

MUNICIPAL EXCESS LIABILITY JOINT INSURANCE FUND

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BULLETIN MEL 24-08

Date: January 1, 2024
To: Fund Commissioners of Member Joint Insurance Funds
From: Underwriting Manager
Conner Strong & Buckelew
Re: Object Certificate Issuance, Loss Prevention Checklists

The bulletin does not apply to the members of the NJUA JIF, “workers compensation only” members of NJPHA JIF. This bulletin does not apply to the Board of Education members of the Suburban Metro JIF. This bulletin does not apply to members not participating in the MEL Property program.

This will serve as a reminder of the claims reporting and object inspection aspects of the property and equipment breakdown insurance program.

Your Chubb Risk Engineering account team will manage the jurisdictional inspections for your locations. Chubb has a team of 12 Equipment Breakdown Risk Engineers who hold the State of NJ commission to perform inspections.

Chubb Engineering will contact you to schedule your due jurisdictional objects. We are using the last known contact info provided and entered into the Jurisdictional data base. If you have questions or have made changes to your contacts who have handled the coordination of inspections, you may email us directly with your request to <https://www.chubb.com/us-en/request-a-jurisdictional-inspection.html>.

****Important** Please use the following naming format in the “Named Insured” section of the request:**

MEL – JIF followed by the city and the Location name (one example below)

1. MEL-JIF, City of Lawrence, Town Hall

Requests should include *(you may use one request for multiple objects and locations):*

- Named Insured as described above.
- Location full address where objects are located.
- Contact person name and title.
- Contact phone and email.
- County
- Reason for Request (Select Routine Inspection)
- Special instructions should be included in the message section.
- Boiler and/or Vessel Jurisdictional Number
- Inspection Need by Date

If the State of NJ contacts you to inspect your boilers, please advise them that Chubb conducts your inspections and is already scheduled to visit your locations and complete the necessary inspections.

If you should have any immediate questions or inspection needs and would like to speak with the Chubb Engineering account team, please email or call:

Timothy Bebout Senior Equipment Breakdown Risk Engineer 609-955-6777 Timothy.bebout@chubb.com	Matthew Sanchez, AINS Team Lead 914-552-0982 matthew.sanchez@chubb.com
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Object Inspections and Certificate Issuance

Chubb provides the boiler and machinery object inspections and certificate issuance. Chubb has licensed inspectors to perform state inspections for jurisdictional objects. The member entity shall contact the Chubb inspector prior to the expiration date of the certificate for the object and following the yearly maintenance that is to be performed on the object. A Chubb inspector will arrange for a convenient time to perform these inspections. Chubb will ask that a designated person of the member entity accompany them during these inspections, if possible, to make the visit as efficient as possible. Each certificate object normally generates a license fee. "Unfired pressure vessels" includes air tanks, expansion tanks, autoclaves and similar equipment. Please note, the MEL has paid with their renewal insurance premium the cost of these certificates. Therefore, member entities should not pay any fee invoices received from Chubb. As in the past, any invoices received from the insurance company should be returned to Chubb.

State of New Jersey Object Inspection Requirements

The State of New Jersey requires a number of heating and cooling objects to be inspected and given a certificate of safe operation by a representative of the State. Some of the common objects you may find in your facilities include Low- and High-Pressure Boilers, Storage Water Heaters (fired and electric), Steam Cookers and Refrigeration Systems.

The law requires that all steam or hot water boilers, hot water heaters or similar equipment potentially capable of generating steam shall be inspected at least once each year at 12-month intervals. The inspection shall be an internal and external as construction conditions will permit.

The law also specifies requirements for air conditioning/refrigeration system inspections and certifications. For example, all refrigeration systems using flammable or toxic refrigerants having 36 driving horsepower must be inspected and certified annually by an insurance company commissioned inspector or a State of New Jersey inspector.

Along with the above, the State of New Jersey has put into effect as of October 6, 2008 the enforcement of the registration and inspection of pressure vessels and it reads as follows:

"The State of New Jersey Bureau of Boiler and Pressure Compliance (BB & PVC) has mandated that owners of pressure vessels have their vessels inspected. This inspection is mandatory and must be done when the current boiler and refrigeration inspections are performed. After the initial inspection of the pressure vessel is completed thereafter, it must be inspected every three years. Inspection of pressure vessels is conducted by State and Insurance company inspectors certified by the BB&PVC. Boiler and refrigeration plants will continue to be inspected once per year."

Chubb will provide the registration, inspection and the New Jersey Certificate object number, this will keep you in compliance with the in force unfired pressure vessel Code.

The State will issue fines for all objects that do not have the certificate up to date. N.J.S.A. 34:7-26 Penalties; Recovery states that the first offense can carry a penalty of \$500 to \$10,000 per object. The second offense can carry a penalty as much as \$25,000 per object. The fines will come directly

from the State of New Jersey. The law requires the inspection to be internal and external as construction and conditions permit. For the Boiler to be ready for an inspection, *New Jersey Code 12:90-4.10(f)* requires the boiler to be "open, clean, cool and ready for the inspector."

For your reference, attached to this bulletin is documentation concerning the proper installation of the feed water check valves. These documents are directly from the State of New Jersey. It is emphasized that no other devices can be installed between the stop valve/check valve and the boiler.

If you have any questions concerning this bulletin, please contact your Risk Management Consultant, JIF Executive Director or the Underwriting Manager at Conner Strong & Buckelew.

This bulletin is for information purposes only. It is not intended to be all-inclusive but merely an overview. It does not alter, amend or change your coverage. Please refer to specific policies for limits, terms, conditions and exclusions.

cc: Risk Management Consultants
Fund Professionals
Fund Executive Directors