



riskinternational

An Artex Company

CONSTRUCTION RISK FINANCING STUDY

SITES RESERVOIR PROJECT

November 21, 2025



- **Traditional Approach**
 - Each contracting company brings their corporate insurance
- **Owner Controlled Insurance Program (OCIP)**
 - Owner purchases master workers' compensation, general liability, and excess liability insurance program
- **General Liability – Only Program (G/L-Only)**
 - Owner purchases master general liability and excess liability insurance program and contractors bring their own workers' compensation
- **Contractor Controlled Insurance Program (CCIP)**
 - CMARs, DB, and DBB contractors purchase their own master workers' compensation, general liability, and excess liability insurance programs



Sites Collective Risk Management Goals

- Reduce the risk to the Authority
- Ensure coverage for wildfire liability
- Enhance small business participation



Study Conclusions

- An **OCIP** is not feasible due to the administrative burden
- The **Traditional Approach** to insurance is not ideal due to the large number and varying insurance programs on site
- Mandating **CCIPs** on contractors is not ideal and would also result in multiple insurance programs on site
- A master **G/L-Only** program is feasible if certain conditions were met



Study Recommendations

Adopt a master G/L-Only program.

Implementation Considerations:

1. Procure a broker / administrator to market, place, and administer the program.
2. Appoint 1 – 2 internal champions to:
 - a. Assist setting up the program and oversee the broker / administrator.
 - b. Oversee the program during construction operations and throughout the 10-year state statute of repose.
 - c. Oversee and manage claims until close out beyond construction operations.



Study Recommendations (continued)

3. The program will not yield significant savings over what contractors may charge Sites for insurance.
4. Sites will involve the CMAR in the establishment of the program.



Questions?