MOUNTAIN CLUB DOMESTIC WATER IMPROVEMENT DISTRICT

VEHICLE INSURANCE POLICY

Version 1.00 Adopted: October 8, 2026

Effective immediately

Purpose

This policy is intended to reduce the Mountain Club Domestic Water Improvement District's (the "District") exposure to legal and financial liability by establishing minimum automobile insurance requirements for Board members and authorized volunteers who operate personal vehicles on official District business.

Scope

This policy applies to all elected or appointed District Board members. It also applies to all authorized District volunteers.

Policy Requirements

1. Mandatory Coverage Limits

Any Board member or volunteer who operates a personal vehicle on District business must maintain automobile liability insurance covering that vehicle with limits of at least:

- Bodily injury: $250,000 per person and $500,000 per accident.
- Property damage: $100,000 per accident.

2. Definition of District Business

District business includes any driving performed to fulfill official duties.

- **Included:** Traveling to off-site meetings or mandatory training, inspecting District infrastructure, and performing routine District tasks such as purchasing supplies or going to the post office or bank.
- **Excluded:** Normal commuting from home to regular District Board meeting locations.

3. Verification and Compliance

- **Proof of Insurance:** Before operating a personal vehicle on District business, covered individuals must provide the District Secretary with a current automobile insurance declarations page showing the covered vehicle, policy dates, and required liability limits.

- **Renewal:** Updated proof of insurance must be provided upon each policy renewal or replacement.
- **License Validity:** Drivers must maintain a valid Arizona driver's license.
- **Status Changes:** Drivers must immediately notify the District Secretary if their driver's license is suspended, revoked, or expires, or if their insurance is canceled, lapses, or falls below the required limits. They must cease driving on District business until compliance is restored.

4. Primary Liability Allocation

- **Personal Policy:** Individuals are responsible for maintaining the required automobile liability insurance and confirming with their insurer that their use of the vehicle on District business is covered.
- **District Coverage:** Any applicable District insurance coverage, including whether it applies as excess coverage, is subject to the terms, conditions, exclusions, and limits of the District's insurance policies.
- **Damages and Deductibles:** The District is not responsible for physical damage to personal vehicles or personal deductible costs.

5. Enforcement

A Board member or volunteer who fails to provide current proof of the required insurance or otherwise fails to comply with this policy may not operate a personal vehicle on District business until compliance is restored. Mileage reimbursement will not be provided for travel undertaken in violation of this policy.

REVISION HISTORY

Version	Date	Author/Role	Description of Changes
1	10/08/2026	C. Witham, District Chair	Document approved on 10/08/2026 by Board of Directors.