

HARRP NOTES



- Executive Director
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- Contract Administration
- Maintenance
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- Personnel
- Safety Program Coordinator

December 2007

Housing Authorities Risk Retention Pool
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2008 RATES

As is its custom, the HARRP Board of Directors adopted 2008 coverage rates at its December 13, 2007 meeting. Following a review of the actuarial report and a discussion of the staff recommendations, the rates shown below were adopted. They will be effective at the time of each member's renewal on and after January 1, 2008.

HARRP's rates will remain at the same as they were for the 2007 coverage period.

	<u>CA</u>	<u>OR</u>	<u>WA</u>	<u>NV</u>
Property	.00059	.00071	.00092	.00112
General Liability	\$ 9.00	\$ 8.72	\$11.73	\$ 8.79
E&O Unit Rate	\$ 2.50	\$ 2.48	\$ 3.46	\$ 2.26
E&O Employee Rate	\$147.86	\$146.94	\$239.18	\$134.11
Auto Liability — Urban	\$391.75/\$522.34	\$362.14/\$482.85	\$328.01/\$437.35	\$382.50/\$510.00
Auto Liability — Other	\$332.16/\$442.88	\$333.02/\$444.03	\$295.51/\$394.01	----
Section 8 Liability	\$1.66	\$1.66	\$1.66	\$1.66

DISCARDING POSSIBLE EVIDENCE IN A PENDING CASE COULD BE COSTLY!

If a claim arises from the use, possible malfunction, or breakdown of a tool, piece of equipment, structure, appliance, etc., that subject item becomes "evidence" in any potential future claim. It is very important that we keep/store and preserve the item for an indefinite period of time, possibly until the running of the statute of limitation for any potential claim (as long as 10 years, or even longer). It is especially important to store any item when a claim has actually been presented.

The courts have developed very strong sanctions against parties that destroy, or even misplace, potential evidence. They call this "Spoliation of Evidence." The courts impose severe sanctions against parties who "spoil evidence." The courts can impose monetary sanction, including, but not limited to, paying the adverse party's attorney fees and litigation costs.

Courts can also impose what is called "Issue Sanctions" for the inadvertent disposal of evidence. Issue Sanctions are usually more severe because they basically eliminate the evidence from the case for the purpose of a defense. The party that inadvertently disposed of the evidence cannot use the malfunction of the item to shift liability to a responsible party. Even if it is determined by testimony that the faulty item was the proximate cause of a claim, the party in possession of the item cannot shift responsibility to the manufacturer, or party that damaged the item.

The bottom line is that the loss or destruction of evidence does not need to be willful or intentional for sanctions to be imposed. If sanctions are imposed by the court it can be very costly to HARRP and its members. We may be forced to accept, and pay, a several hundred thousand dollar claim for which another party may actually be responsible!

Any item (appliance, tool, piece of equipment, structure, etc.) that plays a role in causing damage or injury must be stored and maintained for a long period of time. If litigation is commenced at a later date, the adverse parties must have access to the evidence for inspection and documentation by their appointed experts. If not, you risk losing all defenses in that case.

If you have any questions about items involved in a potential claim for damage or injury, please contact HARRP Claims Manager, Rick Gehlhaar, to discuss the future handling and storage of the item.

Board of Directors Meeting Dates for 2008

March 27, 2008—Vancouver, Washington
September 8, 2008—To Be Determined

June 12, 2008—Vancouver, Washington
December 11, 2008—Vancouver, Washington

New Year Cell Phone Usage Laws In California and Washington

The New Year brings legislation in California and Washington prohibiting drivers from using wireless telephones while operating motor vehicles, unless the driver uses a hands-free device.

The law in California takes effect July 1, 2008. Drivers who violate the law in California will face a base fine of \$20 for a first offense and \$50 for each subsequent offense.

Similarly, Washington State passed a law effective January 1st, making it illegal for drivers to read, type or send a text message from a wireless device while behind the wheel. Furthermore, motorists will also be banned from using all but "hands-free" cell phones while driving in Washington effective July 1, 2008. The fine in Washington is \$101. We recommend that housing authorities in those states (as well as Nevada and Oregon) implement a policy prohibiting employees from using cell phones while driving on authority business. We recommend a policy similar to the following:

Cell Phones

_____ Housing Authority requires certain positions to carry cell phones while on the job as a condition of employment. Your job description will indicate if you are required to carry a cell phone. If you are required to carry a personal cell phone, you will receive a monthly allowance to cover business-related usage and relevant taxes.

Cell Phone Usage While Driving

Cellular telephones are used by some employees as a business tool. They are to assist employees in communicating with management, staff, clients and other business associates. Employees are expected to use good judgment regarding the need to make a cell phone call, the number of calls made, and the length of each call.

Cell phone use is intended for business-related calls during business hours. However, occasional and brief personal use is permitted within reason.

Employees who are driving while on the job must remember that their primary responsibility while driving is driving safely and obeying the rules of the road. While an employee may have access to a cell phone while driving on the job, that employee must not use a cell phone in a manner that interferes with driving safely and obeying the rules of the road. Therefore, The housing authority only permits employees to use cell phones on the job while they are driving under the following circumstances:

The cell phone is equipped with hands free technology such that the employee has two hands available for the operation of the motor vehicle.

To the extent that this is not possible, the employee may use a cell phone while in a motor vehicle only if that motor vehicle is not moving and is off the road. An employee should dial a number on his/her cell phone while not moving and off the road and then resume driving while talking only if the cell phone is equipped with hands free technology such that the employee has two hands available for the operation of the motor vehicle. If dialing must be done while the vehicle is moving, extreme caution should be exercised.



**From all of us here at HARRP, we wish you a
wonderful holiday season!!**

