

Attachment 1

**AMENDMENT NO. 2 TO
AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
MARIN MUNICIPAL WATER DISTRICT and Alliant Insurance Services, Inc.
(Miscellaneous Agreement No. 5684)**

This Contract Amendment (“Second Amendment”) is entered into by and between Marin Municipal Water District (“District”) and Alliant Insurance Services, Inc. (“Consultant”).

For good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Recitals:

- A. District and Consultant entered into an Agreement for Professional Services dated April 19, 2019 (“Agreement”), which expired in Fiscal Year 2022 and a First Amendment dated February 16, 2023, which expires in Fiscal Year 2024.
- B. The parties desire to enter into a second amendment to the Agreement to extend the annual insurance brokerage services for two (2) subsequent fiscal years.

Section 2. Terms:

- A. Amendment to Agreement: This Second Amendment modifies the Agreement. Except for the modifications contained herein, all the terms of the Agreement shall apply.
- B. Terms:
 - 1. Part A, Section 1(b) entitled “Description of Services and Payment” is hereby amended to read as follows:

The fees and fee payment for such work shall be stipulated under the fee schedule included in Attachments B of this agreement and shall not exceed \$70,000 annually in total through fiscal years 2024-25 and 2025-26.

Dated: _____

ALLIANT INSURANCE SERVICES, INC.

By _____

Dated: _____

MARIN MUNICIPAL WATER DISTRICT

By _____

Bennett Horenstein, General Manager



May 31, 2024

Shelley Reilly
Finance Manager
Marin Municipal Water District
220 Nellen Avenue
Corte Madera, CA 94925

Re: Brokerage/Consulting Services Contract Extension

Dear Shelley:

Alliant has had the pleasure of working with the Marin Municipal Water District (MMWD) for the past five years and we appreciate the opportunity to provide a proposal to continue our services. We value our partnership with MMWD and are pleased to provide you with the following proposal to continue offering brokerage and consulting services.

We are suggesting a continued fee for service approach. This annual fee would include the *Scope of Work* covered in the 2019-2022 Agreement for Professional Services.

Contemplating these services, our proposed annual fee is as follows:

	<u>FY 25</u>	<u>FY 26</u>
Annual Fee	\$70,000	\$70,000

We hope this proposal for a continuation of services is acceptable as we most definitely desire to continue our partnership with MMWD. Thank you again for this opportunity and we look forward to hearing from you soon.

Sincerely,

Seth Cole
Senior Vice President
scole@alliant.com

AMENDMENT NO. 1 TO
AGREEMENT FOR PROFESSIONAL SERVICES BETWEEN
MARIN MUNICIPAL WATER DISTRICT and Alliant Insurance Services, Inc.
(Miscellaneous Agreement No. 5684)

This Contract Amendment ("First Amendment") is entered into by and between Marin Municipal Water District ("District") and Alliant Insurance Services, Inc. ("Consultant").

For good and valuable consideration the receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Recitals:

- A. District and Consultant entered into an Agreement for Professional Services dated April 19, 2019 ("Agreement"), which expires in Fiscal Year 2022.
- B. The parties desire to enter into an amendment to the Agreement to extend the annual insurance brokerage services for two (2) subsequent fiscal years.

Section 2. Terms:

A. Amendment to Agreement: This First Amendment modifies the Agreement. Except for the modifications contained herein, all the terms of the Agreement shall apply.

B. Terms:

- 1. Part A, Section 1(b) entitled "Description of Services and Payment" is hereby amended to read as follows:

The fees and fee payment for such work shall be stipulated under the fee schedule included in Attachments B of this agreement and shall not exceed \$67,250 annually in total through fiscal years 2022-23 and 2023-24.

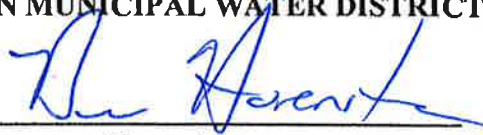
Dated: 2/16/23

ALLIANT INSURANCE SERVICES, INC.

By 

Dated: 2/27/23

MARIN MUNICIPAL WATER DISTRICT

By 
Bennett Horenstein, General Manager

AGREEMENT FOR PROFESSIONAL SERVICES

The following is an agreement between **Marin Municipal Water District**, hereinafter "MMWD", and Alliant Insurance Service Inc., hereinafter, "Consultant".

WHEREAS, Consultant is a duly qualified consulting firm, experienced as an international insurance brokerage and risk management services firm in providing services to public sector clients.

WHEREAS, in the judgment of the Board of Directors of the MMWD, it is necessary and desirable to employ the services of the Consultant for the insurance brokerage.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

PART A-- SPECIFIC PROVISIONS:

1. **DESCRIPTION OF SERVICES AND PAYMENT:** Except as modified in this agreement, the services to be provided and the payment schedule are:
 - a. The scope of work covered by this agreement shall be that included in Attachment A of this agreement.
 - b. The fee and fee payment for such work shall be as stipulated under the fee schedule included in Attachment B of this agreement and shall not exceed \$65,000 annually in total from the fiscal years 2019-20 through 2021-22.

PART B-- GENERAL PROVISIONS

1. **ASSIGNMENT/DELEGATION:** Except as above, neither party hereto shall assign, sublet or transfer any interest in or duty under this agreement without written consent of the other, and no assignment shall be of any force or effect whatsoever unless and until the other party shall have so consented.
2. **STATUS OF CONSULTANT:** The parties intend that the Consultant, in performing the services hereinafter specified, shall act as an independent contractor and shall have the control of the work and the manner in which it is performed. The Consultant is not to be considered an agent or employee of MMWD, and is not entitled to participate in any pension plan, insurance, bonus or similar benefits MMWD provides its employees.

3. INDEMNIFICATION: MMWD is relying on professional ability and training of the Consultant as a material inducement to enter into this agreement. The Consultant hereby warrants that all its work will be performed in accordance with generally accepted professional practices and standards, as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of the Consultant's work by MMWD shall not operate as a waiver or release.

- a. Consultant expressly agrees to defend, indemnify and hold harmless MMWD, its officers, agents, and employees from and against any and all loss, liability, expense, claims, suits and damages, including attorneys' fees, arising out of or pertaining or relating to Consultant's, its associates', employees', subconsultants', or other agents' negligence, recklessness, or willful misconduct, in the operation and/or performance under this Agreement.
- b. With respect to all other than professional services under this agreement, Consultant shall indemnify, hold harmless, release and defend MMWD, its officers, agents and employees from and against any and all actions, claims, damages, disabilities, liabilities and expenses, including attorney's and expert fees and witness costs that may be asserted by any person or entity, including the Consultant, arising out of or in connection with this agreement and the activities necessary to perform those services and complete the tasks provided for herein, but excluding liabilities due to the sole negligence or willful misconduct of MMWD.

This indemnification is not limited in any way by any limitation on the amount or type of damages or compensation payable by or for the MMWD or its agents under workers' compensation acts, disability benefit acts or other employee benefit acts.

4. PROSECUTION OF WORK: The execution of this agreement shall constitute the Consultant's authority to proceed immediately with the performance of this contract. Performance of the services hereunder shall be completed before June 30, ending of each fiscal year for the District's insurance to be effective on July 1, beginning of each fiscal year, provided, however, that if the performance is delayed by earthquake, flood, high water or other Act of God or by strike, lockout or similar labor disturbance ("Acts"), the time for the Consultant's performance of this contract shall be extended by a number of days equal to the number of days the Consultant has been delayed by such Acts.

5. METHOD AND PLACE OF GIVING NOTICE, SUBMITTING BILLS AND MAKING PAYMENTS: All notices, bills and payment shall be made in writing and may be given by personal delivery or by mail. Notices, bills and payments sent by mail should be addressed as follows:

MMWD: Marin Municipal Water District
Attention: Mikyung Pustelnik, Finance Manager
220 Nellen Avenue
Corte Madera CA 94925
Phone (415) 945-1410

CONSULTANT: Alliant Insurance Services Inc.
Attention: Seth Cole, Sr. Vice President
100 Pine Street, 11th Floor
San Francisco, CA 94111
Phone (415) 403-1400

and when so addressed, shall be deemed given upon deposit in the United States Mail, postage prepaid. In all other instances, notices, bills and payments shall be deemed given at the time of actual delivery. Changes may be made in the names and addresses of the person to whom notices, bills and payments are to be given by giving notice pursuant to this paragraph.

6. MERGER: This writing is intended both as the final expression of the agreement between the parties hereto with respect to the included terms of the agreement, pursuant to California Code of Civil Procedure Section 1856 and as a complete and exclusive statement of the terms of the agreement. No modification of this agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

7. SEVERABILITY: Each provision of this agreement is intended to be severable. If any term of any provision shall be determined by a court of competent jurisdiction to be illegal or invalid for any reason whatsoever, such provision shall be severed from this agreement and shall not affect the validity of the remainder of the agreement.

8. TERMINATION: At any time and without cause, the MMWD shall have the right in its sole discretion, to terminate this agreement by giving written notice to the Consultant. In the event of such termination, MMWD shall pay the Consultant for services rendered to the termination date.

In addition, if the Consultant should fail to perform any of its obligations hereunder, within the time and in the manner herein provided, or otherwise violate any of the terms of this agreement, MMWD may terminate this agreement by giving the Consultant written notice of such termination, stating the reason for such termination. In such event, the Consultant shall be entitled to receive as full payment for all services satisfactorily rendered and expenses incurred hereunder, an amount which bears the same ratio to the total fees specified in the agreement as the services satisfactorily rendered hereunder by the Consultant bear to the total services otherwise required to be performed for such total fee, provided, however, that there shall be deducted from such amount the amount of damage, if any, sustained by MMWD by virtue of the breach of the agreement by the Consultant.

9. TRANSFER OF RIGHTS/OWNERSHIP OF DATA: The Consultant assigns to MMWD all rights throughout the work in perpetuity in the nature of copyright, trademark, patent, and right to ideas, in and to all versions of any plans and specifications, reports, video tapes,

photographs, and documents now or later prepared by the Consultant in connection with this contract.

The Consultant agrees to take such actions as are necessary to protect the rights assigned to MMWD in this agreement, and to refrain from taking any action which would impair those rights. The Consultant's responsibilities under this contract will include, but not be limited to, placing proper notice of copyright on all versions of plans and specifications, reports and documents as MMWD may direct, and refraining from disclosing any versions of the reports and documents to any third party without first obtaining written permission of MMWD. The Consultant will not use, or permit another to use, any plans and specifications, reports and documents in connection with this or any other project without first obtaining written permission of MMWD.

All materials resulting from the efforts of MMWD and/or the Consultant in connection with this project, including documents, reports, calculations, maps, photographs, video tapes, computer programs, computer printouts, digital data, notes, and any other pertinent data are the exclusive property of MMWD. Reuse of these materials by the Consultant in any manner other than in conjunction with activities authorized by MMWD is prohibited without written permission of MMWD.

Attachment A – Insurance Brokerage Service Proposal

Attachment B – Fee and Broker Compensation

Attachment C – Additional Insured Endorsement

Attachments are on final page of this document.

10. COST DISCLOSURE: In accordance with Government Code Section 7550, the Consultant agrees to state in a separate portion of any report provided MMWD, the numbers and amounts of all contracts and subcontracts relating to the preparation of the report.

11. NONDISCRIMINATION: The Consultant shall comply with all applicable federal, state and local laws, rules and regulations in regard to nondiscrimination in employment because of race, color, ancestry, national origin, religion, sex, marital status, age, medical condition or physical handicap.

12. EXTRA (CHANGED) WORK: Extra work may be required. The Consultant shall not proceed nor be entitled to reimbursement for extra work unless that work has been authorized, in writing, in advance, by MMWD. The Consultant shall inform the District as soon as it determines work beyond the scope of this agreement may be necessary and/or that the work under this agreement cannot be completed for the amount specified in this agreement. Failure to notify the District shall constitute waiver of the Consultant's right to reimbursement.

13. CONFLICT OF INTEREST: The Consultant covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Consultant further covenants that in the performance of this contract no person having any such interest shall be employed.

14. INSURANCE: The Consultant shall obtain insurance acceptable to MMWD in a company or companies with a Best's rated carrier of at least "A". The required documentation of such insurance shall be furnished to MMWD at the time the Consultant returns the executed contract. The Consultant shall not commence work nor shall it allow its employees or subcontractors or anyone to commence work until all insurance required hereunder has been submitted and approved.

The Consultant shall have and maintain at all times during the life of this agreement, up to the date of acceptance, the following policies of insurance:

- a. **Workers' Compensation Insurance:** Workers' Compensation Insurance to cover its employees, as required by the State of California, and shall require all subcontractors similarly to provide Workers' Compensation Insurance as required by the Labor Code of the State of California for all of the subcontractors' employees. All Workers' Compensation policies shall be endorsed with the following specific language:

"This policy shall not be canceled without first giving thirty (30) days prior notice to MMWD, Attn: Finance Manager, by certified mail."

The Workers' Compensation Insurance self-insured deductibles and retentions for both the Consultant and its subcontractors shall not exceed \$1,000.00.

- b. **Public Liability Insurance:** Personal Injury (including bodily injury) and Property Damage Insurance for all activities of the Consultant and its subcontractors arising out of or in connection with this agreement, written on a commercial general liability form which provides coverage at least as broad as ISO Commercial General Liability Occurrence Form CG 00 01 11 85 or 88 or any subsequent revision or equivalent including benefit contractual coverage, completed operations coverage, Consultant's protective coverage, and automobile coverage. The automobile coverage should be at least as broad as ISO Business Auto Form CA001 edition 187 or equivalent including employer's non-ownership liability. All deductibles or self-insured retentions shall not exceed \$1,000.00. Coverage in an amount not less than \$1,000,000.00 combined single limit personal injury, including bodily injury, and property damage for each occurrence is required. Each such policy shall be endorsed with the following language:

- 1. The Marin Municipal Water District, its officers, agents, employees and volunteers are additional insureds under this policy.
- 2. The insurance shall be primary as respects the insured shown in the schedule above.

3. The insurance afforded by this policy shall not be canceled except after thirty days prior written notice by certified mail return receipt requested has been given to the MMWD.
4. The referenced policy does not exclude explosion, collapse, underground excavation hazards or removal of lateral support.
5. The inclusion of more than one insured shall not operate to impair the right of one insured against another insured, and the coverage afforded in the policy shall apply as though separate policies had been issued to each insured.

Consultant's policy shall be endorsed with "Attachment C - Additional Insured Endorsement" form.

The General Aggregate Limits of Insurance in the referenced policies shall be twice occurrence limit.

- c. Professional Liability Insurance: The Consultant shall procure and maintain throughout the term of this agreement, Professional Liability Insurance in an amount not less than \$1,000,000.00. All insurance deductibles or self-insured retentions shall not exceed \$1,000.00. All Professional Liability Insurance policies shall be endorsed with the following specific language:
 - (i) This policy shall not be canceled without first giving thirty (30) days prior notice to MMWD by certified mail.
- d. Documentation: The following documentation of insurance shall be submitted to MMWD:
 - (i) A Certificate of Insurance for Workers' Compensation Insurance for Consultant. A copy of the required policy endorsements specified in subparagraph a. shall be attached to each such Certificate submitted.
 - (ii) Certificates of Liability Insurance showing the limits of insurance provided. Copies of the required endorsements specified in subparagraphs b. and c. shall be attached to each Certificate submitted.

15. DISPUTE RESOLUTION: Any dispute or claim in law or equity between District and Consultant arising out of this agreement, if not resolved by informal negotiation between the parties, shall be mediated by referring it to the nearest office of Judicial Arbitration and Mediation Services, Inc. (JAMS) for mediation. Each party shall provide the others with a list of four mediators. The parties shall confer on the list and select a mutually agreeable mediator. Mediation shall consist of an informal, non-binding conference or conferences between the parties and the judge-mediator jointly, then in separate caucuses wherein the judge will seek to

guide the parties to a resolution of the case. If the parties cannot agree to a mutually acceptable member from the JAMS panel of retired judges, a list and resumes of available mediators with substantial experience in mediating claims of the type at issue between the parties, numbering one more than there are parties, will be sent to the parties, each of whom will strike one name leaving the remaining name as the mediator. If more than one name remains, JAMS arbitrations administrator will choose a mediator from the remaining names. The mediation process shall continue until the case is resolved or until such time as the mediator makes a finding that there is no possibility of resolution.

At the sole election of the District, any dispute or claim in law or equity between District and Consultant arising out of this agreement which is not settled through mediation shall be decided by neutral binding arbitration and not by court action, except as provided by California law for judicial review of arbitration proceedings. The arbitration shall be conducted in accordance with the rules of Judicial Arbitration Mediation Services, Inc. (JAMS). The parties to an arbitration may agree in writing to use different rules and/or arbitrators.

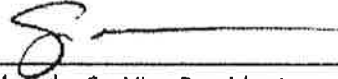
16. BILLING AND DOCUMENTATION: The Consultant shall bill MMWD for work on a monthly or agreed upon basis or as articulated in Attachment B and shall include a summary of work for which payment is requested. The summary shall include time and hourly rate of each individual, a narrative description of work accomplished, and an estimate of work completed to date.

17. REASONABLE ASSURANCES: Each party to this agreement undertakes the obligation that the other's expectation of receiving due performance will not be impaired. When reasonable grounds for insecurity arise, with respect to performance of either party, the other may, in writing, demand adequate assurance of due performance and until the requesting party receives such assurance may, if commercially reasonable, suspend any performance for which the agreed return has not been received. "Commercially reasonable" includes not only the conduct of the party with respect to performance under this agreement but also conduct with respect to other agreements with parties to this agreement or others. After receipt of a justified demand, failure to provide within a reasonable time, not to exceed 30 days, such assurance of due performance as is adequate under the circumstances of the particular case is a repudiation of this agreement. Acceptance of any improper delivery, service, or payment does not prejudice the aggrieved party's right to demand adequate assurance of future performance.

ALLIANT INSURANCE SERVICES INC.

Dated: 4-11-19

By


Seth Cole, Sr. Vice President

MARIN MUNICIPAL WATER DISTRICT

Dated: 4-19-19

By


Bennett Horenstein, General Manager

Attachment A

RESPONSE TO RFP FOR INSURANCE BROKERAGE AND RISK MANAGEMENT SERVICES
 MARIN MUNICIPAL WATER DISTRICT | FEBRUARY 22, 2019

BROKER OF RECORD QUESTIONNAIRE

BROKER OF RECORD QUESTIONNAIRE (Responses may be submitted on separate sheets with the corresponding headings)

CONFIDENTIAL

Date: February 22, 2019

Firm Name: Alliant Insurance Services, Inc.
Address/Zip Code: 100 Pine Street, 11th Floor, San Francisco, CA 94111
Phone Number: (415) 403-1400 *Date Established:* 1925

Please provide a brief history of your firm and local office.

Alliant was established in 1925 in San Diego, California as the Robert F. Driver Company. Today, it is still a privately held corporation headquartered in Newport Beach, California. As a firm, we are the largest specialty broker in the country, with our entire focus on selected industry segments including public entity, water agencies, education, construction, real estate, healthcare, tribal nations, hospitality, non-profits and legal professionals. Business Insurance ranks Alliant as the second largest privately held broker and the 10th largest broker of U.S. business overall (both based on 2018 brokerage revenue).

FOUNDED IN
1925



Nationwide distribution
 from 100+ offices

\$14
BILLION
 in premium



Largest in U.S.

\$1.4
BILLION
 in revenue

Alliant
 Ownership



Entrepreneurial,
 client-focused culture

3,650+
 employees





BROKER OF RECORD QUESTIONNAIRE

Alliant is majority owned by our employees, which distinguishes us from firms of similar size by making our clients the center of all decision making, not shareholders. Women and minorities play an important role within our company as our goal is to create a diverse and inclusive environment where all perspectives are heard, valued and respected. As a majority employee owned company, roughly 60% of our workforce is female and over 24% of our employees are minorities.

The balance of Alliant stock is owned by private equity and institutional investors. It is our belief that such a combination of ownership allows us both the necessary financial capacity to grow, and the incentive to be fully focus on client service, developing best practices improvement and fostering innovation.

The San Francisco and Newport Beach, California offices compose the core of Alliant's Public Entity Division whose combined resources are believed to be the largest concentrated collection of insurance professionals dedicated solely to the public agency sector, currently placing over \$1 billion in insurance premium on behalf of our public entity clients. We are proposing Alliant's San Francisco office as the servicing office on behalf of the District.

Provide name, experience and background qualifications of each proposed team member in each category. Specifically include public entity/utility experience with a summary description of the current high deductible programs and specify the amount of the deductible or SIR, and whether they are pool or non-pool accounts that each of the team members manages.

a. ACCOUNT SUPERVISION

i. Who will be assigned and what will be the specific responsibilities of the:

A. Account Executive

Seth Cole, Senior Vice President | Account Executive | San Francisco, CA

As the Account Executive, Seth's responsibilities will include general oversight of the account, development of a marketing strategy and negotiations with insurance markets. He will lead the service team, and has the overall responsibility for the design and implementation of the District's coverage programs. He will also be the lead broker on all casualty placements. Seth has 24 years of experience in the insurance industry, focusing his career on public entities for the past 19 years. Seth is the water and wastewater utility practice leader for Alliant.

Seth's public utility clients include the Metropolitan Water District of Southern California, Central Contra Costa Sanitary District, the California Sanitation Risk Management Authority (members in the North Bay include Central Marin Sanitation Agency, Novato Sanitary District, Sanitary District No. 1 of Marin County, Sewerage Agency of Southern Marin and Sausalito-Marín City Sewer District), ACWA-JPIA (pool) and the District of Columbia Water and Sewer Authority. Liability self-insured retentions for Seth's

BROKER OF RECORD QUESTIONNAIRE

public utility clients range from \$500,000 to \$25,000,000 and Workers' Compensation self-insured retentions range from \$750,000 to \$5,000,000.

B Assistant Account Executive

Matt McManus, Vice President | Assistant Account Executive | San Francisco, CA

Matt joined Alliant in 2009 and has been working with public entities ever since. Matt works directly with a variety of public sector related clientele, including cities, counties, hospitals, airports, universities and other special districts. Matt works with multiple public entity and pool accounts in California with high deductible / SIR programs ranging from \$250,000 to \$1,000,000.

Matt has invaluable experience working with large and complex property placements. Throughout his 10+ year career, Matt was recognized as a 2018 Honoree for Business Insurance's Breakout Awards (40 Under 40). This prestigious awards program recognizes elite professionals from across the U.S. who represent the future of our industry. Honorees are recognized for excellence in service, leadership, and industry knowledge. In 2014, Matt was selected for the Andrew Beazley Broker Academy at Lloyd's, which is a prestigious mentorship at Lloyd's of London, where only 20 individuals are carefully chosen every year.

B INSURANCE MARKETING

1. Who will be assigned and what will be the specific responsibilities of the:

Alliant approaches the servicing of accounts much different than most of our competitors. Our service and marketing philosophy is purposefully straightforward and functionally unlike the models to which most of our competitors have moved. Our clients receive a dedicated team of senior executives that are responsible for all aspects of daily administrative work, marketing, claims and consultation. **The Alliant senior executives we are proposing are Seth Cole and Matt McManus.**

Our senior team members are visible to our clients and do not fall into syndication groups, claims centers, global broking centers or service centers. Our objective is to deliver the service we promise, the financial results we indicate and the unequivocal personal commitment of each team member assigned to your account.

A number of our larger competitors will consolidate the insurance marketing of a client's program to a "marketing center" far away from the office of the particular broker assigned to an account. The creation of such an "internal" marketing unit within a brokers operation tends to distance the broker assigned from the underwriters at an insurance company who are tasked with developing pricing and coverage options.

Our approach is exactly the opposite. Alliant does not support the concept of a global marketing office where your account is assigned to other internal units for marketing purposes. It has been and remains our



BROKER OF RECORD QUESTIONNAIRE

belief that your account is best represented in the marketplace when the individuals most familiar with the account, who handle it daily, are the ones who also represent it directly to the market (i.e. Seth Cole and Matt McManus).

This approach has been well received by current clients and has led to a 98% client retention ratio, of which we are extremely proud.

A. Account Executive

Seth Cole, Senior Vice President | Account Executive | San Francisco, CA

Please see above for Seth's experience and background qualifications. Seth will be responsible for all aspects of daily administrative work, marketing and claims coordination.

B. Assistant Account Executive

Matt McManus, Vice President | Assistant Account Executive | San Francisco, CA

Please see above for Matt's experience and background qualifications. In addition to Seth, Matt will also be responsible for all aspects of daily administrative work, marketing and claims coordination.

C. Other marketing team members

Myron Leavell, Assistant Vice President | Lead Service Representative | San Francisco, CA

Myron is a lead account executive in Alliant's San Francisco office. His responsibility will be to process either directly, or through others, the administrative aspects of the District's insurance program. Myron will organize staff support providing day-to-day services to the District, including preparation of endorsements, certificates, invoicing and premium accounting. Myron is currently the lead service representative for the California Sanitation Risk Management Authority (pool of 50+ public utilities in California), Delta Diablo, Alameda County Waste Management Authority, and the San Francisco Office of Community Investment and Infrastructure.

Thary Ou, Assistant Account Manager | Services Representative | San Francisco, CA

Thary's responsibilities will be to provide day-to-day quality administrative services on the District's property and casualty insurance programs, including such items as certificate processing, endorsement requests, policy reviews, policy summaries, and invoicing. Thary is currently a service representative for the individual members of the California Sanitation Risk Management Authority (pool of 50+ public utilities in California).

Robert Frey, Senior Vice President | Claims Manager | San Francisco, CA

As head of Alliant's Public Entity Brokerage Claims department, Bob will be the District's primary contact for reporting claims and working with carriers on all related issues. Bob's role is to ensure that the District



BROKER OF RECORD QUESTIONNAIRE

is obtaining efficient and equitable claims resolutions. Together with his claims staff, he will ensure the initial reporting of claims to both primary and excess carriers, tracking the status of open claims, and coordinating carrier claims meetings on large or complex claims. Where necessary, Bob will be supported by senior professionals within our office who have substantial experience in helping our public entity clients negotiate settlements on large, complex property and liability claims.

Tim Leech, First Vice President | Loss Control Coordinator | Newport Beach, CA

Tim manages Alliant's Loss Control Services Division. Tim is available to assist in loss control program consulting and implementation under the District's direction. The majority of the work performed by Tim and his team is for public entity clients and their unique exposures (treatment facilities, hospitals, convention & civic centers, public works buildings, athletic venues, transportation hubs, etc.) that accompany them. Tim has over 25 years of experience working in the environmental, health and safety field, as an insurance loss control and insurance broker loss control consultant.

Mike Davidson, Vice President | Construction Specialist | San Diego, CA

Mike will be available to the District to consult on insurance matters related to construction projects and owner controlled insurance programs. Mike is an insurance broker and risk advisor in Alliant's Construction Services Group. Mike is currently the broker for the City of San Jose Wastewater Treatment Plant OCIP.

Michael Simmons, Vice Chairman | Peer Review | San Francisco, CA

Alliant recognizes that no single person has answers or a solution to every need. For this reason, Mike will be available as a "sounding board" or "Peer Review" to the service team and the District, should the need arise. He will consult with Seth and Matt concerning program design and market selection. Mike has over 35 years of expertise exclusively working with public entities and water agencies, and communicates with Seth and Matt on a daily basis.

Resumes for the proposed service team are included in the **Appendix A**.

ii. Describe your firm's marketing philosophy approach.

Through our years of experience, we have obtained valuable resources and the experience to formulate a service and marketing plan that works for each individual client. To make this all happen, our service team is available 24/7 to help you plan the best service and product for your needs.

Our Defined Client Service and Marketing Process, a technical practice we employ with all our clients, is the framework for our business approach. Purposefully, this process begins with transition planning, and includes an in-depth risk management analysis, in addition to service and marketing activities. This approach provides consistency in quality service, checkpoints and timelines for monitoring our jointly agreed upon service standards, and ensures the appropriate planning occurs well in advance of the expiration date. We will work closely with the District to ensure that this process aligns with the District's

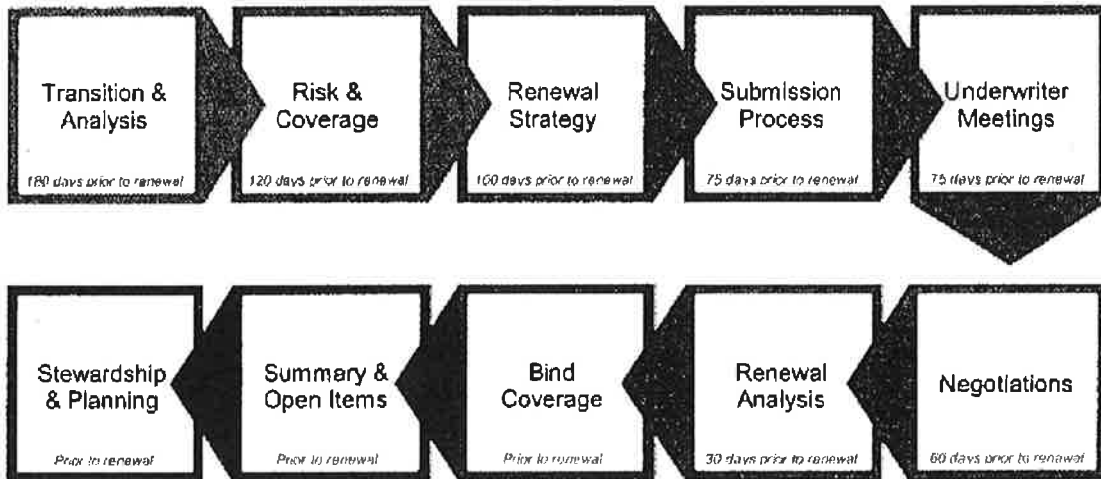




BROKER OF RECORD QUESTIONNAIRE

goals. In addition, we use Quality Committees to continuously monitor the implementation of these best practice standards.

What follows is an illustration of this process, with each step containing a detailed explanation along the way. As we base our proprietary Defined Client Service and Marketing Process on our "Risk on a Broader Perspective" philosophy, we are confident in saying that we know of no other broker that adheres to such a process as vigorously as Alliant.



1 TRANSITION PLAN/ANALYTICS & DIAGNOSTICS (180 days prior to renewal)

Once appointed as the District's Broker of Record, we will begin to transition the work flow from your current broker(s) to Alliant. Given the absolute importance of a successful transition for each new Alliant client, we will employ the following steps during the implementation of the program to make the transition as seamless as possible for the District.

Step 1: Identify Appropriate Personnel and Discuss the Defined Service and Marketing Process

- Identify individuals who will be involved in the transition from Alliant and the District.
- Discuss Defined Service and Marketing Process and tailor it the District's unique needs.
- Facilitate dialogue between key personnel at Alliant and the District; including claims, loss prevention, accounting, board members, etc.



BROKER OF RECORD QUESTIONNAIRE

Step 2: Notify Carriers

- Alliant will prepare Broker of Record Letters (BORs) for the District and then file it with the appropriate carriers.
- Confirm acceptance of all BORs filed.

Step 3: Information Gathering/Data Acquisition

- Financial statements
- Audits
- Actuarial studies
- Bylaws
- Claims data
- Corporate information
- Exposure data
- Draft submissions
- Exposure data
- Historical Policy Digest
- Policies/Summaries
- Schedules or other data elements

Step 4: Administrative

- Create Open Items Report.
- Further develop annual work plan to include all key stewardship tasks/dates/milestones.
- Develop protocol for execution of all key deliverables.
- Identify and plan for any other key administrative tasks as defined by the District.
- Provide laminated team charts/contact cards.
- Execute service agreement.

Step 5: Risk Identification

- Review all data accumulated from the information gathering/data acquisition process.
- Discuss with key operational personnel (operations, finance, legal, quality, risk, claims).
- Strategic discussions regarding mission, key the District initiatives, financial goals, short- and long-term operational and financial goals, unique financial issues, risk philosophy.
- Discuss unique claims or risk issues as defined by the District.

Step 6: Documentation and Implementation

- Prepare a summary report detailing the process, observations, and key findings.
- Review summary document and confirm findings.
- Develop renewal timeline in conjunction with the Annual Work Plan.

Our service team will coordinate these activities to help ease the administrative burden on the District. Our priority is to become intimately familiar with your overall insurance program and unique loss exposures. Therefore, we will get to know the District through a thorough review of your website, financial statements, and loss runs; an analysis of your policy language and coverage to determine the exact coverage being provided; personal discussions; and on-site visits.



BROKER OF RECORD QUESTIONNAIRE

2

RISK & COVERAGE PROFILE *(120 days prior to renewal)*

For coverage assigned to us, we will develop a Risk Profile unique to the District. We will compare this Risk Profile to your current insurance coverage to: determine any serious or unanticipated gaps that exist; review the retentions and insurance limits; and provide you with a written report outlining our observations and recommendations.

3

RENEWAL STRATEGY MEETING *(100 days prior to renewal)*

At least 100 days before your major renewal date(s), we will coordinate a Renewal Strategy Meeting to:

- Review our Risk and Coverage Analysis, the resultant Risk Profile and the adequacy of your current insurance portfolio.
- Update the District on the current insurance market.
- Discuss recent renewal results for similar clients.
- Provide an analysis of viable underwriter alternatives, their capacity, and deductible preferences.
- Obtain your thoughts on the desirability of any particular market, i.e., your past history with that carrier, the carrier's financial rating, etc.
- Provide renewal pricing ranges.
- Suggest a renewal timeline and renewal options.

Our goal is to provide you with a concise report outlining our mutually agreed upon game plan.

4

UNDERWRITING SUBMISSION & PRESENTATION *(75 days prior to renewal)*

The underwriting submissions we prepare are unrivaled in our industry. Our responsibility is to portray, with integrity, your unique Risk Profile for each line of coverage. Your underwriters will know that our submission will portray your unique risks and operations correctly, succinctly and in a clear and easily understandable format. We encourage meetings between you and the underwriters.

Our goal is to distinguish you from your peers and we do so by creating first class underwriting presentations that demonstrate your unique risk characteristics. We will help you structure the material and provide input and guidance on the graphic representation of your unique results, risks and operations.



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The underwriting submission and the underwriter presentation will be available to the market at least 75 days prior to your renewal date.

5

UNDERWRITER MEETINGS *(75 days prior to renewal)*

We will coordinate all underwriter meetings benefiting the District and our renewal strategy. Where possible, we will attempt to schedule these at your office.

6

NEGOTIATIONS *(60 days prior to renewal)*

To execute a successful renewal, we must focus on two key areas – market canvassing and the exploration of options. At our Renewal Strategy Meeting, we will have reviewed the listing of all possible market alternatives, solicited your input and agreed to those we want to approach. We will review alternative limit, retention and coverage structures. We will provide you with weekly renewal updates to keep you informed and to get your feedback and thoughts on the underwriters' responses.

7

RENEWAL PROPOSAL & ANALYSIS *(30 days prior to renewal)*

We are aware that while our clients want to have a bottom line comparison of all renewal alternatives, they also want to know the intricate details of each quotation. Therefore, our renewal proposals feature both an Executive Summary and a detailed Coverage Analysis section. Our analysis will help you make a more educated renewal decision.

8

BIND COVERAGE *(Prior to renewal)*

Once you have reviewed your renewal options and have selected an alternative, we will immediately process the following documents, all designed to be completed before your renewal date:

- Confirmations of Coverage
- Certificates of Insurance
- Premium Finance Agreements (if applicable)
- Claims Reporting Instructions
- Program Limits Charts



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9

DESK REFERENCE & OPEN ITEMS REPORTS *(Prior to renewal)*

We will create a Desk Reference that will include insurance summaries of the coverage's bound, claims reporting instructions and contact information for your dedicated service team.

Our Monthly Open Items Reports and meetings are formalized events helping both of us and your underwriters to stay focused on unresolved items as well as, to discuss new risks or operational issues.

10

STEWARDSHIP REPORT/STRATEGIC PLANNING MEETING *(Prior to renewal)*

The Stewardship Report and Strategic Planning Meeting are designed to evaluate our performance, review the results of your renewal, discuss any new operations or acquisitions you are contemplating, identify new and emerging risks, update you on recent market conditions/trends, and plan our next renewal strategy meeting.

S

SUMMARY

We appreciate you taking the time to review our Defined Client Service and Marketing Process, which details specific activities related to transitioning your insurance to us. This strategic framework allows us to effectively market your renewal as we gain a better understanding of your coverage and risk exposures. Through this process, you will have an opportunity to evaluate our performance, from which we will collaborate on increasing the likelihood of favorable renewal outcomes for your organization.

iii. Will wholesale brokers be used? To what extent?

It is Alliant's practice to access markets directly whenever possible unless there is a strategic reason not to do so. Whether related or unrelated, intermediaries are used selectively when direct access is not allowed, such as the European and Bermuda markets or with certain domestic surplus lines underwriters. Additionally, if an intermediary can bring unique value, leverage, or a specific service to the client, they may then be considered. Use of intermediaries is a key discussion during the Renewal Strategy Meeting and is vetted completely with the client as part of the strategic marketing plan. Our philosophy for accessing a particular wholesaler is predicated on matching clients' needs with the expertise of the wholesale



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company. We have cultivated relationships with several intermediaries including AmWINS (domestic) and RK Harrison (London).

RISK MANAGEMENT SERVICES

Who will be assigned to provide each of the risk management services listed? Describe all available services included under the proposed annual fee and list separately any additional/optional services that would be available for an additional fee.

Claims Support and Preparation

Alliant fully understands that the true value of any insurance contract can only be determined by its responsiveness to a loss. To that end, Alliant created and maintains a Claims Advocacy department whose sole role and responsibility is to serve as an intermediary and advocate for our clients when interacting with the reinsurance companies, insurance companies and their third party administrators (TPAs). This team is led by Bob Frey and is comprised of seven senior claims professionals including three forensic accountants. Recently, Rachel Wrightson has been added to Bob Frey's claims advocacy team. Having previously served as coverage counsel at a major law firm, and as the Director of Claims at New York University, Rachel is very well suited to be a valuable resource to the District.

Claims Success

In the last few years, our claims team has successfully handled several large property losses with claim values ranging between \$10 million and \$41 million. We have handled several crime losses with claim values up to \$17 million. Further, we have worked with and assisted clients in the handling and resolution of various liability claims with settlement values up to \$50 million.

Nothing speaks more to claims advocacy than specific case studies. The following are recent claims that have been negotiated and settled by the Alliant Claims Department on behalf of the client during the adjustment process:

Case Study #1

A vacant campus for a School District had been had been vandalized on over 30 different times in a five year period totaling over \$15,000,000 in losses. The District did not realize that they had coverage for these losses. Our claims team engaged the carriers and negotiated coverage, backdating over the five year span. Rather than pay a deductible for every occurrence; we negotiated five deductibles – one for each year.

Case Study #2

A turbine for a city's power plant sustained a catastrophic failure, thereby causing irreparable damage to the turbine. Alliant immediately reported the loss and pulled together an adjustment to inspect the damage. An expert was called in to work with the insured to determine the scope of damage. Once it was determined the turbine needed replacing, we collaborated with the client on a best plan approach. The insured was



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advanced \$10.6 million, with an additional \$6 million paid once repairs were completed. This loss is fully compensable and includes lost revenue and extra expense.

Case Study #3

A Fire burned a Historical Building on a high profile high school campus. The District had reported a Total Insurable Value (TIV) of \$1,000,000 as the replacement cost. However due to Historical Status, age and unique building materials the cost to replace the building increased to an excess of \$10,000,000. Alliant claims advocates were able to negotiate full replacement cost for the building, which was completely rebuilt.

Case Study #4

Member cities were impacted by flooding at multiple locations. The policy provided flood coverage for all zones except A and V. Some locations impacted were near zones A and V but not mapped and therefore had no flood zone determination. The carrier denied coverage for these locations claiming they were part of zones A and V. Alliant argued this issue with the carrier, taking the position that the only zones excluded were A and V and no other non A and V zones; not even those that were not mapped, qualified for the exclusion. Alliant was able to overturn the denial and get full payment of the claim.

Case Study #5

A fire started on the front porch of a city-owned historic mansion. Fire damaged the front entry area of the porch and bled into the front entry hall and living room through the front door and window. The property is a 10,000 square foot structure with four floors. The insured initially thought the damage was not too severe. Upon inspection by Alliant, we found substantial smoke damage on three floors along with water damage in the basement. It took well over a year to fully repair the structure due to the custom wallpaper, rugs, and the need to create special hand tools to re-mill the exterior wood finishes. There was a need for significant art conservation work as well. The total claim was approximately \$2.6 million.

Risk Control

Alliant risk control consulting offers comprehensive property and liability loss control. We provide integrated loss control management solutions to public and commercial entities in more than 25 states. Our extensive insurance background and unique approach to integrating the management of public entity risks distinguishes Alliant risk control consulting from other firms.

Our risk control team is led by Tim Leech and the team averages more than 25 years of experience providing loss control services to public entity clients. We offer risk control consulting services that focus on the priorities and values of our clients. Our unique service approach and technical competence combine to help clients solve their problems, while saving them time and money.

Property and Casualty Benchmarking

Alliant often prepares benchmarking studies for our clients. Most of these studies combine information from our large client base, information from our carrier partners and industry available information.



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Additionally, we have purchased access to national benchmarking databases. We work to tailor these benchmarking comparisons to our client's expectations beyond the normal benchmarking comparison of retentions, limits, premium ratios, losses, program costs, and program structure.

Property Appraisals

Alliant can provide appraisal services in house or on a subcontract basis, depending on the District's need. We have partnered with appraisal firms and negotiated below market rates for our clients to take advantage of when having appraisals performed. If the District were to participate in the Alliant Property Insurance Program (APIP), all buildings valued over \$5 million will be appraised at no charge every five years.

Alternative Risk Transfer and Risk Financing Techniques

Along with the group purchase programs that we have outlined, Alliant has recently participated in the creation of several captives which are viewed as another way to successfully transfer risk. EIO and the Montana Schools Insurance Association MSGIA Captive are two recent examples. The focus of their creation and use is to allow entities to invest more aggressively with their investment funds (equities) otherwise restricted by their state jurisdictions as a public agency.

Parametric Insurance

For the last several years, Alliant has been exploring 'Parametric Insurance' products which showed promise to our public entity clients, as well as coverage through alternative risk financing vehicles such as Contingent Capital, Insurance Linked Securities, Capital Markets, Industry Loss Warranties, and CAT Bonds. Many of these approaches proved to be too complicated and/or more expensive mechanisms than simply borrowing in the open market to fund recovery efforts after a catastrophic earthquake. We continue to monitor the market and worked with large insurers to refine a parametric approach, including a tailored focus on floods and wild fires, to better meet our public sector client's needs.

Technology

Technology that Improves our Performance, Organization and your Insurance Program Outcome

Alliant's commitment to technology in our business practices is significant, and demonstrated through our recent designation as an InformationWeek Elite 100 winner. This prestigious designation recognizes the most innovative users of business technology in the United States. We offer tools that empower our clients to make sound business decisions that propel their organizations forward. While there are many Alliant technological capabilities we could highlight, we will focus on two systems that we think are most relevant to the District which significantly aides in the management and organization of documents, reports, information and communication during the contract, at renewal and beyond:



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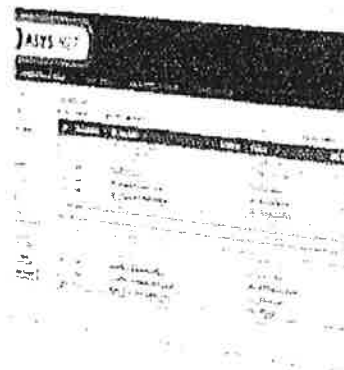
AlliantConnect

This secure, easy-to-use portal enables you to easily access and manage your insurance information from any Internet connection at any time. Your customized portal provides you with a transparent view into your insurance business through easy management and access to all insurance related documents: policies, binders, invoices, proposals, and certificate issuance, etc. In addition, help with risk control is available through a comprehensive library of fact sheets, white papers, presentations, and training videos. Important dates, deadlines, and announcements are also available through the portal, along with direct access to your service team. All client data is secured to the appropriate account teams, and the database itself and all backups are stored in an encrypted format. In addition, all document changes are archived for audit history.



Alliant Property Online (Oasys-Net)

Alliant's Oasys-Net property schedule database was developed to help our clients maintain accurate and detailed information for insurable property, and to be able to convey that information to underwriters in an easy to understand format. While the concept of maintaining an accurate "property schedule" itself is simple, we frequently find that such schedules are stale, inaccurate, incomplete, and poorly reflect actual exposure information. The ramifications of poor housekeeping include: lack of market interest, less competitive pricing, and outdated valuations which are problematic for a whole host of reasons. We have invested in this technology because it enables and encourages our clients to more easily track and maintain their schedules which in turn results in a better property insurance outcome.



CSR24

Our certificate management system is accessed through AlliantConnect. This resource allows clients to request and create certificates of insurance, report/track claims on-line and has the ability to be used as a certificate tracking software for vendors.

OCIP/Wrap-Up Capabilities

In addition to being a leader in the Property and Casualty marketplace, Alliant has the largest Construction Division in the Country, and this is a resource we will be able to offer the District. We have developed an exclusive OCIP platform at Alliant where we allow an owner to purchase workers' compensation and general liability coverages for all project related parties (the owner, general contractor and their subcontractors) under one program for a competitive price and extends to projects as low as \$10,000,000



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in value. We facilitate an enterprise risk model to help our clients determine the best approach for risk-transfer mechanisms, and our Construction Team will be able to assist the District to determine if an OCIP is the best approach for the project in question. If the District decided to engage in an OCIP or Construction project with Alliant, there will be additional costs associated for the service and we will be glad to discuss this opportunity in further detail.

Alliant currently places OCIP programs for some of the largest construction projects in the country. These include:

- *LaGuardia Airport, New York, NY* – Largest public/private project in the country with construction values of \$4 billion.
- *Hudson Yard, New York, NY* – Largest private project in the country with construction values of \$15 billion
- *California High Speed Rail, CA* – Largest public project in the country with an estimated construction value of \$20 billion to \$90 billion.

Alliant's construction team will be able to meet the needs of the District for any construction related placements that may arise as your broker partner.

iii. Of those services listed above that would be provided of an additional fee, please outline the fees for each additional/optional service.

There may be additional charges for Alliant Risk Control and Appraisal Services beyond the risk control consulting services included above and assuming the District did not participate in an Alliant program where certain costs are paid for or subsidized by the program. We have included our Risk Control Consulting Fee Schedule in **Appendix B**.

iv. Insurance Premium Volume of Firm (excluding Personal, Life, Accident and Health)

_____	Under\$50M	_____	\$50M-\$100M	_____	X	_____	Over\$100M
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v. Describe the resources available to you through your organization and/or strategies you will use to assist the DISTRICT in reducing its overall risk management costs. Clearly specify which resources and/or services are included in the base price and the cost for any additional services.

Structuring commercial insurance, especially large and complex programs, requires a unique skillset. In addition to over 350 worldwide carrier relationships, both domestic and overseas, Alliant's creative design of exclusive programs is one of several hallmarks of success. The exclusive programs we develop will vary



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in terms of size, complexity, and scope depending on the circumstances, but all are designed to provide our clients with an alternative option to the standard marketplace, which is typically broader coverage for lower premiums.

Due to Alliant's specialty in the public sector, we have been able to build and develop exclusive group purchase programs to meet our clients' needs. These programs are in addition to what is available in the worldwide marketplace and cannot be accessed by other brokers. Our ability to bring our clients more options than our competitors gives us leverage while marketing their insurance programs. This is truly one of our greatest differentiators and based on our knowledge of the District's program will be a key contributing factor in our ability to help reduce your insurance cost and enhance your coverage. It is not uncommon for our programs to deliver as much as 25% savings on our clients' behalf.

The success of our programs is achieved by utilizing the strategy of group purchase. Alliant is able to leverage the combined size of the participating group to provide extreme advantages to our clients who participate in them in terms of below market pricing, extremely high limits, and broad manuscript coverage.

Alliant will consider these programs as part of the marketing process. However, please note the existence of our proprietary programs will *not affect* our marketing of the District's insurance program to all potential carriers. First and foremost, we are *your* broker, and will always achieve your goals and objectives. Whether or not the District decides to participate in one of our exclusive programs, *the mere consideration of its availability by the market will drive down the price and enhance coverage terms.*

The above resources are included within Alliant proposed fee.

The following examples will further illustrate how our programs have resulted in our ability to deliver superior results to our clients for their standalone placements.

Example 1

A large public entity client with placement values in excess of \$12 billion and a 1/1 reinsurance effective date had a very strong relationship with their former property reinsurer who had been in place for many years. When we were given the opportunity to provide this client with a competing option, it was the success of our APIP program that enabled us to save the client money and enhance their coverage significantly. Although the exact amount of savings was never disclosed, it was substantial enough to lead to them breaking a long standing relationship with the incumbent carrier.

Example 2

A public entity client suffered the largest loss in their history shortly after Alliant was awarded the broker contract and only two months before their 1/1 renewal. As a result of the loss, it was decided that focusing on keeping the renewal with the incumbent carrier would likely have been in the best interest of the public entity. At first, the carrier wanted a 25% rate increase with an increase in deductibles and further reduction of coverage. It was through our negotiation and leverage with the carrier and our high level relationships



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that allowed us to present an acceptable renewal to the board that still allowed them to stay within their budget and not negatively affect their member's premiums.

Example 3

Another recent example is our involvement in the formation of a new property insurance carrier for municipalities in Wisconsin, the Municipal Property Insurance Company (MPIC). We created a manuscript reinsurance agreement used to reinsure MPIC's property insurance form. MPIC launched on September 1, 2015 and has grown to over \$17 billion in insured values, and continues to grow. Effective September 1, 2016, MPIC added Equipment Breakdown coverage to its offering.

v. Describe the extent of contract review services your firm provides and identify any additional costs associated with such services.

Policy/Lease/Contract Review – The Alliant team members are well versed in policy, lease and contract review. We are able to provide consulting on specific contracts with thorny issues including indemnification provisions in contracts. Alliant is the industry leader, working with insurance carriers and clients to be sure evolving risks are addressed appropriately. Current trends with drone coverage, cyber liability, regionalization of municipal resources, nurse triage, and many more, are areas you can rely on Alliant to provide unparalleled support. The service team is ready to assist with claims management, coverage issues, risk management projects, underwriting submissions, and stewardship.

Insurance Requirements In Contracts (IRIC) Training – Our IRIC Manual is available electronically for all of our clients and details recommended insurance requirements for vendors working with our clients. The manual provides guidance to your staff involved in securing contracts with a variety of contractors and vendors. This manual is offered at no additional cost and Alliant is prepared to *offer training presentations to the District departments* involving the concepts contained in our IRIC Manual. Please feel free to review the IRIC manual on our website at the following address: <http://www.alliant.com/Industry-Solutions/Public-Entity/Documents/IRIC.pdf>. The Table of Contents are included as **Appendix C**.

These contract review services are included within Alliant proposed fee.

vi. What characteristics do your firm/your staff possess that make you unique selling you apart from your competitors?

Unique to our firm relative to others which the District will be considering is our joint powers insurance administration practice. While other firms will have individuals who work as brokers to public entities, our brokerage team includes individuals who not only do this in an expert fashion, but who also administer risk sharing programs for pooling clients. This experience provides our team with a unique sensitivity to the needs of the public entity insurance purchaser, as well as with the knowledge and ability to provide risk management consulting service to our clients.



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Senior Account Managers in Alliant's Public Entity Group regularly perform analysis on actuarial studies, third party claims administration management, financial modeling, and benchmarking of clients programs. Additionally, with the assistance of loss control consultants, our Senior Brokers develop loss prevention strategies that are targeted directly at the issues that drive client claims.

Alliant personnel, specifically those that would be assigned to the District, spend many hours examining client contracts with third parties to ensure that they are written in the most favorable fashion for our clients. As mentioned briefly above, this experience is reflected in the "Insurance Requirements in Contracts" (IRIC) manual that we have edited, updated and maintained over the years as a reference to be used by any public entity. We have placed it in the public domain for use by any interested party. The manual will provide guidance to your staff involved in securing contracts with a variety of contractors and vendors. Seth Cole is prepared to provide additional future trainings on this topic to District staff.

No other brokerage firm can bring the depth of public entity brokerage experience as well as the volume of public entity premium placements to bear in the service of our clientele. As our firm places literally hundreds of millions of premium dollars into the public entity insurance marketplace, our relationships with underwriters working on public entity risks is second to none.

vii. How would you characterize your advantage over your competition – that would ultimately improve the DISTRICT'S efficient handling of claims and/or processing of information/communications with your firm?

Coverage Dispute Assistance

In assisting our clients with coverage disputes, we recognize that each claim is different and has its own fact pattern. This information is reviewed to determine the best path in dealing with coverage disputes. The facts are examined as they relate to the policy wording and reviewed word by word; often one word can turn a coverage dispute in favor of the insured. We will utilize outside consultants where it is helpful in proving issues such as causation, valuation of damage, historical value, etc.

We often assist our clients in gathering facts, information and knowledge that is used in the discussion and negotiation of disputed claims. In addition, our Claims Group has the ability to call upon the Chairman and the President of Alliant when intervention with a carrier's executive management is necessary. While this step is not one often utilized, our executives stand ready to assist the District whenever needed.

Claims Success & Communication

Bob Frey and his staff pride themselves on the orchestration of successful claim resolution. Our claims team works directly with the client to develop plans in handling complex and large losses. Those plans can include selection of experts for claim presentation, review of historical data, obtaining witness statements, photographic review and development and negotiation strategy. It is important to pull all facts and information together in difficult, complex, or large loss situations and put them together in the best light for



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our client's claim presentation. Our dedicated work for our clients has resulted in the successful resolution of nearly all significant claims. Bob and his team act as an extension of our client's staff and take the successful resolution of cases, and more importantly our client's ultimate satisfaction, very seriously.

We realize the importance and need for good client communication. This will come in the form of onsite meetings, telephone discussions, e-mails and written communication. As the claim develops, we will be in close contact with the District. It is our belief that nobody knows our client's business better than the client and accordingly, it is critical that we work closely with our clients to learn, gather information and build an appropriate plan for successful resolution. Good communication helps build success and we make the commitment to effectively communicate with you throughout the claims adjustment and settlement process.

Claim Values

In the last few years, our claims team has successfully handled several large property losses with claim values ranging between \$10 million and \$41 million. We have handled several crime losses with claim values up to \$17 million. Further, we have worked with and assisted clients in the handling and resolution of various liability claims with settlement values up to \$50 million.

Claims Advocacy – Case Studies

Nothing speaks more to claims advocacy than specific case studies. The following are some examples of claims advocacy on specific property claims that were settled and negotiated your Alliant team.

- A large building had the roof top torn off as a result of Hurricane Ike which resulted in water damage throughout five floors of the building. Alliant was able to negotiate a large partial payment in the amount of \$15 million for this client within 15 days of the storm event.
- Alliant has demonstrated its strong claims advocacy practice assisting the TASB Risk Management Fund in the recovery of over \$45,000,000 in property claims from Hurricane Rita and Ike. These events were a true test of the Fund's property reinsurance placement, the protocols and reinsurance program placed, and the carrier's response. Through this process Alliant worked very closely to make sure that interests of both TASB and their school district members were, and continue to be met.
- Other unique claim scenarios include obtaining a business interruption settlement from the carrier as a result of the John Wayne Airport closure after 9/11. While there was no direct physical damage to the airport or its vicinity, we claimed that the loss of income was a direct result of (a covered peril) 9/11 and the civil authority closure. The carrier agreed to a negotiated settlement with the insured. (Prior to 9/11, insurance policies lacked terrorism exclusions). At the time, this was the only loss of its type that we believe settled in favor of the insured.
- As a result of the San Diego wildfires, the San Diego State University campus was closed by order of the President who is delegated the power to do so by the CSU Chancellor. The President is deemed a "civil authority" by the Governor. The carrier rejected the business interruption claim as they did not agree the President was a "civil authority" and rejected the claim in full. We worked with the insured to convince the carrier that the campus President was in fact deemed a civil authority and ultimately obtained a payment on the business interruption claim.



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- Alliant became the broker for a large regional hospital and renovated their property program. Within 30 days of binding the facility suffered a catastrophic loss due to Hurricane Dolly. Alliant was able to support the client to mitigate the business interruption loss by working with contractors and consultants to shorten the timeline for restoration. A conflict developed between the insurance carrier and the client as to the scope of damage. Alliant located an excellent construction consulting firm that was able to assist the insured and Alliant with supporting the claim from a technical standpoint. We worked with the insured to develop a strategy by which to obtain a maximum recovery.
- A county government client discovered their multi-story building housing seventy five employees had suddenly developed severe cracks. They hired a structural engineer who told them he did not believe the building had major structural issues but would also not tell them if it was safe for occupancy. The client hired a second structural engineer who issued a report stating the building was unsafe for occupancy and needed to immediately be vacated and shored up. Our client did as instructed, moving their staff to temporary quarters. This required set up of all data systems and the physical move of all staff members. The costs to move the staff and shore up the structure totaled \$255,000. We submitted a claim under the Protection and Preservation of Property coverage. Insurers denied the claim based on their own consultant's report that said the building was safe, as had the Insured's first consultant. We worked with the insured, developed appropriate arguments and changed the insurer's position, resulting in a full payment of all incurred expenses.

vii. Who is/are the point(s) of contact within your organization? Describe the level of service that the DISTRICT can expect from this/these person(s).

Seth Cole and Matt McManus will always be the first points of contact at Alliant on behalf of the District.

Alliant takes accountability very seriously and not only expect our clients to hold us accountable, we also expect to hold each other, as a service team, accountable. While Seth will have ultimate responsibility as the lead broker, Matt will also take a very hands on role on the Districts servicing. Alliant has developed internal **Service Standard Guidelines** for servicing accounts. These are minimum standards, while our internal expectation is to always supersede the standard. Shown on the following page is an excerpt from our proposed Service Standards Guidelines that outlines our proposed service delivery commitment.

Customer Service Product	Customer Service Delivery Benchmark
Phone calls returned	Phone calls received in the morning returned in the morning. Calls received in the afternoon returned in the afternoon.
E-mails returned	Review regularly (morning and afternoon) and respond within 24 hours to acknowledge receipt.
Summons and complaint	Upon receipt or prior to end of business day.



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Customer Service Product	Customer Service Delivery Benchmark
Claim first report to carrier	Immediate or no later than prior to end of business, even if complete data is not available.
Claim follow up with carrier and client	Within 24 hours of first report of loss.
Open activities/suspense	Daily.
Pre-renewal letters to client	100 days prior to expiration.
Renewal business applications to market	90 days prior to expiration.
Binders	Same day coverage is bound. If wholesale broker issued, advise client written confirmation of coverage is on its way.
Agency bill binder billing	No later than the inception date of coverage.
Certificates	Within 24 hours of receipt into the agency.
Policy reviewed for accuracy	Within 10 days from receipt.
Policy delivered to client	Within 10 days from receipt.
Agency bill additional and return premium endorsements	Within 5 days of receipt into the agency.
Claims review with client	45 days prior to expiration.
Audit review and processing	Within 48 hours of receipt.

Based on our team approach, the District will work with Seth and Matt on most day-to-day needs and requests.

ix. Describe the services you will provide to assist the DISTRICT in gathering information and data required by underwriters for annual insurance renewals.

In order to successfully market your program we believe that the further in advance and more information we have to present to underwriters the better the results. An important differentiator that separate us from competition is that we do not have one cookie cutter approach to client service; we regard each client relationship as unique; and we approach our relationship without any preconceived notions as to how best to serve clients' needs. We are pleased to pre-fill carrier applications for your review and sign off, completely manage and trend the District's schedule of values (SOV) year over year, whatever we can do to save the District time in the renewal process.

Please also refer to our answer to – b. INSURANCE MARKETING; ii – on page 10.



BROKER OF RECORD QUESTIONNAIRE

x. Describe how you market your client's insurance programs in a manner that will ensure that renewals are offered with the broadest possible coverage for the most reasonable cost.

Alliant primarily keeps abreast of changes in the market through its daily work with underwriters on hundreds of insurance placements. Importantly, this information is not kept in "silos" but rather is quickly disseminated through our broker network as our brokers work in partnership focused on specific industry niches. As we market insurance programs daily, we keep our fingers on the "pulse" of the market through our daily work. In addition, we subscribe to all the major insurance journals both in print and electronic formats, attend industry conferences and seminars, and meet face to face with underwriters and senior insurance company management. In this way, we are directly involved in not only staying on top of the market, but in shaping it through our insurance placements and program structures. We communicate our knowledge through daily dialogue with our clients, newsletters and webinars.

As mentioned throughout our response, the District will have access to Alliant's *proprietary insurance programs*, representing the broadest coverage available in the marketplace specific to a public entity. The consideration and mere recognition of an Alliant program's availability by the commercial market leads to reductions in price and coverage enhancements for our clients, that otherwise would not have been offered.

xi. What services do you offer to assist your clients in evaluating existing coverages to identify any potential gaps in coverage? If there is an additional cost for these services, please specify the scope of service and associated costs.

We provide full risk identification and analysis as part of our normal broker services. The proposed team that we have assembled has extensive experience in providing traditional broker services as well as acting as consultants to our clients. A significant part of our job as your broker and risk management consultant will be to work with you to determine what exposures you are faced with, and propose methods for managing those exposures. We do this by reviewing contracts, agendas and minutes, future business plans, exclusions in policies, claims reports, loss control analysis and actuarial reports. We carefully review renewal information that is collected to identify exposures and assure that they are being managed appropriately.

We meet with our clients often and encourage dialogue designed to help identify risk exposures. Many of our clients have annual or semi-annual retreats or strategic planning meetings. We take an active role in these meetings, which to identify, discuss and analyze exposures and their treatment.



BROKER OF RECORD QUESTIONNAIRE

xii. Please carefully review the RFP and the attached Sample Contract and confirm your firm's ability and willingness to comply with all of the terms and conditions.

Alliant has reviewed the RFP and the Sample Contract and we confirm our ability and willingness to comply with all of the terms and conditions.

xiii. If you are unable or unwilling to comply with all of the terms and conditions listed in the RFP and/or sample contract, please list each item in that you are unwilling or unable to comply with and clearly outline any counter-proposals specific to each.

N/A

xiv. ASSOCIATE BROKER QUESTIONNAIRE: If you will have a subconsultant or associate broker, please provide the name and a description of the role they will have on the account.

N/A

Attachment B

RESPONSE TO RFP FOR INSURANCE BROKERAGE AND RISK MANAGEMENT SERVICES
MARIN MUNICIPAL WATER DISTRICT | FEBRUARY 22, 2019

BROKER OF RECORD FEE PROPOSAL

Firm: Alliant Insurance Services, Inc.

Services	2019-20	2020-21	2021-22	2022-23	2023-24
Account Supervision	Included	Included	Included	Included	Included
Risk Management Services	Included	Included	Included	Included	Included
Technical Services	Included	Included	Included	Included	Included
<ul style="list-style-type: none"> • Liability Loss Control Consultation, including contract review and advisement on insurance and indemnification requirements. • Review and update the District standard insurance and indemnification language annually. • Workers' Compensation • Loss Control Consultation • Financial Consultation 					
Claims Management	Included	Included	Included	Included	Included
<ul style="list-style-type: none"> • Claim Consultation and support • Claim Audit Service 					
Insurance Marketing	\$65,000	\$65,000	\$65,000	\$67,250	\$67,250
<ul style="list-style-type: none"> • Casualty Insurance • Property • Boiler & Machinery • Workers' Comp • Crime • Miscellaneous Insurance 					
Other Services Not Listed	**	**	**	**	**
*Proposed Cost Per Year	\$65,000 *	\$65,000 *	\$65,000 *	\$67,250 *	\$67,250 *



BROKER OF RECORD FEE PROPOSAL

- * Includes all fees, i.e., staff support, secretarial, clerical, work processing, etc. A contract fee for the authorized years of the contract will be negotiated and approved before the contract is awarded as a flat annual fee and will be paid through the insurance commissions. Any commission funds over the negotiated broker fee will be held in an account with the selected broker and/or returned to the District (at the District's discretion) and will be used to cover urgent or unanticipated risk management services.
- ** There may be additional charges for Alliant Risk Control and Appraisal Services assuming the District did not participate in an Alliant program where certain costs are paid for or subsidized by the program. We have included our Risk Control Consulting Fee Schedule in **Appendix B**.

APPENDIX

B. Risk Control Consulting Fee Schedule

Please refer to the following page(s).



Risk Control Consulting

Service	Frequency/Comments	Cost
Loss Control Site Visits	As requested	\$175/hour
Infrared Surveys	Daily Rate	\$1,800-\$3,000/day
Enterprise Risk Management		\$200-\$300/hour
Fire Plan Review	As needed	Included
Hot Work Permit Program	Upon Request	Included
Fire Impairment Notification and Tags	Upon Request	Included
Safety Video On-Line Streaming	Upon Request	Included
Preliminary Risk Management Assessment	Upon Request	Included
Pre-Construction Fire Planning	As needed	\$150-\$250/hour
Continuity Planning	Upon request	\$175-\$200/hour
On Site Custom Training	Upon request	\$175-\$250/hour
Industrial Hygiene Services	Upon Request	\$175-\$250/hour
Live Webinar Training	10 Property Webinars Annually. Archived webinars for unlimited playback. Previous sessions include: <ul style="list-style-type: none"> ▪ Woodworking Fire Prevention ▪ Roof Maintenance ▪ Business Occupancy Hazards ▪ Commercial Cooking ▪ Theft and Crime Prevention ▪ High Intensity Lighting ▪ Course of Construction Risk ▪ Brush Fire Planning ▪ Compressed Gas ▪ Life Safety ▪ Water Intrusion Plans 	Included
Safety Fact Sheet and Template Database	Access to hundreds of documents, power points and templates on a variety of property and safety topics.	Included
Risk Control Newsletter	Quarterly News Letter: Topics range from accident forensics, benefits of infrared surveys, roof inspections, crime prevention, OSHA, claims and many others.	Included
Emergency Plan Mobile App	Annually	\$5,000 per plan
	Multiple plans (more than 2)	\$2,000-\$3,500 per plan
Travel	Based upon project location	Actual Expense