



January 29, 2009

[CAL TIP E-BRIEF](#)

The *CalTIP E-Brief* is a brief summary of activities for the California Transit Insurance Pool (CalTIP). It has been *created to foster better communication* regarding the goals, decisions and activities of the CalTIP Board of Directors. Each E-Brief will be sent via E-mail (hence the “E”) and *will be sent as there is news to share*. The CalTIP web site (www.caltip.org) will remain a regular, more in-depth resource of information regarding the CalTIP program.

[BOARD OF DIRECTORS NEWS](#)

Election

Congratulations to Ms. Mindy Jackson of El Dorado County Transit Authority and Ms. Kwai Reitz of Yolo County Transportation District for being elected to the CalTIP Oversight Committee!

Ms. Jackson and Ms. Reitz were elected by the CalTIP Board of Directors at its December 4, 2008, meeting in San Diego, CA, to serve the remainder of Ms. Tiffani Fink and Ms. Barbara Duffy’s terms through April 30, 2010. In addition, Ms. Reitz was also elected to the Board Treasurer position, previously held by Ms. Fink.

[COMMITTEE NEWS](#)

Oversight Committee

Congratulations to Ms. Melaina Francis of Riverside Transit Agency and Mr. Harry B. Maurer of City of Vallejo for being elected to serve on the Finance & Administration Committee!

The Oversight Committee convened the morning of December 5, 2008, to fill two positions vacated by Ms. Adriann Cardoso of Napa County Transportation & Planning Agency and Ms. Kwai Reitz of Yolo County Transportation District. Both positions expire on April 30, 2010.

Finance & Administration Committee

Please watch for Solicitation for Nomination to fill the following expiring positions on the Finance & Administration Committee. These positions expire on April 30, 2009:

- Kathy Casenave, Central Contra Costa Transit Authority
- Mark Dorfman, Santa Cruz Metropolitan Transit District
- Art Ida, City of Culver
- Steve Rosenberg, Gold Coast Transit

Member Services Committee

Please watch for Solicitation for Nomination to fill the following expiring positions on the Member Services Committee. These positions expire on April 30, 2009:

- Bruce Richard, Mendocino Transit Authority
- Joanna Belanger, City of Auburn
- Ken Brown, Placer County
- Linda Clark, City of Porterville

MEMBER SPOTLIGHT

- **Congratulations** to Ms. Tiffani Fink who was hired in November 2008 as the new Transit Manager at City of Elk Grove!
- **Happy retirement** to Mr. Mark Dorfman of Santa Cruz Metropolitan Transit District! Mr. Dorfman had been a CalTIP Board Member since 1998. Mark retired from his position at Metro in December 2008. We will miss you Mark!
- **Welcome to CalTIP!**
 - Johnny Ea, City of Lincoln
 - Julia Tyack, City of Lodi
 - Janet Hamilton, City of Lodi
 - Mark Goodale, Morongo Basin Transit Authority
 - Paul Price, Napa County Transportation & Planning Agency
 - Melaina Francis, Riverside Transit Agency
 - Debbie Kinslow, Santa Cruz Metropolitan Transit District
 - Ciro Aguirre, Santa Cruz Metropolitan Transit District
 - John Andoh, Tahoe Transportation District

If you have news or updates at your agency that you would like to share with the membership and be included in the next E-Brief, please e-mail Ms. Maria de Leon, CalTIP Member Services Coordinator, at mdeleon@brsrisk.com, or Ms. Micheon Balmer, Deputy General Manager, at mbalmer@brsrisk.com.

ADMINISTRATION UPDATES

Ms. Maria de Leon, CalTIP Member Services Coordinator, will be on leave of absence beginning February 9, 2008.

A list of CalTIP key contacts, sorted by areas of expertise, can be found in the CalTIP website in the Key Contacts page <http://caltip.org/contact.html>. Please direct your inquiries to the appropriate CalTIP staff.

For all other inquiries, you may contact Ms. Micheon Balmer, CalTIP Deputy General Manager, at (916) 244-1143 or mbalmer@brsrisk.com.

FINANCE & ACCOUNTING

Change in Deductible Levels or Self-Insured Retentions

Please notify CalTIP of your intent to change your agency's deductible level or Self-Insured Retention (SIR) at least 60 days prior to May 1, 2009.

As stated in the CalTIP Bylaws Article 12(E), a "Property may only change its deductible level or self-insured retention only at the beginning of the coverage period of a Memorandum of Coverage, provided it has given the Authority **60 days' written notification** of its intent to change its risk or deductible level. The Authority has the right to approve or disapprove deductible level chosen".

C.E.R.F. funds are still available!

What is it?

The CalTIP Education Reimbursement Fund (C.E.R.F.) program provides reimbursement for CalTIP Board Members and their staff to attend approved risk management, transit safety, and insurance training courses and seminars.

How do I request approval for a seminar or workshop?

If you are interested in attending a seminar or workshop, please email your request to mdeleon@brsrisk.com or mbalmer@brsrisk.com.

Each member agency may receive a maximum of three (3) C.E.R.F. reimbursements per program year (May 1 – Apr 30), and only a total of thirty (30) C.E.R.F. reimbursements will be provided per fiscal year. Approvals will be granted on a “first come, first served” basis.

Please contact CalTIP to find out how many C.E.R.F. reimbursements are still available to your specific agency.

How do I request reimbursements?

C.E.R.F. forms are available for download on the CalTIP website, <http://caltip.org/memberpgs/forms.html>. Upon completion of an approved seminar or workshop, send a completed C.E.R.F. form along with expense receipts to: **CalTIP - 1831 K Street, Sacramento, CA 95811**.

Travel Reimbursements

Just a friendly reminder, that CalTIP issues checks once a month. Travel reimbursement requests received by CalTIP prior to the 9th of the month will be processed for reimbursement within that month. Otherwise, reimbursements will be issued the following month. Travel Reimbursement Forms are available for download on the CalTIP website, <http://caltip.org/memberpgs/forms.html>.

Electronic Payment Option

CalTIP now offers Electronic Payment Option!

What is the Electronic Payment option?

CalTIP now offers its members the option of paying their premium and monthly deductible invoices electronically in addition to the option of mailing a check.

Can the members still use a check to pay their premium?

Yes. CalTIP will continue to accept payments via check. The process of paying by check will not change.

Why should CalTIP offer this option?

Electronic payments offer both CalTIP and its members several benefits:

1. CalTIP members will know exactly what date funds will be debited from their account.
2. CalTIP members may find the electronic payment option more secure than sending a large check in the mail.
3. CalTIP will receive funds immediately, eliminating the time lag while the check is en route to CalTIP; thereby
 - a. improving cash flow;
 - b. maximizing interest earnings potential; and
 - c. reducing the frequency of late payment penalties.

How do the members submit an electronic payment?

The members can obtain wiring instructions by visiting the “Members Only” section of the CalTIP website (www.caltip.org).

How much will it cost the members to pay electronically?

Members will need to contact their financial institution for pricing. Automated Clearing House (ACH) transfers are typically much less expensive than wires.

How much will it cost CalTIP to accept electronic payments?

Electronic payments can be sent either via wire or ACH. For an incoming wire, CalTIP will pay approximately \$12 whereas the cost of an ACH transfer is approximately 18 cents.

What is the timing difference between wires and ACH transfers?

Wires are typically* transmitted and received the same day if arranged before 2:00 P.M., whereas ACH transfers typically* take place the following day if submitted by 4:00 P.M.

(*Typically – Timing is not guaranteed in the event of an unusual circumstance. Please check with your bank to determine respective cut-off times.)

Is it safe to transfer funds to CalTIP electronically?

Making a wire or ACH transfer is generally safe. However, the protections surrounding the security of information will vary depending on how you initiate the transfer (i.e. online, telephone, or fax). CalTIP will restrict access to its banking information to the “Members Only” section of the CalTIP website. Your financial institution can assist you in identifying the risks associated with making outgoing wire and ACH transfers.

For questions or additional information, please contact Ms. Vicky Quintrall at (800) 541-4591, ext. 1104.

CLAIMS MATTERS

Risk Transfer and Insurance 101

The following topics address some of the questions that have been raised by CalTIP members regarding CalTIP coverages, which we thought might be of interest to the other members.

1. Mutual Aid

Question: “Does our insurance cover service provided during a disaster in which we are dispatched by a local or state Office of Emergency Services?”

Answer: Yes. There is no exclusion for this potential loss exposure.

Keep in mind that if CalTIP pays out any money, it may want to “subrogate” against the State or other local agency for reimbursement of money spent responding to this declared emergency. The State or local agency may have funds available for this type of reimbursement.

2. Worked Performed on Another Agency’s Vehicles

Question: “Member Agency A will be performing maintenance on another agency’s vehicle(s) in the near future. Are we covered for liability with regard to our work on these vehicles?”

Answer: Yes, but not all liability assumed under contract is covered.

This scenario could involve loss or damage to the bus in its custody, possession and control while it is being maintained; or it could involve a 3rd party bodily injury or death claim due to alleged negligent maintenance of the bus after it had been repaired by Member Agency A (the brakes failed or an engine fire damaged the bus). The general answer is that Member Agency A would have liability coverage with CalTIP for these exposures. However, there are some qualifications to this simple answer.

According to the Liability Memorandum of Coverage (MOC), CalTIP will pay for losses that the Member Agency (“covered party”) becomes legally obligated to pay as damages for bodily injury and property damage arising from an “occurrence.” This is normally called “3rd party liability coverage.”

An “occurrence” means an accident or event that is neither expected nor intended. This includes the property damage and/or bodily injury caused by the negligent maintenance or repair of another agency’s bus (the legal liability). So, if Member Agency A negligently repairs the bus, and the faulty repair causes or contributes to a loss later on, there would be liability coverage.

The issue of whether the Member Agency is covered for the property loss to the other agency’s bus while it is the care, custody and control of Member Agency A needs some further clarification. The MOC does not apply (as in excludes) to liability for property damage “to personal property owned by others for which the covered party (Member Agency A) has assumed liability under contract (the “contractual liability” exclusion), unless the covered party would have been liable for damage in the absence of such a contract” (as in negligent protection of the property - also called the exception to the above exclusion).

So, if Member Agency A has a written contract with the other agency to assume any and all liability for the damage to the bus from any cause whatsoever (including fire, earthquake, flood, etc.), the above contractual liability exclusion in the MOC would preclude coverage for the property damage to the bus while it is being repaired by Member Agency A, at least for the non-negligent causes of loss. Whether a contract exists or does not exist, the MOC would respond to the liability if the other agency’s bus was damaged by vandalism that could have been prevented by normal security measures. But the MOC would not respond to damage caused by an earthquake, even if the contract makes Agency A responsible, without showing Agency A owed a duty to better protect it from such loss. For coverage to apply, Member Agency A must have some negligence or fault.

The purchase of garagekeepers insurance will not extend coverage beyond what is provided by the MOC. ISO endorsement CA 99 37 03 06 (03 06 refers to the latest edition of March 2006) modifies the Business Auto coverage, Motor Carrier coverage and Truckers coverage forms to cover businesses for damage or loss to autos that occur while the autos are in the insured’s care (while attending, servicing, repairing, parking, or storing as part of any “garage operations”). This endorsement includes the same exclusion as is in the CalTIP MOC for property in the care of the insured with the same exception for liability that would exist absent a contract. The bottom line is that, in most circumstances, Member Agency A would not need additional garagekeepers coverage for this potential exposure since it is already covered by the CalTIP MOC (if legally liable and if no contract allowing liability for any and all causes). Of course, each Member Agency might have particular situations that would require the additional coverage.

For questions or additional information, please contact the following CalTIP staff:

Michael Groff, JD, ARM
Litigation Manager
916-244-1148
mgroff@brsrisk.com

Robin Johnson, JD, ARM, CPCU
Senior Consultant
916-244-1120
rjohnson@brsrisk.com

Accident Report Packets

To order accident report packets for your agency, please contact Ms. Rosemary Loiler, Liability Claims Assistant at Gregory B. Bragg & Associates, at telephone (916) 960-0916 or by email at rosemary.loiler@gbbragg.com. Each packet includes an Occurrence Report Form, Courtesy Cards, and pencils.

NEWS FROM RISK & LOSS CONTROL TEAM

System Safety Program Plan (SSPP)

The CalTIP Risk Control Team consisting of Mr. Lee Sorenson, CalTIP Risk Control Manager, and Mr. Bob Lapidus, CalTIP Safety Consultant, has been actively visiting members of the pool to assess the implementation of each member’s System Safety Program Plan (SSPP). This assessment is the heart of the 2008-2009 Risk Control Work Plan and will continue into the 2009-2010 program year until all members have been provided with this service. If your transit property has not yet been contacted by the

Risk Control staff, you will be scheduled for the 2009-2010 program year. The schedule was developed based on who had their SSPP the longest, getting the earlier opportunity for the assessment.

So, what is this assessment?

This program allows the CalTIP Risk Control staff and the member to evaluate the implementation of the customized SSPP that Mr. Lapidus helped develop. It reveals gaps between the SSPP document and actual practices each member may be using such as any changes in procedure.

What has been the experience so far?

The Risk Control staff has received very positive feedback on the assessment process so far. Members have reported that they appreciate the opportunity to have another detailed look at their SSPP, to ensure it is correct and up to date. It has shown a few gaps in implementation that the members need to address. In a few cases, the SSPP indicated policies that did not exist. In these cases, the Risk Control staff was able to provide a model policy during the follow-up process for each member to modify and adopt to fill these gaps.

The SSPP is the core element of a Bus Transit's Safety Program. It is the key guideline to the daily operation of a safe transit system. Although SSPP's for Bus Transit are not required by federal and state laws, they are truly the best practice for safety management. CalTIP members are encouraged to continually review the SSPP and revise this living document to ensure it correctly reflects your systems operations and goals.

Through this SSPP assessment program and beyond, the CalTIP Risk Control Team is here to assist every member with their general liability safety needs.

Training Records

When the CalTIP Risk Control Team is out in the field visiting members, we get a chance to see many different methods of record keeping. In this E-Brief we wanted to discuss training record files.

Agencies maintain training records to prove an employee had the training. But how can we prove to an outside inspector or to the employee for that matter that the employee attended the training session?

Having detailed lists of completed training is great, but they do not do much good if you do not have back-up documents with the employee's name and signature as evidence that the employee attended the training.

Roster Forms vs. Individual Acknowledgement Forms

All proof of training needs to have the employee's name printed along with their signature or initial. We have seen numerous training records with only signatures and initials and it is very difficult to confirm names with only signatures. Remember: sign and print.

Rosters are adequate for large group training sessions as long as they contain signatures and printed names. Agencies should keep a copy of the roster in each individual's training file. Individual acknowledge forms that include title of the training, date, who conducted the training, description of the topic, and printed employee names and signatures are by far the best practice. These forms are to be maintained in the individuals' training record file.

Electronic Training Records

Although electronic training (web-based or computer-based) is definitely the emerging trend, here are some things to consider when using these methods to conduct and document any employee training:

1. Check with the regulators to ensure they will accept computer-based training methods.
2. Ensure the system uses some kind of electronic signature to prove who took the training.
3. Make sure the records are easily available when needed; like in the middle of an inspection.
4. Make sure the electronic records cannot be lost. Think about file back-up, web-based subscriptions that are not renewed or computer failures on both ends (in-house and service provider).

For questions or additional information regarding training documentations, please contact the CalTIP Risk Control staff.

DATES TO REMEMBER

- Thursday, February 26, 2009: CalTIP Finance & Administration Committee Meeting in Sacramento, CA
- **Monday, March 2, 2009: (Deadline) Written Notice to CalTIP regarding Intent to Change Deductible Levels or Self-Insured Retentions**
- Thursday, March 12, 2009: CalTIP Member Services Committee in Sacramento, CA
- **Tuesday, March 17, 2009: (Deadline) Guest Room Reservations at Le Rivage Hotel**
- **Wednesday, April 1, 2009: (Deadline) FPPC Statement of Economic Interest Form 700**
- Thursday & Friday, April 2-3, 2009: CalTIP Spring Board of Directors Meeting at Le Rivage Hotel in Sacramento, CA
- Thursday, April 30, 2009: End of CalTIP 2008-09 Program Year
- Friday, May 1, 2009: Beginning of CalTIP 2009-2010 Program Year

CALTIP 2009 SPRING BOARD OF DIRECTORS' MEETING

The CalTIP 2009 Spring Board of Directors' Meeting will be held at the following location on April 2-3, 2009:

Le Rivage Hotel

4350 Riverside Boulevard

Sacramento, CA 95822

Direct: (916) 443-8400/ Fax (916) 706-3384

Reservations: Call (888) 760-5944

www.lerivagehotel.com

QUESTIONS OR COMMENTS

We hope you find this E-Brief to be informative. Please email your comments, suggestions or inquiries regarding the contents of the E-Brief to mdeleon@brsrisk.com or mbalmer@brsrisk.com.