,000~~	☐	~~$25,000~~
~~Personal Effects and Property of Others~~	☐	~~$5,000~~	☐	~~$10,000~~	☐	~~$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 – 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~~					
~~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.

This section of the proposal is excluded. There is no Property coverage afforded to this insured.

SECTION 2. COMMERCIAL CRIME*

***COMMERCIAL CRIME 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

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
	$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:

$0 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:

This section of the proposal is excluded. There is no Commercial Crime coverage afforded to this insured.

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	**$10,000,000**
Personal & Advertising Injury Limit	**$ 1,000,000**
Damage to Premises Rented to You	**$ 1,000,000**
Medical Payments	**$ 10,000**

DEDUCTIBLE:
$10,000 each claim including expenses

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:

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

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:

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
- Occurrence
- 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

PRIVACY LIABILITY AND NETWORK RISK[1]:

Privacy & Network Security Wrongful Acts	**N/A**	per act
Breach Consultation Services	**N/A**	per offense
Breach Response Services	**N/A**	per offense
Public Relations & Data Forensics	**N/A**	per act

[1]Coverage provided for Privacy Liability & Network Risk Coverage is issued on a claims made basis with defense inside the limit of liability. Privacy Retroactive Date:N/A. Privacy Deductible: None.
*$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.

SPECIAL COVERAGE:

- Inverse Condemnation

RETROACTIVE DATE:

N/A

DEDUCTIBLE:

$10,000 each claim including expenses

COVERAGE HIGHLIGHTS:

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

NOTES:

Privacy Liability coverage is excluded.

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: 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:

- Following Form
- Occurrence
- Defense Costs Outside the Limits

LIMITS:

N/A

SCHEDULED UNDERLYING POLICIES:

Commercial General Liability - No
Hired and Non-Owned Auto Liability - No
Owned Auto Liability - No
Public Officials & Management Liability - No Wrongful Acts - No 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.

This section of the proposal is excluded. There is no Commercial Excess Liability coverage afforded to this insured.

Feather River West Levee Financing Authority

November 18, 2020

TO: Board of Directors

FROM: Michael Bessette – SBFCA Executive Director
Seth Wurzel – SBFCA Budget Manager

SUBJECT: FRWLFA Assessment District Engineering Update

Recommendation
That the Board of Directors receive an oral update from staff on assessment district engineering and public outreach for the Feather River West Levee Financing Authority (FRWLFA).

Background
On August 19, 2020 the FRWLFA Board selected the HDR Engineering/Willdan team to assist with advancing the formation of a new Assessment District to fund OMRR&R of the SBFCA improved levee system. Staff will update the Board on the HDR team's progress and receive comments and direction as necessary.

Feather River West Levee Financing Authority

November 18, 2020

TO: Board of Directors

FROM: Michael Bessette, SBFCA Executive Director

SUBJECT: SBFCA Services Update

Recommendation

That the Board of Directors receive an oral presentation on services provided by SBFCA staff to the Feather River West Levee Financing Authority (FRWLFA).

Background

On June 10, 2020 the FRWLFA Board elected to enter into a Funding and Services Agreement with SBFCA to provide short-term management (up to one year) of FRWLFA including legal and staff support, establishment of budget/financial functions, conducting board meetings, establishment of operational policies and procedures, and consultant contracting.