



NCCSIF
Risk Management Committee Meeting
AGENDA

Date: Thursday, June 18, 2015
Time: 09:30 a.m.

Location: Rocklin Event Center - Garden Room
 2650 Sunset Blvd.
 Rocklin, CA 95677
 (916) 625-5227

A – Action
I – Information

1 – Attached
 2 – Hand Out
 3 – Separate Cover
 4 – Verbal
 5 – Previously Mailed

MISSION STATEMENT

The Northern California Cities Self Insurance Fund, or NCCSIF, is an association of municipalities joined to protect member resources by stabilizing risk costs in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.

A. CALL TO ORDER

B. PUBLIC COMMENTS

C. APPROVAL OF AGENDA AS POSTED A 1

pg. 3 **D. CONSENT CALENDAR A 1**
All matters listed under the consent calendar are considered routine with no separate discussion necessary. Any member of the public or Risk Management committee may request any item to be considered separately.

pg. 4 1. Minutes of the Risk Management Committee Meeting – April 16, 2015

E. RISK MANAGEMENT BUSINESS

pg. 10 1. **Police Risk Management Committee Update & Budget A 1**
Tom Kline, Bickmore Risk Services, will provide the Committee with a summary of the May 7, 2015, Police Risk Management Committee Meeting and activities completed for the initial roll out of Body Cameras.

pg. 15 2. **Sewer Risk Management Proposal A 1**
David Patzer, DKF Solutions, will present a proposal for risk management services related to member wastewater operations.

pg. 27 3. **Risk Management Grant Policy Revision A 1**
The Committee will review and may approve a revision to the current Risk Management Grant Policy.



pg. 38	4. Employment Practices Liability (EPL) Hotline <i>Marcus Beverly will present the committee with information regarding the EPL Hotline and services provided by the Liebert Cassidy Whitmore law firm.</i>	A 1
pg. 46	5. Risk Control Services Budget for FY2015/16 <i>Marcus Beverly will present the draft budget for risk control services for FY 2015/16 for review and recommendation to the Executive Committee.</i>	A 2
pg. 47	6. Round Table Discussion <i>The floor will be open to Committee members for any topics or ideas that members would like to address.</i>	I 4
	F. INFORMATION ITEMS	I 1
pg. 48	1. NCCSIF Travel Reimbursement Form	

G. ADJOURNMENT

UPCOMING MEETINGS

- Police Risk Management Committee Meeting – August 6, 2015
- Executive Committee Meeting – September 24, 2015
- Claims Committee Meeting – September 24, 2015
- Risk Management Committee Meeting – October 15, 2015
- Board of Directors Meeting – October 15, 2015

Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Raychelle Maranan at Alliant Insurance at (916) 643-2712.

The Agenda packet will be posted on the NCCSIF website at www.nccsif.org. Documents and material relating to an open session agenda item that are provided to the NCCSIF Board of Directors less than 72 hours prior to a regular meeting will be available for public inspection and copying at 1792 Tribute Road, Suite 450, Sacramento, CA 95815.

Access to some buildings and offices may require routine provisions of identification to building security. However, NCCSIF does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3



**Risk Management Committee Meeting
June 18, 2015**

Agenda Item D.

CONSENT CALENDAR

ACTION ITEM

ISSUE: The Risk Management Committee (RMC) reviews and approves items on the Consent Calendar as a whole. If there is any item requiring clarification or amendment, such item(s) may be pulled from the agenda for separate discussion. The Risk Management Committee may approve the Consent Calendar excluding those items pulled. Any items removed from Consent will be agendaized later during the meeting as recommended by the Chair and approved by the Committee.

RECOMMENDATION: Approve the Consent Calendar after review by the Committee.

FISCAL IMPACT: None

BACKGROUND: The Committee regularly places the minutes of previous meetings on the Consent Calendar for approval, as well as any other items that are routine or already have unanimous consent.

ATTACHMENTS: Minutes of the Risk Management Committee Meeting – April 16, 2015



**MINUTES OF THE
NCCSIF RISK MANAGEMENT COMMITTEE MEETING
LINCOLN CITY HALL, LINCOLN, CA
APRIL 16, 2014**

MEMBERS PRESENT

Juanita Barnett, City of Anderson
Dylan Feik, City of Auburn
Michelle Pellegrino, City of Dixon
George Silva, City of Dixon
Brad Koehn, City of Elk Grove
Jim Ramsey, City of Elk Grove
Kris Haile, City of Folsom
Paula Islas, City of Galt
Matt Michaelis, City of Gridley
Dave Andres, City of Ione

Michael Daly, City of Jackson
Dalacie Blankenship, City of Jackson
John Lee, City of Lincoln
Corey Shaver, City of Nevada City
Liz Ehrenstrom, City of Oroville
Vi Cobb, Red Bluff
Sandy Ryan, City of Red Bluff
Russell Hildebrand, City of Rocklin
Tim Sailsbery, City of Willows
Natalie Walter, City of Yuba City

MEMBERS ABSENT

Tom Watson, City of Corning
Shelly Kittle, City of Colusa
Satwant Takhar, City of Marysville

Crystal Peters, Town of Paradise
Dave Warren, City of Placerville
Marni Rittburg, City of Rio Vista

GUESTS & CONSULTANTS

Michael Simmons, Alliant Insurance Services
Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services

Henri Castro, Bickmore
Tom Kline, Bickmore
David Patzer, DKF Risk Services

A. CALL TO ORDER

The meeting was called to order at 10:00 a.m.

B. PUBLIC COMMENTS

There were no public comments made.

C. APPROVAL OF AGENDA AS POSTED

A motion was made to approve the Agenda as posted.

MOTION: Corey Shaver **SECOND:** John Lee **MOTION CARRIED**
AYES: Barnett, Pellegrino, Koehn, Halie, Islas, Michaelis, Feik, Andres, Daly, Ehrenstrom,
Ryan, Hildebrand, Sailsbery, Walter.
NAYS: None.



D. CONSENT CALENDAR

1. Minutes of the Risk Management Committee Meeting – October 9, 2014

A motion was made to approve the consent calendar.

MOTION: Corey Shaver **SECOND:** John Lee **MOTION CARRIED**
AYES: Barnett, Pellegrino, Koehn, Halie, Islas, Michaelis, Feik, Andres, Daly, Ehrenstrom, Ryan, Hildebrand, Sailsbery, Walter.
NAYS: None.

E. RISK MANAGEMENT BUSINESS

E1. Police Risk Management Committee Update

Tom Cline from Bickmore Risk Services provided an update about the Police Risk Management Committee (PRMC) meeting that took place on February 5, 2015. He indicated that Bickmore will be looking at the correlation between use of the police body cameras and claims to see if there has a decrease in the number of claims since the inception of the body cameras. Tom Cline also highlighted the PRMC spoke about the outer carrier vests and indicated Bickmore will be hosting a webinar to discuss the use of outer carrier vests. It was also noted that the Bickmore website is being updated and will now include two emphasis areas—police and driving—the PRMC was asked to provide feedback about other topics that could be included in the website.

Liz Ehrenstrom from the City of Oroville noted that the police body cameras are working quite well and it seems to be decreasing the number of claims as once the video is shown to the person making a complaint they usually go away. Liz Ehrenstrom also mentioned that our Police Officers are in the public eye and under 24 hour surveillance by the public with camera phones and noted that the body cameras are helping to combat that issue.

E2. Risk Control Services Update

Henri Castro from Bickmore Risk Services presented the Risk Control Summary Report to the Risk Management Committee and reviewed the services Bickmore has provided during the 2014/15 policy year. She indicated there have been some great successes with the physical inspections, program development, onsite training and the regional workshops. Henri Casto also mentioned that the training sessions have been so successful Bickmore is looking to do regional training in the Northern part of the state.

Henri Castro also indicated that Monthly Safety Communications are still being sent out and noted that the most recent email centralized around the changes to the Heat and Illness Prevention changes that will go into effect on May 1, 2015. Henri Castro mentioned that Bickmore is working with CAL OSHA to host a webinar training session to ensure member cities are aware of these changes and how to implement them at the city level.



Henri Casto also indicated that Bickmore is updating their website platform to be simple and easy to navigate. She noted that in addition to the two emphasis areas Tom Kline mentioned previously—police and driving—there will be other emphasis areas in the future to include Fire Operations and Public Works Operations.

Lastly, Henri Casto mentioned that the two Certified Pool Operators (CPO) training sessions have been set up and will be hosted by the City of Galt and the City of Corning. She also noted that this certification is good for five years and so this training will not be offered for another two or three years.

E3. Sewer Risk Management Proposal

David Patzer from DKF Solutions Group presented a proposal for Sewer Risk Management efforts. He indicated that each city that has a sewer collection system is required to have a Sanitary Sewer Management Plan (SSMP) which includes how to fund and operate a sewer collection system which should include an Overflow Emergency Response Plan (OERP). David Patzer indicated that in California over the last twenty years the average cost of a sewer backup property damage claim is approximately \$25,000 per claim and noted that the proposal addresses the efforts to help decrease the likelihood of a sewer related claim.

Services included in the proposal:

- An audit of each member's Sanitary Sewer Management Plan (SSMP) against SWRCB's Waste Discharge Requirements
- Development and/or update of members' Sanitary Sewer Overflow/Backup Response Plans (OERP)
- Three (3) total Sewer Overflow Volume Estimation and Overflow/Backup Response training seminars
- One NCCSIF-branded interactive computer training module
- If all services are implemented the proposal cost is \$69,500

The City of Dixon indicated that they have been using the DKF program and noted the process is simple, easy to use, self-explanatory and is accepted by the State. To help determine the need for these services Alliant was asked to develop a checklist which will be sent out to all members with the goal of obtaining information about what services the members are in need of which will also help with a breakdown in cost.

The Risk Management Committee requested that this item be brought back and presented to the Executive Committee at the next meeting after the sewer survey has been completed.

E4. Contracted Services Survey

At the Long Range Planning Meeting held in January of 2015 it was noted that most member cities contract out for the same types of work—it was suggested that cities could benefit financially by having a preferred vendor to complete the work. In January Henri Castro from Bickmore was asked to put together a survey to send to members with the goal of identifying services each member city contracts out which could be contracted out to a preferred vendor to help with cost containment. Henri Castro presented the results of the survey to the Risk Management Committee and requested feedback from members about what services they would like to focus on. She suggested that NCCSIF select two or three categories of focus and work with members to determine what vendors are already providing these services (at what cost) and what other vendors offer these services in an effort to determine if there is a better priced contractor.

The following items were mentioned as potential vendor services that should be researched for discounted contract services:

- ADA compliance
- Arborist/Landscape Services
- Drug and Alcohol Testing (DAPCO, National) any vendor with local collection site
- Janitorial Services

Russell Hildebrand noted that many services need to be geographically located. Marcus indicated that members such as Folsom and Placerville may be able to share services that are not available to other members due to geographical location. Marcus Beverly indicated that Alliant will follow up with members to help determine what vendors are currently being used, what the cost is for those services and what the vendor's service area is.

Marcus Beverly also noted that NCCSIF should also consider a Shared Disaster Recovery service and presented information on Agility Recovery. Marcus Beverly mentioned that the City of Willows Fire Department has expressed interest in joining the Lexipol program (cost to the City of Willows alone is \$5,250 with an annual renewal fee of \$3,200). This price includes both the Manuals and Daily Training Bulletins.

E5. 2015/16 Risk Control Service Plan

Henri Castro indicated that the Risk Control Service Plan is the same as last year with one caveat – this year Bickmore would like to update the risk assessment that was completed in 2012-13 to determine if there has been any progress. This would also include the development of a scorecard



for each member city that would help reflect all members' progress and identify issues that the pool can take action on.

Liz Ehrenstrom requested additional information regarding the Outside Training Budget line item and Henri Casto indicated that the Outside Training Budget is specific to contacting with subject matter experts (average cost is \$1,500 per speaker) to provide regional training workshops that are available to all members.

A motion was made to approve the 2015/16 Risk Control Service Plan as presented.

MOTION: Paula Islas **SECOND:** Mike Daly **MOTION CARRIED**
AYES: Barnett, Pellegrino, Koehn, Halie, Michaelis, Feik, Andres, Ehrenstrom, Ryan, Hildebrand, Sailsbery, Walter, Lee, Shaver.
NAYS: None.

E6. Risk Control Services Budget for FY 2015/16

Marcus Beverly presented the Risk Control Service Budget and noted these services make up 42% of the overall Administrative Services Budget for NCCSIF. He indicated that the PRMC funds had been increased from \$25,000 to \$50,000 to help fund the body cameras.

Tom Kline noted that the body camera process started in January of 2014 with a survey that led to the inception of 66 total body cameras in August of 2014 (each member city received 2-6 body cameras) as part of Phase One. He also noted that since we purchased the body cameras in bulk we were able to negotiate a discounted price. Tom Kline went on to mention that the purpose of the body cameras was to decrease the number of Reduction of Force Claims and consideration should be given to providing additional body cameras in Phase Two. Tom Kline indicated that he will reach out to member cities and update the survey to determine how many police officers each member city has and how many are using the body cameras.

It was also requested that the body cameras be listed as a separate budget item (not included in the total budget number for Risk Control Services).

E7. Round Table Discussion

There was no discussion about this item.

F. INFORMATION ITEMS

1. NCCSIF Travel Reimbursement Form

G. ADJOURNMENT

The meeting was adjourned at 11:16 a.m.



NEXT MEETING DATE: June 18, 2015 in Rocklin, CA

Respectfully Submitted,

Michelle Pellegrino, Secretary

Date

DRAFT



**Risk Management Committee Meeting
June 18, 2015**

Agenda Item E.1.

**POLICE RISK MANAGEMENT COMMITTEE
UPDATE AND BUDGET**

ACTION ITEM

ITEM: Mr. Tom Kline will provide the Committee with a summary of the May 7, 2015 Police Risk Management Committee and activities completed since the last Risk Management Committee meeting on April 16, 2015.

Members have expressed the desire for funding to purchase more body cameras and/or to address the issue of data storage. There are several bills in the state legislature addressing body cameras and there is activity at the federal level that could significantly impact the best way to use the police grant funds. Currently we are budgeting \$50,000 in police risk management funds as a contingency until more information about the status of the bills is known. Body cameras and data storage would most likely be top priorities.

FISCAL IMPACT: Budget of \$50,000 for police risk management funding.

RECOMMENDATION: Continue funding at \$50,000 pending further discussion and determination of member needs regarding cameras and storage options.

BACKGROUND: The Police Risk Management Committee (PRMC) meets once a quarter to review and discuss claims and risk management issues, recommend programs, training and equipment to reduce losses, and provide training for attendees. Last year the Board approved a budget of \$50,000 for the purchase of body cameras for NCCSIF's police agencies. The PRMC has recommended continuing the purchase of body cameras while also dedicating some resources to improving data storage options.

ATTACHMENTS:

1. Police Risk Management Committee Meeting Minutes, May 7, 2015, Draft



**MINUTES OF THE
POLICE RISK MANGEMENT COMMITTEE MEETING
FEBRUARY 5, 2015**

MEMBERS PRESENT

John Ruffcorn, City of Auburn
Tim Albright, City of Elk Grove
Jason Browning, City of Folsom
Sharon Blackburn, City of Folsom
Cynthia Renaud, City of Folsom

Allen Byers, City of Oroville
Greg Bowman, City of Rio Vista
Ron Lawrence, City of Rocklin
Chad Butler, City of Rocklin
Steve Rowe, Town of Paradise

GUESTS & CONSULTANTS

Marcus Beverly, Alliant Insurance Services
Michelle Minnick, Alliant Insurance Services

Tom Kline, Bickmore Risk Services
Jennifer Nogoesk, York

A. CALL TO ORDER

The meeting was called to order at 10:05 a.m.

B. PUBLIC COMMENTS

There were no public comments.

C. CONSENT CALENDAR

A motion was made to approve the Agenda as posted.

MOTION: Ron Lawrence

SECOND: Jason Browning

**MOTION CARRIED
UNANIMOUSLY**

D. RISK MANAGEMENT

***NOTE:** At this point the PRMC requested a review of Item D.2. Legislative Update prior to discussing Item D.1. Body Camera Update as there is legislation that could potentially affect the use of body cameras.

D2. Legislative Update

Tom Kline from Bickmore Risk Services presented four Assembly Bills which are currently in the legislature and concern the use of body cameras.

Assembly Bill AB65 – Grants

Assembly Bill 65 establishes the development of a grant program to make funds available to local law enforcement entities to purchase body-worn cameras and related data storage and equipment which Tom Kline noted could be a potential source of funding for the purchase of more body cameras. John Ruffcorn noted that the language of the bill indicates a state penalty in the amount of ten dollars for every ten dollars which indicates that every fine will be doubled (i.e. \$500 ticket then becomes a total of \$1,000 fine to comply with AB65).

Assembly Bill AB66 – Policy

Assembly Bill 66 describes the policies and procedures that are required by law to be in place for Police, Law Enforcement Officials, and Peace Officers when using the body cameras. The bill establishes how the body cameras may be used and what uses are prevented. It was highlighted by Tom Kline that this bill allows a peace officer to review a body-worn camera video after first making a written statement.

Senate Bill SB175 – Policy

Senate Bill 175 also addresses the policy and procedure regarding where the body cameras should be worn, where the video will be stored and who would have access to the video. Tom Kline indicated that in the event both AB 66 and SB 175 pass there will need to be some legal discussion as to the differences between the two pieces of legislation.

Assembly Bill AB1118 – Training

Assembly Bill 1118 addresses training issues and establishes the Procedural Justice Task Force who would provide grant funding to local law enforcement agencies with a procedural justice training program that meet the requirements set forth in AD1118.

D1. Body Camera Update

Loss Analysis

The Committee was asked to share any anecdotal evidence for the VieVu Body Cameras. Steve Rowe mentioned that the Town of Paradise has recently moved to using the VieVu Body Cameras which provide good quality video but indicated that the higher resolution takes more memory space. He did note that the city is having significant issues with the clip of the body cameras breaking but other members indicated they are not having issues with the clips.

The Committee indicated broken clips, the camera cover closing to easily and the retention of video clips are the most common issues the members are experiencing. Some members indicated they have opted to not use High Definition video as a result of video storage issues and the increased cost of additional storage space quoted at approximately \$12,000 for 22 terabytes of storage. Tom Kline indicated that consideration should be given to purchasing more storage space prior to purchasing more body cameras. Jennifer Nogoesk from York noted the statute of limitations in some cases is 2 years so it would be appropriate to address the long storage issues as claims can surface years after the video has been taken. Some members have opted to begin

flagging videos that could eventually lead to litigation (with the intention of retaining those videos as evidence to submit).

Jen Negoesk from York is looking into claims that are reported to determine if there has been an impact since the implementation of the VieVu Body Cameras on August 27, 2014. John Ruffcorn noted that the claims that are being prevented are not actually reported and suggested that member cities share with Jen Negoesk stories related to allegations that have been reported and subsequently went away after a review of the video- Jen agreed to keep record of these incidents to help with tracking the success of the body cameras. It was also mentioned that member cities are seeing a decrease in the number of complaints being filed as a result of having the body camera footage.

Budget for Body Cameras

Tom Kline indicated that if the Committee is interested in purchasing more body cameras a discussion is necessary regarding how to fund the purchase. Tom Kline noted that Bickmore is actively monitoring the grant opportunities available to help with the purchase of additional body cameras.

John Ruffcorn indicated that storage of the videos is the most important issue at this time and Alliant was asked to research the cost of additional data storage so member cities will have additional storage space available rather than attempting to determine which claims would eventually become litigated- he noted this should be addressed prior to the purchase of additional body cameras.

D3. Round Table Discussion

Tom Kline mentioned that there have been positive impacts captured on video as a result of body and dashboard cameras and provided two examples: one where an officer approached a vehicle that had been pulled over only to discover that the woman that was driving was choking on food and the officer preformed the Heimlich maneuver. Another example was an officer who pulled someone over for a traffic violation who discovered the man driving had suffered a heart attack and the officer proceeded with CPR- the man driving survived.

It was noted that the Committee discussions surrounding the use of body cameras has been primarily focused on the reduction of claims and complaints. However it should be noted that we can also capture positive events that are recorded to help counter the anti-police rhetoric that is in the social media at this time. IT was noted that there needs to be a coordinated effort about vocalizing the positive interactions that are a product of using body cameras. John Ruffcorn recommended a meeting with all Committees of NCCSIF to discuss the use of body cameras as the topic of body cameras relates to all members.

Elk Grove shared that they have been attempting to change the culture and shared a story of a police officer who was waived down in a parking lot and helped deliver a baby in the parking



lot- he noted that the delivery was all captured on the body camera and the story was highlighted on the Today Show.

The Committee was reminded that the next Police Risk Management Committee Meeting will take place on August 6, 2015 and members would be receiving a Save the Date email.

D4. Critical Incident Command: Leading in the Edge of Chaos

Folsom Police Chief Cynthia Renaud provided a presentation which included her experience working with law enforcement agencies regarding critical incident command.

D. ADJOURNMENT

The meeting was adjourned at 12:53 p.m.

NEXT MEETING DATE: June 18, 2015 in Rocklin, CA

Respectfully Submitted,

Michelle Pellegrino, Secretary

Date



**Risk Management Committee Meeting
June 18, 2015**

Agenda Item E.2.

SEWER RISK MANAGEMENT PROPOSAL

ACTION ITEM

ITEM: DKF Solutions Group (*DKF*) has provided NCCSIF with a revised proposal (*attached*) addressing sanitary sewer overflows (*SSOs*) and backups impacting private property (*SBU*s) prevention and emergency response, including claims handling procedures. The Risk Management Committee (RMC) was presented a previous proposal at their last meeting, on April 16, 2015, and provided direction to obtain more information regarding member current practices and needs before making a recommendation for funding.

A survey of members was conducted and the DKF proposal was revised to reflect the needs expressed in the responses. The survey and revised proposal were provided to the Executive Committee at their meeting on May 21, 2015, with further questions and direction provided in the following areas:

- Should we solicit bids or conduct RFP?
- How do we identify which, if any, services are most effective?
- How do we fairly allocate the costs, particularly to those members who already have good programs?
- Should we subsidize cost at all, given most items are state regulatory requirements? Perhaps a stick rather than carrot approach is called for.

The Program Administrators (PAs) will address the topics of discussion below and seek further direction or consensus from the RMC.

Bids/RFP – not recommended due to “sole source” nature of the services provided by DKF. They have developed this niche through years of working with the California Sanitation Risk Management Authority (CSRMA), a risk sharing pool of sanitary districts throughout the state.

The PAs contacted the City of Belmont because they issued an RFP in April 2015 requesting help in developing SOPs related to their sewer and general public works operations, including the components in the DKF proposal. They sent the RFP to at least eight consultants and received only two proposals, one from DKF and one that was deemed incomplete. One large consulting engineering firm specializing in water resources asked to partner with any respondent who could provide the SSMP components that are a main focus of the DKF proposal because they could not.

Based on the services being sought and the response received by the City of Belmont the Program Administrators believe an RFP would not yield viable options and is not necessary.



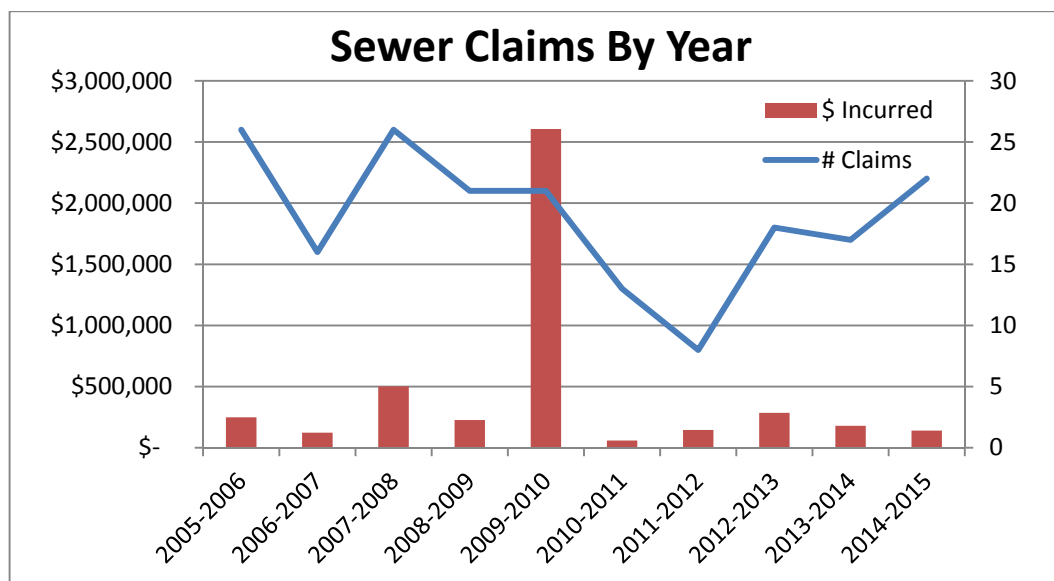
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Are the Services Effective? Based on the PAs experience with another JPA the answer is yes, though as with any risk management initiative it is difficult to prove causation. By implementing the services under consideration the other JPA was able to reduce their claims by over \$2 million per year.

In late 2009 and early 2010 DKF assisted some NCCSIF members with backup response training and procedure guides, and for a couple of years both the number and severity of backups decreased, only to creep up again over the last three years (see accompanying table and charts below). The members also implemented Risk Management P&P # 9, Model Sewer Overflow and Backup Response (attached) in late 2009, though it is listed as advisory and doesn't provide concrete help.

Sewer Backup Claims By Year			
FY	# Claims	\$ Incurred	Average
2005-2006	26	\$ 248,960	\$ 9,575
2006-2007	16	\$ 122,989	\$ 7,687
2007-2008	26	\$ 500,800	\$ 19,262
2008-2009	21	\$ 226,824	\$ 10,801
2009-2010*	21	\$ 2,606,712	\$ 124,129
2010-2011	13	\$ 58,277	\$ 4,483
2011-2012	8	\$ 145,639	\$ 18,205
2012-2013	18	\$ 284,695	\$ 15,816
2013-2014	17	\$ 178,689	\$ 10,511
2014-2015	22	\$ 140,193	\$ 6,372
Grand Total	188	\$ 4,513,780	\$ 24,009

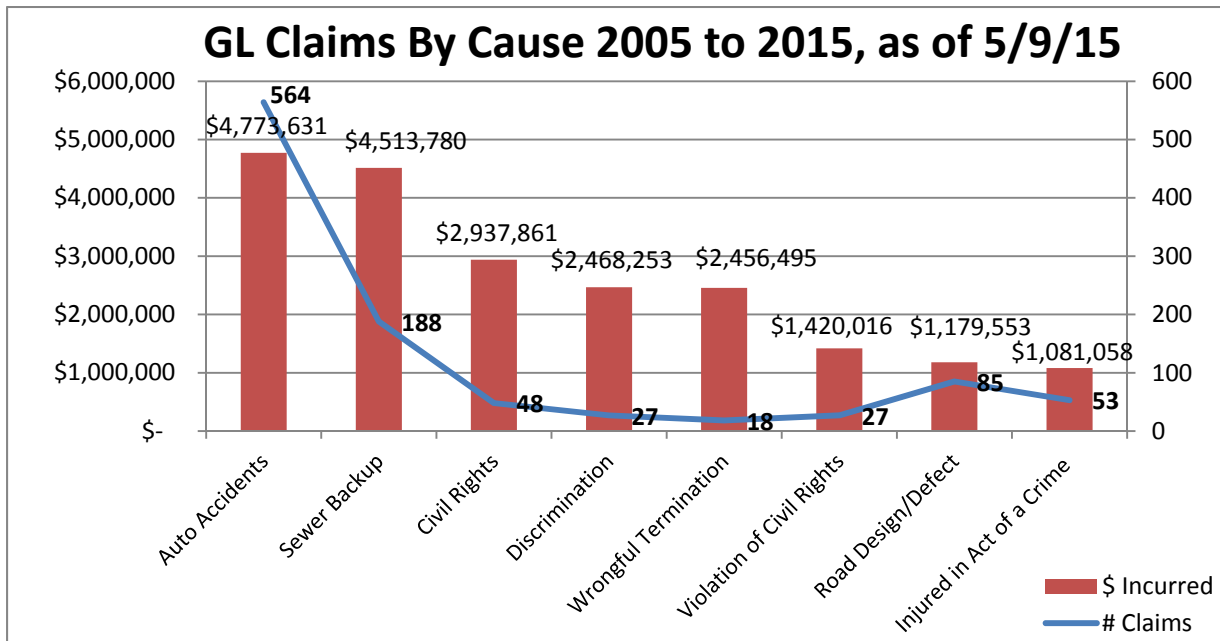
* Includes one claim with incurred of \$2,400,000
Average without above = \$10,336.





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The PAs believe a sustained effort at sewer risk management for all members, including best practices related to sewer ordinances, will pay off in reduced frequency and severity of claims. Given the overall budget of about \$80,000, with a matching fund of half that amount currently being considered, even a small reduction in losses would prove to be cost effective. It's worth noting that the largest claim ever incurred by NCCSIF (*twice* the amount of the next largest claim) was a sewer backup, and per the chart below, sewer backups are one of the most frequent and severe types of claims members experience. Given this, not to take action to address this exposure is to miss one of NCCSIF's greatest opportunities to improve its results.



Allocation of Costs: the Executive Committee also discussed an equitable allocation of the estimated costs of the services. The cost will vary based on participation but the PAs estimated them at \$80,000 and recommended funding half of the costs, on a matching basis, until the funds ran out. The EC was provided the following breakdown of the \$40,000 by member if the standard allocation is used.



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NCCSIF Liability Funding 2015-16			
Member Entity	Without Sewer RM	With Sewer RM	Difference
Anderson	\$ 98,996	\$ 100,308	\$ 1,312
Auburn	\$ 212,095	\$ 213,959	\$ 1,864
Colusa	\$ 58,885	\$ 59,983	\$ 1,098
Corning	\$ 93,614	\$ 94,863	\$ 1,249
Dixon	\$ 157,159	\$ 159,107	\$ 1,948
Elk Grove	\$ -	\$ -	\$ -
Folsom	\$ 1,081,904	\$ 1,089,678	\$ 7,774
Galt	\$ 333,545	\$ 335,844	\$ 2,300
Gridley	\$ 118,816	\$ 120,267	\$ 1,450
Ione	\$ 42,878	\$ 43,842	\$ 964
Jackson	\$ 94,125	\$ 94,125	\$ -
Lincoln	\$ 371,008	\$ 373,682	\$ 2,674
Marysville	\$ 168,762	\$ 170,035	\$ 1,274
Nevada City			\$ -
Oroville	\$ 199,594	\$ 201,620	\$ 2,026
Town of Paradise	\$ 135,199	\$ 136,623	\$ 1,424
Placerville			\$ -
Red Bluff	\$ 279,348	\$ 280,963	\$ 1,615
Rio Vista	\$ 84,819	\$ 86,053	\$ 1,234
Rocklin	\$ 494,208	\$ 498,514	\$ 4,306
Willows	\$ 58,075	\$ 59,140	\$ 1,065
Yuba City	\$ 514,064	\$ 518,487	\$ 4,423
Total:	\$ 4,597,092	\$ 4,637,092	\$ 40,000

Discussion included the fact that members who have model programs (Folsom) or don't have sewer systems (Rocklin and Paradise) are asked to pay a substantial portion of the costs. Given that much of the work centers on regulatory compliance there is concern that members should pay for that themselves, or members who are in compliance should receive other services instead. This led to the last point of discussion – given there is a significant risk NCCSIF should address, what is the best approach to reduce it?

Approach to Solution: does this risk call for a carrot or stick approach, or perhaps some combination? Discussion of “stick” options included raising a member’s SIR for sewer backup claims if they don’t meet the recommended guidelines by a certain date.



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This discussion brought up a number of policy issues related to how NCCSIF funds risk management services and what those services should be. The discussion is a healthy one and these issues should be addressed whenever new services are recommended. Given that sewer backups are a major cause of loss, and NCCSIF's mission includes providing members quality services in risk and claims management, the PAs believe this is an underserved area that deserves funding. How much funding, for which services, and at what cost to individual members are questions to be decided by the members.

RECOMMENDATION: Update the Sewer Risk Management Policy and Procedure to include a model sewer ordinance and include that in the Best Practices that are audited by Bickmore.

Agree to fund up to \$40,000 for sewer risk management but focus initially on training to respond to backups and overflows and maintenance of the system (items 2, 4 and 5 of the proposal), while encouraging members to work with DKF as needed to bring them up to regulatory standards.

Consider additional services or funding as a bonus to those agencies who are already in compliance or don't have the exposure themselves.

FISCAL IMPACT: TBD. The revised proposal ranges from \$70,000 to \$80,000 if all services are implemented and a minimum number of members participate. Savings are expected based on reducing the frequency and severity of sewer backup claims, avoiding watchdog lawsuits, and regulatory compliance.

BACKGROUND: SSOs and SBUs impacting private property are a significant cause of loss to public agencies operating sewer systems resulting from property damage claims, Clean Water Act Citizen Suits and regulatory fines and penalties. As sanitary sewer infrastructure ages, the frequency and severity of SSOs and SBUs can be expected to increase in the absence of aggressive and strategic preventive maintenance and repair/replacement programs.

The State Water Resources Control Board (*SWRCB*) requires sanitary sewer system operators to have a Sanitary Sewer Management Plan (*SSMP*). The *SSMP* must address several elements, which when taken together, describe how an organization will budget, staff, provide preventive maintenance and repair/replace its sanitary sewer system to provide reliable performance of the system to minimize the likelihood of SSOs and SBUs. The *SSMP* must also include an Overflow Emergency Response Plan to address SSOs that occur.

ATTACHMENTS:

1. Revised Proposal for Sanitary Sewer Risk Management Services
2. Sewer Survey
3. P&P # 9, Model Sewer Overflow and Backup Response



**~Proposal From DKF Solutions Group, LLC For Services To~
Northern California Cities Self Insurance Fund (NCCSIF)
Proposal No. 031615-1-2**

This PROPOSAL is made on February 12, 2015 by and between DKF Solutions Group, LLC and the Northern California Cities Self Insurance Fund (hereafter referred to as NCCSIF). This PROPOSAL is valid until 12am, July 30, 2015.

SCOPE: Provide the following California State Water Resources Control Board (SWRCB) Related services (Note: All SWRCB policy/procedure development will utilize DKF Solutions Group's policies/procedures and, unless otherwise noted below, not involve site time. DKF Solutions Group will collect necessary information from the member utilizing a combination of web meetings, phone call and email. If a NCCSIF member requests site time for additional assistance and/or meetings, time will be billed at one-half travel plus site at a rate of \$145/hour or the hourly rate of the subcontractor, whichever is higher.)

1. Perform an audit of each member's Sanitary Sewer Management Plan audit against the SWRCB's Waste Discharge Requirements, updated Monitoring and Reporting Program (MRP) Requirements and the SWRCB Pre-SSMP Inspection Questionnaire. The audit will include one on site meeting and will provide the member with a detailed report listing, by SSMP Element, those items missing, deficient or not in compliance with SWRCB requirements or in conformance with generally accepted best practices for sewer collection system management.

FEE: \$4,500 per member with a minimum of 8 participating members

2. Develop and/or update NCCSIF Members' Sanitary Sewer Overflow/Backup Response Plans (OERP) to reflect SWRCB Waste Discharge Requirements, September 2013 SWRCB updated Monitoring and Reporting Program requirements, the California Sanitation Risk Management Authority's model Sewer Overflow and Backup Response Plan Best Practices and NCCSIF's sewer backup claims handling procedures.

Completed OERPs will be delivered to members electronically as a secure PDF file. Members utilizing this service will use the DKF OERP template tailored to NCCSIF sewer backup claims handling procedures and are limited to one draft review.

Fee: \$1,900 per member with a minimum of 8 participating members

*Costs associated with member-requested hardcopy deliverables (i.e. SSO and Backup Response Packets, OERP Summary Wall Posters, Computer Training Module on Completed OERPs, etc) to be the responsibility of the member.

3. Develop pump station emergency response plans (PSERP) meeting SWRCB requirements.

Fee: The following pricing assumes a minimum of 10 PSERPs are developed and can be a combination of large and small pump stations.

- Small stations (no on site generator and/or fewer than 3 pumps) = \$1,700/station
- Large stations (on site generator and/or 3 or more pumps) = \$2,400/station

Note: Any member wishing to contract directly with DKF Solutions Group for the development of PSERPs beyond the limit established by NCCSIF will be offered the same pricing.

*Costs associated with member-requested hardcopy deliverables (i.e. Waterproof and bound copies, Computer Training Module on Completed PSERPs, etc) to be the responsibility of the member.

4. Provide one NCCSIF-branded interactive computer training module to each member having their OERP updated as part of Item 2, above, addressing:
 - The member's final OERP
 - SWRCB OERP training requirements for sewer collection workers
 - SSO volume estimation techniques and documentation in accordance with SWRCB requirements

- Tactical communication skills for sewer collection workers when interacting with citizens following a sewer overflow or backup

The training module will be delivered electronically to each member for storage on the member's computer network. The training module will operate on any major internet browser, with or without an internet connection.

Fee: \$1,500 per member with a minimum of 8 participating members

SUBCONTRACTORS: DKF Solutions Group routinely subcontracts with subject matter experts in order to provide the highest quality policy and procedure development and training services. DKF Solutions Group reserves the right to subcontract subject matter experts in instances where the NCCSIF member will be best served by subcontracting a particular service.

DELIVERABLE(S): All policies, procedures and other documents will be delivered as secure pdf files. All electronic training modules will be delivered electronically and is capable of running on any major internet browser.

CLIENT RESPONSIBILITIES:

1. Each Member will provide a on-site staff time to work with DKF SOLUTIONS GROUP to gather technical information and photos necessary to complete SCOPE. The staff provided by each Member will have the technical knowledge, expertise, and/or written materials necessary for DKF SOLUTIONS GROUP to make technically correct evaluations.
2. All meetings or other work involving DKF SOLUTIONS GROUP, Member, and Member-provided vendors will be scheduled at mutually agreeable dates and times.

COMPENSATION: DKF Solutions Group, LLC reserves the right to collect reimbursable expenses. Reimbursable expenses include, but are not limited to, administrative costs such as postage and certificates of insurance. Additionally, DKF Solutions Group reserves the right to be reimbursed for all reasonable travel expenses related to work at the Member locations. All travel will be approved by NCCSIF prior to any travel expenses being incurred.

DKF Solutions Group, LLC will invoice CLIENT 75% of fixed fee items upon delivery of any draft documents.

Each Member must submit any required document review comments and edits within 60 days. If comments/edits are not received within 60 days, DKF SOLUTIONS GROUP reserves the right to finalize the last draft as the final product and be compensated accordingly. The Member will then be allowed up to another 30 days to submit review comments and edits without further fees, after which, additional fees at an hourly rate of \$145 will be assessed.

AVAILABILITY: DKF Solutions Group is available on or after June 1, 2015 to provide the services described in SCOPE.

TERMS: DKF Solutions Group shall retain all copyright, patent, trade secret and other intellectual property rights in all Content/products created pursuant to the services contracted-for and rendered under the Agreement. Subject to its receipt of all compensation due under the Agreement, DKF Solutions Group grants Client a nonexclusive, nontransferable license, authorizing Client to use the WORK for its own purposes once payment in full is received.

STANDARD OF CARE/WARRANTY: DKF SOLUTIONS GROUP will perform the work under this Agreement as an independent contractor and in accordance with generally accepted professional practices. DKF SOLUTIONS GROUP will utilize reasonable care and skill consistent with and equal to that customarily possessed by environmental, health and safety consulting professionals in the community.

The parties to this agreement recognize the complex, subjective, and performance based nature of many environmental, occupational safety and health laws and regulations and the administrative interpretations thereof. In performance of the work, DKF SOLUTIONS GROUP must rely upon information derived from secondary sources and personal interviews. Except as specifically required in the scope of work, DKF SOLUTIONS GROUP will make no independent investigation as to the accuracy of completeness of the information derived from the secondary sources and personal interviews, and will assume that such information is accurate and complete.

All recommendations, findings, and conclusions will be based upon information and circumstances as they existed at the time of preparation (e.g. Federal, state, and local laws; political climate; and other matters that DKF Solutions Group, LLC deemed relevant). A change in any fact or circumstance may adversely affect the recommendations, findings, and conclusions expressed in the WORK. Accordingly, except as set forth in the first paragraph of this section, DKF SOLUTIONS GROUP makes no other representation, warranty or guarantee, express or implied.

ACCEPTANCE: To accept this proposal from DKF Solutions Group, LLC, for services described in SCOPE under the terms and conditions described herein, please sign below and return.

Name and Title of NCCSIF Representative

Date

Quetsion #	2	3	4	5	6	7
Proposal #			Proposal Item 1	Item 3	Item 3	
Member	Has your Sanitary Sewer Management Plan (SSMP) been audited by the State Water Resources Control Board (SWRCB), Regional Water Quality Control Board (RWQCB) or contracted SSMP consultant in the last two years?	Has your SSMP been updated to reflect the regulatory changes effective 9/13?	Would you like to have your SSMP reviewed for compliance before the SWRCB or RWQCB performs your SSMP audit?	Do you have emergency response plans specific to each pump/lift station?	Has your Overflow Emergency Response Plan (OERP) been updated to reflect the regulatory changes effective 9/13?	When was your OERP last updated?
Auburn	Y	Y	N	Y	Y	/2014
Colusa	N	Y	Y	Y	Y	/2014
Dixon	N	Y	N	Y	Y	/2014
Folsom	Y	Y	N	N	Y	/2014
Galt	N	N	Y	N	Y	2014
Gridley	N	N	Y	N	N	/?
Ione	N	N	Y	N	N	?
Jackson	N	Y	Y	Y	N	2009
Oroville	N	N	Y	N	N	/2009
Red Bluff	N	N	Y	N	N	/2009
Rio Vista	Y	N	N	N	N	?
Yuba City	Y	Y	N	N	Y	/2013
TOTALS:	4Y/8N	6Y/6N	7Y/5N	4Y/8N	6Y/6N	

NOTES: 14 members responded. 5 Members with sewer operations did not respond.
Rocklin has sewer district. Paradise septic only.
Folsom has model program

Question #	8	9	11
Proposal #	Items 2 & 3	Item 4	Item #5
Member	Would you like to have your OERP updated to reflect <u>current</u> regulatory requirements and NCCSIF procedures for responding to sewer backups impacting private property?	Have your sewer collections workers received training in the last two years on different methods of calculating sewer overflow volumes, including the degree of detail the SWRCB requires in the documentation describing how you arrived at the volume that is reported to CIWQS?	Do you have written SOPs for each piece of equipment requiring specialized knowledge that may be involved in an emergency response to an SSO?
Auburn	N	Y	Y
Colusa	Y	Y	Y
Dixon	N	Y	Y
Folsom	N	Y	Y
Galt	N	Y	N
Gridley	Y	N	N
Ione	Y	Y	N
Jackson	Y	N	N
Oroville	Y	Y	N
Red Bluff	Y	N	N
Rio Vista	Y	N	N
Yuba City	N	Y	Y
TOTALS:	7Y/5N	8Y/4N	5Y/7N

NOTES:

Question #	12	10	10	10	10
Proposal #	Not an NCCSIF Exposure	Ordinance Best Practices			
Member	Do you have a written Water Quality Monitoring Plan for sampling surface waters following a sewer spill of 50,000 gallons or more that meets the requirements of the amended SWRCB Monitoring and Reporting Program, effective 9/13?	Does your sewer ordinance clearly identify who owns AND is responsible for maintenance of the lower lateral, up to and including the fittings and connection to the main?	Does your sewer ordinance require the installation of a backflow prevention device when the lowest dwelling plumbing fixture is 12" or less above the rim of the nearest upstream manhole	Does your sewer ordinance require the installation of a backflow prevention device when property has been damaged by a sewer backup due to a problem in the main?	Does your sewer ordinance require the property owner to maintain backflow prevention devices on private laterals?
Auburn	Y	Y	Y	Y	Y
Colusa	N	Y	N	N	N
Dixon	N	Y	Y	Y	Y
Folsom	Y	N	N	N	N
Galt	N	N	N	N	N
Gridley	N	Y	N	N	N
Ione	Y	N	N	N	N
Jackson	N	Y	N	N	N
Oroville	N	Y	Y	Y	Y
Red Bluff	N	Y	Y	Y	Y
Rio Vista	N	?	?	?	?
Yuba City	Y	Y	Y	NA	NA
TOTALS:	4Y/8N	8Y/3N	5Y/6N	4Y/6N	4Y/6N

NOTES:



RISK MANAGEMENT POLICY AND PROCEDURE #RM-9

SUBJECT: MODEL SEWER OVERFLOW AND BACKUP RESPONSE

PURPOSE: This purpose of this Policy and Procedure is to ensure that members establish guidelines in cleaning up and decontaminating sewer spills which may occur within a members' service area. Members will follow reporting procedures in regards to sewer spills as set forth by Proposition 65 and California Code of Regulations Title 19.

POLICY: Employees are required to report all wastewater overflows found and to take the appropriate action to secure the wastewater overflow area, relieve the cause of the overflow, and ensure that the affected area is cleaned as soon as possible to minimize health hazards to the public and to protect the environment. Our goal is to respond to sewer system overflows as soon as possible following notification.

This model policy and procedure is advisory.

Effective Date: April 28, 2006



**Risk Management Committee Meeting
June 18, 2015**

Agenda Item E.3.

RISK MANAGEMENT GRANT POLICY REVISION

ACTION ITEM

ISSUE: The Program Administrators (PAs) were asked by Executive Committee members to provide more details regarding how the Risk Management Grant Program is funded and administered. In addition, a request was made to change the name from “grant” to another term to avoid any concern or misunderstanding regarding “strings” that may be attached to a grant.

In reviewing the current policy and funding process the PAs realized the current Administrative Policy & Procedure, #A-19, Risk Management Grant, needed updating to reflect current practices and claim causes. In addition, more direction could be provided for members in how to apply for and receive the grants. The PAs also see this as an opportunity to outline and improve the way the program is funded by allocating reserves to risk management prior to disbursement or application to program deficits.

The PAs have created the attached DRAFT Policy & Procedure to replace the current one. The new policy includes an expanded list of approved activities, a process for applying for the funds, including appeal of any denied requests, and a process for funding the program as part of any Shared Risk Layer adjustments.

The funding process is recommended to ensure that all members have some reserve funds for risk management purposes. Currently, if a member has a Shared Layer refund but has a deficit in the Banking Layer or another program that exceeds that refund there are no funds available to allocate to risk management unless they want to add more to their total program funding for that purpose. In the draft policy Members may receive a Risk Management Reserve allocation “off the top” and can choose to contribute more to the reserve fund than is allocated by the Board.

Committee members are asked to review and make a recommendation to accept or revise the draft Policy and Procedure #A-19 regarding the funding of the program and how members request use of those funds.

FISCAL IMPACT: TBD

RECOMMENDATION: Review, revise as needed and recommend to the Board proposed changes to Policy and Procedure #A-19



**Risk Management Committee Meeting
June 18, 2015**

BACKGROUND: At the last Executive Committee meeting members had questions regarding how the Grant Program is being funded. The Program Administrator was asked to review the Policy and Procedure and provide clarification as the allocation of funds to the Risk Management Grants has changed since its inception.

ATTACHMENTS:

1. Current Policy and Procedure A-19 Risk Management Grant
2. Current Policy and Procedure A-19 ATTACHMENT
3. DRAFT Policy and Procedure A-19 Risk Management Reserve Program REDLINE version
4. DRAFT Policy and Procedure A-19 Risk Management Reserve Program Final



ADMINISTRATIVE POLICY AND PROCEDURE #A-19

SUBJECT: RISK MANAGEMENT GRANT

Policy Statement:

It shall be the policy of the Northern California Cities Self Insurance Fund Executive Committee to establish a “Risk Management Grant” to reimburse members for costs of activities undertaken to bring member facilities into compliance with Americans With Disabilities Act standards, or to address other top frequency and severity of claims issues.

The Board will establish annually the maximum funds available to each member. A quarterly report will be developed and include all activities. Annually, top loss claims will be updated and provided to the Board.

Procedure:

In order to access funds under this Grant Program, the member must submit a brief written request explaining the intended use of the requested funds. The following is a list of NCCSIF’s top claims causes by frequency and severity for the Fiscal Year 2010-11:

Liability - Severity

- Auto
 - Head On Collisions
 - City Vehicle Rear End Claimant
 - City Vehicle Turning
 - City Vehicle Hitting Parked Car
- Employment Practices
- Civil Rights/Excessive Force
- Sewer Blockage/Backup
- Road Conditions/Design Defect

Liability – Frequency

- Auto
 - Misc Property Damage
 - City Vehicle Rear End Claimant
 - City Vehicle Hitting Parked Car
 - City Vehicle Backing
- Claimant Property Damage
- Sewer Blockage/Backup
- Civil Rights/Excessive Force
- Road Conditions/Design Defect

Workers’ Compensation - Severity

- Repetitive Motion Injury
- Lifting
- Slips & Falls
- Mental/Other Than Physical
- Vehicle

Workers’ Compensation – Frequency

- Strike/Struck
 - Strike Stationary Object
 - Struck By Object
 - Stuck By Animal/Insect
- Slips & Falls
- Lifting
- Repetitive Motion



The Program Administrator and Board President will review each request and, if found to be appropriate and consistent with the purpose of the Grant Program, will approve the request and funds disbursed.

If any request is denied, the member may submit a new or amended request, or appeal the denial to the Executive Committee, which will make the final determination whether the request should be granted.

After the funds are put to use, the member should file a brief report confirming this and relaying any information that may be helpful to the Board, so that it can monitor the Grant Program and consider the merits of future additions of funds.

Effective Date: June 26, 2009
First Revision Date: April 15, 2010



Safety Grant Fund Application

Member Name: _____

Submission Date: _____

Submitted by: _____

Available Funds: _____

Requested Funds: _____

Please use the following lines to describe the proposed use for your funds, and be sure to attach any applicable backup data, such as quotes, receipts, etc. for work to be performed:

If additional room is needed, please attach separate sheet.

STAFF USE ONLY

Program Administrator Approval: _____

Date: _____

Board President Approval: _____

Date: _____

Submitted to Accounting: _____

Paid?: Y / N

Check No.: _____

Check Issue Date: _____



ADMINISTRATIVE POLICY AND PROCEDURE #A-19

SUBJECT: RISK MANAGEMENT GRANT-RESERVE PROGRAM

Policy Statement:

It shall be the policy of the Northern California Cities Self Insurance Fund ~~Executive Committee~~ to establish a "Risk Management Grant Reserve Program" to reimburse members for costs of activities undertaken to:

- ~~B~~bring member facilities into compliance with Americans With Disabilities Act standards, or to
- Purchase equipment that promotes employee safety or premises safety.
- Purchase equipment, materials, training and professional services that facilitate OSHA or other regulatory compliance.
- ~~A~~address other top frequency and severity types of claims ~~issues~~.

The Board will establish annually the ~~maximum-minimum~~ funds to be set aside for each member, available to each member. ~~A~~ quarterly report will be developed to chronicle the activity of the Risk Management Reserve Funds which will be presented to the Board of Directors quarterly, and include all activities. Annually, top loss claims will be updated and provided to the Board.

Funding will be secured from the Shared Risk Layer Adjustments prior to any member refund in an amount determined by the Board of Directors (BOD). The amount is subject to annual approval by the BOD as part of any shared risk layer adjustment per Administrative Policy and Procedure A-12.

Example: If the total refund available in the Shared Risk Layer is \$1 million and the Board of Directors approves a 10% allocation to the Risk Management Reserves (RMR), then 10% (\$100,000) of the refund will be allocated to each member's RMR and the remaining amount of \$900,000 will be returned to members in accordance with Administrative Policy and Procedure A-12.

Members will not be limited in the amount they may set aside in the Risk Management Reserve Program in excess of the minimum allocation.

1. Projects may span multiple years as long as they are approved in advance and funds continue to be available.
2. Any unused portion of funds will continue to remain available to the member in the next policy year.
3. The NCCSIF accountant will monitor the use of the funds and shall present a usage summary to the BOD on a quarterly basis.

Procedure:

In order to access funds under this ~~Grant~~ Program, the member must submit a brief written request explaining the intended use of the requested funds, per the following procedures:

1. A Member will write a request to the Program Administrators for the use of Risk Management Reserve funds-. The Request will:
 - a. Include a justification of the funds, and
 - b. How these funds will lead to the reduction of frequency or severity or will mitigate liability risks of the Member Agency.
 - c. State the specific amount needed and not just request the full reserve amount.
2. The Program Administrator will review each request and, if found to be appropriate and consistent with the purpose of the Risk Management Reserve Program, will approve the request and funds will be disbursed to the member agency. *If funds requested exceed a member's allocation, continue to #3 below, otherwise move on to #4.*
3. In the event that the requested amount exceeds the member's total or remaining allocated funds, the Administrator will contact the Member and ask if they:
 - a) Wish to submit a revised request; or
 - b) Request that NCCSIF consider payment over multiple years as funds become available.
4. Once approved, the Member will become eligible for reimbursement by NCCSIF upon submitting the supplier or service provider invoice to the Program Administrator.
5. The Program Administrator will submit the reimbursement request and appropriate documentation to NCCSIF's accountant and/or Treasurer.
6. NCCSIF's accountant and/or Treasurer will reimburse the Member up to the maximum allowable amount and debit the reimbursement expense from the Member's Reserve Funds.
 - a) If a request exceeds the Reserve funds available to a Member, only the amount available for reimbursement will be paid.
7. If any request is denied, the member may submit a new or amended request, or appeal the denial to the Board of Directors, which will make the final determination on whether the request should be granted. The Board decision shall be final.

The following is a list of NCCSIF's top claims causes by frequency and severity for [reference the Fiscal Year 2010-11](#):

Liability - Severity

Auto [Accidents](#)

- ~~Head On Collisions~~
- ~~City Vehicle Rear End Claimant~~
- ~~City Vehicle Turning~~
- ~~City Vehicle Hitting Parked Car~~

Employment Practices
Civil Rights/Excessive Force
Sewer Blockage/Backup
Road Conditions/Design Defect

Liability – Frequency

Auto [Accidents](#)

- ~~Mise Property Damage~~
- ~~City Vehicle Rear End Claimant~~
- ~~City Vehicle Hitting Parked Car~~
- ~~City Vehicle Backing~~

Claimant Property Damage
Sewer Blockage/Backup
Civil Rights/Excessive Force
Road Conditions/Design Defect

Workers' Compensation - Severity

Repetitive Motion Injury
Lifting
Slips & Falls
Mental/Other Than Physical
~~Vehicle~~[Auto Accidents](#)

Workers' Compensation – Frequency

[Strike/Struck](#)

- ~~Strike Stationary Object~~
- ~~Struck By Object~~
- ~~Stuck By Animal/Insect~~

Slips & Falls
Lifting
Repetitive -Motion

~~The Program Administrator and Board President will review each request and, if found to be appropriate and consistent with the purpose of the Grant Program, will approve the request and funds disbursed.~~

~~If any request is denied, the member may submit a new or amended request, or appeal the denial to the Executive Committee, which will make the final determination whether the request should be granted.~~

The **Risk Management** Reserve Program will begin as a standalone program, with no matching contribution required from the requesting Member. Its composition may change, at the Board's discretion, to include a requirement for the requesting Member to co-finance or share the cost of the good or service being reimbursed.

After the funds are put to use, the Member should file a brief report confirming this and relaying any information that may be helpful to the Board, so that it can monitor the ~~Grant~~ Program and consider the merits of future additions of funds.

Effective Date: _____ June 26, 2009
First Revision Date: _____ April 15, 2010
Second Revision Date: _____ June 8, 2015 **DRAFT**



ADMINISTRATIVE POLICY AND PROCEDURE #A-19

SUBJECT: RISK MANAGEMENT RESERVE PROGRAM

Policy Statement:

It shall be the policy of the Northern California Cities Self Insurance Fund to establish a “Risk Management Reserve Program” to reimburse members for costs of activities undertaken to:

- Bring member facilities into compliance with Americans With Disabilities Act standards, or to
- Purchase equipment that promotes employee safety or premises safety,
- Purchase equipment, materials, training and professional services that facilitate OSHA or other regulatory compliance,
- Address other top frequency and severity types of claims.

The Board will establish annually the minimum funds to be set aside for each member. A quarterly report will be developed to chronicle the activity of the Risk Management Reserve Funds which will be presented to the Board of Directors quarterly. Annually, top loss claims will be updated and provided to the Board.

Funding will be secured from the Shared Risk Layer Adjustments prior to any member refund in an amount determined by the Board of Directors (BOD). The amount is subject to annual approval by the BOD as part of any shared risk layer adjustment per Administrative Policy and Procedure A-12.

Example: If the total refund available in the Shared Risk Layer is \$1 million and the Board of Directors approves a 10% allocation to the Risk Management Reserves (RMR), then 10% (\$100,000) of the refund will be allocated to each member’s RMR and the remaining amount of \$900,000 will be returned to members in accordance with Administrative Policy and Procedure A-12.

Members will not be limited in the amount they may set aside in the Risk Management Reserve Program in excess of the minimum allocation.

1. Projects may span multiple years as long as they are approved in advance and funds continue to be available.
2. Any unused portion of funds will continue to remain available to the member in the next policy year.
3. The NCCSIF accountant will monitor the use of the funds and shall present a usage summary to the BOD on a quarterly basis.

Procedure:

In order to access funds under this Program, the member must submit a brief written request explaining the intended use of the requested funds, per the following procedures:

1. A Member will write a request to the Program Administrators for the use of Risk Management Reserve funds. The Request will:
 - a. Include a justification of the funds, and
 - b. How these funds will lead to the reduction of frequency or severity or will mitigate liability risks of the Member Agency.
 - c. State the specific amount needed and not just request the full reserve amount.
2. The Program Administrator will review each request and, if found to be appropriate and consistent with the purpose of the Risk Management Reserve Program, will approve the request and funds will be disbursed to the member agency. *If funds requested exceed a member's allocation, continue to #3 below, otherwise move on to #4.*
3. In the event that the requested amount exceeds the member's total or remaining allocated funds, the Administrator will contact the Member and ask if they:
 - a) Wish to submit a revised request; or
 - b) Request that NCCSIF consider payment over multiple years as funds become available.
4. Once approved, the Member will become eligible for reimbursement by NCCSIF upon submitting the supplier or service provider invoice to the Program Administrator.
5. The Program Administrator will submit the reimbursement request and appropriate documentation to NCCSIF's accountant and/or Treasurer.
6. NCCSIF's accountant and/or Treasurer will reimburse the Member up to the maximum allowable amount and debit the reimbursement expense from the Member's Reserve Funds.
 - a) If a request exceeds the Reserve funds available to a Member, only the amount available for reimbursement will be paid.
7. If any request is denied, the member may submit a new or amended request, or appeal the denial to the Board of Directors, which will make the final determination on whether the request should be granted. The Board decision shall be final.

The following is a list of NCCSIF's top claims causes by frequency and severity for reference:

Liability - Severity

Liability – Frequency

Auto Accidents
Employment Practices
Civil Rights/Excessive Force
Sewer Blockage/Backup
Road Conditions/Design Defect

Auto Accidents
Claimant Property Damage
Sewer Blockage/Backup
Civil Rights/Excessive Force
Road Conditions/Design Defect

Workers' Compensation - Severity

Repetitive Motion Injury
Lifting
Slips & Falls
Mental/Other Than Physical
Auto Accidents

Workers' Compensation – Frequency

Slips & Falls
Lifting
Repetitive Motion

The Risk Management Reserve Program will begin as a standalone program, with no matching contribution required from the requesting Member. Its composition may change, at the Board's discretion, to include a requirement for the requesting Member to co-finance or share the cost of the good or service being reimbursed.

After the funds are put to use, the Member should file a brief report confirming this and relaying any information that may be helpful to the Board, so that it can monitor the Program and consider the merits of future additions of funds.

Effective Date: June 26, 2009
First Revision Date: April 15, 2010
Second Revision Date: June 8, 2015 DRAFT



**Risk Management Committee Meeting
June 18, 2015**

Agenda Item E.4.

EMPLOYMENT PRACTICES LIABILITY (EPL) HOTLINE

ACTION ITEM

ITEM: Members asked the Program Administrators (PAs) to provide an option for Employment Practices Liability (EPL) risk management, primarily a hotline service to provide legal advice as needed, particularly prior to any decision related to discipline or termination of employment. The PAs reached out to Liebert Cassidy for a quote based on prior experience with them, the training consortium they offer that includes hotline services, and the fact that nine members are already members of their consortium.

The attached proposal from Liebert Cassidy outlines their services and pricing for NCCSIF members, a total annual cost of \$53,900. If all members except Nevada City and Placerville (PARSAC pays for their membership) join the average cost per member would be \$2695. That figure would be adjusted based on a member's size, so that those members whose consortiums are less than the average would pay less.

FISCAL IMPACT: Annual cost of \$53,900 if all members join. NCCSIF budget to subsidize the cost and allocation to members TBD. The average Wrongful Termination claim over the last ten years is \$136,472, so preventing one claim per year through this service would result in a return on investment of 253%.

RECOMMENDATION: Review and provide direction regarding proposal and funding.

ATTACHMENTS:

1. Liebert Cassidy Proposal
2. Current NCCSIF membership and proposed pricing
3. Consortium Description

May 22, 2015

VIA EMAIL

Marcus.Beverly@alliant.com

Mr. Marcus Beverly
First Vice President, Public Entity Group
Alliant Insurance Services, Inc.
1792 Tribute Road, Suite 450
Sacramento, CA 95815

Re: *Liebert Cassidy Whitmore Services*

Dear Mr. Beverly:

Thank you for contacting me about Liebert Cassidy Whitmore's hotline services. We are excited about the possibility of providing these services to the Northern California Cities Self Insurance Fund (NCCSIF) members. This letter and the enclosures will provide an overview of our services.

Hotline Services

Liebert Cassidy Whitmore provides hotline services to hundreds of public agencies annually through our Employment Relations Consortiums. We also provide hotline services to the members of various associations including the California Sanitation Risk Management Authority (CSRMA). We would welcome the opportunity to assist the NCCSIF members reduce their liability by providing a hotline service for their use.

Members would be welcome to speak with any of our attorneys. If you would like us to assign specific attorneys to your hotline, we are happy to do so. We have offices throughout the state, including our recently opened Sacramento office. Your members could call any office or email in their questions – either to the firm's general number/email address or to a specific attorney.

We propose a blended rate of \$250 for these calls (our current hourly rates range from \$190 - \$325.) NCCSIF could establish a cap on the number of hours member may use the service (i.e. 12 hours a year or 1 hour per month for each member) or leave it unlimited.

For those NCCSIF members that are already receiving hotline services through their consortium membership (see next section) we would continue to provide that through the consortium and not bill for those calls.

Work above the allotted hours or outside of the hotline service (i.e. reviewing documents or preparing documents), if any, would be billed at the attorney's standard hourly rate and we can bill this directly to the member.

Consortium Services

Since our inception in 1980, LCW has provided preventative labor and employment law training to public entities throughout California. Our consortiums are groups of entities geographically close to one another that pool their resources to provide training to their employees. Member agencies receive:

- A set number of classes annually, to which they may send their employees
- Reference material for all attendees
- Unlimited, complimentary telephone consultation
- Our monthly newsletter, Client Update
- Reduced fees on non-consortium seminars and webinars
- The ability to participate in any of the other 33 consortiums' workshops around the state, space permitting

These benefits help agencies minimize their liability, increase employee morale, and reduce legal fees. The workshops are presented by practicing attorneys who incorporate best practices along with legal theory. The presenters undergo a communication training course as well as an apprenticeship prior to becoming an LCW presenter.

Currently, more than 670 entities participate in our 33 consortiums statewide, including the following NCCSIF members:

City of Anderson	City of Placerville*
City of Elk Grove	City of Red Bluff
City of Galt	City of Willows
City of Lincoln	City of Yuba City
City of Nevada City*	

*These agencies consortium memberships are paid by PARSAC

Enclosed for your reference is a chart of all NCCSIF members that reflects the exact cost for each of your members had they contacted us directly. The chart includes the nearest consortium, days of training received by that consortium and the annual cost of membership. The consortium fee is dependent upon the number of agencies in the consortium along with the

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number of days the consortium receives. Additionally, some consortiums have a sliding scale fee based on the size of the agency.

You'll note that the rates range from \$1,738 to \$4,100 per year. If all NCCSIF members were to join, the cost would be \$67,370. If NCCSIF would like to provide the consortium service for all of their members, we can offer a group discount of 20% which would bring the total cost to \$53,900, which is \$2,450 for all 22 members or \$2,695 for 20 members (I removed the two that are paid by PARSAC). All NCCSIF members are near fiscal year consortiums whose next contract year begins July 1, 2015. We would welcome them at any point during the year and will prorate membership fees should NCCSIF choose to participate later in the year.

The NCCSIF members can join the consortium nearest to them to keep any drive time to the workshops to a minimum. This will also allow the members the opportunity to network with other public agencies near them. For those members that have already paid, I would suggest LCW refunding them upon receipt of NCCSIF's payment. I would rather not advertise to the consortium members that NCCSIF is receiving a discount. Should NCCSIF choose not to renew memberships in the future, those agencies would be billed the listed rate (and not the discounted rate) should they choose to continue.

Liebert Library

Another option available to NCCSIF is the Liebert Library. The Library, which launched earlier this year, is an online source of all of our reference materials. A list of current Library holdings is attached for your reference. We offer two annual subscription levels:

Basic (\$450 per year): this membership gives users access to view, search and download all of our sample forms, policies, checklists that are used in our workbooks. These are available in both PDF and Word formats. Currently there are more than 200 sample forms, policies and checklists in the library. Many of these are sample personnel policies.

Premium (\$995 per year): this membership gives users access to all of our workbooks, as well as the sample forms, policies, checklists listed above. Additionally, Premium Members also receive a \$15 discount on any workbook they choose to purchase. In addition to the aforementioned forms and policies, the library contains more than 3,500 pages of legal and best practices text.

All members of our Employment Relation Consortiums (ERCs) are eligible to receive 10% off their Library subscription.

The membership fee covers the entire agency – anyone at the agency who may want to access the Library. The agency can decide who has access to this resource – HR Staff, managers, department heads, etc. We're finding that many members are utilizing the sample forms to update their personnel policies as well as research quick questions.

Currently the City of Yuba City is the only NCCSIF member that is also a Liebert Library subscriber.

Should NCCSIF be interested in providing the Liebert Library to all of their members in lieu of the Consortium, we'll honor the 10% discount. Should NCCSIF want to offer this in addition to the Consortium service, we'll honor a 20% group discount for the Liebert Library. Again, I would rather not advertise the discount to the NCCSIF members. Should NCCSIF opt out of renewing the subscription, the members would be billed the standard rates, should they wish to continue.

Firm Qualifications

We've had the opportunity to work with NCCSIF members through the years in the provision of legal services, hotline calls and training services. We are leaders in public agency employment and labor law – it is not a subsection of our practice, it IS our practice. Our attorneys understand not only the law impacting public entities but also the practical implementations of the law. Additionally, we offer our clients one of the most comprehensive public sector employment and labor law training programs and reference materials.

With five offices we're well situated to assist agencies across the state. Our 80+-attorney firm makes us one of the largest labor and employment law firms. NCCSIF and its members would benefit from our depth and breadth of experience as well as our passion for this area of the law.

Summary

Liebert Cassidy Whitmore welcomes the opportunity to expand our relationship with NCCSIF and its members. We are offering NCCSIF the following options, either separately or bundled:

- Hotline Services billed at \$250/hour
- Consortium membership for all 22 members at a discounted rate of \$53,900
- Liebert Library subscription for all members:
 - With Consortium Membership – 20% discount
 - Without Consortium Membership – 10% discount
 - Basic Membership for all NCCSIF members = \$8,910
 - Premium Membership = \$19,701

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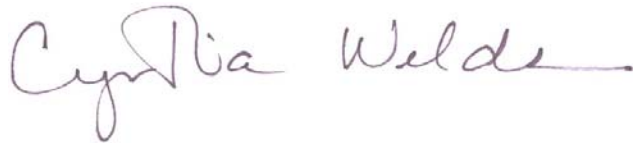
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We believe that NCCSIF members would benefit from the hotline service, consortium membership and/or Liebert Library options as they each reduce liability and improve performance.

If I can answer any questions, please do not hesitate to contact me at 310.981.2055 or cweldon@lcwlegal.com.

Very truly yours,

LIEBERT CASSIDY WHITMORE

A handwritten signature in cursive script that reads "Cynthia Weldon". The signature is written in a dark ink and is positioned above the printed name and title.

Cynthia S. Weldon

Director of Marketing and Training

CSW:

Attachments

Agency	Nearest Consortium (ERC) to Agency	# of Days of Training	Price of that Consortium	Refreshment Fee (Additional)	Current Member?	Library Subscriber?
Anderson	North State (fiscal year)	5	\$4,100		Yes	No
Auburn	Gold Country (fiscal year)	5	\$2,547	\$100.00	No	No
Colusa	Gold Country (fiscal year)	5	\$2,547	\$100.00	No	No
Corning	North State (fiscal year)	5	\$4,100		No	No
Dixon	Napa/Solano/Yolo (fiscal year)	4	\$4,480	\$95.00	No	No
Elk Grove	Gold Country (fiscal year)	5	\$2,547	\$100.00	Yes	No
Folsom	Gold Country (fiscal year)	5	\$3,434	\$200.00	No	No
Galt	Gold Country (fiscal year)	5	\$2,547	\$100.00	Yes	No
Gridley	North State (fiscal year)	5	\$4,100		No	No
Ione	San Joaquin Valley (fiscal year)	4	\$2,205	\$50.00	No	No
Jackson	Gold Country (fiscal year)	5	\$1,738	\$100.00	No	No
Lincoln	Gold Country (fiscal year)	5	\$2,547	\$100.00	Yes	No
Marysville	Gold Country (fiscal year)	5	\$1,738	\$100.00	No	No
Nevada City*	Gold Country (fiscal year)	5	\$1,738	\$100.00	Yes	No
Oroville	North State (fiscal year)	5	\$4,100		No	No
Paradise	North State (fiscal year)	5	\$4,100		No	No
Placerville*	Gold Country (fiscal year)	5	\$1,738	\$100.00	Yes	No
Red Bluff	North State (fiscal year)	5	\$4,100		Yes	No
Rio Vista	NorCal (Calendar Year)	5	\$2,175		No	No
Rocklin	Gold Country (fiscal year)	5	\$2,547	\$100.00	No	No
Willows	North State (fiscal year)	5	\$4,100	\$150.00	Yes	No
Yuba City	Gold Country (fiscal year)	5	\$2,547	\$100.00	Yes	Yes

*Paid by PARSAC



CONSORTIUM

What is an Employment Relations Consortium (ERC)?

An ERC is a number of local agencies (cities, counties and special districts), or school and community college districts, in a geographic area joining together for the purpose of securing quality employment relations training, consultation and informational services on a very economical basis. Currently there are over 650 cities, counties, school districts, community college districts, universities and other public sector agencies involved with Liebert Cassidy Whitmore's 32 consortiums.

Click here to view our current [Consortium List](#).

Click here to view the list of our current [Consortium Members](#).

What Kinds of Services are Provided in an ERC?

The three kinds of services covered by consortium membership are:

1. Training workshops with reference material for all attendees
2. Monthly newsletters
3. Complimentary telephone consultation

Workshops are conducted at, or near, one of the member agencies. Attendees receive comprehensive reference material. [Click here](#) to see a list of available workshop topics.

ERC members are entitled to complimentary telephone consultation with attorneys in matters relating to employment and labor law questions.

The Trainers

Our workshop leaders are attorneys who are accomplished trainers and experienced in the subjects of their presentations. They are widely recognized for their ability to translate their legal expertise into everyday language, and are adept at demonstrating how you can apply important legal principles in on-the-job situations.

Establishing an ERC in Your Area

The annual per member agency fee is dependent upon the number of agencies and the number of workshops scheduled. For complete information on our training services, including establishing a new ERC or joining an existing ERC, contact [Cynthia Weldon](#), Director of Marketing and Training, at 310.981.2000.

To Contact Liebert Cassidy Whitmore:

Los Angeles 310.981.2000 | Fresno 559.256.7800 | San Francisco 415.512.3000 | San Diego 619.481.5900 info@lcwlegal.com

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**Risk Management Committee Meeting
June 18, 2015**

Agenda Item E.5.

RISK CONTROL SERVICES BUDGET

ACTION ITEM

ITEM: Risk Control Services make up 42% of the total Administrative Services budget for NCCSIF, estimated at \$475,192 for FY 2015/16. At the last meetings of both the Risk Management and Executive Committees members discussed the Risk Control Services Budget and asked for further information regarding what was included in various expense categories and whether or not the budget needs to be revised.

The Program Administrators (PAs) provide the attached listing of payments under the risk control budget and a summary of the budget items for review and discussion. The PAs are working with NCCSIF's accountant to re-classify certain payments before June 30 to make certain the final budget to actual numbers are accurate.

FISCAL IMPACT: TBD – estimated minimum of \$475,192 for FY 2015/16.

RECOMMENDATION: Review and discuss budget for risk management services for FY 2015/16.

BACKGROUND: The budget for risk management services increased from under \$200,000 in FY 06/07 to over \$300,000 in 08/09 and has remained steady at approximately \$465,000 per year since 09/10.

ATTACHMENTS:

1. DRAFT FY 15/16 Budget for Risk Management Services - *Handout*



BACK TO AGENDA

**Risk Management Committee Meeting
June 18, 2015**

Agenda Item E.6.

ROUND TABLE DISCUSSION

INFORMATION ITEM

ISSUE: The floor will be open to the Committee for discussion.

RECOMMENDATION: None.

FISCAL IMPACT: None.

BACKGROUND: The item is to the Committee members for any topics or ideas that members would like to address.

ATTACHMENT(S): None.

Northern California Cities State Self Insurance Fund

Travel Reimbursement Expense Form

Member Representative: _____

Entity: _____

Payee Address: _____

Meeting or Committee: _____

Date of Meeting: _____

Location of Meeting: _____

Total Mileage: _____

Payment Made to:

Signature _____ Date _____