CSRMA

Ensuring the Future of Clean Water

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

Insurance License No.: 0C36861
Tel: 415.403.1400

POOLED LIABILITY PROGRAM
COMMITTEE AGENDA

Date/Time: **Tuesday, September 8, 2026**
11:00 AM

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

A.	**CALL TO ORDER**	**A = Action**	
		I = Information	
B.	**PUBLIC AND COMMITTEE MEMBER COMMENTS**	**V = Verbal**	
		H = Handout	
C.	**GENERAL ADMINISTRATION**	**S = Separate**	
	1. Meeting Minutes: May 4, 2026 *Recommendation: Review and approve minutes from the last meeting.*	**A**	**p. 5**
	2. Preliminary 2027 Meeting Calendar *Recommendation: Review the preliminary 2027 Meeting Calendar.*	**I**	**p. 11**
D.	**CLOSED SESSION TO DISCUSS PENDING CLAIMS**		
	Action may be taken per Government Code Section 54956.95. See reverse for full listing of claims to be discussed.	**A**	
E.	**CLAIMS ADMINISTRATION**		
	1. Reporting and Ratification of Claim Settlements *Recommendation: Review and ratify claims settlements approved in closed session.*	**A/V**	
	2. Quarterly Claims Report as of June 30, 2026 *Recommendation: Review the quarterly claims report.*	**I**	**p. 13**
	3. Carl Warren & Company (Venbrook) Staffing Update *Recommendation: Receive an update on the Carl Warren & Company Service Team.*	**I**	**p. 14**
	4. Litigation Guidelines *Recommendation: Review and discuss Defense Attorney guidelines.*	**I**	**p. 15**
	5. Carl Warren & Company (Venbrook) Contract Renewal 2027 *Recommendation: Receive a verbal report regarding Carl Warren & Company's Contract Renewal*	**V**	
F.	**UNDERWRITING ISSUES**		
	1. PY 41 (2026-2027) Renewal Update *Recommendation: Receive an update regarding the upcoming PY 41 (2026-27) renewal.*	**I**	**p. 23**
	2. Deductible Selection Policy and Procedure *Recommendation: Review the Deductible Selection Policy and Procedure results and provide direction.*	**A/H**	**p. 24**
G.	**LOSS CONTROL**		
	1. Fall/Winter 2026 Training Update *Recommendation: Receive an update on upcoming trainings.*	**I**	**p. 29**
H.	**PROPERTY PROGRAM**		
	1. Program Year 37 (2026/27) Post Renewal Report *Recommendation: Receive a report on the recent program renewal.*	**I**	**p. 31**
	2. Property Appraisals *Recommendation: Receive a verbal progress report on member property appraisals.*	**V**	

	3. Parametric Earthquake and Flood *Recommendation: Review and discuss parametric earthquake and flood coverage.*	**I**	**p. 46**
I.	**INFORMATION ITEMS**		
	1. Poem of the Day	**I**	**p. 84**
	2. Article - *CISA Urges Water and Wastewater Systems Sector to Protect OT Against Activity Targeting PLC's*	**I**	**p. 86**
	3. Article - *Hackers targeted municipal water systems in 7 states this week FBI says* - nbcnews.com	**I**	**p. 91**
	4. CWC/Venbrook Team Directory	**I**	**p. 94**
	5. CSRMA 2026 Meeting Calendar	**I**	**p. 95**
	6. CSRMA Organizational Chart	**I**	**p. 96**
	7. CSRMA Service Team Chart *Recommendation: Review the presented Information Items.*	**I**	**p. 97**
J.	**ADJOURNMENT**		

The next meeting is scheduled for November 16, 2026 at the Alliant Walnut Creek Office

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

CSRMA - Claim Register

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

Report Criteria: Feature Status <> C And Tier 1 = CAL SANITATION RMA And As-Of Transaction Begin Date = And As-Of Transaction End Date = And Loss Run? = Yes | Row Count: 79 | Report Run: 9/1/2026 04:32 AM

Member District	Claim Number	Claimant Name	Coverage	Claimant Number	Date Of Loss	Claim Date Reported
ALMONTE SANITARY DISTRICT	3128278	De Nysschen, Christian	PROPERTY DAMAGE	2	08/18/2026	08/19/2026
CARPINTERIA SANITARY DISTRICT	3123853	Baynard Boulden, James	PROPERTY DAMAGE	1	03/09/2026	03/20/2026
CARPINTERIA SANITARY DISTRICT	3124833	Unknown, Alma	PROPERTY DAMAGE	1	04/24/2026	04/24/2026
DELTA DIABLO	3124970	Moon, Darrell Woodrow.	BODILY INJURY	1	06/06/2024	04/29/2026
DELTA DIABLO	3127414	Levi, Etiuati (Ed).	PROPERTY DAMAGE	1	07/17/2026	07/20/2026
DUBLIN SAN RAMON SERVICES DISTRICT	3122338	Shah, Vivek	LIABILITY PERSONAL INJURY	1	12/09/2025	02/09/2026
ENCINA WASTEWATER AUTHORITY	3074475	Salinas, Dario	BODILY INJURY	1	07/01/2024	08/12/2024
FAIRFIELD/SUISUN SEWER DISTRICT	3115501	[redacted]	EMPLOYMENT PRACTICES	1	07/13/2025	08/20/2025
LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT	3128063	CVS Pharmacy	PROPERTY DAMAGE	1	08/11/2026	08/12/2026
MID-COASTSIDE	3061621	Kitz , Madison	SUBROGATION	2	09/01/2023	09/06/2023
MONTARA	3109904	Kim, Nayoung Susie.	PROPERTY DAMAGE	1	03/13/2025	05/27/2025
MONTARA	3109904	Boston, Andrew	PROPERTY DAMAGE	2	03/13/2025	05/27/2025
MONTARA	3109904	Witt Family Trust, Lawrence & Lana	PROPERTY DAMAGE	3	03/13/2025	05/27/2025
MONTARA	3109904	Noel, Nancy & Matthew	PROPERTY DAMAGE	4	03/13/2025	05/27/2025
MONTARA	3109904	Kennedy, Thomas & Jennif	PROPERTY DAMAGE	5	03/13/2025	05/27/2025
MONTARA	3109904	Vaccari, Sergio	PROPERTY DAMAGE	6	03/13/2025	05/27/2025
MONTARA	3109904	Dobie, Christine	PROPERTY DAMAGE	7	03/13/2025	05/27/2025
MONTARA	3109904	Bierdeman, Edgar	PROPERTY DAMAGE	8	03/13/2025	05/27/2025
MONTARA	3109904	Ravella, Sarah	PROPERTY DAMAGE	9	03/13/2025	05/27/2025
MONTARA	3109904	Peterson, Carl & Mary	PROPERTY DAMAGE	10	03/13/2025	05/27/2025
MONTARA	3115225	Moss, Alan	PROPERTY DAMAGE	1	02/15/2025	08/13/2025
MONTARA	3115225	Guion, Carol	PROPERTY DAMAGE	2	02/15/2025	08/13/2025
MONTARA	3115621	Kresge, John	PROPERTY DAMAGE	1	03/27/2025	08/26/2025
MONTEREY ONE WATER	3127145	Andrade, Jason	PROPERTY DAMAGE	1	07/10/2026	07/13/2026
NOVATO SANITARY DISTRICT	3110088	Liddle, Ed	SUBROGATION	1	02/27/2025	06/03/2025
OJAI VALLEY SANITARY DISTRICT	3126518	Meehan, Wilma E..	PROPERTY DAMAGE	1	12/11/2025	06/22/2026
OJAI VALLEY SANITARY DISTRICT	3126518	Meehan, Wilma E..	BODILY INJURY	1	12/11/2025	06/22/2026
OJAI VALLEY SANITARY DISTRICT	3126518	Carrillo, Kelly	BODILY INJURY	2	12/11/2025	06/22/2026
OJAI VALLEY SANITARY DISTRICT	3126518	Carrillo, Gil	BODILY INJURY	3	12/11/2025	06/22/2026
OJAI VALLEY SANITARY DISTRICT	3126518	Carrillo, Nico	BODILY INJURY	4	12/11/2025	06/22/2026
OJAI VALLEY SANITARY DISTRICT	3126518	Carrillo, Jake	BODILY INJURY	5	12/11/2025	06/22/2026
OJAI VALLEY SANITARY DISTRICT	3126518	Carrillo, Kailin	BODILY INJURY	6	12/11/2025	06/22/2026
ORO LOMA SANITARY DISTRICT	3127190	Garnica, Luis Clement.	PROPERTY DAMAGE	1	04/27/2026	07/14/2026
ROSS VALLEY SANITARY DISTRICT	3107809	[redacted]	EMPLOYMENT PRACTICES	1	02/14/2025	03/14/2025
ROSS VALLEY SANITARY DISTRICT	3124992	Hopkins, Skyler	PROPERTY DAMAGE	1	10/02/2025	04/30/2026
ROSS VALLEY SANITARY DISTRICT	3126884	Hands, John	PROPERTY DAMAGE	1	06/25/2026	07/02/2026
ROSS VALLEY SANITARY DISTRICT	3128016	Omernick, Elyse	PROPERTY DAMAGE	1	08/09/2026	08/10/2026
ROSS VALLEY SANITARY DISTRICT	3128130	Stewart, John	PROPERTY DAMAGE	1	08/12/2026	08/13/2026
SANTA MARGARITA WATER DISTRICT	3041926	Mobasherifar, Najmeh	BODILY INJURY	1	12/13/2022	01/12/2023
SANTA MARGARITA WATER DISTRICT	3068531	Progressive Ins a/s/o, Gruszczynski	PROPERTY DAMAGE	1	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3068531	Gruszczynski, Andrew	BODILY INJURY	2	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3068531	Gruszczynski, Justin	BODILY INJURY	3	03/13/2024	04/05/2024
SANTA MARGARITA WATER DISTRICT	3069123	GUYOT, CAESAR & IRENE	PROPERTY DAMAGE	1	04/20/2022	04/24/2024
SANTA MARGARITA WATER DISTRICT	3078391	[redacted]	EMPLOYMENT PRACTICES	1	10/15/2024	01/07/2025
SANTA MARGARITA WATER DISTRICT	3116241	Green, Kara	BODILY INJURY	1	07/12/2025	09/18/2025
SANTA MARGARITA WATER DISTRICT	3117689	Graham, Derek	PROPERTY DAMAGE	1	10/01/2025	11/06/2025
SANTA MARGARITA WATER DISTRICT	3123043	Hedjazi, Khalig	PROPERTY DAMAGE	1	11/26/2025	02/26/2026
SANTA MARGARITA WATER DISTRICT	3124923	Prieto, Kelly	PROPERTY DAMAGE	1	04/28/2026	04/29/2026
SANTA MARGARITA WATER DISTRICT	3124923	Bell-Taylor, Kristina	PROPERTY DAMAGE	2	04/28/2026	04/29/2026
SANTA MARGARITA WATER DISTRICT	3126881	Gubman, Jorge	PROPERTY DAMAGE	1	06/15/2026	07/02/2026
SANTA MARGARITA WATER DISTRICT	3127074	Arrazola, Alfred	PROPERTY DAMAGE	1	05/16/2026	07/09/2026
SANTA MARGARITA WATER DISTRICT	3127099	Alba, Gus F.	PROPERTY DAMAGE	1	06/18/2026	07/09/2026
SANTA MARGARITA WATER DISTRICT	3127257	San Juan Golf Club	PROPERTY DAMAGE	1	07/15/2026	07/15/2026
SANTA MARGARITA WATER DISTRICT	3128574	Warrington, Jess	PROPERTY DAMAGE	1	07/19/2026	08/27/2026
SANTA MARGARITA WATER DISTRICT	3128594	Steijn, Cheryl	AUTO COLLISION	1	05/26/2026	08/28/2026
SILICON VALLEY CLEAN WATER	3107114	[redacted]	EMPLOYMENT PRACTICES	1	09/20/2023	02/19/2025
STEGE SANITARY DISTRICT	3066967	Wolter, Jonathon and Lynn	PROPERTY DAMAGE	1	09/08/2023	09/08/2024
STEGE SANITARY DISTRICT	3128593	Richardson, Kary	LIABILITY PERSONAL INJURY	1	02/01/2026	08/28/2026
TAHOE-TRUCKEE SANITATION AGENCY	3116541	[redacted]	EMPLOYMENT PRACTICES	1	03/31/2024	09/30/2025
TRIUNFO SANITATION DISTRICT	3123649	Haro , Aleesa and Chris	PROPERTY DAMAGE	1	03/12/2026	03/16/2026
TRIUNFO SANITATION DISTRICT	3127933	Garner, Alec	PROPERTY DAMAGE	1	08/06/2026	08/06/2026
UNION SANITARY DISTRICT	3117092	Cuello, Victoria	BODILY INJURY	1	04/09/2025	10/17/2025
VALLEJO FLOOD AND WASTE WATER DISTRICT	3042794	Martinez, Andrea	BODILY INJURY	1	08/05/2022	01/31/2023
VALLEJO FLOOD AND WASTE WATER DISTRICT	3073566	Vincenty, Clifford	BODILY INJURY	1	03/27/2023	07/09/2024
VALLEJO FLOOD AND WASTE WATER DISTRICT	3117693	Beale, Lisa	BODILY INJURY	1	07/02/2025	11/06/2025
VALLEJO FLOOD AND WASTE WATER DISTRICT	3125083	CSAA aso Christine Shore	PROPERTY DAMAGE	1	04/14/2026	05/05/2026
VALLEJO FLOOD AND WASTE WATER DISTRICT	3126058	Pauletich, Dwayne	PROPERTY DAMAGE	1	11/13/2025	06/04/2026
VALLEJO FLOOD AND WASTE WATER DISTRICT	3126259	Taylor, Darnell	BODILY INJURY	1	05/13/2022	06/12/2026
VICTOR VALLEY WASTEWATER RECLAMATION AUT	1980783	[redacted]	EMPLOYMENT PRACTICES	1	05/21/2018	05/21/2018
VICTOR VALLEY WASTEWATER RECLAMATION AUT	2005386	[redacted]	EMPLOYMENT PRACTICES	1	01/01/2014	12/17/2019
WEST BAY SANITARY DISTRICT	3118187	Myers, Shawna	BODILY INJURY	1	11/13/2025	11/20/2025
WEST BAY SANITARY DISTRICT	3124550	Tesla a/s/o, Bae	PROPERTY DAMAGE	1	09/11/2025	04/15/2026
WEST BAY SANITARY DISTRICT	3125677	Peek, Ibrahim	PROPERTY DAMAGE	1	10/30/2025	05/21/2026
WEST BAY SANITARY DISTRICT	3128522	Tokheim, Robert E..	PROPERTY DAMAGE	1	08/20/2026	08/26/2026
WEST COUNTY WASTEWATER DISTRICT	3039920	[redacted]	EMPLOYMENT PRACTICES	1	03/07/2023	03/07/2023

A VENBROOK Company **CSRMA - Claim Register**

Report Criteria: Feature Status <> C And Tier 1 = CAL SANITATION RMA And As-Of Transaction Begin Date = And As-Of Transaction End Date = And Loss Run? = Yes | Row Count: 79 | Report Run: 9/1/2026 04:32 AM

Member District	Claim Number	Claimant Name	Coverage	Claimant Number	Date Of Loss	Claim Date Reported
WEST COUNTY WASTEWATER DISTRICT	3115615	[redacted]	EMPLOYMENT PRACTICES	1	04/01/2025	08/26/2025
WEST COUNTY WASTEWATER DISTRICT	3126282	Yazaw, A	PROPERTY DAMAGE	1	06/09/2026	06/15/2026
WEST COUNTY WASTEWATER DISTRICT	3127336	Casillas, Paola	PROPERTY DAMAGE	1	06/15/2026	07/17/2026
WEST VALLEY SANITATION DISTRICT	3066980	Rahbar, Mahnaz	PROPERTY DAMAGE	1	03/23/2024	03/25/2024

CALIFORNIA SANITATION RISK MANAGEMENT AUTHORITY
MINUTES OF THE
POOLED LIABILITY COMMITEE MEETING TELECONFERENCE
MAY 4, 2026

MEMBERS PRESENT

Mr. Patrick Ostly, Chair, North of River Sanitary District
Mr. Jordan Damerel, Fairfield-Suisun Sewer District
Ms. Veronica Cazares, Selma-Kingsburg-Fowler County Sanitation District
Mr. Robert Grantham, Santa Margarita Water District

MEMBERS ABSENT

Mr. Sergio Ramirez, West Bay Sanitary District

GUESTS AND CONSULTANTS PRESENT

Mr. Seth Cole, Alliant Insurance Services, Inc.
Mr. P.J. Skarlanic, Alliant Insurance Services, Inc.
Mr. Myron Leavell, Alliant Insurance Services, Inc.
Mr. Steve Davidson, Alliant Insurance Services, Inc.
Mr. David Patzer, DKF Solutions Group
Mr. Byrne Conley, Gibbons & Conley
Mr. Bill Kirker, Carl Warren & Company
Ms. Beth Tavarez, Carl Warren & Company

A. CALL TO ORDER

Chair Patrick Ostly called the meeting to order at 11:01 am.

B. PUBLIC AND COMMITTEE MEMBER COMMENTS

None.

C. GENERAL ADMINISTRATION

C.1. Meeting Minutes of February 17, 2026

The Meeting Minutes of February 17, 2026 were reviewed.

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

MOTION: Veronica Cazares **SECOND:** Robert Grantham **MOTION CARRIED**

AYES: Cazares, Damerel, Grantham, Ostly
NAYS: None
ABSTAIN: None

ABSENT: Ramirez

D. CLOSED SESSION

The Committee entered Closed Session at 11:02 a.m. pursuant to Government Code Section 54956.95. The Committee left Closed Session at 11:39 a.m., at which time it was announced that the Claims Administrator was provided with direction concerning the disposition of certain claims; however, no final settlements were approved, nor was any action taken.

E. CLAIMS ADMINISTRATION

E.1. Reporting and Ratification of Claims Settlements

None.

E.2. Quarterly Claims Report as of March 31, 2026

P.J. Skarlanic reviewed the claims activity as of March 31, 2026. P.J. explained that the loss ratio represents incurred claims as a percentage of pooled deposits collected.

The loss ratio for Program Year 40 through March 31, 2026 is 7.39%, which is much lower than the 5-year and 40-year program averages of 48.80% and 45.54%, respectively. P.J. advised that prior years can trend up or down depending on claims development, but the current Program Year's performance is very promising.

Patrick Ostly inquired about a comparison between CSRMA's loss experience and other pools' loss experience. P.J. advised that every pool is structured differently and has different risk characteristics, but the Program Administrators could investigate whether comparable data is available.

G. LOSS CONTROL

G.1. Risk Control Workplan for 2026/28

David Patzer reviewed the Risk Control Work Plan for FYs 2026/2028 approved by the Executive Board at their March 2026 Long Range Planning Session with the Committee. The final version closely mirrors the draft the Committee reviewed at their February 2026 meeting.

David pointed out that the Vector Solutions success metric was defined as 75%+ of members using the platform annually and currently only 62% of members are using the platform annually. Certain members have opted out of Vector Solutions and have instead pursued their own Risk Control training platform. David advised that he has inquired with each member who opted out of Vector Solutions and will bring up the issue with the Risk Control subcommittee at their November meeting to discuss further.

David also pointed out the Risk Control Reimbursement Program, noting that utilization is lower than average for this time of year. However, most requests for reimbursement under the program tend to come in May and June, so it is anticipated that the program will meet its success metrics for the current year.

G.2. LCW EPL Hotline Services Agreement Renewal

Seth Cole advised that the Program Administrators have not received a formal proposal from Liebert-Cassidy-Whitmore provided for renewal of their EPL hotline services at this time. The current contract will expire in October 2026. The Committee directed the Program Administrators to present the full proposal to the Executive Board at a future meeting.

G.3. Spring/Summer/Fall 2026 Area Training Update

David Patzer reviewed the Spring/Summer/Fall 2026 area training schedule with the Committee and advised that the training seminars are provided on topics of interest to CSRMA membership throughout the year.

David pointed out that Gordon Graham has been booked for the August CSRMA/CASA Risk Management Seminar and will be presenting a highly anticipated training to attendees.

David advised that the Sewer Summit was replaced with the Sewer Operators & Managers Academy (SOMA). A webinar will be held in July with the first classes of the Academy being held in August. Two classes per month will be held in 11 months out of the year, with one class being tailored for supervisors, managers and regulatory compliance personnel, and the other being tailored for operators and front-line staff.

The Area Training Schedule is as follows:

Topic	Tentative Dates	Tentative Locations
Sentinel Training Program for WC members	Ongoing	Zoom
August CSRMA/CASA Risk Mgt Seminar	August 5, 2026	Gordon Graham
SOMA	2 virtual classes/mo for 11 months	Virtual
Webinars Scheduled To Date:	April-August	Webinars
CalOSHA Safety Training and Learning Management for Public Works and Wastewater Utilities		4/22/2026
Tree Roots & Infrastructure Management		4/28/2026
What the Flush? A Forensic Analysis of What’s Flushed and the Campaign to Shift Behaviors		5/5/2026
Pump Station Emergency Response Plans: A Commonly Overlooked SSMP Requirement		5/6/2026
Claims Management, the Key to Effectively Managing Claims from Cradle to Grave		5/7/2026
Effective Tailgate Safety Meetings/Trainings		5/13/2026
Foam Level Measurement & Control Strategies		5/19/2026

Oro Loma’s Journey to Building a Culture of Safety	5/27/2026
How to Create an EPA Compliant Fats, Oils, and Grease Program	6/2/2026
Contracts, Contracts, Contracts, How to Effectively Manage a Program!	6/18/2026
Intentional Communication in Public Works	6/25/2026
Understanding ICS 100 & ICS 200 – Essential Training for Public Agencies	7/7/2026
Cyber Threats to Public Agencies: What You Need to Know Now	7/21/2026
Drinking Water Operations Manuals: What’s in Yours?	
Insurance Requirements in Contracts	7/23/2026
Math Fundamentals: Essential Calculations for the CA Grades I-II Exams	7/29/2026
Clean Lines, Clean Systems: Mastering Sewer Nozzle Cleaning	8/12/2026
Digital Instrumentation: Emerging Tech for Accurate Measurement in Tough Applications	8/25/2026

H. PROPERTY PROGRAM

H.1. Property Program Actuarial Study

P.J. Skarlanic reported that an Actuarial Study for the Pooled Property Program was performed to re-evaluate past projections using current loss data and to project future payment patterns to determine rates for the Program renewal as of December 31, 2026. P.J. summarized key points from the Actuarial Study

- Estimated Outstanding Losses at June 30, 2026: $668,508 (discounted at 2%), an increase of approximately 3.7% compared to 2025/26.
- 2026/27 Projected Ultimate Loss Rate per $1,000 TIV at a $100,000 SIR: $0.079 (70% Confidence Level, discounted at 2%). This represents a 2.5% decrease from 2025/26.

H.2. Prospective New Member: DERWA

Seth Cole reviewed the item with the Committee. The DSRSD-EBMUD Recycled Water Authority (DERWA) has requested a quote from CSRMA for inclusion into the Property Program effective July 1, 2026. DERWA is not currently a member of CSRMA and would therefore be required to seek membership in CSRMA prior to coverage being bound.

DERWA obtains property insurance through the CSRMA Property Program via Dublin San Ramon Services District (DSRSD), a current member of CSRMA and the Property Program. Since DERWA’s assets are currently covered in the Property Program, carving out DERWA’s values from DSRSD’s Property Schedule and having them become a standalone member of CSRMA is expected to be a seamless transition.

The annual cost for DERWA to participate in the Property Program is approximately $50,000. This contemplates a $100,000 Property deductible.

A motion was made to approve quoting DERWA for inclusion in the Property Program, and to recommend that the Executive Board recommend to the Board of Directors approval of DERWA's membership in CSRMA and participation in the Property Program effective July 1, 2026.

MOTION: Veronica Cazares **SECOND:** Robert Grantham **MOTION CARRIED**

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

H.3. FY 2026/27 Property Program Renewal

P.J. Skarlanic reviewed the item with the Committee. The Property Program will be renewing 7/1/26. Coverage for Terrorism, Cyber Liability and Pollution Liability are included.

P.J. advised that the excess renewal quote has not yet been received and the Total Insurable Values (TIV) are not yet finalized. The Program Administrators are projecting an average decrease in total costs to members of approximately 2.4%. The insurance cost estimates are based on an approximately 2% increase in TIV.

A full breakdown of estimated cost changes to the Property Program was provided for the Committee:

Expense Item	2025-26 $1.25 Billion Limit Excess of $100K Pooled Layer	*Estimated* 2026-27 $1.25 Billion Limit Excess of $100K Pooled Layer	*Estimated* Cost Change $	 %
Est. Pool Deposits (70% CL, Discounted at 2%)	700,085	696,523	-3,562	-0.5%
Est. Insurance Costs (Net)	8,840,394	8,567,181	-273,212	-3.1%
Est. Dedicated Excess Cyber Liability Insurance	153,922	169,314	15,392	10.0%
Est. Fixed Expense (JPA Charge)	121,820	132,677	10,857	8.9%
Program Director Fees	192,000	198,000	6,000	3.1%
Total Costs	**10,008,221**	**9,763,696**	**-244,525**	**-2.4%**

Insurance Cost includes Prop, B&M, Cyber & Pollution
Increase in JPA Charge due to a proposed increase in the Outside Safety Consultant expenses
Increase in Program Director Fees due to a proposed increase in the fee paid to Alliant Insurance Services

Direction was given to present the finalized Property Program renewal costs to the Executive Board for approval at their June meeting. Seth Cole advised that the Program Administrators will continue to negotiate with the Property Insurance carriers for the best possible outcome.

I. INFORMATION ITEMS

I.1. *Poem of the Day*

I.2. Article – *South Bay cities fined over raw sewage seeping into creeks* – nbcbayarea.com

I.3. Article – *San Diego attorney hit with one of largest ever sanctions for submitting AI hallucinated filings*

I.4. Article – *Water utilities need hands on cybersecurity help, not just free guidance, pilot program finds*

I.5. CSRMA 2026 Meeting Calendar

I.6. CSRMA Organizational Chart

I.7. CSRMA Service Team

The Committee reviewed the presented information items.

J. ADJOURNMENT

The meeting was adjourned at 12:17 p.m. The next meeting is scheduled for September 8, 2026 at the Alliant Walnut Creek Office.

Preliminary 2027 Meeting Calendar

ISSUE: Every year the Executive Board adopts a meeting calendar. The Pooled Liability Committee meetings are included in that calendar. The Pooled Liability Committee should review the proposed meetings dates and approve their calendar dates for the upcoming year.

Historically, the February and May meetings have been held as a teleconference. The remainder of the calendar year meetings were held in-person. The Committee should consider whether to continue to hold meetings in-person (except for February and May) or adopt a hybrid schedule of virtual and in-person meetings.

RECOMMENDATION: The Program Administrator recommends that the Pooled Liability Committee approve their dates on the 2027 meeting calendar.

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENTS: Proposed 2027 Meeting Calendar – PL1 Version

CSRMA MEETING CALENDAR 2027

JANUARY	FEBRUARY	MARCH	APRIL
CSRMA EB - TUE - 26	CSRMA LIAB (TC) - TUE - 16	**CSRMA LRP - SUN - TUE - 14, 15, 16**	**CSRMA FIN - MON - 26 (SFO)**
CSRMA BOD - WED - 27	**CSRMA WC - THUR - 18 (SFO)**		
CASA January 27 - 29	***PARMA January 31 - February 3***		
Indian Wells	***Chula Vista***		

MAY	JUNE	JULY	AUGUST
CSRMA LIAB (TC) - MON - 3	CSRMA EB (TC) - MON - 7	**CSRMA EB - TUE - 27**	
CSRMA OC (TC) - TUES - 4	CSRMA BOD (TC) - WED - 16	**CSRMA BOD - WED - 28**	
CSRMA WC (TC) - THUR - 13	CSRMA OC (TC) - WED - 23		
		CASA July 27 - 30	
		Anaheim	

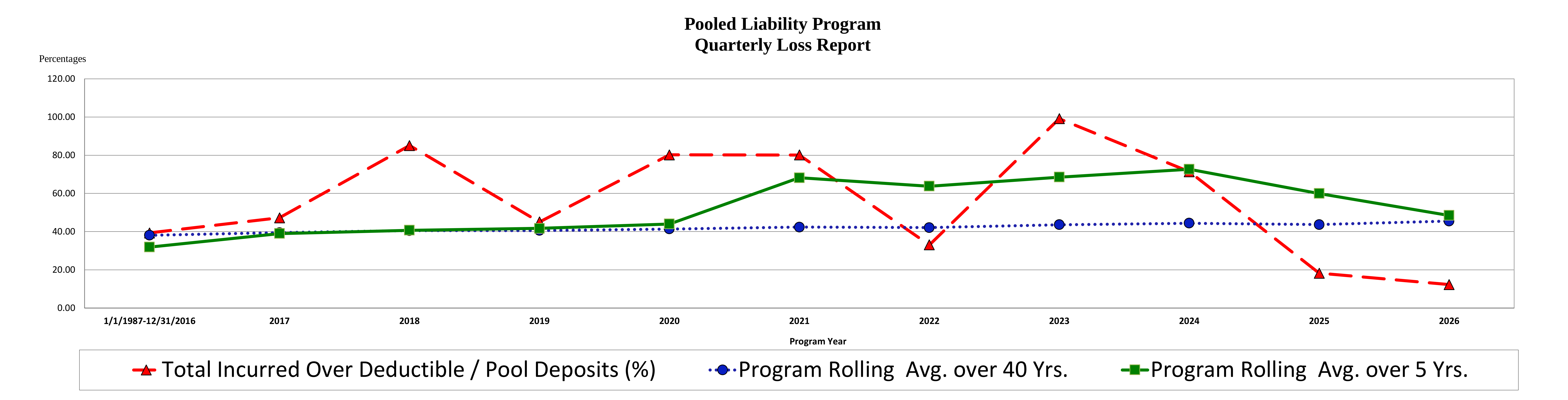
SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
CSRMA LIAB - TUE - 7 (WC OFFICE)	**CSRMA EB - MON - 4 (SFO)**	CSRMA FIN (TC) - MON - 8	CSRMA EB (TC) - MON - 6
CSRMA OC (TC) - FRI - 10	CSRMA WC (TC) - WED - 13	**CSRMA LIAB - MON - 15 (WC OFFICE)**	CSRMA OC (TC) - THUR - 9
	CSRMA OC (TC) - FRI - 29		
CAJPA September 21 - 23			
Monterey			

Meetings in RED are IN-PERSON

POOLED LIABILITY PROGRAM
Quarterly Claims Report
As of June 30, 2026

Program Year	**PY 1-30 1987-2016**	**PY 31 2017**	**PY 32 2018**	**PY 33 2019**	**PY 34 2020**	**PY 35 2021**	**PY 36 2022**	**PY 37 2023**	**PY 38* 2024**	**PY39* 2025**	**PY40* 2026**	**Program Avg Over 5 yrs**	**Program Avg Over 40 yrs**
Number of Members	N/A	40	40	40	40	40	41	41	41	41	41	N/A	N/A
Total Number of Claims	2,678	76	58	74	37	73	49	48	39	49	17	40	80
Initial Pool Deposits	58,774,236	2,718,212	2,682,244	2,496,726	2,641,494	3,206,015	3,436,283	3,679,709	4,020,058	3,894,774	2,959,529	3,598,071	2,262,732
Total Paid To Date	37,370,445	1,979,513	2,943,305	1,998,311	2,476,282	3,726,984	1,362,185	3,749,644	2,162,002	462,335	344,759	1,616,185	1,464,394
Total Reserved	254,084	0	0	0	0	0	476,939	786,293	1,349,574	657,987	276,747	709,508	95,041
Total Incurred	37,624,529	1,979,513	2,943,305	1,998,311	2,476,282	3,726,984	1,839,124	4,535,937	3,511,575	1,120,321	621,506	2,325,693	1,559,435
POOL PENETRATION													
No. of Occurrences Over Deductible	350	12	12	6	8	11	7	12	9	14	4	9	11
Total Paid Over Deductible (per occurrence)	22,854,539	1,284,123	2,281,822	1,125,665	2,117,867	2,568,500	660,557	2,989,644	1,641,531	173,974	95,438	1,112,229	944,842
Total Reserves Over Deductible (per occurrence)	254,084	0	0	0	0	0	476,121	658,220	1,227,948	535,755	268,670	633,343	85,520
Total Incurred Over Deductible	23,108,623	1,284,123	2,281,822	1,125,665	2,117,867	2,568,500	1,136,678	3,647,864	2,869,479	709,729	364,108	1,745,572	1,030,361
Total Incurred Over Deductible / Pool Deposits (%)	39.32	47.24	85.07	45.09	80.18	80.12	33.08	99.13	71.38	18.22	12.30	48.51	45.54

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



G:\CLIENT\jpa\CSRMA\Pool Liability\lossrun\2026 06 30 Loss Reports - Pool Liability\Quarterly Loss Report\lqtr 6.30.26_capped.xlsx

Carl Warren Staffing Update

ISSUE: William Kirker, the Sr. Adjuster who was handling CSRMA's claims, is no longer with Carl Warren & Company (CWC). CWC has identified a replacement for Bill. Teresa Collier will manage the property and bodily injury claims, and Beth Taveras will continue to handle the employment practices claims for the Pooled Liability Program. Teresa and Beth will attend the meeting and will be available to answer any questions that the Committee may have.

RECOMMENDATION: None. Information only.

FISCAL IMPACT: None.

BACKGROUND: None.

ATTACHMENTS: 1. CSRMA CWC Team Directory (Information Item)

Litigation Guidelines

ISSUE: Historically Carl Warren & Company (Venbrook) has issued a retention letter to defense firms upon assignment of litigated cases to establish the "rules of engagement". Carl Warren has been asked by several Members to provide litigation guidelines to provide further context on the rules of engagement. As a result, Carl Warren has developed litigation guidelines (Defense Attorney Guidelines) for CSRMA to be provided to Members and defense firms upon assignment of litigated cases. The guidelines are attached for the Committee's review.

RECOMMENDATION: Review the Defense Attorney Guidelines and provide direction.

FISCAL IMPACT: Unknown.

BACKGROUND: None.

ATTACHMENTS: CSRMA Defense Attorney Guidelines

CARL WARREN & COMPANY
Claims Management and Solutions
A VENBROOK Company

Defense Attorney Guidelines CSRMA

The following Guidelines have been compiled and adopted by **Carl Warren & Company**. These guidelines should never interfere with any duties, obligations or responsibilities owed to a client nor should they diminish the quality of the defense provided to **CSRMA and its Members**.

GENERAL GUIDELINES:

CSRMA requires counsel to promote prompt, fair and appropriate resolutions for every lawsuit. If the firm accepts an assignment from **CSRMA** or from our designated representative, Carl Warren and Company, it is expected that the firm will conform to these guidelines. If the firm believes that any of the guidelines are inappropriate, would prejudice the interests of the insured, or would not be in the best interest of **CSRMA and its Member**, then such issues must be discussed with **CSRMA, Member** and Carl Warren & Company. Any exceptions to these guidelines must be in writing and approved by **CSRMA** or Carl Warren & Company (e.g., flat fee billing agreements and the like).

EQUAL OPPORTUNITY:

In the selection of counsel, as in our employment decisions, we are committed to equal opportunity and fair treatment for all lawyers and law firms without regard to race, color, religion, national origin, sex, age, disability, veteran status, or other characteristics protected by law. Defense counsel selection is based solely on merit, qualifications and other job related criteria.

CONFIDENTIALITY:
During the course of litigation/representation, the law firm may deal with confidential information. This information may relate to a specific insured, CSRMA, Carl Warren & Company or on internal strategy related to important legal and business strategies specific to CSRMA or Carl Warren & Company. This information is very sensitive and must be held confidential and privileged even after the firm ceases to represent CSRMA , its clients. Any documents or other materials entrusted to the firm must be maintained in confidence and returned if requested.

MEDIA RELATIONS:
The firm must not comment on or off the record, with respect to any matter in which it represents CSRMA. All media contact and inquiries must be brought to the attention of and authorized by CSRMA, its Member**,** or Carl Warren & Company.

CONFLICTS OF INTEREST:
Upon acceptance of any new matter, any conflicts of interest that might arise in connection with the firm's current or proposed representation of other parties in other matters must be promptly reported in writing to Carl Warren & Company. It is the responsibility of the firm to identify and disclose any existing or prospective engagement with another client that could create an actual or potential conflict of interest with the representation of CSRMA and its Member.

For purposes of the rules of professional conduct barring or limiting an attorney's representation adverse to the interests of existing or former clients, CSRMA should be treated as the clients of any counsel providing services to any one or such businesses, entities, or affiliates. See American Bar Association, Standing Committee on Ethics and Professional Responsibility, Formal Opinion 95-390 at 5 (January 25, 1995).

ASSIGNMENTS:
Defense counsel are selected by Carl Warren & Company and approved by **CSRMA**. Assignments will originate from Carl Warren & Company based upon direction from **CSRMA and its Member**. Please consult with Carl Warren & Company before substituting an attorney or adding additional lawyers. While you will perform those tasks requiring your skill and ability, we ask that you help us minimize legal expenses by relying on a junior attorney or legal assistant for less demanding tasks.

INVESTIGATING:
It is important that the firm understand how its role differs from that of the claims adjuster. The adjuster will perform as much investigation as possible. Early case review by defense counsel is extremely important, as is early discussion with the adjuster so that additional investigative needs, if necessary, can be established and a litigation plan can be developed. Attorneys are not to perform claims adjusting work. Of utmost importance is the identification and preservation of any available, tangible, physical evidence.

FORUM:
Consider the venue of every action and whether there is an alternative forum that would offer a better environment for **CSRMA and its Member**. This includes moves to other counties in the State Court system and removal of cases to Federal Court where appropriate.

PLEADINGS:
Avoid use of "standard" form documents and pleadings. Consider the individual case and adopt a pleading plan appropriate for each case, not one followed in every case regardless of its type and merit. Employ general denials where possible and plead only those affirmative defenses that are relevant and supportable.

No more than one thirty-day (30) extension should be allowed to the plaintiff unless discussed with and approved by Carl Warren & Company. If the plaintiff is not timely or complete thereafter, you should file the appropriate motions that are relevant and supportable.

DISCOVERY:
CSRMA and it Member requires careful consideration of each case before launching into routine discovery procedures. Perhaps in some cases the plaintiff's deposition should be taken first and then followed up with interrogatories. The first status report should include a written Discovery Plan. The Discovery Plan should include consideration of Alternative Dispute Resolution (ADR) where feasible as a forum for case disposition.

The firm should provide for the maximum possible lead-time for all papers necessary for review by **CSRMA and it Member**, particularly answers to Interrogatories. Discovery requests should be reviewed prior to sending them to **CSRMA and it Member**. Requests to which you recommend an objection as the answer should be noted.

PLAINTIFF'S COUNSEL:
Consider in each case whether an informal approach to plaintiff's counsel might not be a beneficial route, at least initially. Many plaintiffs' lawyers are willing to cooperate and will turn over volumes of material in reply to informal requests. Unless you know the plaintiff's counsel is difficult in that regard, consider an early phone call to obtain information and documentation.

Informal acquisition of records from opposing counsel may be economically attractive in some cases. However, informal arrangements sometimes add unwanted problems of authenticity, legibility, completeness and organization. Documents may omit certain records, such as nurses' notes, charts, physicians' notes, etc. This is unacceptable if it could serve to increase our exposure.

CO-PARTIES:

Do not routinely file cross-complaints for contribution or indemnity. Even when co-parties' interests conflict, often we have been able to work harmoniously and present the plaintiff with a united front. We prefer to explore joining in group defense efforts.

While the extent of our liability exposure is often unknown until after commencing discovery, you should strive to share our part of the workload with other defendants in the group.

Consider making steadfast agreements or agreeing to litigate or arbitrate apportionment or indemnity questions after the plaintiff's rights are settled or adjudicated. This applies to discovery between co-parties. Attempt to agree informally to exchanges of information so plaintiff's counsel does not become privy to that information. Obviously, you must be comfortable that you are dealing with lawyers and parties that can be trusted to be completely forthcoming when they produce information off the record. Again, early informal contact with co-parties should be sought.

LITIGATION PLAN AND BUDGET:

Legal cost containment is an important goal of **CSRMA** as we are committed to offering our policies at a reasonable price to the consumer. During the first 30 days following assignment of a new case, the firm should prepare an overall litigation plan and budget. The plan can be modified as the case progresses but should reflect your best judgment at the time it is prepared.

The plan and budget should be in the format of Appendix A, which is attached. This projects the activities needed to proceed through trial with the case-pleadings, motions, discovery, legal and fact research, trial preparation and trial--and the likely cost of these activities. If you already prepare litigation budgets in a different format, we are open to discuss whether your present procedures would adequately meet our needs.

After the initial plan and budget is submitted, it should be updated annually or as significant case developments warrant revisions.

REPORTING:

A multi-page letter of first impression in which you review the file you have just received from us is not desired. Such "feedback" letters usually state what is already known and will not be paid for.

STATUS REPORTS:

At intervals no greater than every 60 days, or as requested. Report should include: what has been learned through the investigation and through discovery; discovery initiatives taken by opposing parties; actions the court has taken and any material communications from plaintiff's counsel. Status reports should set forth a plan or "to do" list.

Advise in each report when we can expect to hear from you again ("as developments warrant" is not an acceptable response) so we can either diary our file accordingly or advise you of our thoughts. A file should not go unreported beyond three (3) months, unless we agree with your reasoning.

Within thirty (30) days after assignment, provide an opinion letter regarding liability, settlement value, verdict value, the percentage chance of a defense verdict and any other relevant factors bearing on case value. We also require your best estimate of defense costs if the case is settled, and if the case proceeds through full trial. This will help with our case evaluation.

Generally, you need not send copies of each and every pleading filed in this suit. Use your judgment in providing copies of pleadings pertinent to defense or the client. For example, you need not furnish copies of Interrogatories served upon co-defendants until such have been answered.

You generally need not send copies of deposition transcripts. On all depositions, however, please provide a short summary of the deposition, providing highlights of what occurred and how you believe the testimony will affect the claim's progress or ultimate outcome.

If a case goes to trial, please phone the litigation supervisor at Carl Warren & Company at the end of each day for a brief update on case progress.

Please flag reports at the top of the first page to note any items that are URGENT, REPLY REQUESTED, TRIAL DATE, MULTIPLE PLAINTIFFS, and other uniquely "dangerous" or urgent situations. Please caption lengthy reports. If you are going to provide a 12-page, single spaced letter, post your recommendations up front or in a summary fashion.

SETTLEMENTS:

Unless it is strategically inadvisable, obtain settlement demands at the earliest time possible. Early exploration of settlement can simplify decisions, which will have to be made regarding necessary discovery, trial preparation, use of expert witnesses, etc.

Settlement authority must be obtained from **CSRMA** and Carl Warren & Company. Written reports should fully document and explain the basis for the authority requested. Request settlement checks from Carl Warren & Company.

For all voluntary settlements, counsel should attempt to obtain a confidentiality agreement.

BILLING:

FORMAT:
The basic format should include date(s) of service rendered; time expended in one-tenth-of-an-hour increments; billing rate per hour; individual accounting of ancillary cost advanced, with one copy of each invoice attached to your bill.

ACTUAL TIME:
Bills should be only for the actual time spent on a matter, rather than minimum billable segments.

MULTIPLE ATTORNEYS AT HEARINGS, ETC:
Prior approval required. Please use your judgment in minimizing such occasions. Also minimize involvement of more than one attorney in telephone and office conferences on the case.

We do not expect to be billed for "conferences" between two or more attorneys from the same law firm.

TRAVEL:
Out-of-town must be approved in advance. Unless agreed to in advance, time away from home or office, which is not in transit or spent performing legal services, will not be compensated. Reimbursement will be for coach class travel.

DISBURSEMENTS:
Major disbursements (e.g. expert's fee, extensive microfilming, computerized document retrieval, etc.) must be agreed to in advance. Please do not bill for support staff overtime. Do not bill for expedited courier service or other expedited mail delivery where the urgency was created by last-minute preparation not caused by **CSRMA and its Member**. We will not reimburse for time spent filing, file indexing and the like.

The following ancillary costs should be advanced by your firm: Court costs; telephone, mileage, court reporters; subpoena service, photocopy service, messenger service; legal research services.

If the cumulative total of an ancillary billing exceeds $500.00 before your next billing period, the ancillary bills should be forwarded to Carl Warren & Company for their review and payment.

RESEARCH:
The firm was retained because of its expertise. Fees or expenses for basic legal or technical research to educate your lawyers in the field of this lawsuit will not be paid. ***Research in excess of 1 hour intended to be billed must be specifically authorized in advance of the work performed.*** Upon completion of the research, we require that a copy of the results, regardless of whether in the form of handwritten notes or a formal memorandum of law, etc. be forwarded to Carl Warren & Company.

The firm will not bill for overhead expenses associated with legal research such as library expenses or computer expenses (Westlaw and/or Lexis) unless approved in advance by Carl Warren and Company.

BILLING FREQUENCY:
Interim bills should be submitted to Carl Warren & Company at quarterly intervals. Please advance expenses such as court reporter fees transcripts, etc. up to $500.00. Include such expenses in interim or final bills.

HOURLY RATES:
CSRMA will only pay the hourly rates or alternative fee arrangement agreed to in writing. Rate increases will be honored only if agreed to and in writing. **CSRMA** will only pay those fees that reflect the most appropriate use of the bill professional's time. Paralegal rates should be clearly stated and are subject to approval by **CSRMA.**

EXPERTS:
Experts should be retained only with Carl Warren & Company's prior approval. If you plan to use an expert consultant at trial or otherwise, the name and credentials of the proposed expert must first be submitted to Carl Warren & Company.

Program Year 41 (2026-27) Renewal Update

ISSUE: The Pooled Liability Program will renew December 31, 2026. This item is intended to provide the Committee with an update on the renewal in a couple of key areas.

1. Pooled Deposit / CWIC Gross Premium (funding/premium for claims in the pooled layer). The Actuarial studies are in process. The Program is experiencing fewer claims; however, the severity (cost) has trended upwards.
2. The Clean Water Insurance Captive (CWIC). The risk for the Pooled Layer (Member Deductible to $1,000,000) is currently being transferred to CWIC. We will evaluate continuing to transfer the pooled layer risk to CWIC for the PY 41 renewal.
3. Reinsurance/Excess insurance. We continue to be in a challenging insurance environment, and as carriers look to reduce capacity and increase retentions in California, we may need to explore alternative structures for renewal. Based on early conversations with the lead reinsurer on the program (Munich Re), we expect they will continue to provide $10M in capacity at the current $1M retention (pooled layer).
4. Automated Renewal Application. The General Liability Application Portal was introduced during last year's renewal and will be fully implemented for this year's renewal cycle.

RECOMMENDATION: None at this time.

FISCAL IMPACT: Conservatively, the Program Administrators are estimating a 10-15% increase in total cost for the renewal. Below is a snapshot of the expiring costs.

Expense Item	**PY 40 2025/26 $26.00 million limit**
CWIC Gross Premium	4,737,168
Est. Reinsurance/Excess Costs (Net)	4,027,426
Est. Fixed Expense (JPA Charge)	491,456
Pool Deposit Fees	686,000
Total Costs	**9,942,050**

BACKGROUND: The pooled layer is reinsured by CWIC (member deductible to $1,000,000). Munich Re is the reinsurer providing coverage in excess of the pooled layer ($10M x $1M). Berkley is the reinsurer providing $5M in limits excess of $10M. ANML (Great American) provides the top layer of coverage ($10M x $15M) for a total of $25M in limits excess of the pooled layer.

ATTACHMENTS: None.

Agenda Item No. F.2
Pooled Liability Committee Meeting
Meeting Date: September 8, 2026

Deductible Selection Policy and Procedure

ISSUE: Each year prior to the renewal of the Pooled Liability Program, the Program Administrators perform a review of member agency loss history to determine appropriate deductible levels. If a member agency's loss history constitutes "Adverse Loss Experience" as defined in the Deductible Selection Policy and Procedure, a risk management audit is triggered and the member agency's General Liability and or Employment Practices Liability deductible will be established as provided for in Procedure Sections 3 and 5 of the Policy and Procedure.

Based on loss data valued as of June 30, 2026, the Program Administrators have prepared a Deductible Selection Worksheet. Two members qualify as having adverse General Liability loss experience and four members qualify as having adverse Employment Practices Liability loss experience. The Program Administrators will discuss their findings at the meeting.

RECOMMENDATION: To be discussed at the meeting.

FISCAL IMPACT: Unknown at this time.

BACKGROUND: The Board of Directors approved the attached Deductible Selection Policy and Procedure. The Policy and Procedure incorporates a member agency's loss experience into the deductible selection process. General Liability deductible levels range from $2,500 to $500,000 with a minimum deductible for sewer overflows set at $25,000. Effective December 31, 2023, CSRMA will increase the EPL deductible to $50,000 from the current level of $25,000 for all members and hold 10 virtual management level training courses annually on topics recommended by Liebert Cassidy Whitmore (LCW). Members who meet the criteria annually will have their EPL deductible reduced to $25,000.

General Liability "adverse loss experience" is defined as a) Three of more losses incurred by the members in any one of the two most recent program years where each loss exceeds the member's General Liability deductible for that year; or b) Total incurred losses by the member in any one of the two most recent program years equal to $100,000 or more in excess of the member's General Liability deductible for that year.

Employment Practices Liability "adverse loss experience" is defined as "Two or more losses incurred by the member in five of the most recent program years".

ATTACHMENTS: 1. Deductible Selection Policy & Procedure Worksheet (Handout)
2. Deductible Selection Policy & Procedure #8-L

CSRMA
POLICY & PROCEDURE
MEMORANDUM # 8-L

EFFECTIVE: **May 2, 2003**
Revised August 6, 2004
Revised January 18, 2017

SUBJECT: **Deductible Selection**

PURPOSE

This Policy & Procedure Memorandum (P&P) governs the manner in which a member′s annual deductible will be selected for purposes of the coverage provided by CSRMA′s Pooled Liability Program (PLP).

APPLICATION; EXCEPTIONS

This P&P applies to the selection of annual deductibles for all CSRMA members participating in the PLP. However, if the PLP Memorandum of Coverage (MOC) specifies a minimum deductible for any coverage, the amount of which is greater than the deductible selected pursuant to this P&P, then in that case the minimum deductible established by the MOC controls. Nothing in this P&P is intended to, nor does it, preclude CSRMA from exercising other available remedies for a members' unsatisfactory claims history, such as removal of a member from participation in a program or removal from membership in CSRMA.

POLICIES

The following are policies of CSRMA:

1. Subject to the provisions of this P&P, each member participating in the PLP may select a General Liability deductible that will be applicable to the member during each annual coverage period. The Employment Practices Liability deductible for all members is $25,000.

2. A member may not select a General Liability deductible that is less than the Recommended Minimum General Liability Deductible set forth in the Table below, unless the smaller deductible amount is approved by CSRMA.

Participant's Pool Deposit Amount[*]		Recommended Minimum General Liability Deductible
From	To	
$20,000 or Less		$2,500
$20,001	$30,000	$5,000
$30,001	$50,000	$10,000
$50,001	$70,000	$25,000
$70,001	90,000	$50,000
$90,001	$110,000	$100,000
$110,001	$135,000	$250,000
$135,000 or More		$500,000

3. A member may select a General Liability deductible that is greater than the Recommended Minimum General Liability Deductible amount, except that the maximum deductible amount may not exceed $500,000.

4. Unless precluded by Adverse Loss Experience, a member may select a General Liability deductible that is less than the recommended minimum General Liability deductible shown in the Table if the member's selection is approved as provided in this P&P.

5. If a member's General Liability loss history constitutes Adverse Loss Experience, the member's General Liability deductible will be established as provided in Procedure Section 3, below, of this P&P.

6. General Liability Adverse Loss Experience is defined as follows:

(a) Three or more losses incurred by the member in any one of the two most recent program years where each loss exceeds the member's General Liability deductible for that year; or

(b) Total incurred losses by the member in any one of the two most recent program years equal to $100,000 or more in excess of

[*] For the purposes of this Table, a member's Pool Deposit Amount is the premium deposit payable by the member exclusive of the deposit required for Public Officials Errors and Omissions Coverage and before allowance is made for any deductible credits.

the member′s General Liability deductible for that year.

For these purposes, the phrase two most recent program years means the PLP program year then in effect and the program year preceding it.

7. If a member′s Employment Practices Liability loss history constitutes Adverse Loss Experience, the member′s Employment Practices Liability deductible will be established as provided in Procedure Section 5, below, of this P&P.

8. Employment Practices Liability Adverse Loss Experience is defined as follows:

(a) Two or more losses incurred by the member in the five most recent program years.

PROCEDURES

1. Unless (a) the member selects another General Liability deductible amount, or (b) other provisions of this P&P allow or require a different selection, a member is deemed to have selected the Recommended Minimum General Liability Deductible indicated in the Table above.

2. If a member wishes to select a General Liability deductible other than the Recommended Minimum General Liability Deductible, the member must notify CSRMA′s Program Administrators of the member′s selection not later than 90 days before the commencement of the program year.

(a) Subject to the provisions of this P&P concerning Adverse Loss Experience, selection of a deductible greater than the Recommended Minimum General Liability Deductible will be approved without further action.

(b) In the case of any PLP Participant that, as of the effective date of this P&P, has a General Liability deductible which is less than the Recommended Minimum General Liability Deductible, the participant is entitled to select and retain that lesser deductible amount so long as the PLP participant's loss history does not reflect Adverse Loss Experience, as defined in Policy Section 6 above.

(c) In cases not covered by Subsection (b) above, if the member wishes to select a deductible that is lower than the Recommended Minimum General Liability Deductible, the selection shall be referred to the PLP Committee for determination. The PLP Committee shall review the member′s selection in relation to relevant underwriting considerations including, especially, the member′s loss experience. The requested General Liability deductible selection may be approved by the Committee if the Committee believes:

i. It is more probable than not that the member will not experience more than one loss during the next coverage period that would exceed the member′s selected General Liability deductible amount, and

ii Other pertinent underwriting considerations do not favor selection of a larger amount.

3. During any interval that a PLP participant's General Liability loss history reflects Adverse Loss Experience, as defined in Policy Section 6 above, the member′s minimum General Liability deductible shall be established by CSRMA as follows:

(a) A Risk Management Audit will be triggered. The Risk Management Audit will be performed by CSRMA's Risk Control Advisor.

(b) CSRMA's Program Administrators will make a recommendation to the PLP Committee on an appropriate General Liability deductible level for the member, based on the results of the risk management audit and an analysis of the member's loss history.

4. At such time as a PLP participant's loss history no longer reflects Adverse Loss Experience, as defined in Policy Section 6 above, the provisions of Procedure Section 3, above, shall no longer apply.

5. During any interval that a PLP participant's Employment Practices Liability loss history reflects Adverse Loss Experience, as defined in Policy Section 8 above, the member′s Employment Practices Liability deductible shall be established by CSRMA as follows:

(a) A Risk Management Audit will be triggered to determine the root cause of the adverse loss experience. The Risk Management Audit will be performed by CSRMA's Risk Control Advisor.

(b) CSRMA's Program Administrators will make a recommendation to the PLP Committee on an appropriate CSRMA provided training program targeted at the root cause of the adverse loss experience and an appropriate Employment Practices Liability deductible level for the member based on an analysis of the member's loss history. The training program will be mandatory.

6. Any decision or determination by the PLP Committee may be appealed by the affected member or any other member of the PLP to CSRMA′s Executive Board, who shall hear and determine the appeal as promptly as possible. The decision of the Executive Board is final.

Agenda Item No.G.1
Pooled Liability Committee Meeting
Meeting Date: September 8, 2026

Fall/Winter 2026 Area Training Update

ISSUE: As part of CSRMA's ongoing risk control efforts, training is provided on topics of interest to the CSRMA membership at multiple locations throughout the year.

Topic	Tentative Dates	Tentative Locations
Sentinel Training Program for WC members	Ongoing	Zoom
Webinars Scheduled to Date:	September-December	Webinars
Digital Instrumentation: Emerging Tech for Accurate Measurement in Tough Applications	8/25/2026	
Step by Step: Mastering Sidewalk Inspections & Repairs	9/9/2026	
Safety Training and Learning Management for Public Works and Wastewater Utilities	9/16/2026	
Fleet Management 101, Because No One Goes to School for Fleet Management	9/23/2026	
What Supervisors Need to Know About Workers' Compensation to Avoid Legal Pitfalls	10/7/2026	
From Rounds to Readiness: Building Plant-Wide Operator Training from What You Already Have	10/13/2026	
Sewer Backups: Does Your SERP Address This? Best Practices and Risk Management for 1st Responders	10/21/2026	
Analyzing Residual Risk	10/28/2026	
Your SOPs Are Outdated. Here's How to Fix That	11/10/2026	
Cross-Connection Control Program	11/18/2026	
Bathroom Bootycamp: How to Enlist Your Ratepayers to #FlushSmart in 2027	12/2/2026	

RECOMMENDATION: None – information only.

FISCAL IMPACT: Approximately $40,000. These training programs are part of the 26/27 risk control training budgets.

BACKGROUND: As part of CSRMA's ongoing risk control efforts, training is provided on topics of interest to the CSRMA membership at multiple locations throughout the year. Each training topic is selected based on timeliness and member need. Further, each training event has two goals:

- Ø To provide information and training that is timely, useful, understandable and practical for the purpose s of loss control and regulatory compliance;
- Ø To reach the largest number of people for which the training was designed in the most cost-effective manner possible.

ATTACHMENTS: None

Agenda Item No. H.1
Pooled Liability Committee Meeting
Meeting Date: September 8, 2026

Property Program
Post Renewal Report
FY 2026/27

ISSUE: The Property Insurance Program renewed July 1, 2026. CSRMA participates in the Alliant Property Insurance Program (APIP) excess of the Pooled Layer. APIP is a group purchase program that has historically offered extensive coverage and competitive rates. The Program also includes coverage for Cyber Liability and Pollution Liability insurance.

Estimated costs were reviewed by the Pooled Liability Committee at their May meeting, with final costs approximately $200K less than those estimates. The formal quotes were reviewed and approved by the Executive Board at their June meeting.

The Executive Summary proposal document is included as an attachment, with a premium breakout by type of coverage provided on page 2 of the document. Also included in the proposal document is a listing of changes to the coverage provided in APIP.

RECOMMENDATION: None, information only.

FISCAL IMPACT: The total cost of the Program is down by 4.4% compared to the expiring year. This is largely based on a 5.8% increase in TIV and 12.2% reduction in the rate charged by underwriters on the Insurance Costs. A detailed breakout of all the renewal costs is shown below.

Expense Item	2025-26 $1.25 Billion Limit Excess of $100K Pooled Layer	2026-27 $1.25 Billion Limit Excess of $100K Pooled Layer	Cost Change $	 %
Est. Pool Deposits (70% CL, Discounted at 2%)	700,085	722,888	22,803	3.3%
Est. Insurance Costs (Net)	8,840,394	8,216,150	-624,244	-7.1%
Est. Dedicated Excess Cyber Liability Insurance	153,922	153,222	-700	-0.5%
Property Appraisal Fees	N/A	146,400	146,400	N/A
Est. Fixed Expense (JPA Charge)	121,820	132,677	10,857	8.9%
Program Director Fees	192,000	198,000	6,000	3.1%
Total Costs	**10,008,221**	**9,569,337**	**-438,884**	**-4.4%**

Insurance Cost includes Prop, B&M, Cyber, Optional Cyber Retention Buydown & Pollution
Property Appraisals Fees approved by Executive Board for appraisals conducted at 28 Treatment Plants < 10 MGD's
Increase in JPA Charge due to a proposed increase in the Outside Safety Consultant expenses
Increase in Program Director Fees due to a proposed increase in the fee paid to Alliant Insurance Services

BACKGROUND: Over the past 12-18 months, the commercial property insurance market has softened, driven largely by an increase in available capacity and a reduction in catastrophic claims activity. As more carriers re-enter the space or expand their appetite, competition has intensified, which has generally led to more favorable pricing for insureds with clean loss histories. While things are trending in a positive direction, major catastrophic events still play a big role in shaping the market, and conditions can shift quickly. We have seen some relief in California wildfire activity, but events such as convective storms in other parts of the country continue to exert pressure on the market. Even in regions not directly affected by these events, their cumulative impact influences both the insurance and reinsurance landscape, ultimately shaping underwriting appetites and pricing.

Several key factors continue to influence the direction of the commercial property market. Just some of these factors include:

- **Frequency and severity of natural catastrophes.** Catastrophic events are occurring more often and with greater intensity. Since the 1980s, average annual insured catastrophe losses (adjusted for inflation) have increased by approximately 700%, and the trend shows no signs of slowing. In 2025 alone, there were 23 weather-related events that generated losses exceeding $1 billion, making it the third-highest year on record for both frequency and severity. This sustained level of activity presents ongoing challenges for insurers.

- **Escalating construction costs and valuation concerns.** Although broader inflation has moderated, construction costs remain elevated due to persistently high material prices and a shortage of skilled labor. In addition, evolving building codes and regulatory requirements have further increased rebuilding expenses. These dynamics are driving higher replacement costs and making accurate property valuation more difficult to maintain. Even well-managed valuations can fall short when factoring in additional coverages and changing cost assumptions. As a result, insurers are increasingly conducting their own assessments of value adequacy and, in many cases, underwriting and pricing risks based on higher estimated values than those reported.

  To help address these valuation concerns APIP provides complimentary appraisals to CSRMA members every 5–7 years for buildings valued over $5 million and treatment plants with capacities greater than 10 MGD. On-site appraisals are currently underway or being scheduled for this calendar year. The Executive Board has also approved a preferred rate for appraisals of treatment plants under 10 MGD. In addition, the Program Administrators have been directed to use the Archipelago software to assess replacement cost values for all remaining locations not included in the on-site appraisal work.

Cyber Liability Retention Buydown

The Executive Board approved an option to lower member's Cyber Liability per incident retentions. The associated cost of $87,703 for this option is included within the "Insurance Costs" line item on the cost table. Retention amounts are tiered based on Total Insurable Values (TIV).

The retention tiers prior to the July 1st renewal were:

$50K for TIV under $250M

$100K for TIV from $250M - $750M
$250K for TIV over 750M

The reduced retention tiers effective July 1, 2026 are:

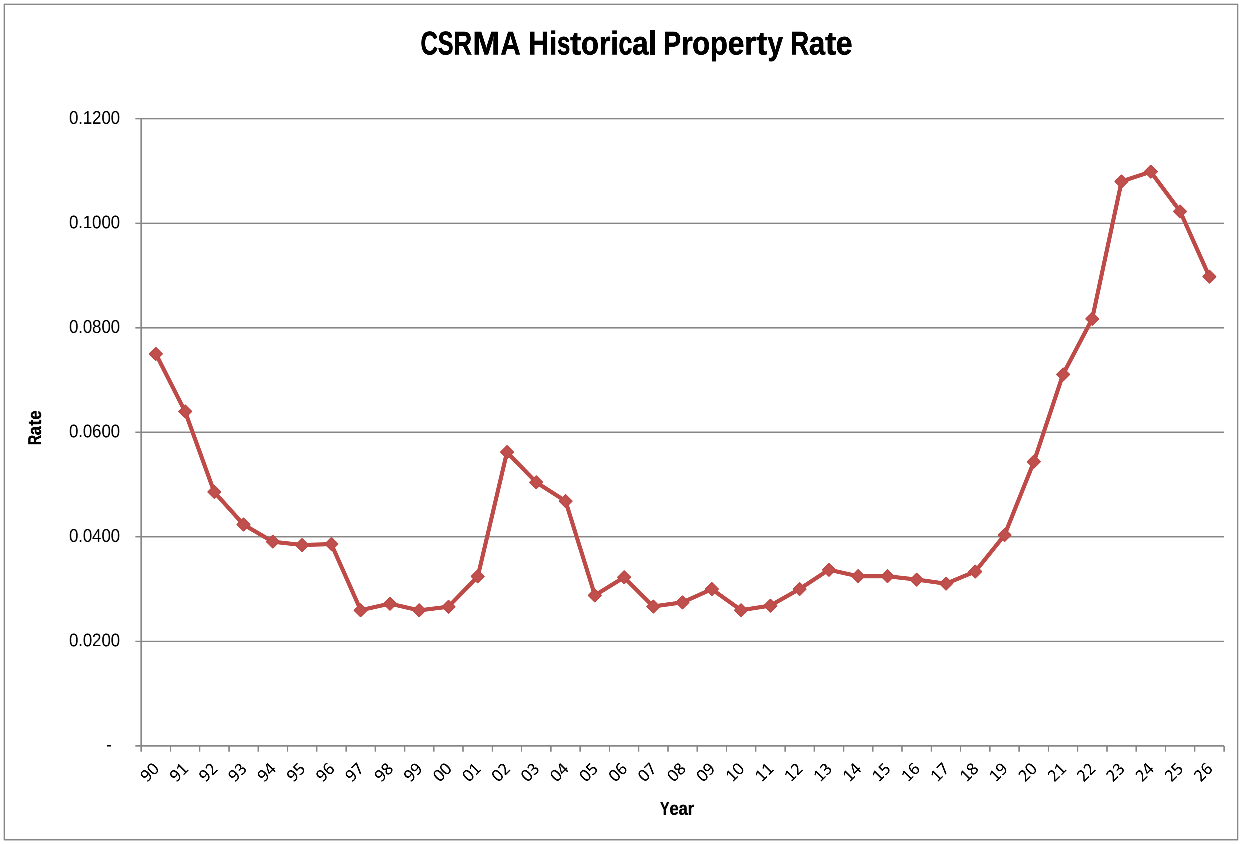
$15K for TIV under $100M
$25K for TIV from $100M - $250M
$50K for TIV from $250M - $750M
$100K for TIV over 750M

Members' individual retentions have decreased as shown in the table below.

Member	Estimated Current Cyber Retention	Estimated Retention w/ Optional Buydown
BAYSHORE SANITARY DISTRICT	$50,000	$15,000
CARMEL AREA WASTEWATER DISTRICT	$50,000	$25,000
CARPINTERIA SANITARY DISTRICT	$50,000	$15,000
CASTRO VALLEY SANITARY DISTRICT	$50,000	$15,000
CENTRAL CONTRA COSTA SANITARY DISTRICT	$250,000	$100,000
CENTRAL MARIN SANITATION AGENCY	$50,000	$25,000
CROCKETT COMMUNITY SERVICES DISTRICT	$50,000	$15,000
CUPERTINO SANITARY DISTRICT	$50,000	$15,000
DELTA DIABLO	$100,000	$50,000
DUBLIN SAN RAMON SERVICES DISTRICT	$100,000	$50,000
EAST BAY DISCHARGERS AUTHORITY	$50,000	$15,000
ENCINA WASTEWATER AUTHORITY	$100,000	$50,000
FAIRFIELD/SUISUN SEWER DISTRICT	$100,000	$50,000
GOLETA SANITARY DISTRICT	$50,000	$25,000
GOLETA WEST SANITARY DISTRICT	$50,000	$15,000
INLAND EMPIRE UTILITIES AGENCY	$250,000	$100,000
IRONHOUSE SANITARY DISTRICT	$50,000	$25,000
LAKE ARROWHEAD COMMUNITY SERVICES DIST.	$50,000	$25,000
LAS GALLINAS VALLEY SANITARY DISTRICT OF MARIN COUNTY	$50,000	$25,000
LEUCADIA WASTEWATER DISTRICT	$50,000	$15,000
LINCOLN-SEWER MAINTENANCE DISTRICT 1 WASTEWATER AUTHORITY (LISWA)	$50,000	$25,000
MONTARA WATER AND SANITARY DISTRICT	$50,000	$15,000
MONTECITO SANITARY DISTRICT	$50,000	$15,000
MONTEREY ONE WATER	$100,000	$50,000
MT. VIEW SANITARY DISTRICT	$50,000	$15,000
NORTH OF RIVER SANITARY DISTRICT NO. 1	$50,000	$15,000
NOVATO SANITARY DISTRICT	$50,000	$25,000
OJAI VALLEY SANITARY DISTRICT	$50,000	$15,000
ORO LOMA SANITARY DISTRICT	$50,000	$25,000
RICHARDSON BAY SANITARY DISTRICT	$50,000	$15,000
RODEO SANITARY DISTRICT	$50,000	$15,000
SAN ELIJO JOINT POWERS AUTHORITY	$50,000	$15,000
ROSS VALLEY SANITARY DISTRICT	$50,000	$15,000
SANITARY DISTRICT NO. 5 OF MARIN COUNTY	$50,000	$15,000
SAN RAFAEL SANITATION DISTRICT	$50,000	$15,000
SANTA MARGARITA WATER DISTRICT	$100,000	$50,000
SAUSALITO-MARIN CITY S.D.	$50,000	$15,000
SELMA-KINGSBURG-FOWL ER C.S.D.	$50,000	$25,000
SEWERAGE AGENCY OF SOUTHERN MARIN	$50,000	$15,000
SEWER AUTHORITY OF MID-COASTSIDE	$50,000	$15,000
SILICON VALLEY CLEAN WATER	$50,000	$25,000
SOUTH ORANGE COUNTY WASTEWATER AUTHORITY	$100,000	$50,000
STEGE SANITARY DISTRICT	$50,000	$15,000
TAHOE-TRUCKEE SANITATION AGENCY	$100,000	$50,000
UNION SANITARY DISTRICT	$100,000	$50,000
VALLEJO FLOOD AND WASTEWATER DISTRICT	$100,000	$50,000
VICTOR VALLEY WASTEWATER RECL. AUTH.	$100,000	$50,000
WEST BAY SANITARY DISTRICT	$50,000	$15,000
WEST COUNTY WASTEWATER DISTRICT	$50,000	$25,000
WESTERN RIVERSIDE CO. REG. WASTEWATER AUTHORITY	$50,000	$25,000
WEST VALLEY SANITATION DISTRICT	$50,000	$15,000

The table in the Fiscal Impact section of this item provides renewal pricing for CSRMA's "All Risk" Property Insurance Program, including Terrorism, Boiler & Machinery, Cyber Liability, Cyber Liability Optional Retention Buydown and Pollution Liability coverage, at the same deductible and limit structure as the expiring program (with the exception of the reduced Cyber Liability retentions).

A chart depicting CSRMA's rates over the past 36 years is shown below.



ATTACHMENTS: APIP Executive Summary and Description of Coverage Changes for 26-27

ALLIANT PROPERTY INSURANCE PROGRAM (APIP)

July 1, 2026 – July 1, 2027

EXECUTIVE SUMMARY

The key goals for the 2026/27 APIP renewal are to maintain financial efficiency, to provide comprehensive coverage, and to ensure program stability. Maintaining the balance between these goals along with the underwriting discipline provided by Alliant Underwriting Services has allowed APIP to thrive for over 30 years. As part of this renewal, the program continues to provide the core benefits that support stability, consistency, and long-term value for its Insured's.

As most Insureds are aware, the property insurance market has continued to soften in 2026, creating an environment of improved pricing and coverage terms. The result is that most APIP Insured's will see a rate reduction at the 2026/27 renewal. Individual underwriting will be necessary for insureds that have large increases in exposure or are loss challenged.

For the 2026/27 renewal, Berkshire Hathaway Specialty Insurance (BHSI) leads the first $50,000,000 of the program. The program limit will be at least $1,250,000,000 and up to $1,500,000,000 this year. The program is placed with worldwide markets rated at A.M. Best A- VII or higher.

Insureds should note the following items for this year's renewal:

- Boiler & Machinery coverage for participating insureds of the APIP Boiler Program is placed with Hartford Steam Boiler (HSB), who will also perform required jurisdictional inspections.
- Vehicles/Contractor's Equipment – it is important to note on the attached proposal whether the vehicle and/or contractors equipment valuation is Replacement Cost (new) or Actual Cash Value (ACV). If Replacement Cost (new) valuation is needed, the insured must submit a schedule of vehicles or a vehicle valuation reporting form (provided in the pre-renewal packet) and vehicles must be valued at today's Replacement Cost (new). If values are not reported at Replacement Cost (new), the vehicle/contractor's equipment valuation basis will be ACV.
- Alliant Business Services (ABS) continues to play a significant role, not only in providing a wide range of loss control services, but also by offering appraisal services, business interruption assessments, valuation, consulting, and infrared testing. Please refer to our program brochure inserts for further details of our ABS services.

Please review important Disclosure and Loss Notification information included in your renewal materials. <u>Your review and acknowledgement of these documents are required via your signature once you authorize a request to bind coverage with your Alliant representative</u>. Although this proposal packet is as complete as possible, program negotiations will continue up to the 7/1/2026 effective date. We will endeavor to provide any known material changes prior to renewal. All coverage items currently under review with APIP markets to be effective on 7/1/2026, are listed at the end of each coverage proposal being quoted.

ADDITIONAL COVERAGES REMAIN AVAILABLE FOR THOSE WHO WISH TO PURCHASE:

- Cyber (Privacy Liability) Coverage (1st and 3rd parties) for eligible insureds. Please refer to coverage as outlined in the following proposal which includes a summary of proposed changes for this renewal. Additional excess options are available, if requested for insureds with good security controls in place. **<u>Please note claims reporting time limit limitations for this coverage</u>**

- Pollution Coverage (1st and 3rd parties) for eligible insureds. Please refer to coverage as outlined in the following proposal which includes a summary of proposed changes for this renewal. **<u>Please note claims reporting time limit limitations for this coverage</u>**

ALLIANT PROPERTY INSURANCE PROGRAM (APIP)

July 1, 2026 – July 1, 2027

EXECUTIVE SUMMARY

The annual renewal premium summary for the Alliant Property Insurance Program (APIP) effective 7/1/2026 is outlined in the below table which depicts key financial statistics relative to last year:

Year-over-Year Rate and Premium Comparison

California Sanitation Risk Management Authority (CSRMA)	2025-2026 (at 01/23/2026)	2026-2027	Variance
Total Insurable Values (TIV):	$ 8,643,025,775	$ 9,150,476,542	5.87%
Earthquake TIV:	Not Applicable	Not Applicable	N/A
Earthquake Limit:	Not Covered	Not Covered	N/A
*Property Annual Cost:	$ 8,508,517.43	$ 7,775,813.46	-8.61%
Cyber Liability Annual Cost:	$ 232,798.84	$ 256,700.49	10.26%
Pollution Liability Annual Cost:	$ 99,077.56	$ 95,932.64	-3.17%
Total Account Rate ($/100):	0.1022836	0.0888309	-13.15%
**Total Annual Cost:	$ 8,840,393.83	$ 8,128,446.59	-8.05%

*Property Annual Cost includes: all premiums, underwriting fees, commissions, loss control expenses, program administration charges, and applicable taxes

** Total Annual Cost is inclusive of all listed coverage premiums and applicable taxes and fees

Thank you for your continued partnership and trust in our team. As reflected in the annual premium summary above, our objective remains to provide a stable, competitive insurance program that balances cost and long-term risk solutions.

APIP SUMMARY OF PROPOSED PROPERTY CHANGES

BELOW IS A SUMMARY OF PROPOSED CHANGES FOR THE 2026-2027 POLICY PERIOD

Coverage	2025-2026	2026-2027	Status
Available Program Boiler & Machinery Limits up to:	$200,000,000	$250,000,000	Approved
Extra Expense Sub-limit	$75,000,000	$100,000,000	Approved
Miscellaneous Unnamed Locations Sub-limit	$10,000,000	$25,000,000	Approved
Combined Business Interruption, Rental Income and Tuition Income (and related fees) Sub-limit	$100,000,000	$200,000,000	Approved
Increased Cost of Construction Sub-limit	$50,000,000	$100,000,000	Approved
Claims Preparation Sub-limit	$1,500,000	$2,500,000	Pending
Address	c/o Alliant Insurance Services, Inc., 325 E. Hillcrest Dr., Suite 250, Thousand Oaks, CA	c/o Alliant Insurance Services, Inc., 18100 Von Karman Ave., 10th Floor, Irvine, CA 92612	Update
Upgrade to Green limit	$5,000,000	$10,000,000	Pending

MASTER PROPERTY POLICY FORM PROPOSED CHANGES			
Coverage	**2025-2026**	**2026-2027**	**Status**
Policy Period	July 1, 2025 to July 1,2026	July 1, 2026 to July 1,2027	Update
USA Form No.	21	22	Update
Section I, B. Named Insured	As shown on the Declaration page, or as listed in the Declaration Schedule Addendum attached to this Policy.	All Named Insureds of the ALLIANT PROPERTY INSURANCE PROGRAM (APIP) (for their respective rights and interests) as more fully defined in the Schedule of Named Insured's (including Named Insureds added to the program during the term of this policy), and the Broker (Alliant) issued Evidence of Coverage documents held on file in the office of Alliant Insurance Services, Inc., 18100 Von Karman Avenue, 10th Floor, Irvine, CA 92612 and the Company.	Pending
Section I C. Mailing Address of Named Insured	AS PER DECLARATION PAGE	c/o Alliant Insurance Services, Inc. 18100 Von Karman Ave., 10^{th} Floor, Irvine, CA 92612	Update

MASTER PROPERTY POLICY FORM PROPOSED CHANGES CONTINUED			
Coverage	**2025-2026**	**2026-2027**	**Status**
Section I, D. Policy Period	AS PER DECLARATION PAGE	July 1, 2026 to July 1, 2027 at 12:01 AM at the location of the insured property.	Pending
To include Section I, E. Limits of Liability and all subsequent sections	Reference to: Declaration Page	Revised to read: Named Insured's Evidence of Coverage	Pending
Section I, E. 2. Sub-Limits of Liability	3rd sentence: The absence of a sub-limit of liability amount in the Declaration Page means that no coverage is provided for that item.	The absence of a sub-limit amount or where "Not Covered" is indicated for a sub-limit of liability in the Named Insured's Evidence of Coverage, no coverage is provided for that item.	Pending
Section I, E. 2. p.	Increased Cost of Construction due to the enforcement of building codes / ordinance or law.	Increased Cost of Construction due to the of building codes / ordinance or law.	Pending
Section I, E. 2. u.	Separately as respects Contingent Business Interruption, Contingent Extra Expense, Contingent Rental Value, and Contingent Tuition Income;	Contingent Time Element: Separately as respects Contingent Business Interruption, Contingent Extra Expense, Contingent Rental Value, and Contingent Tuition Income;	Pending
Section II, B. 2.	PROPERTY IN COURSE OF CONSTRUCTION AND ADDITIONS	COURSE OF CONSTRUCTION AND ADDITIONS	Pending
Section II. B. 6. Claim Preparation Expenses	Not Present	Added as last sentence: This coverage provided by this clause is sub-limited to USD as per the Named Insured's Evidence of Coverage.	Pending
Section II. B. 9. Building Laws	Reference to: enforcement of	Deleted within this coverage description	Pending
Section II. B. 10. Demolition Cost	Reference to: enforcement of	Deleted within this coverage description	Pending
Section II, D. 6. Library Contents	Expiring values	Values inflated by 2025; 4th quarter rate of 3.5%	Update
Section II, D. 6. Library Contents	The above valuation is predicated on the values provided by the Library of Congress Dewey Decimal system and adjusted for inflation.	The above valuation is an estimated amount and adjusted for inflation.	Pending
Section II. D. 7.	Actual Cash Value will be applied for vehicles ten years or older.	Deleted in its entirety	Pending
Section III. B. 1. Ingress / Egress	Not Present	Added as last sentence: The coverage provided by this clause is sub-limited to USD as per Named Insured's Evidence of Coverage.	Pending
Section III. B. 2. Interruption by Civil Authority	Not Present	Added as last sentence: The coverage provided by this clause is sub-limited to USD as per Named Insured's Evidence of Coverage.	Pending

MASTER PROPERTY POLICY FORM PROPOSED CHANGES CONTINUED			
Coverage	**2025-2026**	**2026-2027**	**Status**
Section IV, B. Exclusions	Not Present	New 23. Money and Securities except for physical loss as a result of Fire, Wind, Hail, Explosion, Smoke, Lightning, Riot, Civil Commotion, Impact by Aircraft or Objects falling there from, Impact by Vehicles, Water Damage and Theft (other than by an employee of the Named Insured(s)).	Pending
Section IV, D. Territorial Limits	This Policy insures Real and Personal Property within the United States of America. Personal Property is extended to Worldwide coverage. The coverage provided by this clause for Personal Property is sub-limited to USD as per Declaration Page.	This Policy insures Real and Personal Property within the United States of America. Personal Property Outside of the USA (including associated Business Interruption) is extended to Worldwide coverage. The coverage provided by this clause for Personal Property is sub-limited to USD as per Named Insured's Evidence of Coverage.	Pending
Section IV, I. Vacant Buildings 4.b.	Paragraph reference to: Declaration Page, and; the enforcement of	Revised to: Named Insured's Evidence of Coverage Deleted: the enforcement of	Pending
Section IX, 2. d. header	Media Coverage	Electronic Data Processing Media and Data Restoration	Clarification
Section IX, 2. f. header	Utility Interruption	Service/Utility/Off Premises Power Interruption	Clarification
Section IX, 2. h. Ordinance or Law	i. Loss to the Undamaged Portion of the Building, meaning loss to the undamaged portion of the building caused by enforcement of any ordinance or law that:	Loss to the Undamaged Portion of the Building, meaning loss to the undamaged portion of the building caused by any ordinance or law that:	Pending
Section IX, 2. h. Ordinance or Law	ii. Demolition Cost meaning the cost to demolish and clear the site of undamaged parts of the building, caused by the enforcement of building, zoning, or land ordinance or use.	Demolition Cost meaning the cost to demolish and clear the site of undamaged parts of the building, caused by building, zoning, or land ordinance or use.	Pending
Section IX, 2. h. Ordinance or Law	iii. … when the increased cost is a consequence of enforcement of building, zoning or land use ordinance or law.	iii. …when the increased cost is a consequence of building, zoning or land use ordinance or law.	Pending
Section IX, 2. h. Ordinance or Law	iii. second set of alpha numeric identifiers a. and b.	iii. second set of alpha numeric identifiers revised to: c. and d.	Pending
Section IX, 2. h. Ordinance or Law	iii. second set of alpha numeric identifier a. Costs associated with the enforcement of any ordinance or law which requires any Named Insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of substances declared to be hazardous to health by a governmental agency; or	iii. second set of alpha numeric identifier c. Costs associated with any ordinance or law which requires any Named Insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of substances declared to be hazardous to health by a governmental agency; or	Pending

Endorsement 7	Pollution, Contamination, Debris Removal Exclusion	Deleted in its entirety	Pending

SUMMARY OF BOUND CHANGES - Pollution Liability

THE FOLLOWING ITEMS ARE CHANGES FOR THE 2026-2027 POLICY TERM

Coverage	2025-2026	2026-2027 Changes
Pollution Liability Policy Term	July 1, 2025 to July 1,2026	July 1, 2026 to July 1, 2027
A.M. Best Insurance Rating	A, Excellent, Financial Category XV ($2 Billion or greater) Effective August 2, 2024	A, Excellent, Financial Category XV ($2 Billion or greater) Effective September 10, 2025
Standard and Poors Insurance Rating	A (Strong) as of May 19, 2024	A (Strong) as of April 15, 2026
Covered Property	1. PEPIP DEC 1 – SOVs 2. PEPIP DEC 2 – SOVs 3. PEPIP DEC 3 – SOVs 4. PEPIP DEC 4 – SOVs 5. PEPIP DEC 5 – SOVs 6. PEPIP DEC 11 – SOVs 7. PEPIP DEC 12 – SOVs 8. PEPIP DEC 14 – SOVs 9. PEPIP DEC 19 – SOVs 10. PEPIP DEC 23 – SOVs 11. PEPIP DEC 24 – SOVs 12. PEPIP DEC 26 – SOVs 13. PEPIP DEC 27 – SOVs 14. PEPIP DEC 28 – SOVs 15. PEPIP DEC 29 – SOVs 16. PEPIP DEC 30 – SOVs 17. PEPIP DEC 32 – SOVs (Excludes SPIP, except as endorsed) 18. PEPIP DEC 33 – SOVs 19. PEPIP DEC 34 – SOVs 20. PEPIP DEC 35 – SOVs 21. PEPIP DEC 96 – SOVs (Excluding HARPP members) Covered locations are defined as any real property owned, leased, rented, operated or occupied by the Insured as of Policy Inception, including, but not limited to, any subsurface potable water, wastewater or storm water pipelines to or from a Covered Location provided that such pipelines are located within a one thousand (1,000) foot radius of such Covered Location. Also includes any roads including, but not limited to, any alleys, streets or bridges owned or operated by the Insured, any vacant land, including any parks, open spaces, easements or rights-of-way owned or operated by the Insured any location scheduled to this policy by endorsement.	1. PEPIP DEC 1 – SOVs 2. PEPIP DEC 2 – SOVs 3. PEPIP DEC 3 – SOVs 4. PEPIP DEC 4 – SOVs 5. PEPIP DEC 5 – SOVs 6. PEPIP DEC 11 – SOVs 7. PEPIP DEC 12 – SOVs 8. PEPIP DEC 14 – SOVs 9. PEPIP DEC 19 – SOVs 10. PEPIP DEC 23 – SOVs 11. PEPIP DEC 24 – SOVs 12. PEPIP DEC 26 – SOVs 13. PEPIP DEC 27 – SOVs 14. PEPIP DEC 28 – SOVs 15. PEPIP DEC 29 – SOVs 16. PEPIP DEC 30 – SOVs 17. PEPIP DEC 32 – SOVs (Excludes SPIP, except as endorsed) 18. PEPIP DEC 33 – SOVs 19. PEPIP DEC 34 – SOVs 20. PEPIP DEC 35 – SOVs 21. PEPIP DEC 39 – SOVs 22. PEPIP DEC 96 – SOVs (Excluding HARPP members) Covered locations are defined as any real property owned, leased, rented, operated or occupied by the Insured as of Policy Inception, including, but not limited to, any subsurface potable water, wastewater or storm water pipelines including any appurtenances that are attached to or part of the pipeline network, owned or operated by a Named Insured, within a one thousand (1,000) foot radius of such Covered Property. Also includes any roads including, but not limited to, any alleys, streets or bridges owned or operated by the Insured, any vacant land, including any parks, open spaces, easements or rights-of-way owned or operated by the Insured any location scheduled to this policy by endorsement.
Coverages & Limits	$2,000,000 Per JPA/Pool Aggregate	$2,000,000 Per JPA/Pool Aggregate – Including All Members

SUMMARY OF BOUND CHANGES - Pollution Liability

THE FOLLOWING ITEMS ARE CHANGES FOR THE 2026-2027 POLICY TERM

Coverage	2025-2026	2026-2027 Changes
Legal Costs	*<Not Applicable>*	$1,000,000 Aggregate Legal Costs Outside of and in Addition to the Policy Limits
Specific Coverage Provisions	Automatic Acquisition – Automatic coverage for mid-term real property additions, upon the closing date of such acquisition, or the effective date of such lease, management, rental or occupation right or obligation, respectively, for no additional premium. Notice must be provided to the Insurer within 365 days, along with any supporting documentation reasonably requested by the underwriter. To the extent that the Insured has a Phase I Environmental Assessment ("Phase I") for such acquired real property, a copy must be provided to the Insurer's underwriter, unless the acquired real property is leased, managed or rented.	Automatic Acquisition – Automatic coverage for mid-term real property additions, upon the closing date of such acquisition, or the effective date of such lease, management, rental or occupation right or obligation, respectively, for no additional premium. Notice must be provided to the Insurer within 365 days, along with any supporting documentation reasonably requested by the underwriter.
	<Not Applicable>	To add new members to the program or new sub-members to existing program members, a current statement of values is required for the new member or sub-member and is subject to an additional premium of $0.00102 per $100 of Total Insurable Values, pro-rated, with a minimum premium of $450.
	Coverage is limited for Coverages A, B and D to Sudden and Accidental only for the Santa Barbara Municipal Airport. The pollution incident giving rise to such Remediation Expenses or Business Interruption Expenses and Extra Expenses must be discovered by the Insured during the policy period and within fifteen (15) days of commencement, the Pollution Incident is demonstrable as commencing on a specific date, and must be reported to the Insurer in writing during the policy period and no later than forty-five (45) days following the discovery of such Pollution Incident.	Coverage is limited for Coverages A, B and D to Sudden and Accidental only for the Santa Barbara Municipal Airport. The pollution incident giving rise to such Remediation Expenses or Business Interruption Expenses and Extra Expenses must be discovered by the Insured during the policy period and within thirty (30) days of commencement, the Pollution Incident is demonstrable as commencing on a specific date, and must be reported to the Insurer in writing during the policy period and no later than ninety (90) days following the discovery of such Pollution Incident.
	Blanket Underground Storage Tank coverage included, with a deductible of $500,000 for storage tanks less than twenty years old, a deductible of $375,000 for storage tanks between twenty and thirty years old, and a deductible of $500,000 for storage tanks which are thirty years old or older. **Note: Does not meet financial assurance requirements.**	Blanket Underground Storage Tank coverage included, with a deductible of $250,000 for storage tanks less than twenty years old, a deductible of $375,000 for storage tanks between twenty and thirty years old, and a deductible of $500,000 for storage tanks which are thirty years old or older. **Note: Does not meet financial assurance requirements.**

SUMMARY OF CYBER INSURANCE CHANGES

THE FOLLOWING ITEMS ARE PROPOSED CHANGES FOR THE 2026-2027 POLICY TERM

Coverage	2025-2026 Expiring	2026-2027 Proposed Changes
Beazley Breach Response Endorsement	Boost option increased the Business Income from Security Breach and System Failure, Data Recovery, and Cyber Extortion to full limit.	Boost Option is no longer available. Increased limits offered program wide with new *Contingency Control Endorsement outlined above.
Retention Buy Down	Coverage is offered to new and existing members; underwriting required	Coverage is offered to new and existing members; underwriting required
New members of APIP Cyber Core-Mid Term Transactions	All Members requesting core coverage are required to complete the Beazley Ransomware Supplemental in the application portal, along with a statement of no losses and a signed AFB Warranty	All Members requesting core coverage are required to complete the Beazley Ransomware Supplemental in the application portal, along with a statement of no losses and a signed AFB Warranty.
ECrime Coverage Update	25-26 Ecrime Sub-limits Fraudulent Instruction: $75,000 Funds Transfer Fraud: $75,000 Telephone Fraud: $75,000	26-27 Ecrime Sub-limits Fraudulent Instruction: $100,000 Funds Transfer Fraud: $100,000 Telephone Fraud: $100,000
Beazley Core Coverage-New Boost offering	By endorsement and included only with the BBR purchase. Open to all members. Provides full limit coverage for some First Party Limits; Business Interruption, Cyber Extortion, and Data Recovery	Boost is deleted and no longer included with the BBR Endorsement. Contingent Security Control Endorsement replaces boost program wide.
New to APIP Cyber Core: Contingency Security Controls Endorsement	Previously covered under "Boost" for BBR Purchasers	Business Interruption from a Security Breach or System Failure, Data Recovery, and Cyber Extortion are now $2,000,000 per member aggregate with the insureds implementation of an End Point Protection Platform and Multi Factor Authentication at the time of loss.

Agenda Item No. H3
Pooled Liability Committee Meeting
Meeting Date: September 8, 2026

Earthquake and Flood Parametric Insurance

ISSUE: At the 2026 LRP Session the Executive Board directed staff to seek quotes for both earthquake and flood parametric offerings given not only the known exposure to these perils, but also expectations of potentially reduced financial support from Federal agencies in the event of such a disaster.

RECOMMENDATION: Review and discuss the attachments and approve scheduling of one or more informational member webinars in anticipation of receipt pricing estimates and potential options. It is imagined that a member webinar would be scheduled for October at the earliest and November at the latest.

FISCAL IMPACT: None at this writing, however cost estimates for cover may be received in time for discussion at the meeting.

BACKGROUND: It has been decades since CSRMA purchased earthquake and flood coverage for the benefit of the entire membership. This, due to increasing costs overtime, inherent limitations cover, and a general expectation that Federal programs (FEMA) would aid in the event of a disaster.

In recent years, parametric coverage solutions for these perils have evolved to become more precise (cost effective) and likely more responsive than either traditional cover or FEMA. There are many possible forms to a Parametric product, but in short, the main differentiator from a traditional insurance policy is that parametric coverage is triggered by the "occurrence of an event" rather than by loss sustained from the event. In the case of earthquake, this means a predetermined amount of ground shaking would trigger cover, and in the case of flood, a predetermined amount of water outside the norm would trigger coverage.

The attachments provide further detail on each.

ATTACHMENTS:

1. Parametric Earthquake – Presentation
2. Parametric Flood – Presentation

Parametric Earthquake Insurance –

CSRMA PLP Discussion

September 8 2026

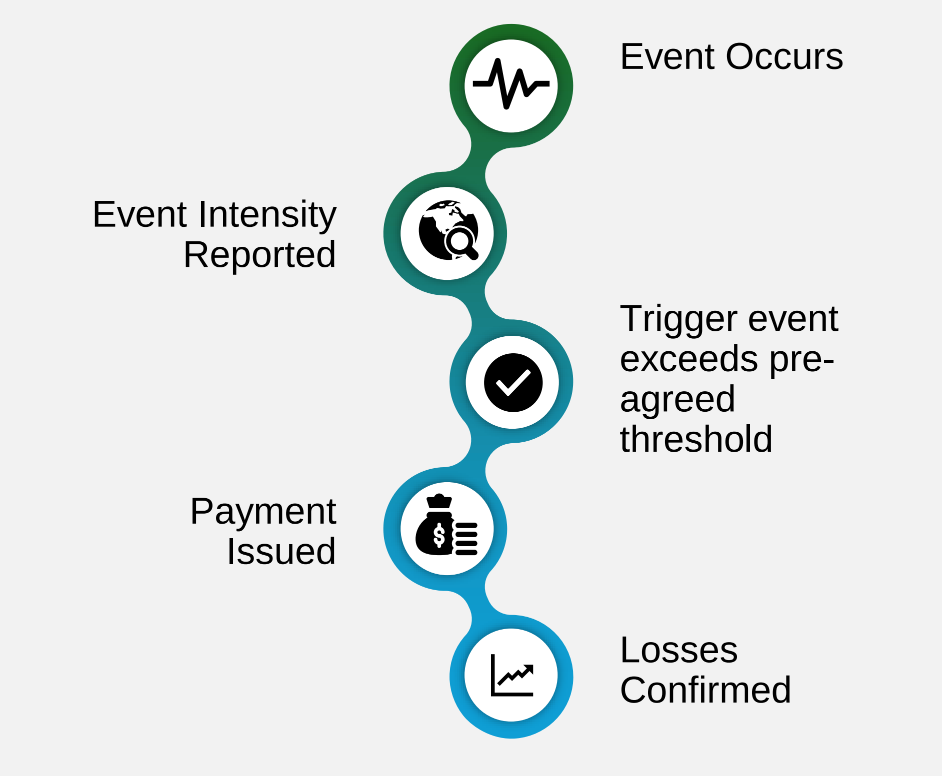
What is Parametric Insurance?

- In Property Insurance, claims payment is based on a
  - **Pre-Agreed Trigger**

  Rather than the traditional
  - **Actual Loss Sustained Amount**

  Determined through claims adjustment process.
- The trigger is a **PHYSICAL PARAMETER**, such as:
  - Wind speed
  - Earthquake Shake Intensity
  - Hail stone size
  - Flood
  - Wildfire

Parametric Insurance Claims Process



safehub

Why Parametric Insurance?

Flexibility	Broad Cover	Speed
• Policies can be tailored based on exposure • Those exposures can be direct (e.g. owned assets) or indirect (e.g. wide area damage, business interruption, disaster recovery, etc.)	• Once parametric trigger is hit, coverage is much broader than an indemnity policy • The impacted entity can use the funds for **ANY** direct or indirect loss from the event	• Policy payouts are issued quickly, within days or weeks of the event itself • Gives the affected entity or region liquidity to quickly address issues that arise

Parametric insurance is First-Dollar aka no deductibles!

What does the policy pay for?

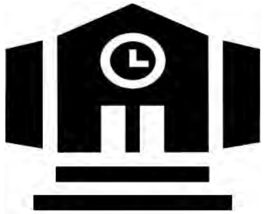
- Parametric insurance proceeds allow for a flexible use of funds to cover losses **beyond direct property damage**.
- Current parametric buyers have used, or plan to use, funds in a variety of ways, including:
  - Disaster Recovery and Evacuation
  - Loss of Income
  - Contract Penalties
  - Increased Cost of Construction
  - Extra Expenses like overtime salaries, temp labor, etc.

  …and the list goes on!

overtime salaries

evacuation

utilities repairs



facility and road repairs

Parametric vs Traditional Insurance

	Parametric EQ Cover	Traditional EQ Cover
Trigger	Ground Motion	Building Damage from Quake Event
Deductible	Ground motion ***less*** than the agreed coverage trigger	% of Total Insured Value (usually 5% of value)
Claims Process	Quick & Transparent – average settlement 2-3 weeks	Long & Laborious – can take months/years to settle
Exclusions	Few	Lots
“Territory” of Cover	Losses Incurred	Scheduled Locations
Eligible Expenses	Any loss associated with event	Usually Building Damage
Price	*“Same as” Traditional (maybe more, maybe less)*	*“Same as” Parametric (maybe more, maybe less)*

*On the important question of **price,** Parametric and Traditional EQ coverages **cannot** be compared on an “apples to apples” basis, so price between the two is **not** directly comparable. **However**, if they were directly comparable, one could reasonably say that “parametric is less expensive” **because** the coverage is **better**.* In other words, a parametric structure delivers **more value**, than a traditional structure, when considered in the abstract.

Approximate relationship between Magnitude, Acceleration and Building Damage

Estimated Magnitude (Richter Scale)	Level of Building Damage near Epicenter (Modified Mercalli Intensity Scale)	Peak Ground Acceleration	Spectral Acceleration
1.0 – 3.0	I – None (not felt)	<.001 g	<.001 g
3.0 – 3.9	II – None	<0.01 g	<0.01 g
	III – None	<0.01 g	<0.01 g
4.0 – 4.9	IV – Contents overturning	0.01 g	0.01 – 0.03 g
	V – light damage	0.01 – 0.03 g	0.03 – 0.075 g
5.0 – 5.9	VI – moderate damage	0.03 – 0.05 g	0.075 – 0.13 g
6.0 – 6.9	VII – significant damage	0.05 – 0.10 g	0.13 – 0.25 g
7.0 +	VIII – Severe damage	0.10 – 0.25 g	0.25 – 0.63 g
	IX - Potentially catastrophic damage	0.25 – 0.5 g	0.63 – 1.2 g
	X – Catastrophic damage	0.5+ g	1.2+ g

VERY LOW	LOW	MODERATE	HIGH

ACCURACY

Safehub earthquake sensors

- Scalable: Low-cost, cellphone-sized sensors
- Easy: 4-step install & pairing process
- Secure: Cellular connectivity to avoid network concerns
- Resilient: automatic mobile network failover, back-up battery, local data storage
- Maintenance free: No calibration necessary and no batteries or memory cards to replace

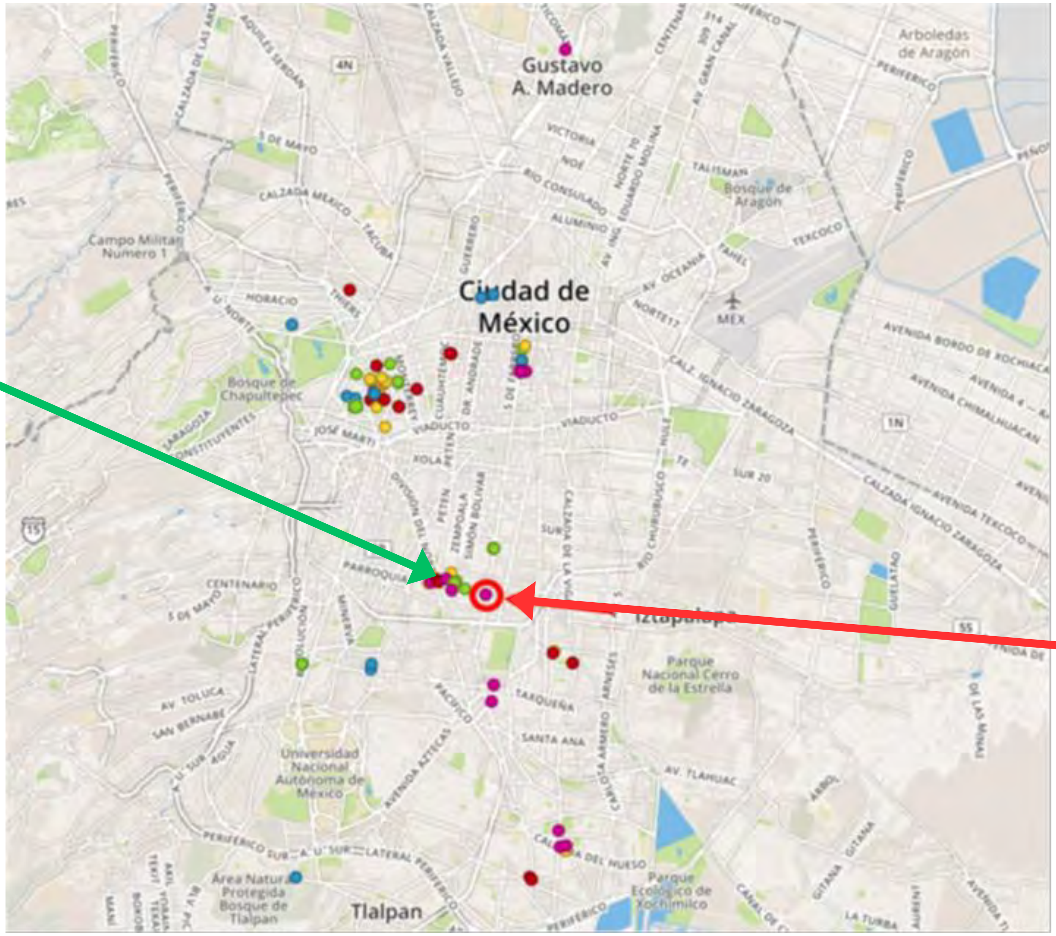
The Problem that Safehub is Solving

Buildings within a block of each other affected by the M7.1 2017 Puebla Earthquake.

Similar year & type of construction.

Green = No damage

Ground shaking per USGS: 20.08%g

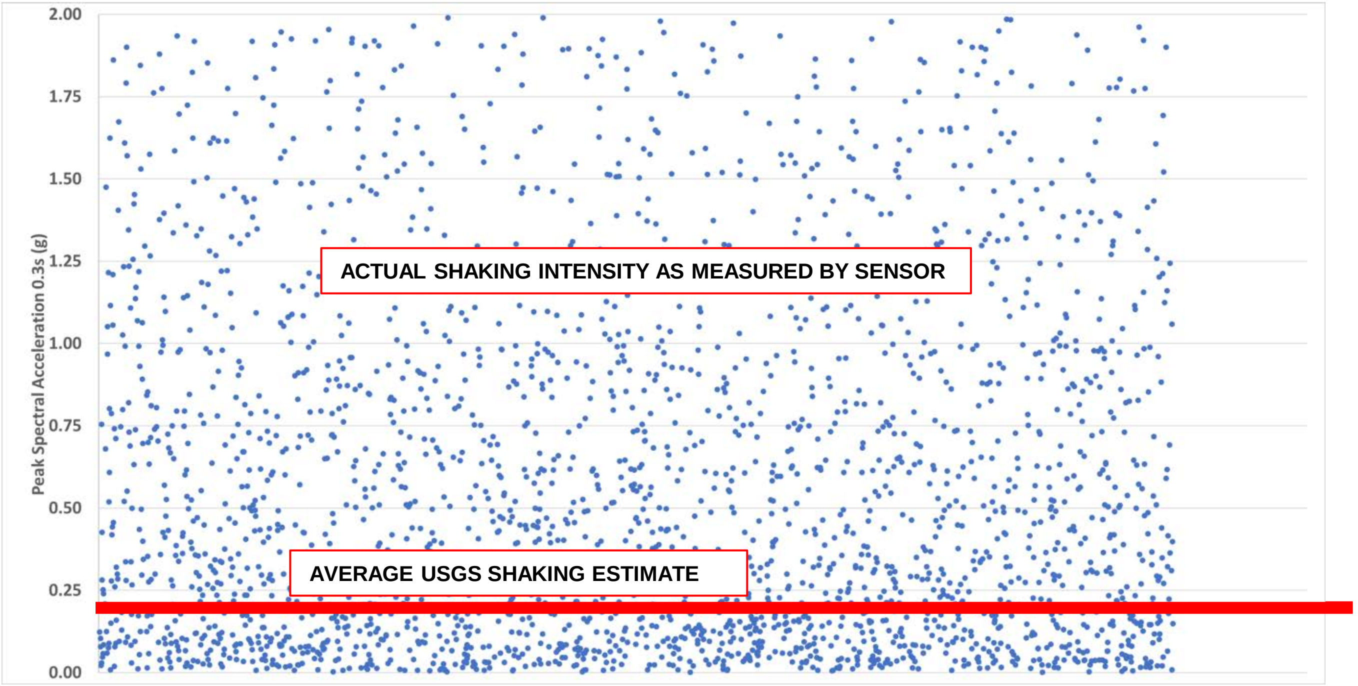


Red = major damage

Ground shaking per USGS: 20.12%g

Why use a sensor based parametric policy? – Reduce Basis Risk
(as opposed to one utilizing only USGS readings)

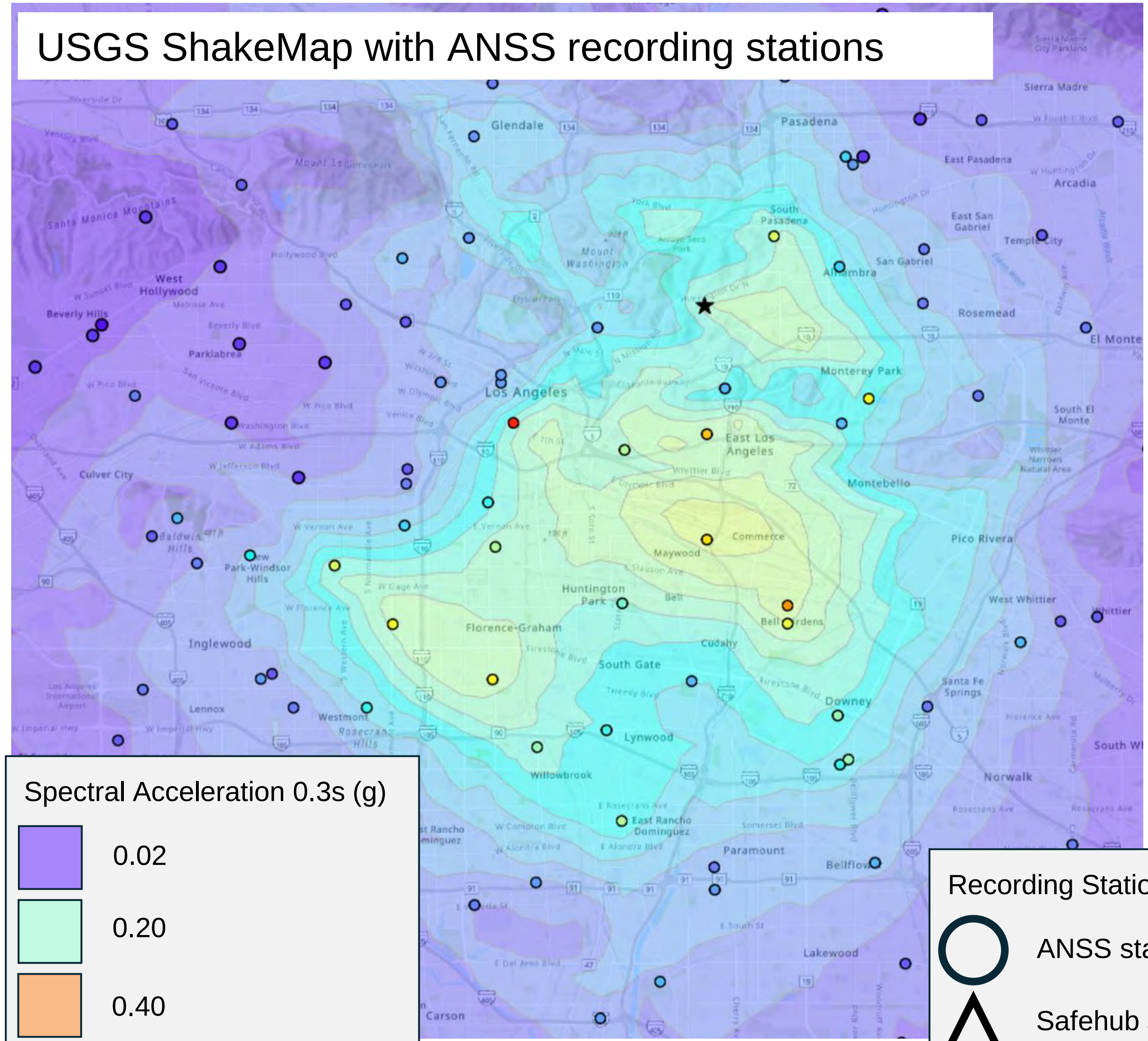
Actual ground shaking at a site is rarely what public sources (e.g. USGS) predict it to be.

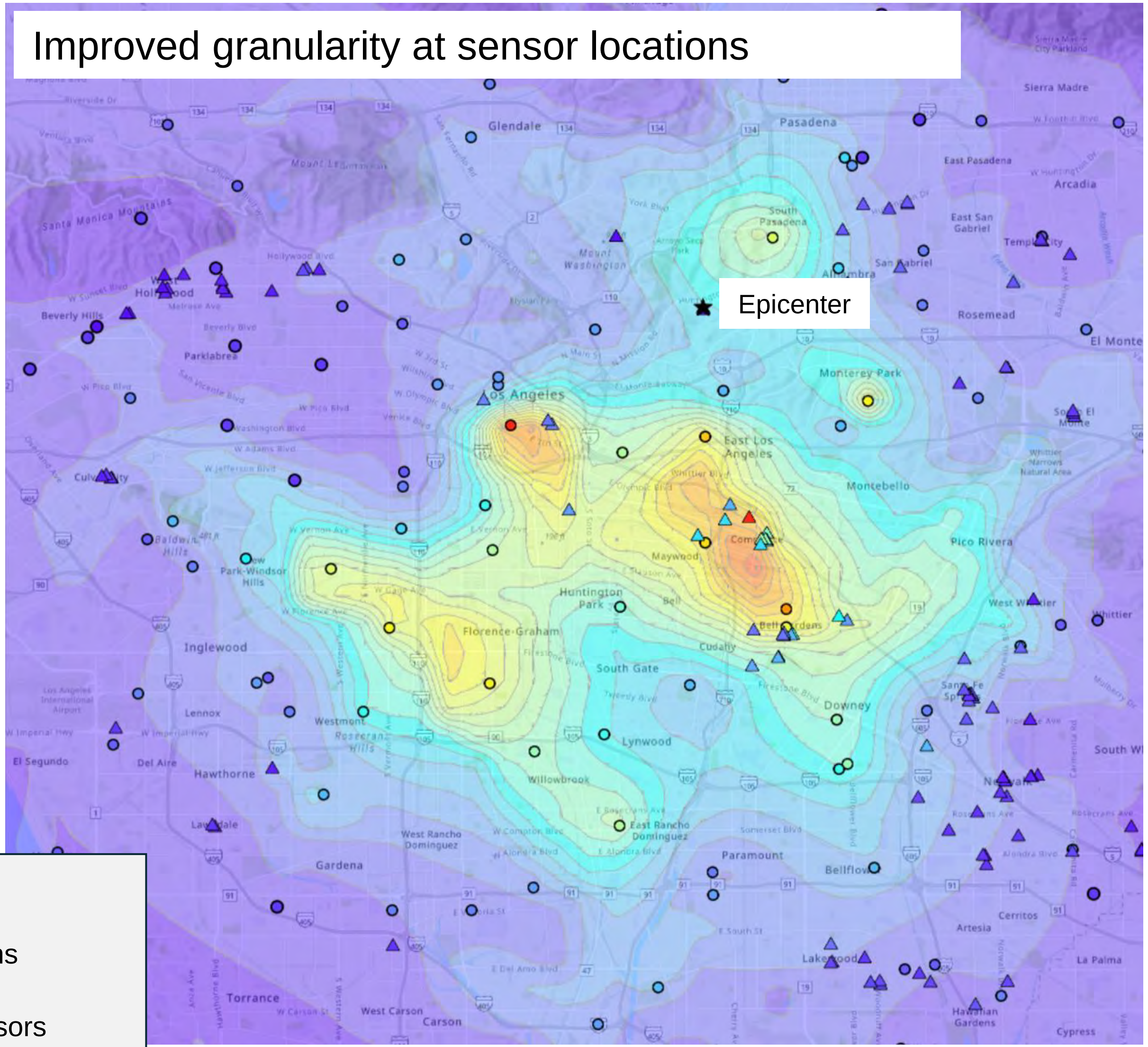


Shaking intensity	Payout
150%+g	100%
100-150%g	80%
75-100%g	60%
50-75%g	40%
25-50%g	20%
0-25%g	0%

Asset specific data vs USGS ShakeMap

M4.4 Highland Park Earthquake
August 12, 2024





Spectral Acceleration 0.3s (g)

- 0.02
- 0.20
- 0.40

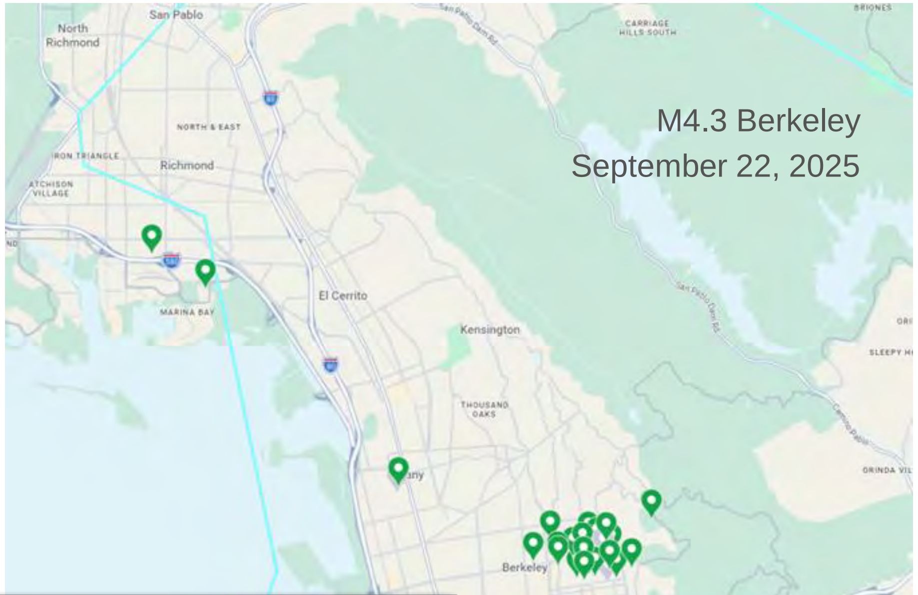
Recording Stations

- ANSS stations
- Safehub sensors

University of California

World's first sensor based parametric earthquake program

- $55 million policy across UC system
- Also includes post-earthquake damage assessment
- 198 sensors installed across all 10 UC campuses
- 190 earthquakes captured as of February 01, 2026




Reinsurance News

HOME NEWS RENEWALS DATA INTERVIEWS CONFERENCES ABOUT

Reinsurance News

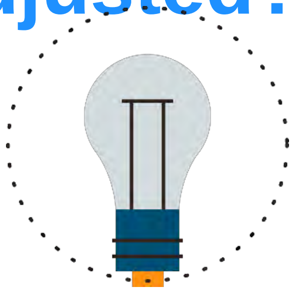
Liberty Mutual Re and Safehub partner on sensor-based parametric solution for earthquake risk

23rd April 2024 - Author: Saumya Jain

Liberty Mutual Reinsurance (LM Re), the reinsurance division of Liberty Mutual Insurance Group, has signed an exclusive partnership with Safehub, a technology provider in seismic sensor and risk management solutions, to offer a building-specific, sensor-based, parametric earthquake re/insurance product for global clients.

The pilot programme was launched in Mexico City, where the sensor-based solution has already been rolled out for 23 strategic

How is earthquake coverage triggered, and how are claims adjusted?

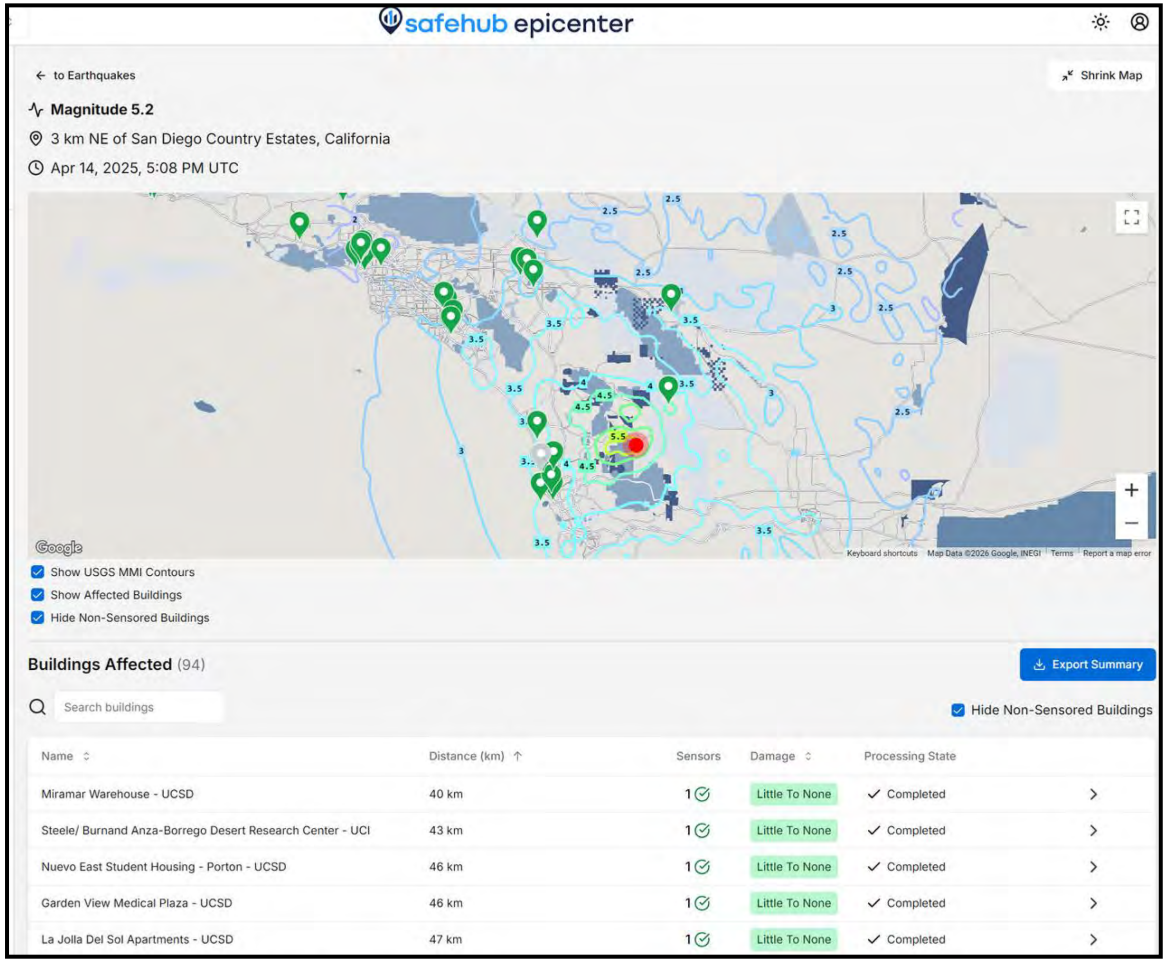


- Earthquake occurs (epicenter can be *anywhere)* and is reported by the USGS.
- Safehub sensors report maximum Spectral Acceleration (SA) registered at sensored buildings and damage estimates provided.
- Max SA is used to calculate Payout Percentages.
- Insured has one year (or as agreed) to report how funds provided have been, or will be used.

Structural Health Monitoring

Safehub’s Technology Provides:

- Asset specific performance data
- Higher fidelity and accuracy than regional intensity maps
- Near real-time text and email alerts
- A central site to view your sensor network
- Integration with existing EOC platforms
- Robust network security protocols



Rapid Damage Alerts

Text & email alerts, along with
live updates on damage estimates:

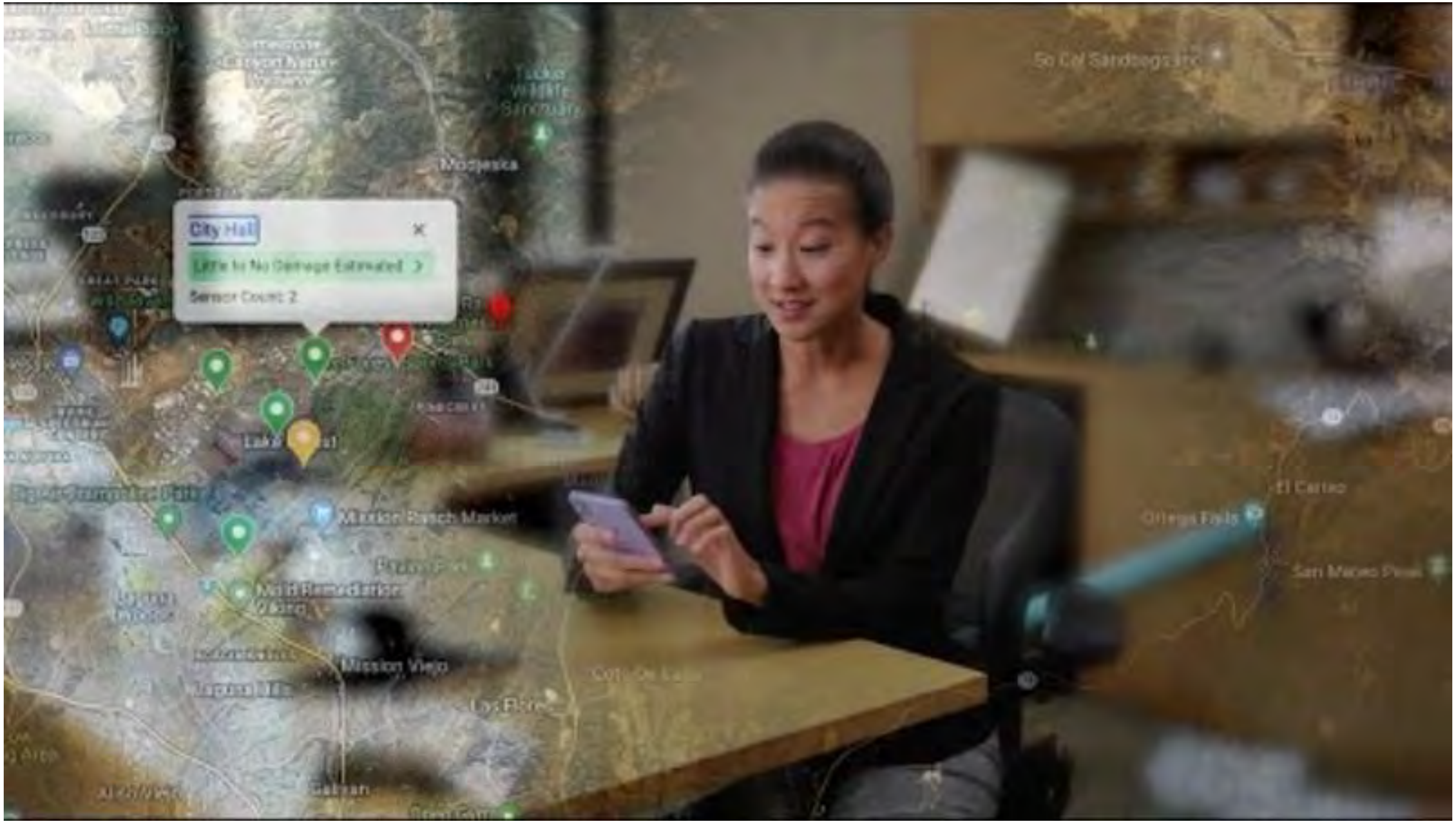
Extensive damage expected

Slight-to-Moderate damage expected

Little-to-No damage expected

~2 min

of USGS initial EQ ID


City Hall
Little to No Damage Estimated
Sensor Count: 2
Modjeska
Mission Viejo

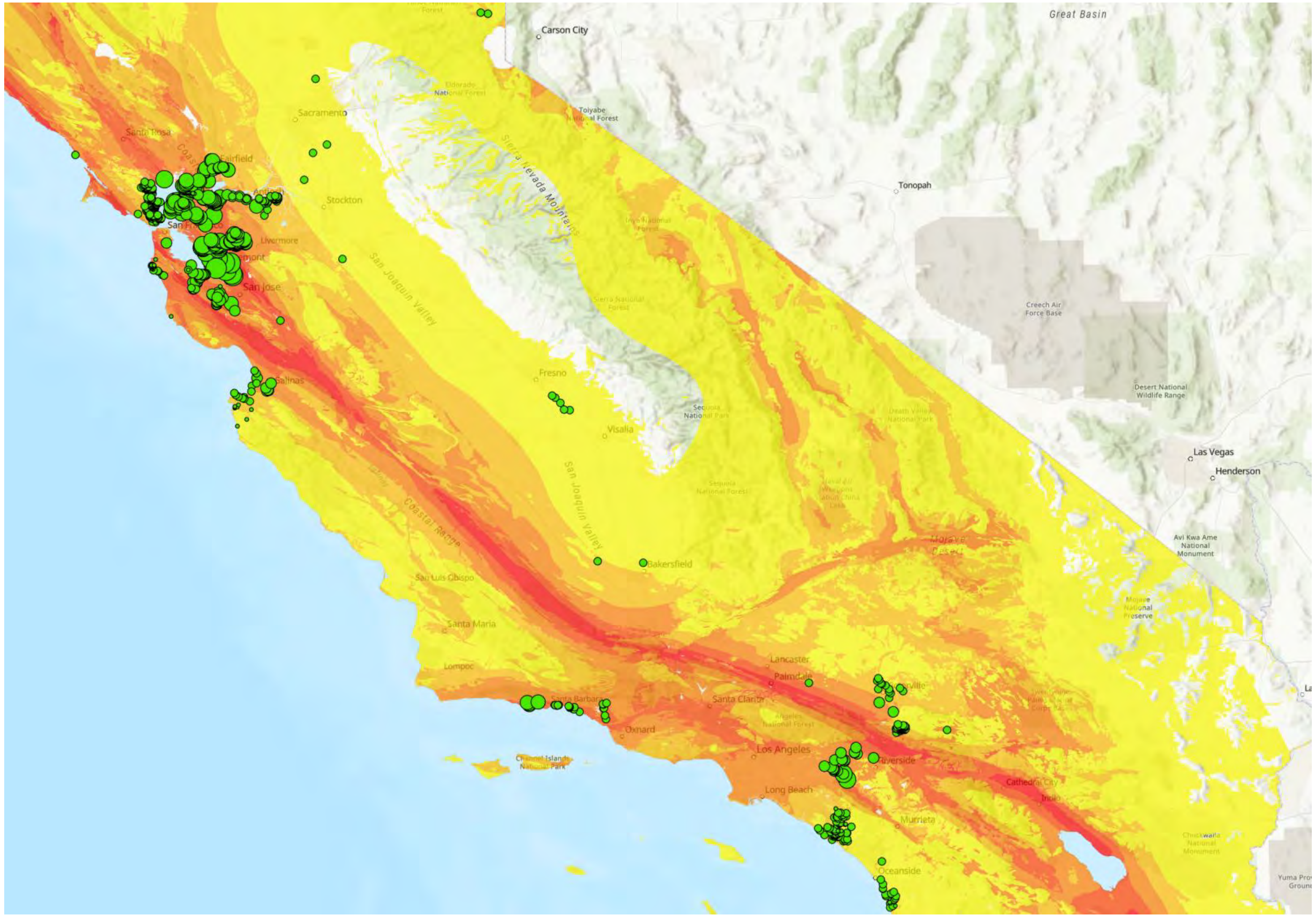
Parametric pricing for CSRMA members

CSRMA Assets

Seismicity

Moderate

Very High



Pure “Rate on Line” per million dollars of insurance capacity per CSRMA asset

Range 2.5% to 7.5%

depending on location seismicity

FEMA Public Assistance Reforms — Implications for CA (and others)

FEMA is advancing major reforms to the Public Assistance (PA) program that will reshape how states access federal disaster recovery aid.

The stated intent is to control federal disaster spending — but, in practice, the cost burden will shift to states and local governments.

Urban Institute analysis (2008–2024):

<u>71% of past major disasters would have been denied under the new framework.</u>

~$15 B in aid (≈9% of total PA) would have shifted to state/local budgets.

Area	**Proposed Change**	**California Implications**
Per-Capita Damage Threshold	Increase from $1.89 → ~$7.56 per resident before PA eligibility.	California's large population dilutes per-capita damages → fewer declarations for mid-sized wildfires, floods.
Event Eligibility	Exclude winter storms (snow & ice) from federal disaster consideration.	Sierra and mountain counties could lose PA for blizzard / snow emergencies.
Federal Cost Share	Fix at 75%, ending option to raise to 90–100% for catastrophes.	Post-wildfire and earthquake recovery costs shift heavily to the state.
Narrow PA Categories	Limit reimbursable costs (debris removal, emergency protection).	Counties expected to fund more recovery work themselves.

FLOODBASE

Parametric insurance for
the uncovered flood risk

Parametric flood insurance

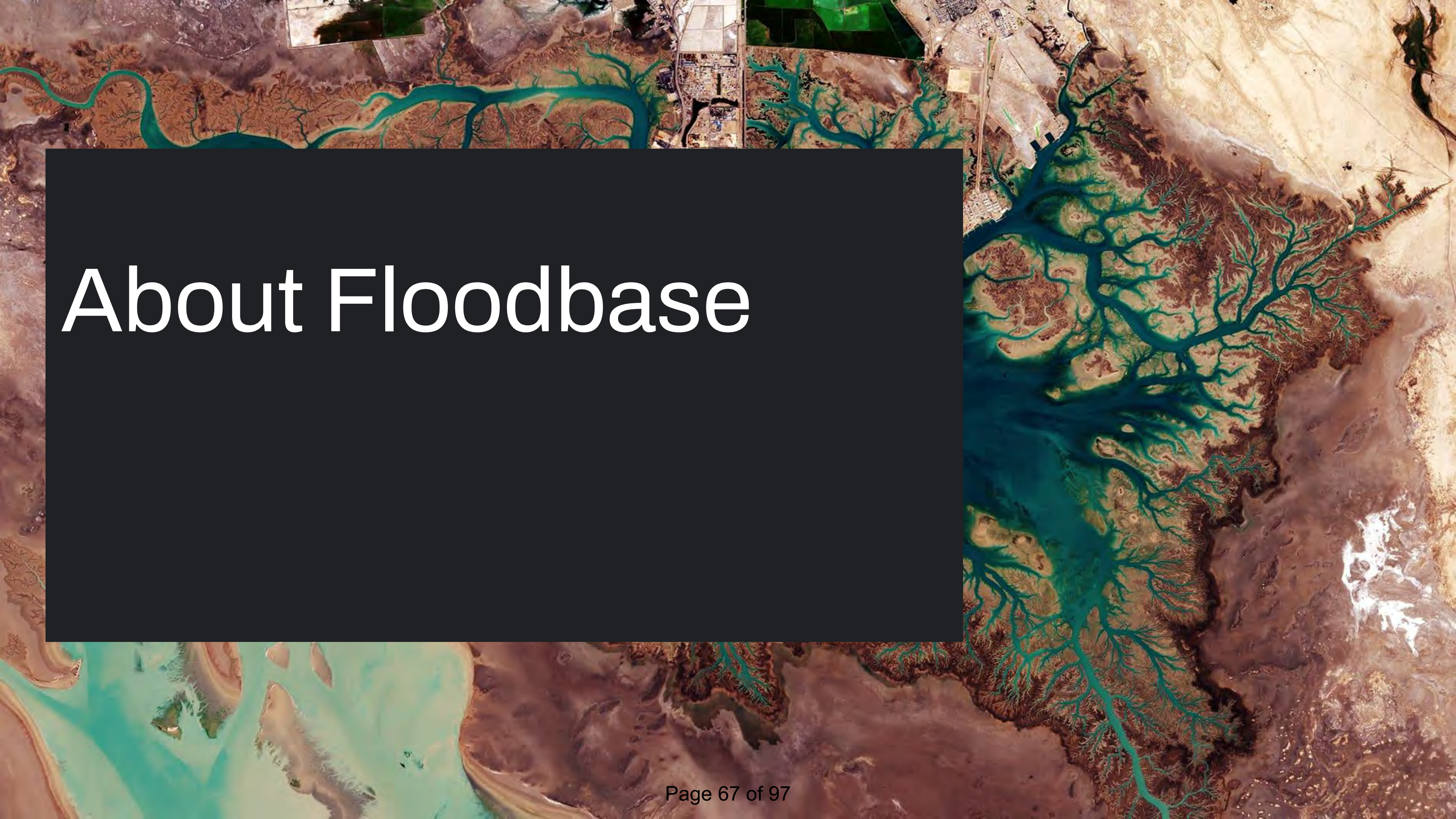
Designed for the California Sanitation Risk Management Authority

Alliant

Agenda

- About Floodbase
- Pain points addressed and illustrative example
- Example Index for city of Dublin
- Full transparency with Floodview

Source: Flooding data via Floodbase



About Floodbase

Floodbase - A decade of science and 10,000 policies over 6 continents

Trusted by the public sector

FEMA

Disaster response flood data provider, including for Hurricane Helene

United Nations

International disaster response flood data provider

NASA

International disaster response flood data provider

Trusted by insurers

Swiss Re

Liberty Mutual REINSURANCE

AXA Climate

Trusted by clients

Industrial facility
receives payouts for business interruption

LATAM states
receive payouts for flooded farmlands

Californian city
receives payouts for disaster response

Floodbase core capabilities enable new forms of **flood insurance** and enhance **global emergency response**

Continuously monitor flood extent and its impact in near-real time

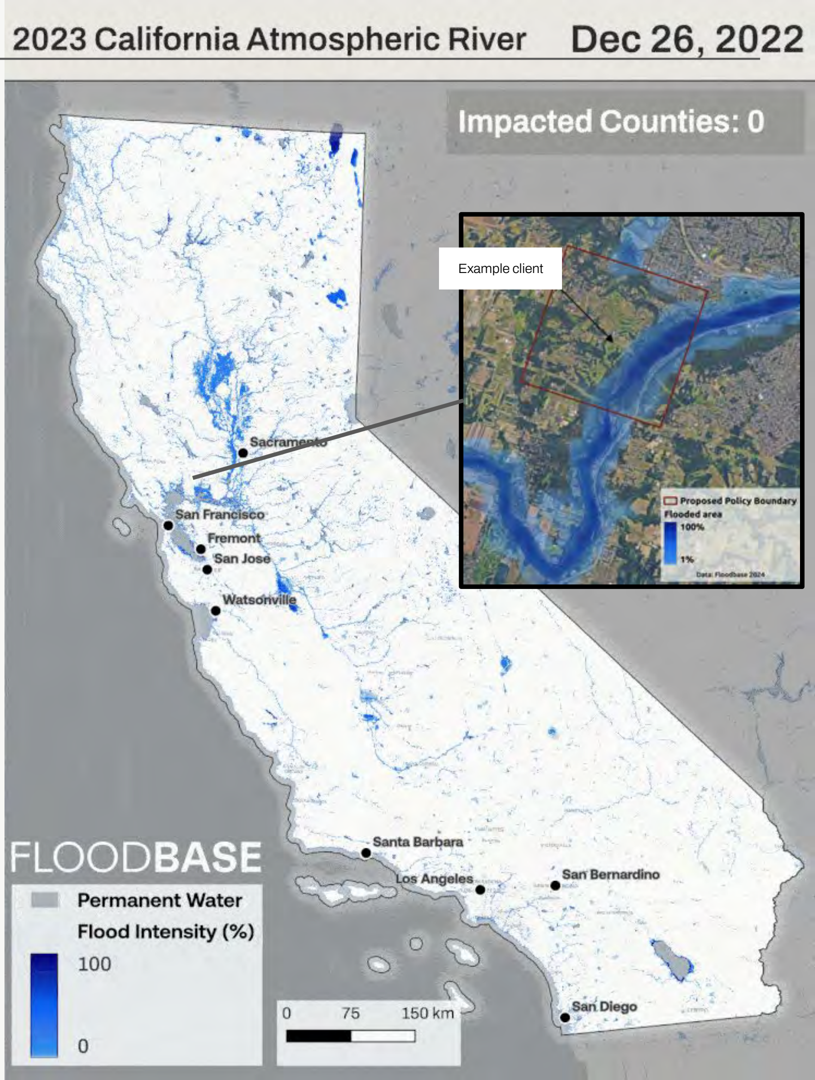
365 days a year flood monitoring – hourly across the US and daily across the globe – with historically informed severity alerts

Price policies and understand risk

Maps and severity analytics of every flood large and small in the US over the last 45 years (24 years globally)

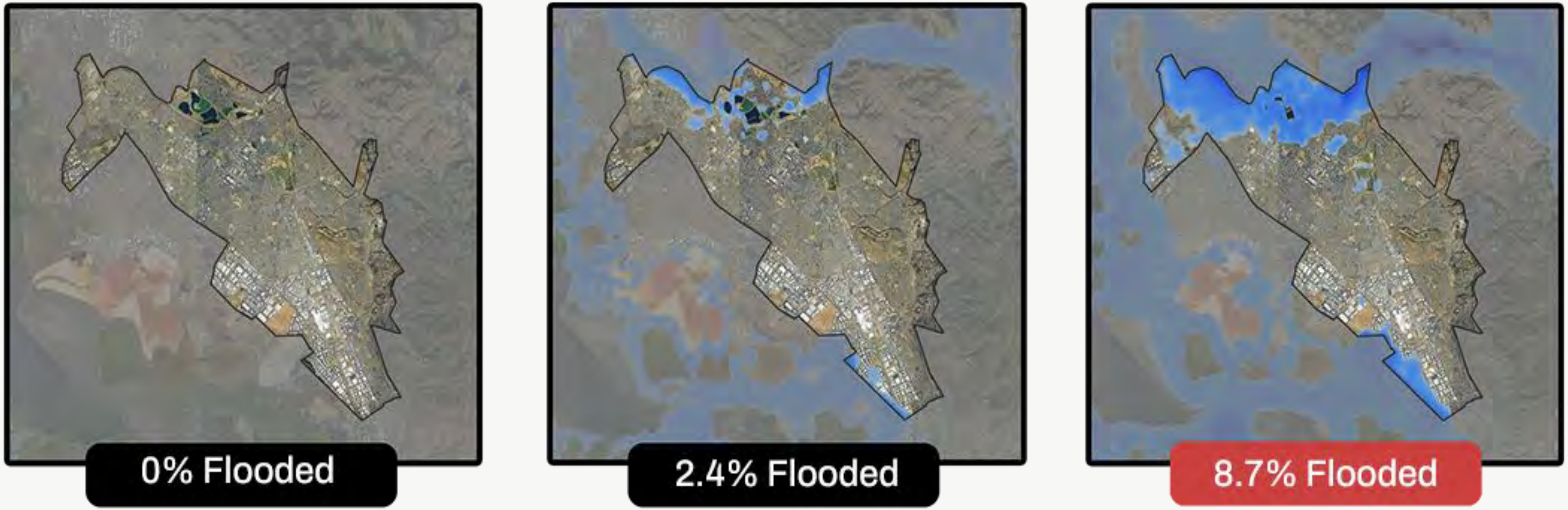
Trigger payouts or flood severity alerts

Coverage for previously uninsurable economic loss and support emergency operations

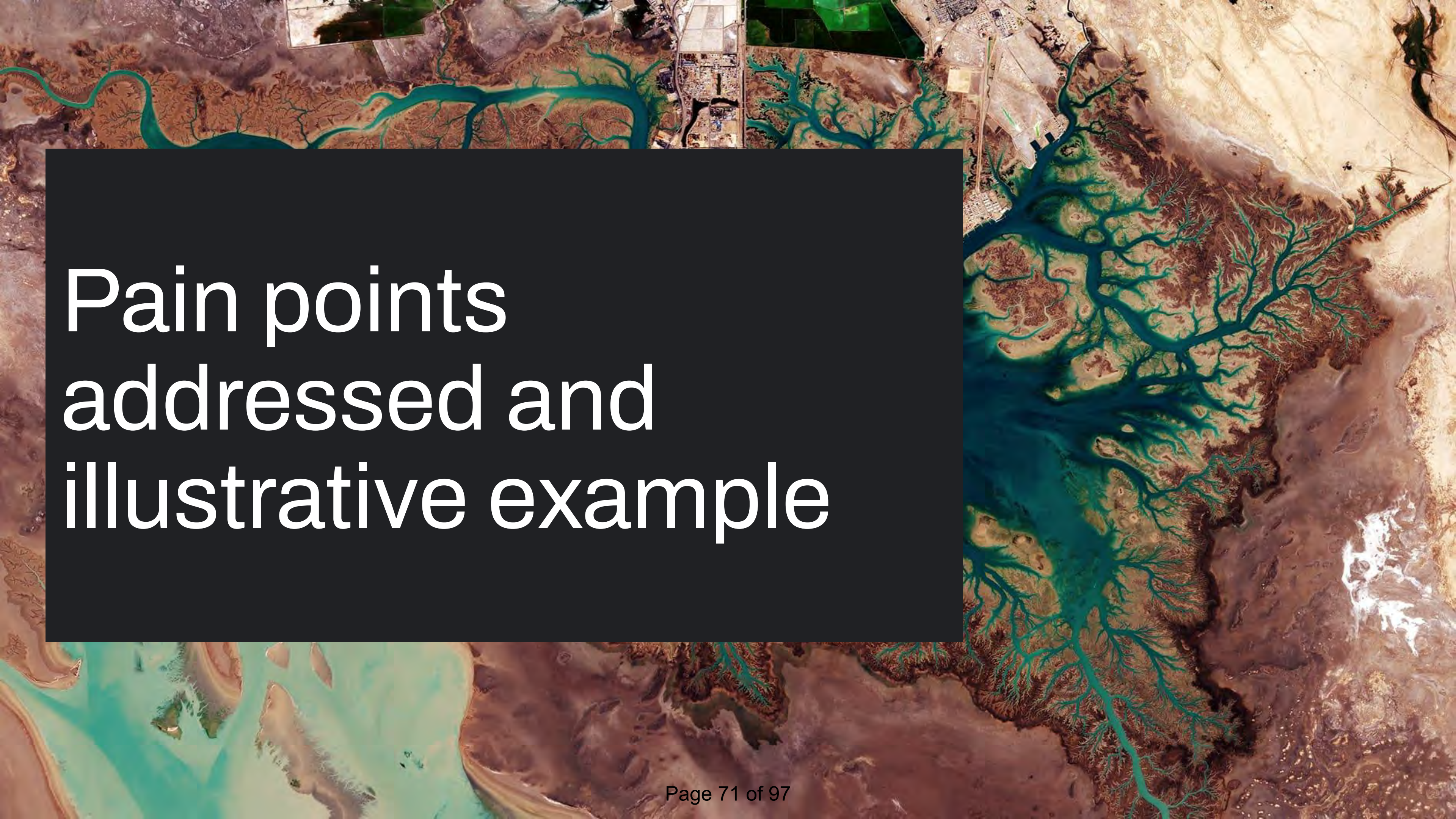


California flooding, Dec-Jan 2023, mapped hourly and aggregated to the daily maximum.

What is flood extent?



Flood extent = Total area within your region of interest that is submerged in water



Pain points addressed and illustrative example

Client pain points that cannot be covered with traditional property insurance

Excluded loss types
like non-damage business interruption, BPP exposure, and more

High retentions
for property covers that consider flooding a secondary peril

Insufficient limits
on primary, E&S, or reinsurance flood coverage

Claims uncertainty
that results in disputes and delayed payout

Parametric coverage addresses where traditional coverage breaks down

Example: Fremont, CA

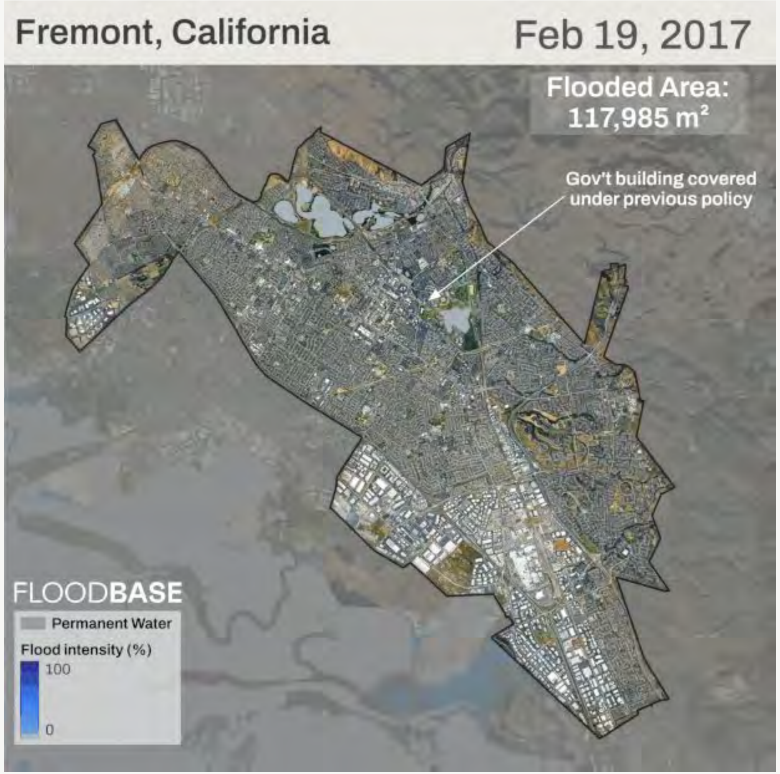
The 2017 atmospheric river exposed a critical flood insurance gap

- **Cleanups and repairs** cost $15m+
- **Emergency response** cost 10k hours and $100k+

- Fremont's police station is on a hill, never floods, and was required to purchase cover
- The policy **didn't pay out in 2017**

The Insurance Need | Protect the entire city against all economic loss from flooding

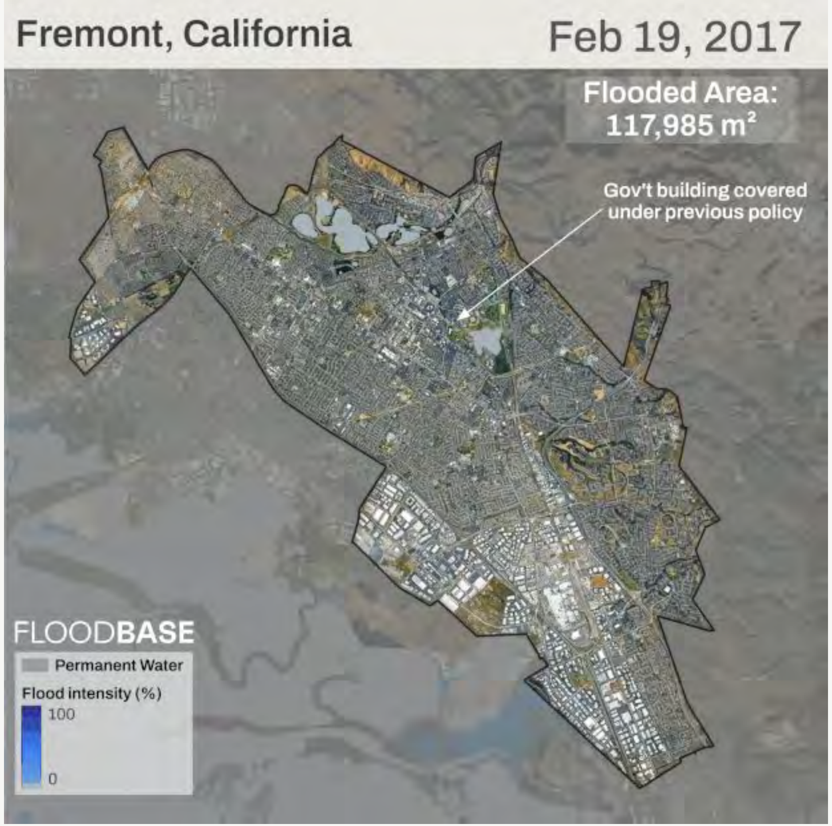
CITY OF Fremont

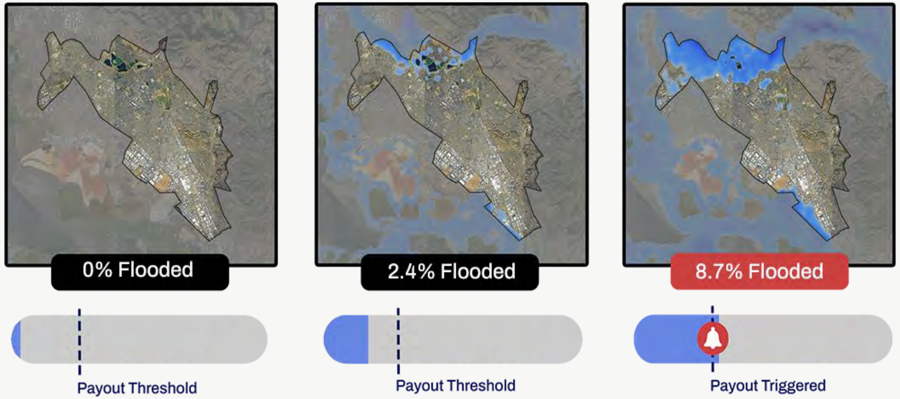


Risk Manager's goals

- Coverage for the entire city
- Protection beyond physical structures; flexible funds to be used for:
    - Business interruption
    - Lost tax revenue
    - Employee overtime
    - Cleanups & repairs
    - Individual assistance
    - Anything else needed
- Payout right away, in time for immediate response and clean up

How it works | Flood parametric cover for large areas economic loss





Measuring the percent of the city underwater

*"allows me to provide specific coverage and then broaden/it....I'm actually **covering the event and not the building itself**."*

- City of Fremont Risk Manager, Steve Schwarz

As seen in **Bloomberg**

Flood index and parametric structure - city of Dublin example

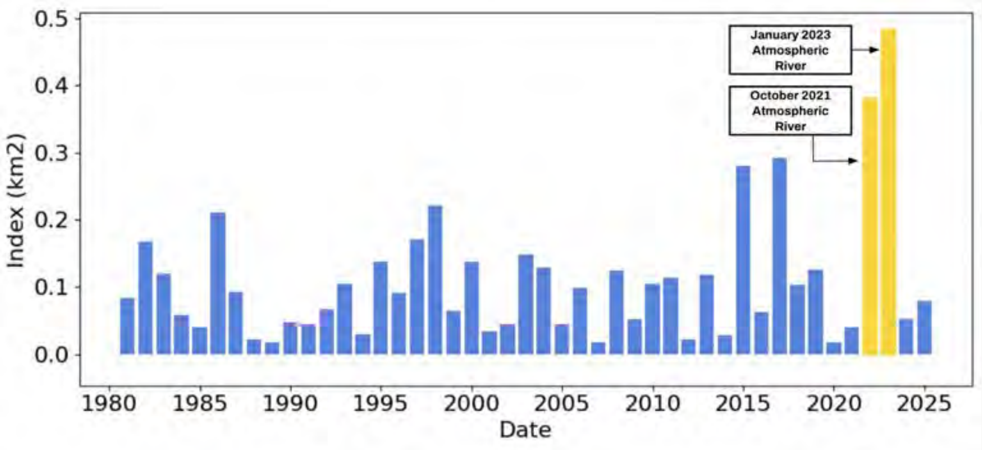
Floodbase platform provides the two core elements needed for parametric flood insurance

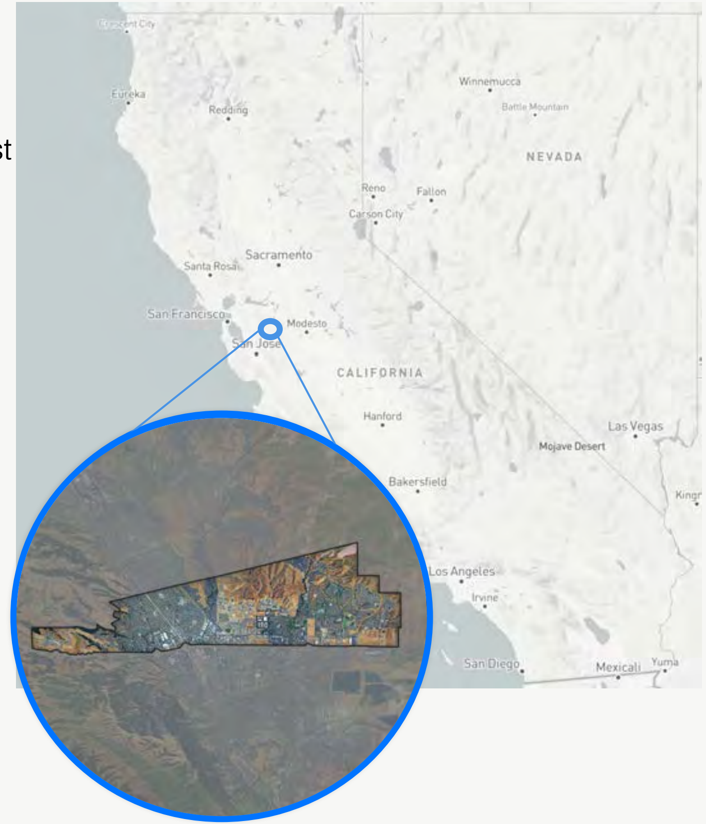
Index for structuring & pricing

Floodbase provides 45 years of historical flood extent data in your defined area of interest

Settlement agent for monitoring & paying out

Continuous hourly monitoring is then applied to determine if payout thresholds are met

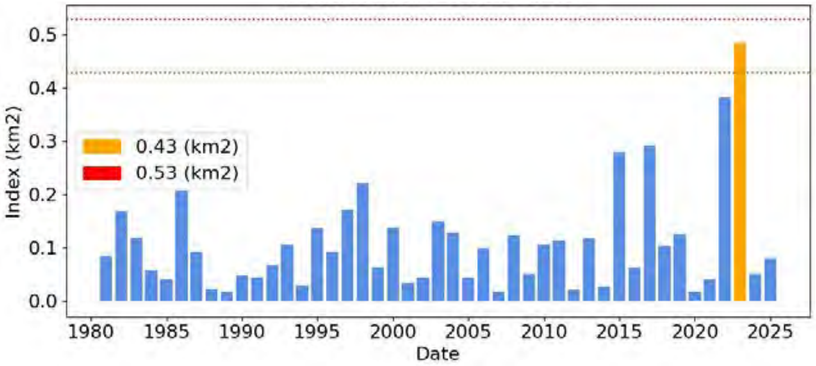




City of Dublin

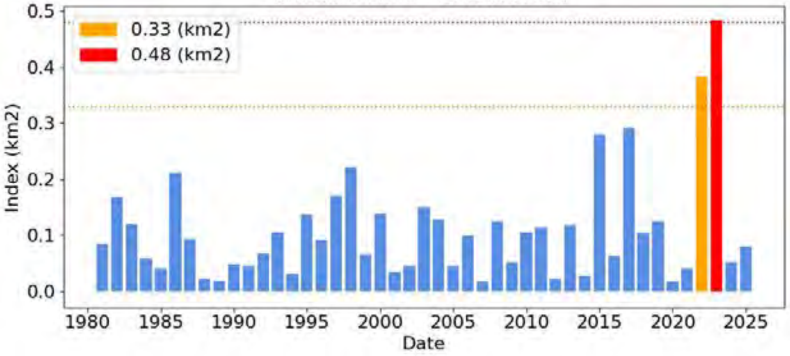
Payout thresholds are then tailored to meet the client's specific needs

Cat coverage:
lower premium, fewer payouts



Historical payouts
1. 2023 – 60.1% of the limit

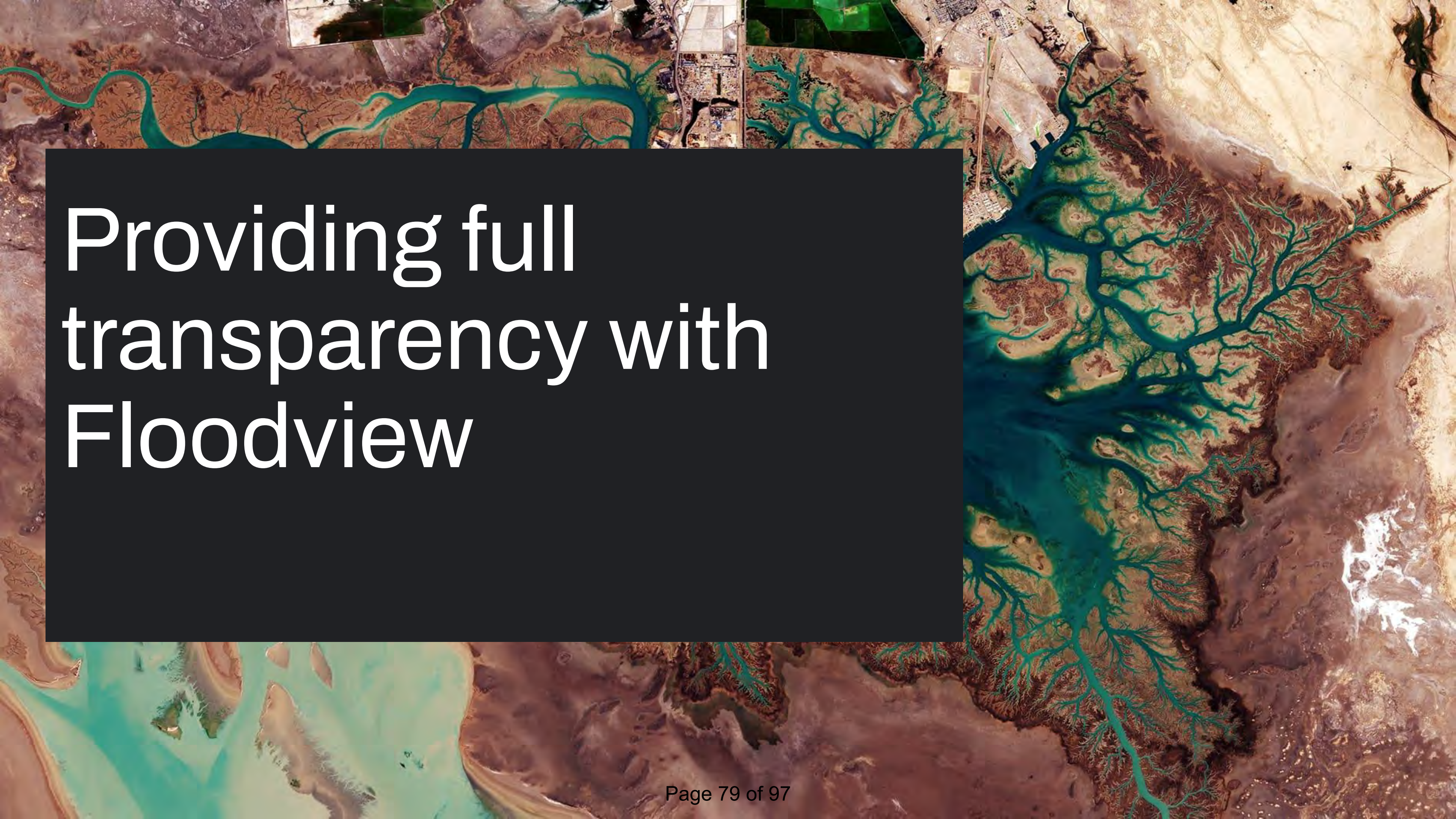
Expanded coverage:
higher premium, more payouts



Historical payouts
1. 2023 – 100% of the limit
2. 2022 – 41.7% of the limit

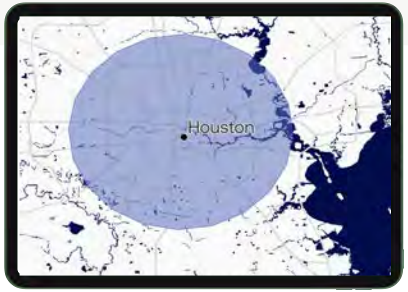
FLOODBASE

**Illustrative, not an NBI or quote. Please reach out to your broker for a non-binding indication.*



Providing full transparency with Floodview

How it works: parametric flood monitoring and payout notifications



01. MONITOR AOI

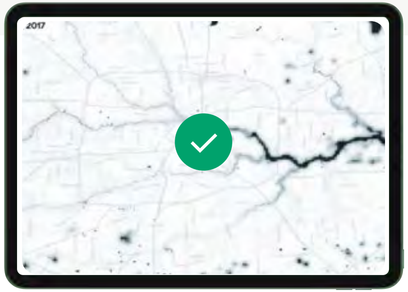
Floodbase monitors bound policy area of interest, hourly across the US and twice daily around the world

02. FLOOD TRIGGER

If flood event surpasses a policy threshold, Floodbase automatically validates and notifies insurance partner

04. PAYOUT TRIGGERED

Insurance partner gets trigger notification via API, email, or Slack and administers payout to policyholder

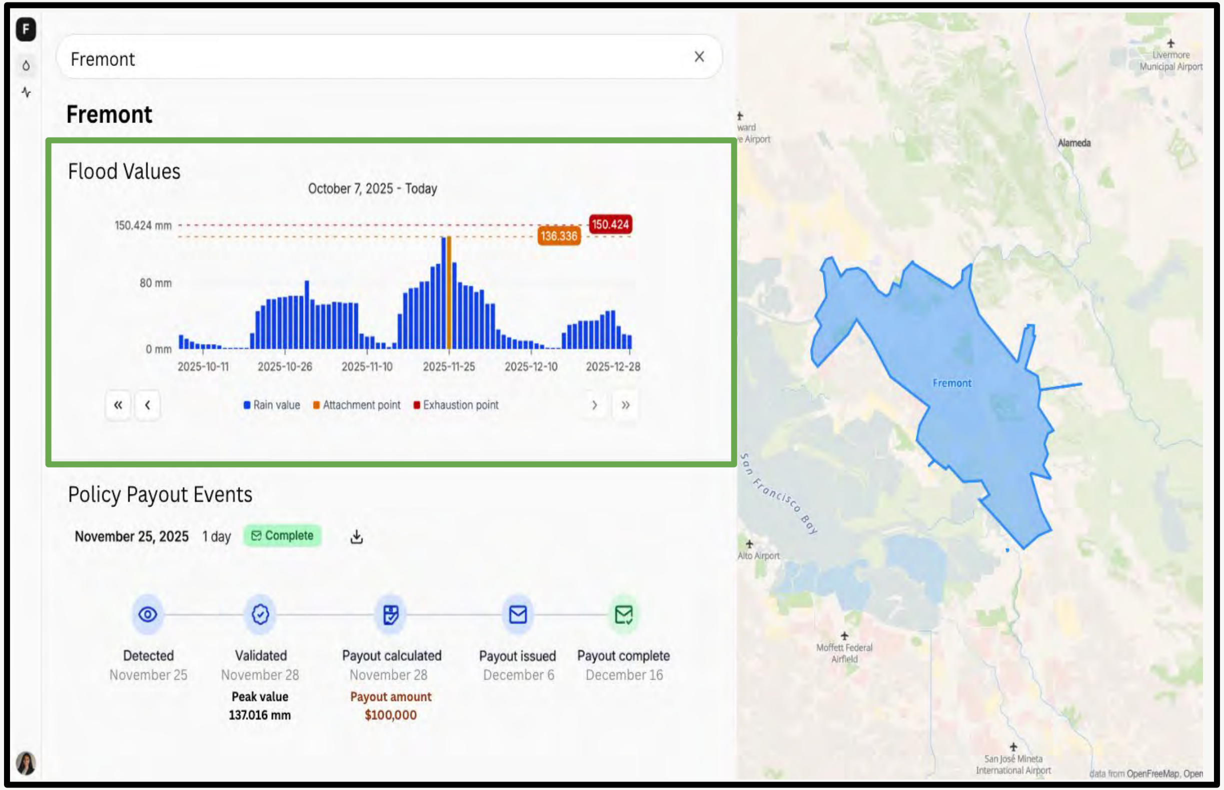


04. PAYOUT RECEIVED

Policyholder receives payout from insurance partner shortly after severe flood event occured

FLOODVIEW | An app monitors all flooding and payouts for clients, carriers and brokers

- See the amount of flooding each day in your area of interest
- Compare daily flooding levels with policy thresholds
- Monitor payout status after triggering



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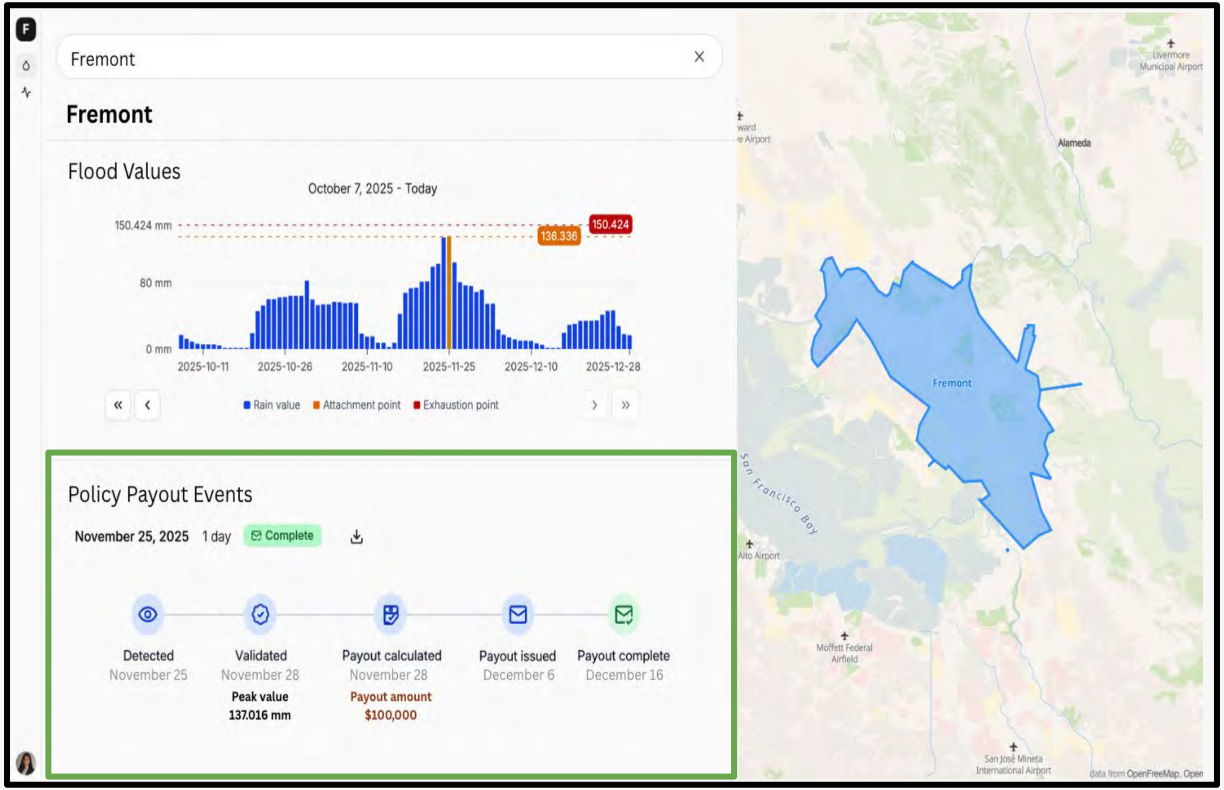
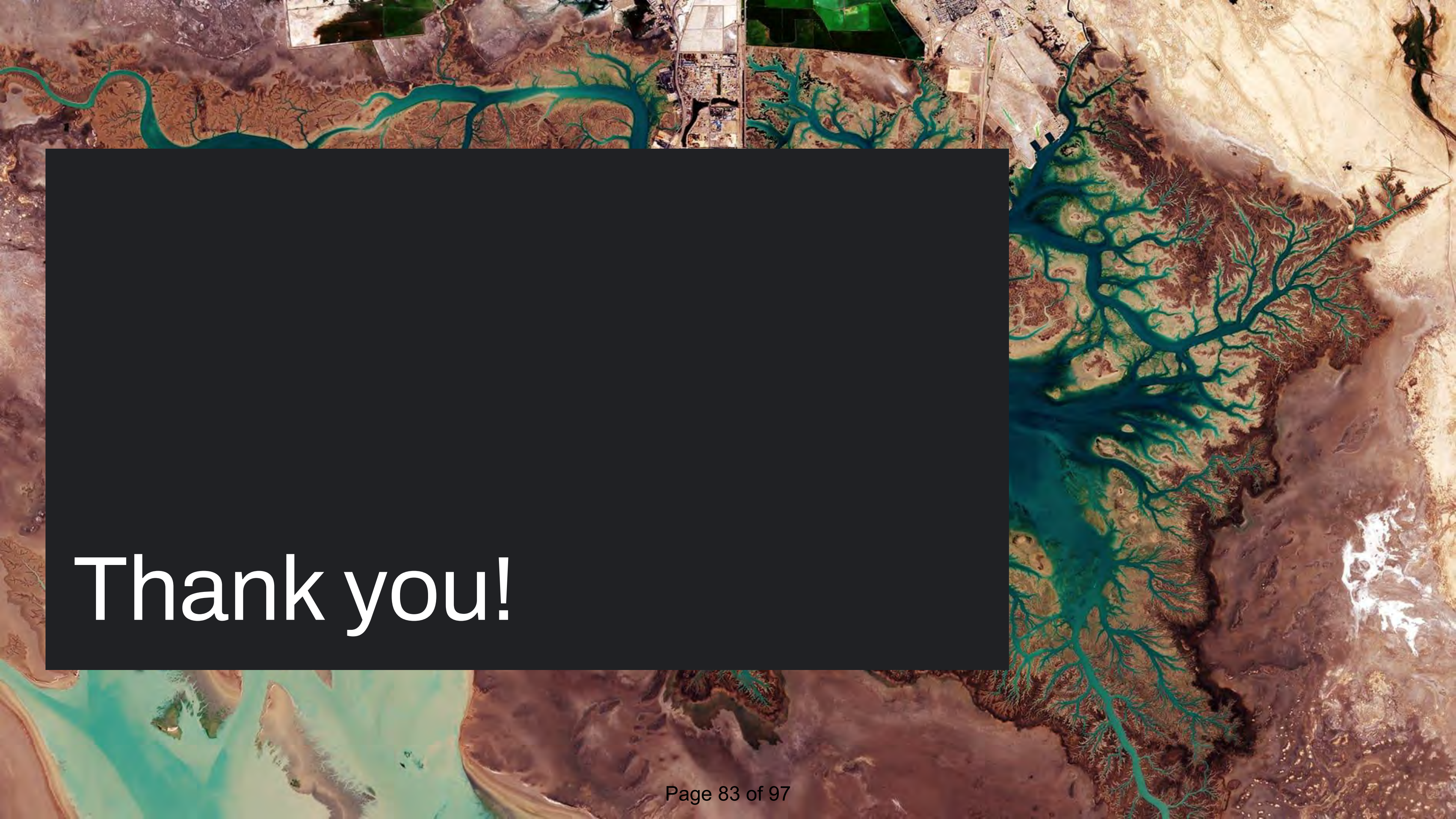


FLOODBASE



Thank you!

Things Artificial Intelligence Can't Do

BY AARON BELZ

Stare for 25 minutes at a blank screen.
Write half a poem and give up.
End up walking down to the bus stop bench,
sit strangely erect, look dead
into the winter sun. Hate itself.
Resent the apparent happiness of others.
Miss its daughter. Go back in time.
Wish it had been a better dad.
Leave church after 15 minutes even though
it needed nothing more than the company
of the faithful. Even though it needed
the Word of assurance, the taste of God's
blood in its mouth. Drive home cold,
order a pizza. Feed itself. Numb itself.
Shut itself down and dream of love
lost, of a girl refusing to speak,
of all that beauty slipping into ether,
nor can it remember kissing her blue
forehead in a Los Angeles funeral home.

Source: *Poetry* (September 2026)

America's Cyber Defense Agency

NATIONAL COORDINATOR FOR CRITICAL INFRASTRUCTURE SECURITY AND RESILIENCE

ALERT

CISA Urges Water and Wastewater Systems Sector to Protect OT Against Activity Targeting PLCs

Release Date: July 30, 2026

CISA is currently observing a significant increase in cyber threat actors targeting programmable logic controllers (PLCs) in the Water and Wastewater Systems (WWS) Sector. CISA urges critical infrastructure owners, operators, and integrators to remove publicly exposed PLCs and other operational technology (OT) from the internet as soon as possible. Threat actors targeting exposed PLCs have modified passwords to lock out operators and disconnected the PLCs by changing their IP addresses. This activity has resulted in boil water notices and sustained manual operations.

These threat actors are targeting water entities of all sizes. Even water organizations with mature cybersecurity processes should validate their external connections, as this targeting activity includes cellular modems installed by operators, vendors, or system integrators that may not be documented or included in routine attack surface scans. OT assets exposed to the internet have an increased risk of defacement, configuration changes, operational disruptions, and, in severe cases, physical damage.

CISA recommends organizations implement the following mitigations:

- Disconnect the PLC from the internet. Remote access for operational purposes should go through a VPN or gateway device, not directly to the PLC.
- Enable password protection and change default passwords.
- Allowlist IPs to only allow remote access from known engineering laptops or other critical OT assets.

After disconnecting PLCs from the internet, operators should ensure they have a known clean backup of the PLC image in case they are locked out by a modified password.
Note: Owners, operators, and integrators of Rockwell Automation MicroLogix 1400 PLCs should see Rockwell Automation’s IMPORTANT NOTICE: Restoring Access to a MicroLogix™ 1400 Controller When the Password Is Unknown <https://www.rockwellautomation.com/en-us/trust-center/security-advisories/advisory.sd1790.html> for guidance addressing this activity.

To securely enable remote access to your OT systems, CISA recommends system owners, operators, and integrators see the following resources for guidance:

- CISA: Primary Mitigations to Reduce Cyber Threats to Operational Technology </resources-tools/resources/primary-mitigations-reduce-cyber-threats-operational-technology>
- United Kingdom's National Cyber Security Center: Secure Connectivity Principles for Operational Technology <https://www.ncsc.gov.uk/collection/operational-technology/secure-connectivity>
- Federal Bureau of Investigation (FBI): Malicious Cyber Actors Targeting Water and Wastewater Sector Internet Facing Programmable Logic Controllers, Causing Operational Disruptions <https://www.ic3.gov/psa/2026/psa260730.pdf>

For additional support, contact the Environmental Protection Agency’s Cybersecurity Technical Assistance Program for the Water Sector <https://www.epa.gov/cyberwater/forms/cybersecurity-technical-assistance-program-water-sector> or your CISA Regional Office <https://www.cisa.gov/about/regions>.

To report a cyber incident, contact CISA's 24/7 Operations Center (contact@cisa.dhs.gov), or call 1-844-Say-CISA (1-844-729-2472). Please see Reporting a Cyber Incident </reporting-cyber-incident> for more details or contact FBI's Internet Crime Complaint Center (IC3) <https://www.ic3.gov/> or your local FBI field office <https://www.fbi.gov/contact-us/field-offices>.

When available, please include the following information regarding the incident:

- Date, time, and location of the incident
- Type of activity
- Number of people affected
- Type of equipment used for the activity
- Name of the submitting company or organization, and a designated point of contact

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Acknowledgements

The Environmental Protection Agency and the Federal Bureau of Investigation contributed to this Alert.

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Hackers targeted municipal water systems in 7 states this week, FBI says

nbcnews.com/tech/security/hackers-targeted-municipal-water-systems-7-states-week-fbi-says-rcna590210

Michael Kosnar, Daniel Arkin July 31, 2026

The federal warning comes after more than 30 water facilities in Minnesota were breached.
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Cyberattacks targeting municipal water systems have been reported in at least seven states this week, prompting the FBI and the Environmental Protection Agency to warn utilities nationwide that hackers are trying to disrupt critical water infrastructure.

In a public service announcement Thursday, the agencies said water and wastewater utilities have reported incidents to the FBI, with some malicious activity degrading water operations. The announcement does not name the states.

The warning comes after hackers targeted more than 30 municipal water facilities in Minnesota in an attack that had hallmarks of Iranian meddling, according to a law enforcement official. It is still under investigation.

In an email Thursday, a spokesperson for Minnesota's information technology services agency said there were no indications the breaches contaminated any municipality's water supply.

Minnesota officials and the U.S. government have not publicly attributed the malicious activity in the state to a specific actor. Likewise, the FBI and the EPA did not identify a culprit behind the breaches in the other states.

President Donald Trump, speaking to reporters Friday at Camp David, blamed Minnesota's leaders and Gov. Tim Walz, who was the Democratic vice presidential nominee in the 2024 election.

"I think I blame it on Minnesota because they're grossly incompetent," Trump said. "I would blame it on Minnesota and the governor, the corrupt governor of Minnesota. They like to say, 'Oh, it's Iran.' Iran should be so lucky. Iran's got bigger problems than worrying about Minnesota."

Walz's office and the state's IT agency did not immediately respond to requests for comments on the president's remarks.

The new federal advisory said the malicious cyber actors, or MCAs, targeted specific brands of control systems used by municipal water utilities, though the FBI and the EPA urged operators of all systems to take precautions.

The warning highlights the vulnerability of some U.S. infrastructure systems to meddling by adversaries at a time when the conflict in Iran is escalating militarily and the U.S. has been unable to find a way out of the war it started along with Israel.

A cyberattack targeted the operating technology at more than 30 water systems in Minnesota, including Plymouth's, earlier this week, state officials said.Ellen Schmidt / AP

The agencies said the hackers remotely accessed internet-facing devices, changed IP addresses and passwords, and caused utilities to lose monitoring and control capabilities.

The federal advisory calls on system operators to remove programmable logical controllers, or PLCs, from direct internet exposure by putting them behind secure gateways and firewalls; use strong passwords; and limit communications between authorized control system devices through access control lists.

For Subscribers

“Attribution requires careful analysis of technical evidence alongside broader national and international threat intelligence, and our federal partners are best positioned to lead that work,” said Emily Zimmer, a spokesperson for Minnesota’s information technology agency.

The breach in Minnesota happened just days after U.S. officials publicly warned that Iran-backed hackers were targeting the nation’s critical infrastructure amid the escalating military conflict between Washington and Tehran.

In a public advisory July 22, the Cybersecurity and Infrastructure Security Agency, as well as the FBI and other federal agencies, urged companies to boost their defenses, saying Tehran-linked hackers were trying to breach online automated devices used to manage infrastructure systems.

U.S. intelligence agencies have also cautioned that Iran is increasingly able and willing to carry out aggressive cyber operations and that it tried to target water systems in 2023.

Two years ago, the EPA warned that cyberattacks against water utilities nationwide were becoming more frequent and more severe. In an enforcement alert in May 2024, the agency said about 70% of utilities inspected by federal officials over the past year had violated standards meant to prevent breaches or other intrusions.

Michael Kosnar is the Justice Department Producer for NBC News.

Daniel Arkin is a senior reporter at NBC News.

Dan De Luce and Tom Winter contributed.

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Carl Warren Team Directory

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CSRMA MEETING CALENDAR 2026

JANUARY	FEBRUARY	MARCH	APRIL
CSRMA EB - TUE - 13	CSRMA LIAB (TC) - TUE - 17	**CSRMA LRP - SUN - TUE - 1, 2, 3**	**CSRMA FIN - MON - 27 (SFO)**
CSRMA BD - WED - 14	**CSRMA WC - THUR - 19 (SFO)**		
CASA January 13 - 16	***PARMA February 24 - 27***		
Indian Wells	***Monterey***		

MAY	JUNE	JULY	AUGUST
CSRMA LIAB (TC) - MON - 4	CSRMA EB (TC) - MON - 8		**CSRMA EB - TUE - 4**
CSRMA OC (TC) - TUES - 5	CSRMA BOD (TC) - WED - 17		**CSRMA BD - WED - 5**
CSRMA WC (TC) - THUR - 21	CSRMA OC (TC) - WED - 24		
			CASA August 4 - 7
			Napa

SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
CSRMA LIAB - TUE - 8 (WC OFFICE)	**CSRMA EB - MON - 5 (SFO)**	CSRMA FIN (TC) - MON - 9	CSRMA EB (TC) - MON - 7
CSRMA OC (TC) - FRI - 11	CSRMA WC (TC) - WED - 14	**CSRMA LIAB - MON - 16 (WC OFFICE)**	CSRMA OC (TC) - THUR - 10
	CSRMA OC (TC) - FRI - 30		
CAJPA September 15 - 18			
South Lake Tahoe			

Meetings in RED are IN-PERSON

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