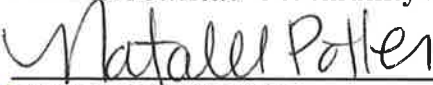



LAKE ARROWHEAD COMMUNITY SERVICES DISTRICT

MEMORANDUM

DATE: MARCH 24, 2020

TO: BOARD OF DIRECTORS
Lake Arrowhead Community Services District

FROM: 
NATALIE POTTER, Human Resources Manager


CATHERINE CERRI, General Manager

SUBJECT: *Human Resources Manager's Update – Workers' Compensation Award*

A. RECOMMENDATION

This is an information item only.

B. REASON FOR RECOMMENDATION

This is an information item only.

C. BACKGROUND INFORMATION

The Lake Arrowhead Community Services District (LACSD) has received the CSRMA Workers' Compensation Excellence Award from the California Sanitation Risk Management Authority (CSRMA) for program year 2019. This is the first year the District has participated and received this award.

The award program recognizes Districts within CSRMA's Pooled Workers' Compensation Program that have successfully implemented soft tissue/strain related injury prevention efforts. LACSD utilized a team approach to complete the requirements of this award which included the below job hazard analysis that identified ten performing tasks or operations of a piece of equipment. For each task we recognized the hazard type, the sources and the body part(s) at risk.

LACSD Job Hazard Analysis

Severity

Level 1 = Fatal/Permanent Disability
 Level 2 = Severe Illness/Injury
 Level 3 = Minor Injury/Illness
 Level 4 = No Injury/Illness

Probablility

A = Frequent
 B = Several Times
 C = Occasional
 D = Possible
 E = Extremely Improbable

Risk Code

1 = High
 2 = Medium
 3 = Low

Task	Hazard Type	Hazard Source	Body Parts at Risk	Severity	Probablility	Risk Code	Control Method (if needed)
#1. Lift Manhole 6" Concrete Riser	Crush or Pinch	Riser	Hand/Back	3	C	1	PPE, SOP, etc.
#2. Put snow chains on service vehicles	Pinch	Chains	Hands	3	E	3	PPE
#3. Open an in-service Storm Drain Grate	Crush or Pinch, Struck Against	Grate	Hands/Back	3	C	2	PPE, SOP
#4. Open an in-service 24" Manhole Cover	Crush or Pinch, Struck Against	Cover	Hands/Back	3	C	2	PPE, SOP
#5. Operate 90 Lbs. Jackhammer	*see below	Hammer	Eye/Ear/Back/Feet	2	C	1	PPE, SOP
#6. Lift and Load 24" Manhole Frame and Cover	Ergonomic-Heavy,Frequent, Awkward Lifting	MH	Hands/Back	2	C	1	PPE, SOP
#7. Lift 60 Lbs. Concrete Sack	Ergonomic-Heavy,Frequent, Awkward Lifting	Sack	Eyes/Back	3	C	2	PPE, SOP
#8. Lift 5 Gallon Debris Bucket	Ergonomic-Repetitive Motion	Weight of Debris	Back	3	D	3	SOP
#9. Lift CCTV Camera	Ergonomic-Awkward Posture	Weight of Camera	Hands/Back	3	D	2	PPE, SOP
#10. Lift and Hold 30 Lbs. Hoses	Ergonomic-High Hand Force	Hoses	Back	3	D	3	SOP

* #5 Hazard Source -Debris in eye, back strain, foot injury and hearing

In addition, the District provided evidence of the following items to meet all requirements:

- Return to work program has been implemented in order to help injured employee’s heal more quickly and reduce the indemnity portion of the workers compensation claim.
- Conduct an Annual Ergonomic Training – Office and Field.
- Identify wellness incentive program.
- Review of physical requirements of all job descriptions.
- Identify all routinely lifted items that have a static weight of 75 pounds or more.

All CSRMA members are eligible to participate in meeting this award. As stated in the attached CSRMA 2019 Annual Report, only two other Districts, Silicon Valley Clean Water and Carpinteria Sanitary District, met the criteria for the Workers’ Compensation Excellence Award in 2019. LACSD will share a cash prize of \$50,000 with these two other agencies.

This award demonstrates that the District is committed to providing a safe and secure work environment. Staff and management have worked together to create a

comprehensive safety training program that is in compliance with state, federal and local mandates.

D. FISCAL INFORMATION

There is no fiscal impact at this time.

E. ENVIRONMENTAL IMPACT

This action item does not qualify as a project under the California Environmental Quality Act (CEQA).

F. ATTACHMENTS

District Notification Letter
CSRMA 2019 Annual Report

CSRMA California Sanitation Risk Management Authority



c/o ALLIANT INSURANCE SERVICES, INC
100 Pine Street, 11th Floor San Francisco, CA 94111

Insurance License No.: 0C36861
Tel: 415.403.1400 Fax: 415.402.0773

OFFICERS:

Greg Baatrup, *President*
707.429.8930
Craig Murray, *Vice President*
805.684.7214

PAST PRESIDENTS:

Paul Bushee
2015-2018
Russ Baggerly
2011-2014

1 March 2020

Dear Lake Arrowhead Community Services District:

On behalf of the CSRMA Workers' Compensation Committee and Executive Board, I'd like to say congratulations on being awarded the 2019 Workers' Compensation Excellence Award!

Successfully meeting the criteria necessary to achieve this award is no small feat and represents a commitment on the part of staff, management and your Board in going above and beyond to provide a safe workplace. CSRMA intentionally designs the criteria to require effort by everyone in the organization and the application you submitted clearly identified and demonstrated this environment at LACSD.

Further, the award criteria represents state-of-the-art best practices for safety management and injury prevention, behavior that's only possible when an organization has a safety culture that's lived daily across all levels.

Keep up the great work and being an inspiration to other CSRMA members of what's possible to achieve when continuous improvement in safety is an organizational value.

Sincerely,

David Patzer
CSRMA Risk Control Advisor
dpatzer@dkfsolutions.com
707.373.9709

California Sanitation Risk Management Authority



2019 Annual Report



PRESIDENT'S MESSAGE



EXECUTIVE BOARD AND OFFICERS

Greg Baatrup, President
Fairfield-Suisun Sewer District

Craig Murray, Vice President
Carpinteria Sanitary District

Jason Warner, Treasurer
Oro Loma Sanitary District

George Emerson, Secretary
Goleta Sanitary District

Betty Burnett
South Orange County Wastewater Authority

Ed Oyama
West Valley Sanitation District

Jason Dow
Central Marin Sanitation Agency

Roland Williams
Castro Valley Sanitary District

Sandeep Karkal
Novato Sanitary District

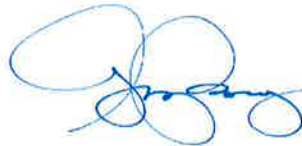
Steve Wagner
Goleta Sanitary District

Dear Members and Friends of CSRMA:

CSRMA was formed in 1986 at a time when public agencies were experiencing an extremely hard insurance market, and in some instances had difficulty securing insurance at all. The formation of CSRMA brought significant relief to its member agencies by way of providing insulation from the volatility of the insurance market, and did so with coverage and services tailored to the wastewater industry. More than 30 years later we find ourselves in another very difficult insurance climate, whereby wildfires, floods and other natural catastrophes are causing upward pressure on property rates. Likewise, liability verdicts and settlements are being driven to new heights as a result of what has been coined as 'social inflation'. It's at times like this we are acutely aware of the many benefits of JPA membership, not the least of which is the stability our 58 members provide to one another.

On the pages to follow we have highlighted CSRMA's accomplishments over the past 12 months. These include further investments in our technology such as transitioning our online risk control platform to Target Solutions, rewarding members for their excellence in safety, providing reimbursements for wellness efforts, risk control focused webinars and training seminars, and the CSRMA Conference just to name a few. We continue to review our policies, procedures, and practices; especially our financial policies so that the Board of Directors is ensuring a solid financial position for the members. Additionally, there has been a positive and significant change in case law this year that greatly reduces the potential liability of entities performing wastewater collection. The California Supreme Court's overrule of CSAA v. Palo Alto essentially eliminates an unfair avenue of pursuit of inverse condemnation claims that had been created by the original case. This development will likely allow CSRMA to reduce its financial provision for both outstanding and future liabilities.

While reflecting on a challenging yet successful 2019, I look forward to CSRMA's continued support of its membership in 2020.



Greg Baatrup



FINANCIAL SUMMARY

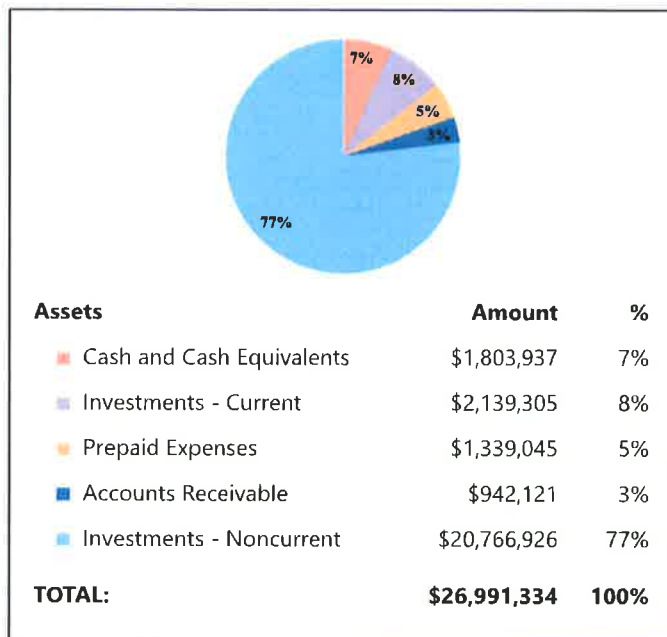
The CSRMA Joint Powers Authority keeps its financial records in accordance with Government Accounting Standards Board (GASB) recommendations and produces a comprehensive annual financial report each year.

CSRMA has been awarded the Government Finance Officers Association's Certificate of Excellence in Financial Reporting for its CAFR annually since 2010.

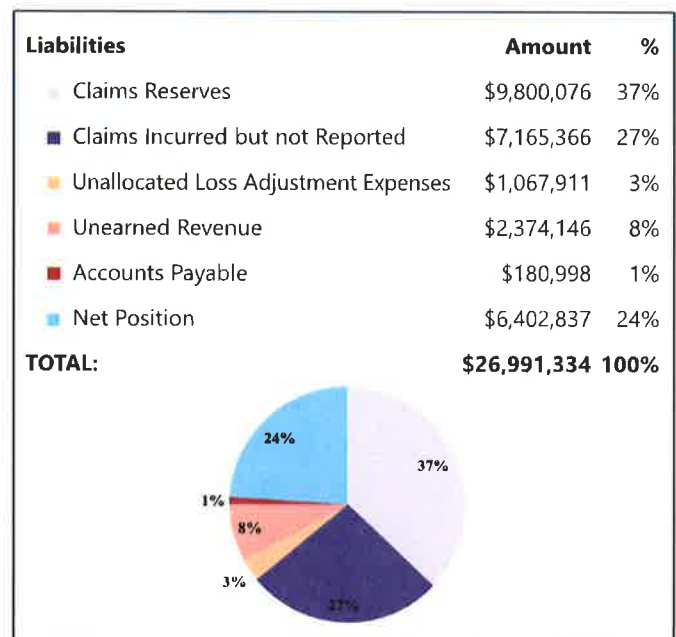
Investments are governed by a Board-approved policy and procedure. Cash beyond short-term needs is invested with California's Local Agency Investment Fund, the California Asset Management Program and Public Financial Management (PFM) Portfolios.

SUMMARY BALANCE

Assets



Liabilities & Net Position

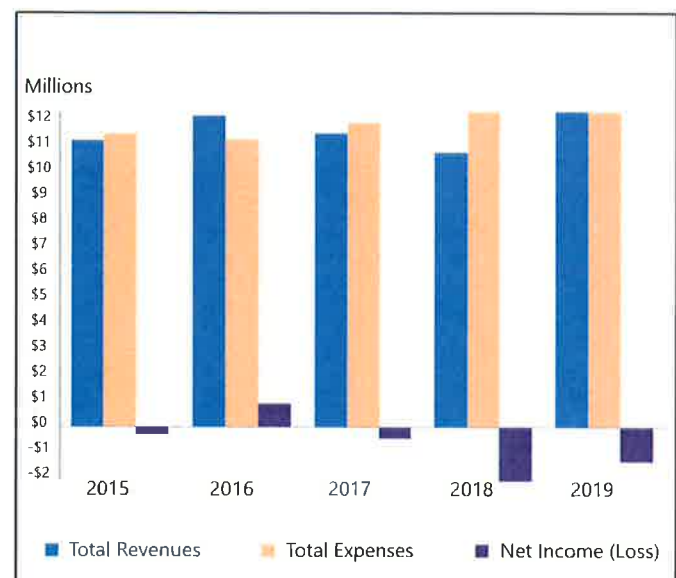


INCOME STATEMENT

CSRMA	Amount
Member Contributions	\$10,839,558
Investment Income	\$1,205,720
Other	\$1,229,053
Total Revenues	\$13,274,331
Claims Incurred	\$6,757,514
Other Expenses	\$7,819,730
Total Operating Expenses	\$14,577,244
Retrospective Contribution	-\$138,397
Total Expenses	\$14,577,244
Change In Net Position	-\$1,302,913

FINANCIAL POSITION

Fiscal Years 2015 - 2019



SHARED RISK PROGRAMS



CSRMA Members can choose to participate in the JPA's "pooling" programs: The Pooled Liability Program and the Workers' Compensation Program.

These programs are an alternative to traditional commercial insurance, in that they are member owned and operated. Interest earning funds are placed on deposit with the Authority where they are used to pay members' claims and related expenses. Funds not spent or reserved are refunded to members through retrospective rating adjustments and dividend payments.

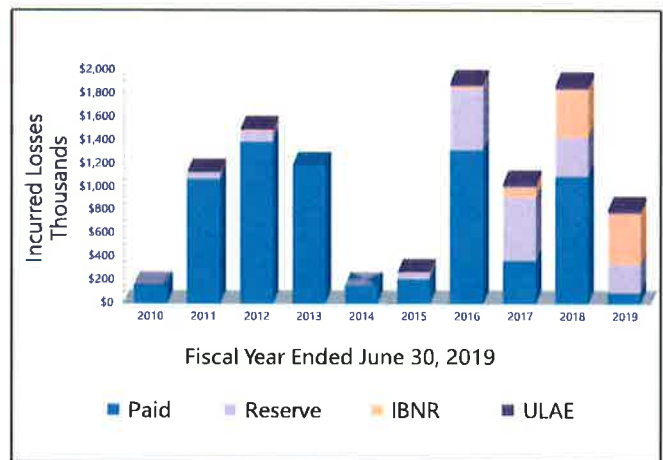
POOLED LIABILITY PROGRAM

The Pooled Liability Program provides its members with third-party liability coverage specifically designed to meet the exposures faced by the wastewater industry. Members are provided with coverage for General Liability, Automobile Liability, Employment Practices Liability and Public Entity Errors and Omissions Liability.

2019 Accomplishments

- » Over \$1.1 million was returned to the members in dividend payments
- » Over \$300,000 was returned to the members in retrospective rating adjustments
- » The frequency of sewer backup claims continued on a downward trend

Pooled Liability Program Loss History



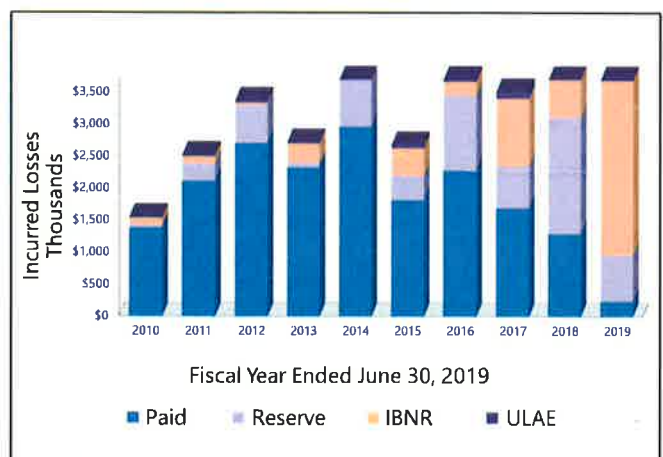
POOLED WORKERS' COMPENSATION PROGRAM

The Workers' Compensation Program provides State mandated benefits to employees of member agencies. The Program enables its members to retain control of the cost and delivery of services to participating members.

2019 Accomplishments

- » The Program's claims frequency continues to improve
- » A claims audit was performed this year. The claims adjusting firm, Sedgwick, continues to provide effective claims administration for the Authority.
- » A Physical Demands Calculator (web application) was rolled out to the membership to identify the physical demands for various job related tasks and those that place employees at risk.

Workers' Compensation Program Loss History



GROUP PURCHASE PROGRAMS

CSRMA Group Purchase Programs provide members the benefit of buying power while assuring that special needs will be addressed.

PRIMARY INSURANCE PROGRAM (PIP)

The PIP provides the clout of a group purchase program, offering competitive pricing to its members. The Program continues to afford coverage for General Liability, Automobile Liability, Employment Practices Liability, Public Entity Errors & Omissions and Auto Physical Damage to members that do not wish to pool their risk with other members.

PROPERTY INSURANCE PROGRAM

The Property Program provides the benefit of a group purchase program offering its members "All-Risk" Property and Boiler & Machinery insurance. This includes Terrorism, Pollution Legal Liability specific to a member's SOV, and Cyber Liability.

OTHER PROGRAMS

CSRMA members have access to an array of group purchase programs made available by the Program Administrators, including but not limited to:

Crime/Bond Programs

The Commercial Crime Program affords its members with public employee dishonesty coverage. Additional coverages available include forgery or alteration, theft, disappearance and destruction of money and securities and computer fraud. The Public Official Bond Program provides its members with coverage for dishonest acts of public officials.

Public Entity Vehicle & Mobile Equipment Physical Damage Program

This Program provides "All-Risk" property (physical damage) coverage for private passenger vehicles, light trucks and high value specialized vehicles with limited "over-the-road" exposures.

Special Events Liability Program

The Special Events Liability Program grants its members with protection against third party liability for bodily injury, personal/advertising injury and property damage resulting from a covered special event. Special events include receptions, tours and parties.

Pollution and Remediation Legal Liability Program

The Pollution and Remediation Legal Liability Program provides coverage for environmental exposures unique to the wastewater industry.

Storage Tank Program

The Storage Tank Program furnishes its members with third party pollution legal liability and clean-up for above and below ground storage tank exposures.

Travel Accident Program

Travel Accident Insurance provides coverage for employees who travel domestically and internationally. Some of the benefits include 24/7 travel assistance, medical network, and emergency evacuation and repatriation expense.

Vendors/Contractors General Liability Program

The Vendors/Contractors General Liability Program furnishes general liability coverage for a wide range of vendors and contractors.



RISK CONTROL SERVICES

CSRMA continued its tradition of providing leading edge risk control services for its members this year by introducing many new products and services tailored to the unique loss exposures facing CSRMA.

Target Solutions

CSRMA successfully launched the Target Solutions online learning management system and, as of December 2019, ~75% of the membership is actively using the platform to take online training courses and manage their employee requirements and records.

CSRMA updated 10 online training modules and added ten new modules to their existing library of over 100 online learning courses. These can now be viewed on Target Solutions in addition to the large library of courses already available. Updating modules and creation of new content addressing risks facing members and the pool has been an annual commitment CSRMA has made for 15 years!

Occumetric

Don Freeman and the Occumetric name are no strangers to CSRMA members. They have been providing state-of-the-art ergonomic services to members for several years. This year, CSRMA subscribed to Occumetric's Physical Demand Assessment software that will allow members to easily and quickly identify tasks that put employees at risk of back injury so that prevention or task redesign measures can be taken.

Risk Control Online

CSRMA's Risk Control Online platform has been transformed into the hub for all of CSRMA's online risk control services and web applications, including the Contractor Safety Program Builder, the Job Competencies Builder, Employment Law Resources Hub and more!

CSRMA's online learning library now contains modules addressing every competency on the CWEA's Collection System Operator Grade 1 exam – prepping for the exam has never been easier for the next generation of collections workers!

Risk Control Seminars And Webinars

Members want more training and CSRMA listens. This year, CSRMA conducted over 20 webinars. Most are recorded for members to access on-demand going forward.

Risk Control And Safety Program Reimbursement Incentive

CSRMA's two reimbursement programs - \$2,000 annually for safety and risk control efforts and \$1,200 annually for employee health promotion efforts – reached more than 80% of the pooled program members!

Workers' Compensation Consulting Services

CSRMA continued to benefit from the services of Heather Truro at HT Consulting. She is a workers' compensation claims management specialist who has been retained by CSRMA to provide assistance to our members with workers' compensation issues; in particular, by implementing the Workers' Compensation Claims Management and Return to Work Programs.

Sewer Summit 2019

The 2019 Sewer Summit was the largest ever with over 25 members represented at this one day conference offering attendees four tracks with 5 sessions each for a total of 20 different 1-hour classes on topics ranging from Regulatory Compliance and Engineering, Collections Worker Safety, Operations and Management and Storm Water Compliance.

The Second Annual CSRMA Conference

The 2nd annual CSRMA conference was a huge hit! With three tracks, four sessions per track for a total of 12 training opportunities packed into a single day, members could learn the latest on risk transfer, risk control and risk management.



CSRMA Workers' Compensation Excellence Award

CSRMA is pleased to announce the winners of the Workers' Compensation Excellence Award! This award program is designed to recognize those members who have successfully implemented soft tissue/strain related injury prevention efforts.

Members meeting the award criteria shared equally in a cash prize of \$50,000, or the average cost of a back claim according to Workers' Compensation Insurance Rating Bureau 2013 data. The cash prize will be paid directly to the employees of each qualifying member in an amount not to exceed \$499 per employee.



SMART SOP

SMART SOP, the mobile app CSRMA created for its members to make creating photo-based lockout/tagout and free form photo-based SOPs a snap has been upgraded with new features that make the following even easier:

- » Compliance with CalOSHA's Personal Protective Equipment, Lockout/Tagout and Job Hazard Assessment requirements
- » Organization of SOPs in the app is now simpler with a file folder organization structure. Not to worry, though – you can still assign each SOP a QR code for easy SOP retrieval.
- » Add video to SOPs. Yep, SMART SOP can do that now, too!

2019 WORKERS' COMPENSATION EXCELLENCE AWARD WINNERS

Silicon Valley Clean Water

Carpinteria Sanitary District

Lake Arrowhead Community Services District

WHAT THE FUTURE HOLDS

In 2020 there will be a big push to address the most frequent cause of CSRMA's Workers' Compensation Claims resulting in lost time; soft tissue injury due to strain and overexertion. At the heart of this push is staff training and Occumetric's Physical Demand Assessment software to identify tasks that place employees at greatest risk for this type of injury.

The Silver Tsunami of retirements is upon us. This means new hires and, according to OSHA, the first year on the job is the most dangerous time for an employee. To address this, CSRMA will continue training on Job Competency Based Training Systems to help members transition from historical tribal knowledge based training to more measurable training systems to get new hires up to speed as quickly and safely as possible.

The cost for harassment, discrimination and other forms of employment liability have been increasing dramatically across all industries. CSRMA will continue to provide training, hotline services and other resources for members to help navigate this area of liability in 2020.

CSRMA can now push SOPs directly to member devices (tablets, smart phone) loaded with the Smart SOP app. This gives CSRMA the ability to push guidance directly to your employees to access when and where they need them. Members can look forward to SOPs such as: How to Respond to a Residential Sewer Backup; How to Determine if this is a Permit Required Confined Space; Excavation Competent Person Inspection Guide and More!

MEMBER AGENCIES

Bayshore Sanitary District
Byron Sanitary District
Carmel Area Wastewater District
Carpinteria Sanitary District
Castro Valley Sanitary District
Central Contra Costa Sanitary District
Central Marin Sanitation Agency
County S.D. No. 2-3 of Santa Clara County
Crockett Community Services District
Cupertino Sanitary District
Delta Diablo
Dublin San Ramon Services District
East Bay Dischargers Authority
Encina Wastewater Authority
Fairfield-Suisun Sewer District
Goleta Sanitary District
Goleta West Sanitary District
Inland Empire Utilities Agency
Ironhouse Sanitary District
Lake Arrowhead Community Services District
Las Gallinas Valley Sanitary
Leucadia Wastewater District
Montara Water and Sanitary District
Montecito Sanitary District
Monterey One Water
Mt. View Sanitary District
Napa Sanitation District
North of River Sanitary District
Novato Sanitary District
Oceana Marin Sewer Imp. District
Ojai Valley Sanitary District
Oro Loma Sanitary District
Richardson Bay Sanitary District
Rodeo Sanitary District
Ross Valley Sanitary District
San Elijo Joint Powers Authority
San Rafael Sanitation District
Sanitary District No. 5 of Marin County
Santa Margarita Water District
Sausalito-Marín City Sanitary District
Selma-Kingsburg-Fowler County S.D.
Sewer Authority Mid-Coastside
Sewerage Agency Of Southern Marin
Silicon Valley Clean Water
South Orange County Wastewater Authority
Stege Sanitary District
Tahoe-Truckee Sanitation Agency
Triunfo County Sanitation District
Truckee Sanitary District
Union Sanitary District
Vallejo Flood and Wastewater District
Valley Sanitary District
Ventura Regional Sanitation District
Victor Valley Wastewater Recl. Auth.
West Bay Sanitary District
West County Wastewater District
West Valley Sanitary District
Western Riverside County R.W.A.

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