



**President**  
Ms. Liz Ehrenstrom  
City of Oroville

**Treasurer**  
Mr. Tim Sailsbery  
City of Willows

**NCCSIF  
EXECUTIVE COMMITTEE  
MEETING**

**Vice President**  
Mr. Russell Hildebrand  
City of Rocklin

**Secretary**  
Ms. Gina Will  
Town of Paradise

**Date:** Tuesday, February 18, 2014  
**Time:** 11:00 a.m.

**A – Action**  
**I – Information**

**Location:** Meeting via Teleconference/Webinar at the following locations:

1. City of Dixon, 600 East A Street, Dixon, CA (Contact Steve Johnson)
2. City of Galt, 380 Civic Drive, Galt CA (Contact Paula Islas)
3. City of Lincoln, 600 Sixth Street, Lincoln CA (Contact John Lee)
4. City of Oroville, 1735 Montgomery Street, Oroville CA (Contact Liz Ehrenstrom)
5. City of Nevada City, 317 Broad Street, Nevada City, CA (Contact Corey Shaver)
6. City of Rio Vista, 1 Main Street, Rio Vista, CA 94571 (Contact Tim Chapa)
7. City of Willows, 201 North Lassen Street, Willows, CA (Contact Tim Sailsbery)
8. Alliant Insurance Services, Inc., 1792 Tribute Road #450, Sacramento, CA (Contact Johnny Yang)

**1 – Attached**  
**2 – Hand Out**  
**3 – Separate Cover**  
**4 – Verbal**  
**5 – Previously Mailed**

**MISSION STATEMENT**

*The Northern California Cities Self Insurance Fund, or NCCSIF, is an association of municipalities joined to protect member resources by stabilizing risk costs in a reliable, economical and beneficial manner while providing members with broad coverage and quality services in risk management and claims management.*

**AGENDA**

**A. CALL TO ORDER**

**B. PUBLIC COMMENTS**

*This time is reserved for members of the public to address the Executive Committee on matters pertaining to NCCSIF that are of interest to them.*

**C. APPROVAL OF AGENDA AS POSTED**

**A 1**

**D. JPA BUSINESS**

- |        |   |            |
|--------|---|------------|
| pg. 01 | <p><b>1. Introduction of 2014 Executive Committee and Review of their Responsibilities</b><br/><i>The 2014 Executive Committee will be introduced and staff will review their responsibilities.</i></p> | <b>I 1</b> |
| pg. 04 | <p><b>2. Selection of 2014 Claims Committee Members</b><br/><i>The Executive Committee will be asked to select members to serve on the NCCSIF Claims Committee for 2014.</i></p>                        | <b>A 1</b> |



pg. 06	3. <b>City of San Luis Obispo Potential Interest in NCCSIF membership</b> <i>The Committee will be asked to discuss and consider the City of San Luis Obispo's membership in NCCSIF.</i>	<b>A</b>	<b>1</b>
pg. 07	4. <b>Amendment to City of Elk Grove 13-14 Workers' Compensation Deposit</b> <i>The Committee will be given an update regarding the amendment to the City of Elk Grove's Workers' Compensation 13-14 Deposit.</i>	<b>I</b>	<b>1</b>
pg. 08	5. <b>Amendment to current Alliant Program Administration Agreement</b> <i>The Committee will be asked to review and approve the Amendment to Alliant's current Program Administration Agreement.</i>	<b>A</b>	<b>1</b>
pg. 28	6. <b>Renewal of Program Administration Agreement</b> <i>The Committee will be asked to review and approve the appointment of an Ad hoc committee to review and discuss the renewal of the Program Administration Agreement.</i>	<b>A</b>	<b>1</b>
	<b>E. INFORMATION ITEMS</b>	<b>I</b>	<b>1</b>
pg. 65	1. NCCSIF Organizational Chart		
pg. 66	2. NCCSIF Resource Contact Guide		

**F. ADJOURNMENT**

**UPCOMING MEETINGS**

- Risk Management Committee Meeting – April 24, 2014
- Board of Directors Meeting – April 24, 2014
- Executive Committee Meeting – May 29, 2014
- Claims Committee Meeting – May 29, 2014

*Per Government Code 54954.2, persons requesting disability related modifications or accommodations, including auxiliary aids or services in order to participate in the meeting, are requested to contact Johnny Yang at Alliant Insurance at (916) 643-2712.*

*The Agenda packet will be posted on the NCCSIF website at [www.nccsif.org](http://www.nccsif.org). Documents and material relating to an open session agenda item that are provided to the NCCSIF Executive Committee less than 72 hours prior to a regular meeting will be available for public inspection and copying at 1792 Tribute Road, Suite 450, Sacramento, CA 95815.*

*Access to some buildings and offices may require routine provisions of identification to building security. However, NCCSIF does not require any member of the public to register his or her name, or to provide other information, as a condition to attendance at any public meeting and will not inquire of building security concerning information so provided. See Government Code section 54953.3*



**INTRODUCTION OF 2014 EXECUTIVE COMMITTEE  
AND REVIEW OF THEIR RESPONSIBILITIES**

**INFORMATION ITEM**

**ISSUE:** Following the Board of Directors' approval of the slate for the 2014 Executive Committee at their December 12, 2013 meeting, the Program Administrator would like to review the responsibilities of the members of the Committee.

The terms of all members of the Executive Committee shall be two years except for those of the Vice President who shall serve an additional two years as President. The Bylaws do state that a member may be reappointed to serve on the Executive Committee.

**RECOMMENDATION:** None.

**FISCAL IMPACT:** None.

**BACKGROUND:** The 2014 Executive Committee is as follows:

- President: Liz Ehrenstrom, City of Oroville
- Vice President: Russell Hildebrand, City of Rocklin
- Secretary: Paula Islas, City of Galt
- Treasurer: Tim Sailsbery, City of Willows\*\*
- EC Member: Steve Johnson, City of Dixon
- EC Member: John Lee, City of Lincoln
- EC Member: Corey Shaver, City of Nevada City
- EC Member: Tim Chapa, City of Rio Vista

\*\*Non Voting Members

**ATTACHMENT(S):** NCCSIF Bylaws, Section 4

E. All meetings of the Board shall be called, noticed, held and conducted in accordance with the provisions of Ralph M. Brown Act (Government Code Section 54950 et seq.).

#### **SECTION 4** **Executive Committee**

A. - Membership. The Executive Committee shall be composed of eight (8) *voting and two (2) non-voting* members of the Board of Directors or their alternates. The President, Vice President and Secretary shall serve as *voting* members on the Executive Committee. The remaining *voting* members shall be elected by the Board of Directors on a member rotation basis, as established by the Board of Directors. The two (2) non-voting members shall be comprised of the Treasurer and the CJPRMA Board Representative. The President shall act as Chairman.

B. - Term. The terms of all members of the Executive Board shall be two (2) years, except for those of the President, Vice President, immediate Past President and Secretary, who shall all serve for two (2) years irrespective of the member rotation. A member may be reappointed to serve on the Executive Committee, except for the immediate Past President.

C. - Powers, Duties and Responsibilities.

1. The Executive Committee shall conduct, direct and supervise the day-to-day business of the Authority and in doing so shall exercise the powers expressly granted to it by the Agreement, these Bylaws and as otherwise delegated by the Board of Directors.

2. The following duties and responsibilities shall be assumed and carried out by the Executive Committee, which shall have all powers necessary for those purposes:

- a. Provide general supervision and direction to the Program Director;
- b. Authorize payment of claims against the Authority; provided, however, that with respect to claims arising under coverage programs operated by the Authority, claim settlement authority shall be in accordance with the policies and procedures governing the particular program;
- c. Enter into contracts, within budget limits;
- d. Make payments pursuant to previously authorized contracts, within budget limits; this Authority includes the power to authorize and reimburse expenses incurred for budgeted activities, within budget limits;
- e. Review and recommend a budget to the Board no later than seventy-two (72) hours prior to the spring meeting of the Board;
- f. Act as Program Director in the absence of the Program Director;

g. Recommend policies and procedures to the Board for implementation of the Agreement, the Bylaws and the operation of specific coverage programs; and

h. Appoint a nominating committee for each election of officers and members of the Executive Committee.

i. Amend annual budget in an amount not to exceed the contingency account.

3. Subject only to such limitations as are expressly stated in the Agreement, these Bylaws or a resolution of the Board of Directors, the Executive Committee shall have and be entitled to exercise all powers which may be reasonably implied from powers expressly granted and which are reasonably necessary to conduct, direct and supervise the business of the Authority.

#### D. - Meetings

1. Regular Meetings. Regular meetings shall be held at times, as the Executive Committee deems appropriate.

2. Special Meetings. Special meetings of the Executive Committee may be called by the Chairman or a majority of Executive Committee members, in accordance with the provisions of California Government Code Section 54956.

3. Public Meetings. All meetings of the Executive Committee shall be open to the public, except as provided by law.

4. Quorum. Four (4) members of the Executive Committee shall constitute a quorum for the transaction of business. Except as otherwise provided, no action may be taken by the Executive Committee except by affirmative vote of not less than a majority of those Executive Committee members present. A smaller number may adjourn a meeting.

5. Removal From Executive Committee. A member may be removed from the Executive Committee in the following ways:

a. Death of a Committee member;

b. Voluntary resignation;

c. Absence from three (3) consecutive meetings without a valid reason, in which case the Chair may recommend to the Executive Committee that member be terminated from Executive Committee membership. If the Executive Committee recommends to the Board of Directors that an Executive Committee member be terminated, the Board of Directors shall vote on the matter at its next regularly scheduled meeting.

d. When a vacancy occurs under the above provisions, a replacement shall be made from among the Board of Directors.



## SELECTION OF 2014 CLAIMS COMMITTEE MEMBERS

### ACTION ITEM

**ISSUE:** Members of the Claims Committee are annually selected by the Executive Committee.

**RECOMMENDATION:** It is recommended that the members be selected from the 2014 Executive Committee to serve on the 2014 Claims Committee.

**FISCAL IMPACT:** None.

**BACKGROUND:** Section 6 of the Bylaws authorizes the Board of Directors or the Executive Committee to form a committee for the purpose of overseeing functions that the Board of Directors or Executive Committee has authority to control. Historically, the Executive Committee forms a Claims Committee comprised of the Vice President serving as the Claims Chairperson, the President as the Alternative Chair and two or more other members of the Executive Committee.

The NCCSIF Claims Committee for 2013 was as follows:

Andy Heath, City of Auburn, Chair  
John Lee, City of Lincoln  
Catrina Olson, City of Nevada City  
Liz Ehrenstrom, City of Oroville  
Russell Hildebrand, City of Rocklin

**ATTACHMENT(S):** NCCSIF Bylaws, Section 6

**SECTION 5**  
**Officers of the Authority**

A. The officers of the Authority shall be a President, Vice President, Secretary, and Treasurer Officers so appointed shall serve at the pleasure of the Board of Directors. The president shall chair meetings to the Board of Directors and Executive Committee; the vice president shall act in the place of the president in the president's absence. The secretary shall keep and maintain minutes of the Board meetings and Executive Committee meetings, or to direct the keeping and maintaining of such minutes, and to promptly report minutes of meetings to all members as soon as practicable after the meeting has concluded. The treasurer's duties are as described in Sections 11 and 12 of the Bylaws. Other responsibilities may be set forth by the Board of Directors.

B. The President, Vice President and Secretary shall be elected by the Board of Directors and shall serve two (2) year terms. No officer shall serve for more than two (2) complete consecutive terms in his or her respective office. The terms of each office will ordinarily commence on January 1st of each calendar year, except that if an election has not been conducted by that date, the terms shall commence as soon as the election has been held. The terms of each office shall end on December 31st of the calendar year, except that if the election of the officers to serve the next succeeding term has not been conducted, the incumbent officers shall continue to hold their offices until the election has been conducted.

C. The Treasurer shall be appointed annually by the Board of Directors and, unless the Board of Directors determines otherwise, the Treasurer shall serve at the Board of Directors' pleasure. The Treasurer shall be an officer or employee of a Member Entity or a Certified Public Accountant.

D. The Board of Directors may create such other offices and appoint such other officers as it deems necessary and advisable.

**SECTION 6**  
**Committees**

Committees may be formed as necessary by either the Board of Directors or the Executive Committee for the purposes of overseeing any functions that the Board or Executive Committee has authority to control, such as, but not limited to, administration and policy direction, claims administration, investments, safety/loss control, etc.

**SECTION 7**  
**Program Director and Other Staff**

A. The Board of Directors shall appoint a Program Director who shall be responsible for the general administration of the business and activities of the Authority as directed by the Executive Committee.



**CITY OF SAN LUIS OBISPO  
POTENTIAL INTEREST IN NCCSIF MEMBERSHIP**

**ACTION ITEM**

**ISSUE:** The City of San Luis Obispo (SLO) is considering leaving their current pool, California Joint Powers Insurance Authority (CJPIA), and is requesting information from a number of other pools, including NCCSIF, to determine if they should move to another pool.

**RECOMMENDATION:** Staff recommends the committee review SLO's interest and indicate whether or not to continue discussions with them regarding membership. The NCCSIF JPA Agreement & Blyaws do not have a territory restriction for new members but does require underwriting review and 2/3rds Board approval.

**FISCAL IMPACT:** Unknown. SLO would likely not be accepted if their loss history was above the pool average and caused an increase to other members' shared risk funding. A new member could reduce the administration funding for other members.

**BACKGROUND:** Staff received the following background information from the Human Resources Director for SLO, Greg Zoher. Additional background information may be provided at the meeting.

The City of San Luis Obispo has been a member in good standing in the California Joint Powers Joint Insurance Authority (CJPIA) for the past eleven years. CJPIA provides pooled liability and workers compensation insurance coverage for the City, as well as other ancillary group coverage purchases, risk management and loss control services. We are currently exploring alternatives to membership in CJPIA, and the Northern California Cities Self Insurance Fund is one of the JPAs that we would like to consider. We are only considering JPAs that are accredited by the California Association of Joint Powers Authorities and that provide both liability and workers compensation program coverage.

San Luis Obispo lies halfway between San Francisco and Los Angeles, on the central coast of California. The City has a population of 45,119 within 10.5 square miles. The City is full-service, providing Police, Fire, Community Development, Public Works, Utilities (sewer and water) and Administrative services to the community. The City operates under a Council/Manager form of government. We have a strong commitment to prudent risk management practices.

**ATTACHMENT(S):** None.





**Agenda Item D.4.**

**AMENDMENT TO CITY OF ELK GROVE  
 13-14 WORKERS' COMPENSATION DEPOSIT**

**INFORMATION ITEM**

**ISSUE:** Staff has revised the funding allocation for the City of Elk Grove's participation in the Workers' Compensation program for 2013-14 due to the inclusion of Labor Code 4850 benefits in the original calculation. These benefits are not covered by NCCSIF and should not have been included in the calculation.

**RECOMMENDATION:** None. This item is provided as information only.

**FISCAL IMPACT:** A credit of \$53,970 will be applied to the next quarterly installment due from Elk Grove, per the revised figures below:

<b>Elk Grove WC Funding</b>	<b>Original</b>	<b>Revised</b>	<b>Difference</b>
Banking:	\$651,118	\$645,665	\$5,453
Shared:	\$424,537	\$378,343	\$46,194
CSAC-EIA:	\$141,432	\$141,432	\$0
Admin:	\$62,962	\$60,639	\$2,323
<b>Total:</b>	<b>\$1,280,049</b>	<b>\$1,226,079</b>	<b>\$53,970</b>

**BACKGROUND:** NCCSIF periodically reviews coverage of 4850 benefits but has not done so for the past five years. Currently NCCSIF does not cover either the Temporary Total Disability (TTD) benefits or the Salary Continuation benefits ("Diff" – difference between the TTD rate and 100% of salary) for those Public Safety employee claims that fall into the 4850 category. Most pools that do not cover 4850 "Diff" benefits do cover the TTD amounts. NCCSIF Members elected not to cover these benefits, preferring to continue paying safety officers via their normal payroll processes. NCCSIF does cover the regular TTD benefits if the employee exhausts the one year of the 4850 benefits and is still temporarily disabled.

4850. (a) Whenever any person listed in subdivision (b), who is employed on a regular, full-time basis, and is disabled, whether temporarily or permanently, by injury or illness arising out of and in the course of his or her duties, he or she shall become entitled, regardless of his or her period of service with the city, county, or district, to a leave of absence while so disabled without loss of salary in lieu of temporary disability payments or maintenance allowance payments, if any, that would be payable under this chapter, for the period of the disability, but not exceeding one year, or until that earlier date as he or she is retired on permanent disability pension, and is actually receiving disability pension payments, or advanced disability pension payments pursuant to Section 4850.3.



**ALLIANT SERVICE AGREEMENT AMENDMENT (City of Elk Grove)  
Effective July 1, 2013**

**ACTION ITEM**

**ISSUE:** In 2009, NCCSIF renewed the Alliant Service Agreement for Five years. The First Year had a Maximum of \$357,500 that was to be reviewed annually. Due in part to the economy, Alliant continued providing services with this Maximum throughout the term of this Agreement, resulting in annual reductions to the compensation percentages listed in the contract.

On September 1, 2013 a *new member* joined NCCSIF. Program figures were recalculated and the pro-rated amount collected above this pre-established Maximum for FY 13/14 added \$8,766 to Alliant's income. Alliant is requesting that the Maximum for FY 13/14 be increased to take this additional earning into consideration by amending the current Agreement.

**RECOMMENDATION:** The Program Administrator can not recommend a change to our own Agreement, in fact, we need someone like the EC (or an Ad Hoc committee) to act as *Significant Intervening Review* and then make a recommendation to the 'Decision Making Body'.

**FISCAL IMPACT:** \$8,766 for FY 13/14. This has already been collected as administration costs from Elk Grove. No additional funds are required.

**BACKGROUND:** It's very likely that NCCSIF and Alliant began our July 2009 contract renewal discussions in late 2008, before there was full knowledge of the pending economic crisis. Various subsections of COMPENSATION (**Section V.**) address annual pricing, but D. directly addresses the Maximum that has been in place since 2009.

A new Member has now joined and the 'allocated share' of administrative expenses is \$60,630 annually. In future years, this will reduce other Members' shares. Alliant's portion, for servicing this new member is \$10,519 annually (and pro-rated to \$8,766 for the period of membership in FY 13/14). This is the amount that we are requesting be added to the Maximum of our Agreement.

**ATTACHMENT(S):**

- a. January 16, 2014 Letter to NCCSIF President regarding this issue and Alliant's July, 2014 Contract Renewal
- b. Amendment to the Broker, Risk Management and Program Administration Services Agreement - Draft
- c. NCCSIF July 1, 2009 Broker, Risk Management and Program Administration Services Agreement



January 16, 2014

Liz Ehrenstrom, NCCSIF President  
c/o City of Oroville  
1735 Montgomery Street  
Oroville, CA 95965

**NCCSIF Program Administration Services Agreement and upcoming renewal: FY14-19**

Dear Liz:

Alliant's Agreement for Program Administration Services for NCCSIF will be renewing effective July 1, 2014. We should quickly discuss how and when NCCSIF representatives wish to discuss proposed renewal terms. The Agreement has not been updated in some time, and we have a number of proposed (improved) terms we'd like to address with you (and have reviewed by legal counsel).

As you likely remember, in acknowledging the economic difficulties of NCCSIF's Members over the past years Alliant has elected to not increase the Liability and Workers' Compensation Program Administration Fees for current Members that has remained at the combined \$270,000 amount over the past four years. This, with a Not-to-Exceed of \$357,500 for specific elements of our overall compensation have been in place, and need to be addressed both on a go-forward bases, as well as an amendment for the FY13/14 year due to the City of Elk Grove joining the WC Program.

The expiring Agreement allows for Alliant to receive \$2,750 per member in the Liability program and \$2,750 per member in the Workers' Compensation program. In addition, up to 7.5% will be collected on shared risk layer deposits in the Workers' Compensation program allocated to Members in relation to the shared risk layer premium. Up to 7.5% for the Liability shared risk layer deposits and up to 7.5% for the CJPRMA premium both of which will be allocated among the Members in relation to the shared risk layer premium. Property Commissions have been standard per the Alliant's Property Program fee schedules of 11% for All Risk Property and Boiler & Machinery of \$87,560.

The table on the follow page indicates that we collected \$60 more than our Maximum. What it doesn't represent, it that we collected well below the rates listed above. (For the WC Program the actual rate was just 2.67% and the Liability Program just 6.72%). But we also collected an additional \$8,766 for the new Member that was above this Maximum, and I'd like to properly amend the current Agreement to reflect those amounts.

Below is a compensation table of what was earned for the Liability, Workers' Compensation and Property programs.<sup>1</sup>

	<b>Liability</b>	<b>Workers' Compensation</b>	<b>Property</b>	<b>Total</b>
<b>2009-2010</b>	\$137,014	\$142,606	\$53,594	\$333,214
<b>2010-2011</b>	\$148,500	\$121,500	\$64,992	\$334,992
<b>2011-2012</b>	\$148,500	\$121,500	\$64,992	\$337,077
<b>2012-2013</b>	\$148,500	\$121,500	\$78,174	\$348,174
<b>2013-2014</b>	\$148,500	\$121,500	\$87,560	\$357,560
<b>2013-2014</b>	Addition of Elk Grove: \$8,766			\$366,326

Can we discuss how to manage all of this in advance of the March EC meeting – maybe an Ad Hoc committee?

Sincerely,



Michael Simmons  
Vice Chairman – Public Entities  
[msimmons@alliant.com](mailto:msimmons@alliant.com)  
Cell: 925 – 708-3374

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<sup>1</sup> In addition to the table above, last year Alliant also collected commission for CSAC EIA's Excess Workers' Compensation of \$34,976, Public Entity Physical Damage of \$22,143, Crime coverage of \$3,005, and standalone DIC coverage of \$1,250.

**AMENDMENT  
TO THE BROKER, RISK MANAGEMENT AND PROGRAM  
ADMINISTRATION SERVICES AGREEMENT**

This Amendment to the Agreement for Services is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between **Northern California Cities Self Insurance Fund (NCCSIF)** and **Alliant Insurance Services, Inc.** (Program Administrator). This Amendment is entered into with reference to the following facts and circumstances:

NCCSIF and PROGRAM ADMINISTRATOR have entered into an Agreement on July 1, 2009; which states in **Section V.D.: COMPENSATION:**

Total annual compensation for the period July 1, 2009 to June 30, 2010 for Workers' Compensation, Liability and Property shall not exceed three hundred fifty seven thousand five hundred dollars (\$357,500). *Property does not include crime, auto physical damage, mobile equipment or other coverages that may be placed on an individual basis for members and for which additional compensation may be earned.*

Subsequent years' annual compensation will be approved by NCCSIF each spring.

And, SANDPIPA and BROKER/CONSULTANT desire to amend the Agreement pursuant to this extension.

NCCSIF and PROGRAM ADMINISTRATOR agree to amend the Agreement as follows:

- **Section V. COMPENSATION, D.** is amended to \$\_\_\_\_\_.

As hereby amended, the terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be executed on the date indicated first above.

By: \_\_\_\_\_ Date: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**ALLIANT INSURANCE SERVICES, INC.**

By: \_\_\_\_\_ Date: \_\_\_\_\_  
Michael Simmons, Vice Chairman - PE

# **BROKER, RISK MANAGEMENT AND PROGRAM ADMINISTRATION SERVICES AGREEMENT**

## **I. PARTIES**

The PARTIES to this AGREEMENT are **Northern California Cities Self Insurance Fund** (NCCSIF) and **Alliant Insurance Services, Inc.** (PROGRAM ADMINISTRATOR). This AGREEMENT is effective from the July 1, 2009 and shall remain in effect for five years through, and including, June 30, 2014.

## **II. AGREEMENT**

In consideration of the payments and agreements specified in the AGREEMENT, PROGRAM ADMINISTRATOR shall perform SERVICES pursuant to Section IV, Scope of Service.

## **III. DEFINITIONS**

When used herein, when capitalized, whether in the singular or in the plural, the following terms shall have the following meanings:

- A. PROGRAM ADMINISTRATOR – Alliant Insurance Services, Inc.
- B. NCCSIF – Northern California Cities Self Insurance Fund, and its Members.
- C. AGREEMENT - This PROGRAM ADMINISTRATOR services agreement, including any written changes thereto, which were agreed upon by the PARTIES.
- D. COMPENSATION:
  - FEES – Remuneration paid by NCCSIF directly to PROGRAM ADMINISTRATOR for Services (does not include commission).
  - COMMISSION - Remuneration paid by NCCSIF's insurance carriers for services directly to PROGRAM ADMINISTRATOR.
- E. COMPANIES - The business entities other than the PROGRAM ADMINISTRATOR which make available services necessary to implement the PROGRAM.
- F. PARTY - NCCSIF or PROGRAM ADMINISTRATOR.
- G. PROGRAM – The lines of Insurance coverages placed on behalf of NCCSIF and SERVICE provided under the scope of this Agreement.
- H. SERVICE - Any and all obligations of PROGRAM ADMINISTRATOR to be performed pursuant to the AGREEMENT.

- I. KEY PERSONNEL –Those individuals on the Account Service Team, listed in **Addendum B**, responsible for the PROGRAM ADMINISTRATOR roles provided for under the SCOPE OF SERVICE.

#### IV. SCOPE OF SERVICE

- A. DESIGNATION OF BROKER AND BROKERAGE SERVICES. NCCSIF hereby engages and designates PROGRAM ADMINISTRATOR to act as NCCSIF’s insurance broker and perform all customary duties of an insurance broker for NCCSIF’s Programs including without limitation:

1. Marketing the PROGRAMS to insurance carriers and/or excess Joint Powers Authorities;
  - a. Develop marketing specifications based upon an evaluation of NCCSIF’s loss exposure and which address such exposures;
  - b. Evaluate quotations as to the adequacy of coverages, appropriate retention levels and restrictions in coverage, the existence of warranties concurrency of coverage, suitability of forms;
  - c. Evaluate the financial status and service capabilities of insurers making quotations of coverage under the PROGRAMS, based upon available data. NCCSIF recognizes and agrees that PROGRAM ADMINISTRATOR is not responsible for any change in the financial condition of any insurance carrier or Joint Powers Authority after an insurance placement is made.
2. Deliver binders and other evidences of insurance within ten (10) calendar days after the placement of any insurance under the PROGRAMS to be effective until such times as the policy or policies for the placement are received by NCCSIF from the insurance carriers. Such binders shall be signed by an authorized agent or employee of the insurance carrier. The PROGRAM ADMINISTRATOR shall use best efforts to secure a correct policy or policies within ninety (90) days of placement of any insurance under the Programs. The PROGRAM ADMINISTRATOR shall not be responsible for the failure of Members of NCCSIF to make premium payments;
3. Forward questions from NCCSIF and/or its Members to the insurance carriers or excess Joint Powers Authorities;
4. Identify, review and comment on loss-control activities and recommendations of insurers or excess Joint Powers Authorities;
5. Issue Certificates of Insurance regarding the PROGRAMS;
6. In the event that any insurance is written for the PROGRAMS, unless NCCSIF gives the PROGRAM ADMINISTRATOR contrary instructions the

PROGRAM ADMINISTRATOR will implement the practice of notifying all excess insurance carriers whenever NCCSIF or one of its members has requested that notice of claim be given to the primary carrier;

7. Assist NCCSIF and where applicable NCCSIF's third party administrator, in settlement issues with insurance carriers. However, it is understood and agreed that the PROGRAM ADMINISTRATOR is not providing claims management services under this Agreement;
8. Act upon request as a liaison for communications among or between all parties involved in the Programs including NCCSIF, its participating Members, insurance carriers and others;
9. Prepare written reports to NCCSIF to include:
  - a. Report as needed of pending rate, coverage or renewal problems including significant changes in the financial status of major insurers or reinsurers for the Programs;
  - b. At least thirty (30) days prior to the Programs anniversary(s), a written report stating anticipated renewal terms and conditions and other indications of market conditions trends and anticipated changes;
  - c. A comprehensive summary report (within fifteen (15) days of purchasing coverage) outlining the coverage(s) purchased. Such report shall contain the following information:
    - 1) Summary of insurance and their terms and conditions, and
    - 2) Summary of financial conditions of insurers providing coverage;

**B. PROGRAM ADMINISTRATION SERVICES.** PROGRAM ADMINISTRATOR agrees to provide the following services to the satisfaction of the Board of Directors of NCCSIF:

1. Act as “key” contact for the NCCSIF coverage programs including Liability, Workers’ Compensation and Property Programs.
2. Handle clerical and correspondence work duties of the Joint Powers Authority.
3. Work with the NCCSIF committees and coordinate NCCSIF program administration.
4. Meet with cities as requested and necessary.



5. Maintain a Policy and Procedures manual.
6. Develop, issue and maintain Certificates of Coverage for the NCCSIF Memorandums of Coverage on behalf of the members of NCCSIF.
7. Issue, modify as directed and maintain Memorandums of Coverage forms for the shared risk layer of PROGRAMS.
8. Prepare NCCSIF agendas and other general administrative functions.
9. Assist NCCSIF in preparing agendas and other general administrative functions.
10. Meet with the Board of Directors and the committees on a scheduled basis.
11. Prepare the annual budget and the Risk Management annual budget as directed by the Executive Committee.
12. Assist with the preparation of the annual budget.
13. Act as a central clearinghouse for dissemination of information on risk management issues and NCCSIF programs.
14. Assist Members in matters of proper Liability insurance coverage requirements of contractors.
15. Assist as may be required with financial audits, claims audits or actuarial studies conducted by NCCSIF's retained auditors and actuaries.
16. Monitor loss runs of NCCSIF programs.
17. Coordinate matters of safety/loss control programming and in the development of loss prevention material.
18. Provide monthly time tracking data summarized by program/service categories.
19. Maintain on behalf of NCCSIF; loss reports, insurance policies, certificates of insurance, JP A vendor contracts, claims audits, actuarial studies, financial audits, statistical studies, deposit premium calculations, and other pertinent materials in accordance with standard insurance record retention practices and with the NCCSIF approved Policy and Procedure on Records Retention. Beginning in 2010 old records will be converted to a digitized record format and current records will be maintained in a digital format.
20. Maintain a suitable backup and recovery system for data and develop and implement processes for the protection of electronic data including a written policy with respect to:

- a. Disaster recovery
- b. Physical and electronic data security
- c. Electronic data retention

- 21. On a six-month basis provide a service calendar reporting on the services rendered for the period and a projection of work to be accomplished during the next six months.
- 22. Update and maintain the NCCSIF website and other PROGRAM documentation.
- 23. Prepare an Annual Report to be distributed at the December Board of Directors meeting.

## V. COMPENSATION

With respect to the categories of risk and insurance identified in **Addendum A** and the Services specified in Section IV., SCOPE OF SERVICE, PROGRAM ADMINISTRATOR shall receive compensation as follows:

As compensation to the PROGRAM ADMINISTRATOR for the basic program administrations services rendered hereunder,

- A. NCCSIF shall pay per program year two thousand seven hundred fifty dollars (\$2,750) per Workers' Compensation program member and two thousand seven hundred fifty dollars (\$2,750) per Liability program member. In addition, up to 7.5% will be collected on shared risk layer deposits in the Workers' Compensation program allocated to Members in relation to the shared risk layer premium. Up to 7.5% for the Liability shared risk layer deposits and up to 7.5% for the CJPRMA premium both of which will be allocated among the Members in relation to the shared risk layer premium.
- B. The hourly Time Tracking rates for FY 09/10 will be per **Addendum B**.
- C. It is also agreed that PROGRAM ADMINISTRATOR may collect the commissions and placing fees on insurance coverage provided NCCSIF programs as agreed to by the Board, as well as agreed to fees for involvement in excess self-funded pools.
- D. Total annual compensation for the period July 1, 2009 to June 30, 2010 for Workers' Compensation, Liability and Property shall not exceed three hundred fifty –seven thousand five hundred dollars (\$357,500). *Property does not include*

*crime, auto physical damage, mobile equipment or other coverages that may be placed on an individual basis for members and for which additional compensation may be earned.*

Subsequent years' annual compensation will be approved by NCCSIF each spring.

E. Fees shall be paid in twelve (12) equal monthly installments.

As used in this section, the term "commissions" refers to compensation made to the PROGRAM ADMINISTRATOR by insurance carriers with respect to a specific placement of insurance with those carriers.

During the time of this AGREEMENT, PROGRAM ADMINISTRATOR will annually disclose, in writing, any COMMISSIONS received by PROGRAM ADMINISTRATOR in connection with any insurance placements on behalf of CLIENT under the PROGRAM ADMINISTRATOR's Transparency and Disclosure policy that state that BROKER will conduct business in conformance with all applicable insurance regulations and in advancement of the best interests of our brokerage clients. PROGRAM ADMINISTRATOR will adhere to an established conflict of interest code that rejects any form of broker incentives that would result in business being placed with carriers in conflict with our clients' interests. PROGRAM ADMINISTRATOR will operate with full transparency and disclosure and regard all aspects of our broker services and compensation arrangements to be appropriate topics for discussion.

In addition to the COMPENSATION that PROGRAM ADMINISTRATOR receives, its related entity, Alliant Specialty Insurance Services ("ASIS") may receive compensation from PROGRAM ADMINISTRATOR and/or a carrier for providing underwriting services. The financial impact of the compensation received by ASIS is a cost included in the premium. Additionally, the related entities of Alliant Business Services (ABS) and/or Strategic HR may receive compensation from PROGRAM ADMINISTRATOR and/or a carrier for providing designated, value-added services. Services contracted for by the CLIENT directly will be invoiced accordingly. Otherwise, services will be provided at the expense of PROGRAM ADMINISTRATOR and/or the carrier.

In the event such COMPENSATION exceeds the maximum annual FEE provision for any particular AGREEMENT year, the PROGRAM ADMINISTRATOR will reimburse NCCSIF for such excess commissions as permitted by law. Otherwise, excess commissions will be carried forward and applied against any other compensation due from NCCSIF during any subsequent periods that this AGREEMENT is in effect, or shall be applied to other SERVICES outside this AGREEMENT as mutually agreed.

## **VI. TAXES AND FEES AND USE OF INTERMEDIARIES**

A. *Surplus Lines Fees and Taxes.* In certain cases, placement made by PROGRAM

ADMINISTRATOR on behalf of NCCSIF, with approval of NCCSIF, may require the payment of surplus lines assessments, taxes and/or fees to state regulators, boards or associations. Such assessments, taxes and/or fees will be charged to NCCSIF and identified separately on invoices covering these placements. PROGRAM ADMINISTRATOR shall not be responsible for the payment of any such fees, taxes or assessments, except to the extent such taxes or fees have been collected from NCCSIF.

- B. *Intermediaries.* PROGRAM ADMINISTRATOR may determine from time to time that it is necessary or appropriate to utilize the services of intermediaries (such as surplus lines brokers, underwriting managers, London market brokers, and reinsurance brokers) to assist in marketing the PROGRAM. These intermediaries may be affiliates of PROGRAM ADMINISTRATOR or may be unrelated intermediaries. Compensation of such intermediaries will be paid by the insurance company out of paid insurance premiums. Where a placement through such an intermediary will result in compensation to a PROGRAM ADMINISTRATOR affiliate, PROGRAM ADMINISTRATOR will fully disclose in writing to NCCSIF, its relationship to the affiliate and the reason that placement of coverage through that intermediary is in the best interest of NCCSIF.
- C. *Indirect Income.* Indirect Income includes such items as insurance carrier contingency arrangements. PROGRAM ADMINISTRATOR will not accept these compensation incentives from insurers, including contingent commissions, market service agreements (MSA), volume based commissions incentives and rebates on business placed on behalf of NCCSIF within the SCOPE OF SERVICE of this AGREEMENT.

## VII. PERSONNEL

PROGRAM ADMINISTRATOR agrees KEY PERSONNEL will be responsible for performance of the designated functions for NCCSIF as delineated in **Addendum B**. Should such personnel become unavailable to perform SERVICES for NCCSIF, PROGRAM ADMINISTRATOR agrees to replace, as soon as practical, such personnel with personnel of comparable skills and experience as determined by NCCSIF's evaluation and subject to NCCSIF' right of refusal for any reason.

## VIII. TERM

The term of the AGREEMENT shall be effective from July 1, 2009 to June 30, 2014, unless cancelled pursuant to Section X Termination of Agreement. NCCSIF shall have an option to extend the AGREEMENT for two additional one-year periods, exercisable by NCCSIF by notifying PROGRAM ADMINISTRATOR of such extension prior to the anniversary date. The AGREEMENT shall have an anniversary date each July 1, for the purpose of reviewing compensation and optional extensions. This AGREEMENT supersedes and replaces all previous AGREEMENTS or Contracts.

## **IX. NONASSIGNABLE**

This AGREEMENT is binding upon the parties hereto and their respective successors by merger, sale, consolidation or reorganization. The AGREEMENT is otherwise personal to the PARTIES and cannot be assigned or delegated without prior written consent of the other PARTY.

## **X. TERMINATION OF AGREEMENT**

The AGREEMENT may be cancelled by either PARTY any time upon 90 days advance written notice delivered or mailed to the other PARTY. In the event of cancellation, PROGRAM ADMINISTRATOR will assist NCCSIF in arranging a smooth transition to another COMPANY, including, but not limited to providing NCCSIF copies of requested products, files, records, computations, quotations studies and other data, prepared or obtained in connection with this AGREEMENT in a mutually agreed to formal, which shall become the permanent property of NCCSIF.

Should this agreement be terminated pursuant to this section prior to the end of this AGREEMENT's term, the PROGRAM ADMINISTRATOR shall be entitled to retain as earned compensation for its SERVICES a prorated portion of the fees paid by NCCSIF for each member in certain NCCSIF programs as follows: if termination is effective in the first quarter of the program year, 50% of such fees, if in the second quarter of the program year, 67.7%; if in the third quarter of the program year, 83.3% and if in the fourth quarter of the program year 100%. These percentages apply only to the per member fees. Fees and commissions charged by the PROGRAM ADMINISTRATOR for all other compensation shall be considered fully earned upon termination of the agreement.

In the event of termination, PROGRAM ADMINISTRATOR shall give to NCCSIF copies of all products, files, records, computations, quotations, studies and other data prepared or obtained in connection with this contract, which shall become the permanent property of NCCSIF.

## **XI. ENTIRE AGREEMENT MODIFICATION**

This AGREEMENT constitutes the entire understanding of the PARTIES hereto. PROGRAM ADMINISTRATOR shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both PARTIES. PROGRAM ADMINISTRATOR specifically acknowledges that in entering into and executing this AGREEMENT, PROGRAM ADMINISTRATOR relies solely upon the provisions contained in this AGREEMENT and no others.

## **XII. SEVERABILITY**

If any term, covenant, condition or provision of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

### **XIII. APPLICABLE LAW**

This AGREEMENT has been executed and delivered in the State of California, and the validity, enforceability and interpretation of any of the clauses of this AGREEMENT shall be determined and governed by the laws of the State of California.

### **XIV. HOLD HARMLESS**

- A. PROGRAM ADMINISTRATOR agrees to indemnify, hold harmless and defend NCCSIF at all times against any claims, costs, expense, liability, obligation, loss or damage (including reasonable legal fees) of any nature, incurred by or imposed upon NCCSIF and based upon any errors or omissions of PROGRAM ADMINISTRATOR, its agents or employees, with respect to the Services provided by PROGRAM ADMINISTRATOR under this AGREEMENT, unless the error or omission arises from PROGRAM ADMINISTRATOR's reliance on information provided by NCCSIF or from PROGRAM ADMINISTRATOR's following instructions from NCCSIF. In the event that NCCSIF tenders its defense in any such claims, etc. to PROGRAM ADMINISTRATOR, and PROGRAM ADMINISTRATOR accepts such tender, the defense of NCCSIF shall be conducted by a counsel selected by PROGRAM ADMINISTRATOR and approved by NCCSIF.
  
- B. NCCSIF agrees to indemnify and hold harmless, reimburse and defend PROGRAM ADMINISTRATOR at all times against any claims, costs, expense, liability, obligation, loss or damage (including reasonable legal fees) of any nature, incurred by or imposed upon PROGRAM ADMINISTRATOR and based upon any errors or omissions of NCCSIF, its agents or employees, with respect to the obligations of NCCSIF under this AGREEMENT, unless the error or omission arises from NCCSIF's reliance on information provided by PROGRAM ADMINISTRATOR. In the event that PROGRAM ADMINISTRATOR tenders its defense to NCCSIF and NCCSIF accepts such tender, the defense of PROGRAM ADMINISTRATOR shall be conducted by counsel selected by NCCSIF.

### **XV. INSURANCE REQUIREMENTS**

During the term of this Agreement, Broker shall maintain the following insurance coverage and limits or the equivalent self-insurance coverage:

- A. Professional Liability insurance with minimum limits of \$2 million per claim providing coverage for any errors and omissions which the Broker or its agents may make resulting in financial loss to Client;
  
- B. Commercial General and Automobile Liability insurance with limits of at least \$2 million combined single limit per occurrence and aggregate for bodily injury and property damage. The policies are to contain, or be endorsed to contain the following provisions:

1. Client, its trustees, officers, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of the work or operations performed by the Broker or on behalf of the Broker, or arising from operation of “any auto,” whether owned leased, hired or borrowed by the Broker.

2. For any covered claims related to this Agreement, the Broker’s insurance coverage shall be primary insurance as respects Client, its trustees, officers, employees, or volunteers. Any insurance or self-insurance maintained by Client or any of its members shall be excess to the Broker’s insurance and shall not contribute with it.

- a. Workers’ Compensation coverage in compliance with the laws of the State of California, and Employers’ Liability insurance in the amount of \$1 million per accident or aggregate.
- b. Commercial Umbrella of at least \$3 million aggregate coverage over General Liability and Auto primary coverages.
- c. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled or non renewed by Broker, except with thirty (30) days prior written notice by certified mail, return receipt requested, given to Client.

All insurance carriers providing the coverages required by this section shall have a financial rating of at least an “A” published A.M. Best, or the published reports of an equivalent financial rating firm will be used to confirm the insurance carriers’ rating, unless the PROGRAM ADMINISTRATOR has obtained the NCCSIF’s written acknowledgment that an insurance carrier with a lower financial rating is permitted.

PROGRAM ADMINISTRATOR shall also provide to NCCSIF certificates of insurance and copies of applicable endorsements evidencing the above coverages and limits, and will maintain these coverages during the term of this AGREEMENT.

The failure of the PROGRAM ADMINISTRATOR to procure and maintain the required insurance does not negate the PROGRAM ADMINISTRATOR’s obligation under this AGREEMENT to do so.

## **XVI. DISPUTE RESOLUTION**

Any dispute arising under the terms of this AGREEMENT which is not resolved within a reasonable period of time by authorized representatives of the PROGRAM ADMINISTRATOR and the NCCSIF shall be brought to the attention of the Chief Executive Officer (or designated representative) of the PROGRAM ADMINISTRATOR and the Chair (or designee) of the NCCSIF for joint resolution. At the request of either PARTY, the NCCSIF shall provide a forum for discussion of the disputed item(s). If resolution of the dispute through these means is pursued without success, such dispute

shall be submitted to final and binding arbitration upon the mutual agreement of both of the parties. Such arbitration shall be conducted under the auspices of, and in accordance with the procedures and rules of the California Code of Civil Procedures. Any hearings held in the course of any such arbitration shall be held in the City of San Francisco, California unless the parties mutually agree in writing to another location.

Despite an unresolved dispute, the PROGRAM ADMINISTRATOR shall continue without delay to perform its responsibilities under this AGREEMENT. The PROGRAM ADMINISTRATOR shall keep accurate records of its SERVICES in order to document the extent of its SERVICES under this AGREEMENT.

## **XVII. COPYRIGHT**

Any reports, documents or other materials produced in whole or in part under this AGREEMENT shall be the property of NCCSIF and none shall be subject to an application for copyright by or on behalf of PROGRAM ADMINISTRATOR.

## **XVIII. CONFIDENTIAL INFORMATION**

No reports, information, documents, any other materials given to or prepared by PROGRAM ADMINISTRATOR under this AGREEMENT which NCCSIF deems confidential and requests in writing to be kept confidential, shall NOT be made available by PROGRAM ADMINISTRATOR to any individual or organization without prior written approval by NCCSIF. Notwithstanding the foregoing, however, the provisions of the proceeding sentence shall not apply where:

- A. PROGRAM ADMINISTRATOR is required by law, regulation or pursuant to any subpoena to disclose such information.
- B. The disclosure of such information is, in the good faith discretion of PROGRAM ADMINISTRATOR, necessary or appropriate to any civil litigation or arbitration commenced against the NCCSIF by PROGRAM ADMINISTRATOR; or the defense of PROGRAM ADMINISTRATOR or its officers, directors, employees, agents, attorneys-in-fact, attorneys-at-law, predecessors-in-interest or successors-in-interest in any pending or threatened civil litigation or arbitration prosecuted against PROGRAM ADMINISTRATOR by the NCCSIF, or to any civil litigation commenced against either the NCCSIF or PROGRAM ADMINISTRATOR by any third party.
- C. The disclosure of such information is, in the good faith discretion of PROGRAM ADMINISTRATOR, necessary and appropriate to the discharge of PROGRAM ADMINISTRATOR of its duties pursuant to this AGREEMENT including, without limitation, the provision of customary underwriting information to insurers.
- D. Such information, without any act by PROGRAM ADMINISTRATOR, is available to the public.



- E. Such information is rightfully acquired by PROGRAM ADMINISTRATOR from any third party.

## **XIX. ETHICS AND CONFLICT OF INTEREST STATEMENT**

The PROGRAM ADMINISTRATOR understands and agrees that NCCSIF desires to compare the cost of obtaining services or insurance products from PROGRAM ADMINISTRATOR against other viable and competitive options and expects that the PROGRAM ADMINISTRATOR will make its compensation agreements and revenue streams known to NCCSIF, so as to provide NCCSIF with a clear accounting of the costs of the placement of insurance services and products. The PROGRAM ADMINISTRATOR shall conduct its business so as to fulfill all legal and ethical requirements and standards of the industry and the State of California, and shall place the best interests of NCCSIF ahead of any other concerns in the placement of insurance services and products. To this end, PROGRAM ADMINISTRATOR:

1. Warrants that it will adhere to its ethical obligations to NCCSIF to deliver honest, competitive, and meaningful service and advice on the placement of any insurance products, services, or coverages, and to provide access to an open, fair, and competitive insurance market place;
2. Will exercise due diligence in making a full and complete disclosure of all quotes and declinations from all markets contacted for each specific line of coverage, including the date and time of contact, and the name, address, phone number and email address of the individual contact for each market;
3. Will make every good faith attempt to avoid even the appearance of a conflict of interest between the PROGRAM ADMINISTRATOR, NCCSIF, and any provider of any insurance product or service, and will promptly notify CLIENT of any real or potential conflict of interest;
4. Agrees to provide to NCCSIF a copy of PROGRAM ADMINISTRATOR's own Ethics Statement or Code, or PROGRAM ADMINISTRATOR Compliance Statement, or to make such statements available on the PROGRAM ADMINISTRATOR's website;
5. Will require that all insurance carriers show any commission rates on their insurance policies and ensure those rates are known to NCCSIF; and
6. Will annually benchmark NCCSIF's premiums in writing to confirm that the premiums quoted are competitive.

## **XIX. OBLIGATIONS OF NCCSIF**

NCCSIF will reasonably cooperate with the PROGRAM ADMINISTRATOR in the performance of the PROGRAM ADMINISTRATOR's brokerage, risk management and program administration duties by providing the PROGRAM ADMINISTRATOR where available reasonably complete and accurate information as to NCCSIF's loss experience

risk exposures and any other pertinent information that the PROGRAM ADMINISTRATOR requests. NCCSIF shall promptly review coverage documents concerning the Programs delivered by the PROGRAM ADMINISTRATOR for consistency with NCCSIF's specifications. NCCSIF shall designate one or more officers or committees of NCCSIF to receive and provide significant intervening substantive review, and independently evaluate any and all recommendations or proposals made to NCCSIF by the PROGRAM ADMINISTRATOR which are significant, substantive in nature and under which any benefit shall accrue to the PROGRAM ADMINISTRATOR or the PROGRAM ADMINISTRATOR's affiliates a Material Financial Impact, under the terms of this AGREEMENT. Such committees shall then provide their own recommendations concerning such matters to the Board of Directors of NCCSIF, having ultimate decision making authority on such matters.

## **XX. COST AND ATTORNEY FEES**

The prevailing party in any action brought to enforce the terms of this AGREEMENT or arising out of this AGREEMENT may recover its reasonable costs and attorney's fees expected in connection with such action from the other party to such action.

## **XXI. GENERAL**

- A. **ASSIGNMENT.** Neither PARTY shall assign this AGREEMENT in whole or in part without the prior written consent of the other PARTY.
- B. **NOTICES.** All notices hereunder shall be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

## **XXII. PERFORMANCE MEASURES**

The PROGRAM ADMINISTRATOR agrees to be evaluated by performance measures as developed with the Executive Committee.

To NCCSIF:

President, Board of Directors  
Northern California Cities Self Insurance Fund  
c/o Alliant Insurance Services, Inc.  
100 Pine Street, 11<sup>th</sup> Floor  
San Francisco, CA 94111  
Attn: Marilyn T. Kelley

To PROGRAM ADMINISTRATOR:

Alliant Insurance Services, Inc.  
100 Pine Street, 11<sup>th</sup> Floor  
San Francisco, CA 94111  
Attn: Michael Simmons

**IN WITNESS WHEREOF**, NCCSIF and PROGRAM ADMINISTRATOR have hereby executed this AGREEMENT on this \_\_\_\_\_ day of June \_\_\_\_\_.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

By: \_\_\_\_\_  
President

ALLIANT INSURANCE SERVICES, INC.

By: \_\_\_\_\_  
Michael Simmons,  
Vice Chairman

Reviewed and Approved by NCCSIF Board Counsel

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **ADDENDUM A**

### **To Alliant Service Contract By and between NCCSIF and PROGRAM ADMINISTRATOR**

PROGRAM ADMINISTRATOR agrees to provide SERVICES to the following PROGRAMS of NCCSIF:

1. Property;
2. Liability Program; and
3. Workers' Compensation Program.

It is understood and agreed that NCCSIF may obtain additional services from PROGRAM ADMINISTRATOR for additional PROGRAMS. NCCSIF and PROGRAM ADMINISTRATOR shall agree in writing the Scope of Services and compensation in advance of PROGRAM ADMINISTRATOR's performance of additional SERVICES.

## ADDENDUM B

### Northern California Cities Self Insurance Fund Account Service Team

The hourly Time Tracking rates for FY 09/10 will be as follows:

Vice Chairman	\$245	(Mike Simmons)*
Vice President	\$182	(Marylin T. Kelley)*
Assistant Vice President	\$134	
Claims Specialist	\$125	(Diana Walizada, Bob Frey)
Senior Account Manager	\$125	(Stacey Weeks)
Account Manager	\$123	(Van Rin)
Account Representative	\$123	(Hsan Htein)
JPA Program Coordinator	\$123	(Amber Anderson)
Technical Assistant	\$75	(Johnny Yang, Justin Gottwald)
Word Processing/Clerical	\$75	

\* Denotes KEY Personnel



**ALLIANT SERVICE AGREEMENT FIVE YEAR RENEWAL  
Effective July 1, 2014**

**ACTION ITEM**

**ISSUE:** The NCCSIF Agreement with Alliant for Services renews in July, 2014. The current term of the Agreement has been five years, and Alliant has had flat compensation with a Maximum of \$357,500 in each of these years.

**RECOMMENDATION:** The Program Administrator can not negotiate their own Agreement with the EC (a 'Decision Making Body'), we need someone like the EC (or an Ad Hoc committee) to act as *Significant Intervening Review* and then they make a recommendation for approval.

As a result, we suggest that the EC discuss:

1. Whether to appoint an Ad Hoc committee to negotiate with Alliant and make a recommendation back to them, or to address the terms of the contract with Alliant and have the approval by the full Board at their next meeting on April 24, 2014.
2. Have the key (updated) language changes reviewed and approved by legal counsel in advance of their own review or wait for sign-off at a later time.

**FISCAL IMPACT:** Undetermined at this time.

**BACKGROUND:** Alliant's Agreements with Public Entity Clients have improved over the past 4 years, and we want to insure that all Clients have the advantage of these language updates. It does make the review process more complex, but fortunately NCCSIF's legal counsel has seen all of these updates involving other pool clients so it can be addressed expediently by Byrne Conley.

The prior Agenda Item included an attachment of the current Agreement. This Agenda Item contains two versions for discussion at this time. The FIRST attachment updates the current Agreement with basic changes; it is provided in redline directly following this cover. These basic changes also being a discussion on COMPENSATION that outlines a separation of POOL ADMINISTRATION and



**Northern California Cities Self Insurance Fund  
Executive Committee Meeting  
February 18, 2014**

CONSULTING from traditional Brokerage - - at this point it's been included as a format change for future explanation during the negotiation of the contract renewal.

The SECOND attachment inserts the changed language that we recommend be reviewed and signed off on by legal. It's all very straight forward and beneficial to the client; its standard in all of our other California PE Agreements renewed in the past few years - - at least 3 client attorneys have spent time crafting the changed language. It too is in redline, but to simplify the process, the changes in the prior version were 'accepted' (but can obviously be revisited).

We are suggesting that this version be reviewed by legal first, then a meeting be held with EC (Ad Hoc) committee representatives to walk through the changes so that we can focus on a THIRD version that can specifically address SCOPE and COMPENSATION.

We would like to achieve this prior to the next EC meeting scheduled for March 13<sup>th</sup>. And we would like to have an in-person meeting for this purpose in advance. (Times and Dates should be decided at the upcoming meeting on the 18<sup>th</sup>).

**ATTACHMENT(S)** (In addition to ATTACHMENTS include in the prior item please see attached):

- a. 2014-19 BrokerRMAAdmin Agreement REDLINE (2)
- b. 2014-19 BrokerRMAAdmin Agreement redline ADDITIONS (4)

# **BROKER, RISK MANAGEMENT AND PROGRAM ADMINISTRATION SERVICES AGREEMENT**

## **I. PARTIES**

The PARTIES to this AGREEMENT are **Northern California Cities Self Insurance Fund (NCCSIF)** and **Alliant Insurance Services, Inc., a Delaware Corporation**, (PROGRAM ADMINISTRATOR). This AGREEMENT is effective from the July 1, ~~2009~~ 2014 and shall remain in effect for five years through, and including, June 30, ~~2014~~2019.

## **II. AGREEMENT**

In consideration of the payments and agreements specified in the AGREEMENT, PROGRAM ADMINISTRATOR shall perform SERVICES pursuant to Section IV, Scope of Service.

## **III. DEFINITIONS**

When used herein, when capitalized, whether in the singular or in the plural, the following terms shall have the following meanings:

- A. PROGRAM ADMINISTRATOR – Alliant Insurance Services, Inc.
- B. NCCSIF – Northern California Cities Self Insurance Fund, and its Members.
- C. AGREEMENT - This PROGRAM ADMINISTRATOR services agreement, including any written changes thereto, which were agreed upon by the PARTIES.
- D. COMPENSATION:
  - FEES – Remuneration paid by NCCSIF directly to PROGRAM ADMINISTRATOR for Services (does not include commission).
  - COMMISSION - Remuneration paid by NCCSIF's insurance carriers (or excess pools/programs) for services directly to PROGRAM ADMINISTRATOR.
- E. COMPANIES - The business entities other than the PROGRAM ADMINISTRATOR which make available services necessary to implement the PROGRAM.
- F. PARTY - NCCSIF or PROGRAM ADMINISTRATOR.
- G. PROGRAM – The lines of Insurance coverages placed on behalf of NCCSIF and SERVICE provided under the scope of this Agreement.
- H. SERVICE - Any and all obligations of PROGRAM ADMINISTRATOR to be performed pursuant to the AGREEMENT.



- I. KEY PERSONNEL –Those individuals on the Account Service Team, listed in **Addendum B**, responsible for the PROGRAM ADMINISTRATOR roles provided for under the SCOPE OF SERVICE.

#### IV. SCOPE OF SERVICE

- A. DESIGNATION OF BROKER AND BROKERAGE SERVICES. NCCSIF hereby engages and designates PROGRAM ADMINISTRATOR to act as NCCSIF’s insurance broker and perform all customary duties of an insurance broker for NCCSIF’s Programs including without limitation:

1. Marketing the PROGRAMS to insurance carriers and/or excess Joint Powers Authorities;
  - a. Develop marketing specifications based upon an evaluation of NCCSIF’s loss exposure and which address such exposures;
  - b. Evaluate quotations as to the adequacy of coverages, appropriate retention levels and restrictions in coverage, the existence of warranties concurrency of coverage, suitability of forms;
  - c. Evaluate the financial status and service capabilities of insurers making quotations of coverage under the PROGRAMS, based upon available data. NCCSIF recognizes and agrees that PROGRAM ADMINISTRATOR is not responsible for any change in the financial condition of any insurance carrier or Joint Powers Authority after an insurance placement is made.
2. Deliver binders and other evidences of insurance within ten (10) calendar days after the placement of any insurance under the PROGRAMS to be effective until such times as the policy or policies for the placement are received by NCCSIF from the insurance carriers. Such binders shall be signed by an authorized agent or employee of the insurance carrier. The PROGRAM ADMINISTRATOR shall use best efforts to secure a correct policy or policies within ninety (90) days of placement of any insurance under the Programs. The PROGRAM ADMINISTRATOR shall not be responsible for the failure of Members of NCCSIF to make premium payments;
3. Forward questions from NCCSIF and/or its Members to the insurance carriers or excess Joint Powers Authorities;
4. Identify, review and comment on loss-control activities and recommendations of insurers or excess Joint Powers Authorities;
5. Issue Certificates of Insurance regarding the PROGRAMS;
6. In the event that any insurance is written for the PROGRAMS, unless NCCSIF gives the PROGRAM ADMINISTRATOR contrary instructions the

PROGRAM ADMINISTRATOR will implement the practice of notifying all excess insurance carriers whenever NCCSIF or one of its members has requested that notice of claim be given to the primary carrier;

7. Assist NCCSIF and where applicable NCCSIF's third party administrator, in settlement issues with insurance carriers. However, it is understood and agreed that the PROGRAM ADMINISTRATOR is not providing claims management services under this Agreement;
8. Act upon request as a liaison for communications among or between all parties involved in the Programs including NCCSIF, its participating Members, insurance carriers and others;
9. Prepare written reports to NCCSIF to include:
  - a. Report as needed of pending rate, coverage or renewal problems including significant changes in the financial status of major insurers or reinsurers for the Programs;
  - b. At least thirty (30) days prior to the Programs anniversary(s), a written report stating anticipated renewal terms and conditions and other indications of market conditions trends and anticipated changes;
  - c. A comprehensive summary report (within fifteen (15) days of purchasing coverage) outlining the coverage(s) purchased. Such report shall contain the following information:
    - 1) Summary of insurance and their terms and conditions, and
    - 2) Summary of financial conditions of insurers providing coverage;

**B. PROGRAM ADMINISTRATION SERVICES.** PROGRAM ADMINISTRATOR agrees to provide the following services to the satisfaction of the Board of Directors of NCCSIF:

1. Act as “key” contact for the NCCSIF coverage programs including Liability, Workers’ Compensation and Property Programs.
2. Handle clerical and correspondence work duties of the Joint Powers Authority.
3. Work with the NCCSIF committees and coordinate NCCSIF program administration.
4. Meet with cities as requested and necessary.

5. Maintain a Policy and Procedures manual.
6. Develop, issue and maintain Certificates of Coverage for the NCCSIF Memorandums of Coverage on behalf of the members of NCCSIF.
7. Issue, modify as directed and maintain Memorandums of Coverage forms for the shared risk layer of PROGRAMS.
8. Prepare NCCSIF agendas and other general administrative functions.
9. Assist NCCSIF in preparing agendas and other general administrative functions.
10. Meet with the Board of Directors and the committees on a scheduled basis.
11. Prepare the annual budget and the Risk Management annual budget as directed by the Executive Committee.
12. Assist with the preparation of the annual budget.
13. Act as a central clearinghouse for dissemination of information on risk management issues and NCCSIF programs.
14. Assist Members in matters of proper Liability insurance coverage requirements of contractors.
15. Assist as may be required with financial audits, claims audits or actuarial studies conducted by NCCSIF's retained auditors and actuaries.
16. Monitor loss runs of NCCSIF programs.
17. Coordinate matters of safety/loss control programming and in the development of loss prevention material.
18. Provide monthly time tracking data summarized by program/service categories.
19. Maintain on behalf of NCCSIF; loss reports, insurance policies, certificates of insurance, JP-A vendor contracts, claims audits, actuarial studies, financial audits, statistical studies, deposit premium calculations, and other pertinent materials in accordance with standard insurance record retention practices and with the NCCSIF approved Policy and Procedure on Records Retention. Beginning in 2010 old records will be converted to a digitized record format and current records will be maintained in a digital format.
20. Maintain a suitable backup and recovery system for data and develop and implement processes for the protection of electronic data including a written policy with respect to:

- a. Disaster recovery
  - b. Physical and electronic data security
  - c. Electronic data retention
21. On a six-month basis provide a service calendar reporting on the services rendered for the period and a projection of work to be accomplished during the next six months.
22. Update and maintain the NCCSIF website and other PROGRAM documentation.
23. Prepare an Annual Report to be distributed at the December Board of Directors meeting.

## V. COMPENSATION

With respect to the categories of risk and insurance identified in **Addendum A** and the Services specified in Section IV., SCOPE OF SERVICE, PROGRAM ADMINISTRATOR shall receive compensation as follows:

As compensation to the PROGRAM ADMINISTRATOR for the ~~basic~~ program administration~~s~~ services rendered hereunder,

A. NCCSIF shall pay per program year two thousand seven hundred fifty dollars (\$2,750) per Workers' Compensation program member and two thousand seven hundred fifty dollars (\$2,750) per Liability program member. In addition, up to 7.5% will be collected on shared risk layer deposits in the Workers' Compensation program allocated to Members in relation to the shared risk layer premium. Up to 7.5% for the Liability shared risk layer deposits and up to 7.5% for the CJPRMA premium both of which will be allocated among the Members in relation to the shared risk layer premium.

~~B. The hourly Time Tracking rates for FY 09/10 will be per Addendum B.~~

~~C.B.~~ It is also agreed that PROGRAM ADMINISTRATOR may collect the commissions and placing fees on insurance coverage provided NCCSIF programs as agreed to by the Board, as well as agreed to fees for involvement in excess self-funded pools.

~~D.~~ Total ~~annual Fee~~ compensation for the period July 1, ~~2009-2014~~ to June 30, ~~2010~~ 2015 for Workers' Compensation, ~~and~~ Liability ~~and Property~~ shall not exceed ~~three hundred fifty seven thousand five hundred dollars (\$357,500)~~ \$270,000. Other lines of coverage including Property, does not include crime, auto physical damage, mobile equipment, Excess Workers' Compensation or and other

*coverages that may be placed on an individual basis for members ~~and for which additional compensation may be earned.~~ will have additional commission.*

Subsequent years' annual compensation will be approved by NCCSIF each spring. The Fee for program administration will not increase more than 3.5% each year for current Members. New Members will be added at equivalent rates in effect and increase the not to exceed at that level.

E.C. Fees shall be paid in twelve (12) equal monthly installments.

As used in this section, the term "commissions" refers to compensation made to the PROGRAM ADMINISTRATOR by insurance carriers (and excess programs) with respect to a specific placement of insurance with those carriers/programs.

During the time of this AGREEMENT, PROGRAM ADMINISTRATOR will annually disclose, in writing, any COMMISSIONS received by PROGRAM ADMINISTRATOR in connection with any insurance placements on behalf of CLIENT under the PROGRAM ADMINISTRATOR's Transparency and Disclosure policy that state that BROKER will conduct business in conformance with all applicable insurance regulations and in advancement of the best interests of our brokerage clients. PROGRAM ADMINISTRATOR will adhere to an established conflict of interest code that rejects any form of broker incentives that would result in business being placed with carriers in conflict with our clients' interests. PROGRAM ADMINISTRATOR will operate with full transparency and disclosure and regard all aspects of our broker services and compensation arrangements to be appropriate topics for discussion.

In addition to the COMPENSATION that PROGRAM ADMINISTRATOR receives, its related entity, Alliant Specialty Insurance Services ("ASIS") may receive compensation from PROGRAM ADMINISTRATOR and/or a carrier for providing underwriting services. The financial impact of the compensation received by ASIS is a cost included in the premium. Additionally, the related entities of Alliant Business Services (ABS) and/or Strategic HR may receive compensation from PROGRAM ADMINISTRATOR and/or a carrier for providing designated, value-added services. Services contracted for by the CLIENT directly will be invoiced accordingly. Otherwise, services will be provided at the expense of PROGRAM ADMINISTRATOR and/or the carrier.

In the event such COMPENSATION exceeds the maximum annual FEE provision for any particular AGREEMENT year, the PROGRAM ADMINISTRATOR will reimburse NCCSIF for such excess commissions as permitted by law. Otherwise, excess commissions will be carried forward and applied against any other compensation due from NCCSIF during any subsequent periods that this AGREEMENT is in effect, or shall be applied to other SERVICES outside this AGREEMENT as mutually agreed.

## **VI. TAXES AND FEES AND USE OF INTERMEDIARIES**

A. *Surplus Lines Fees and Taxes.* In certain cases, placement made by PROGRAM

ADMINISTRATOR on behalf of NCCSIF, with approval of NCCSIF, may require the payment of surplus lines assessments, taxes and/or fees to state regulators, boards or associations. Such assessments, taxes and/or fees will be charged to NCCSIF and identified separately on invoices covering these placements. PROGRAM ADMINISTRATOR shall not be responsible for the payment of any such fees, taxes or assessments, except to the extent such taxes or fees have been collected from NCCSIF.

- B. *Intermediaries.* PROGRAM ADMINISTRATOR may determine from time to time that it is necessary or appropriate to utilize the services of intermediaries (such as surplus lines brokers, underwriting managers, London market brokers, and reinsurance brokers) to assist in marketing the PROGRAM. These intermediaries may be affiliates of PROGRAM ADMINISTRATOR or may be unrelated intermediaries. Compensation of such intermediaries will be paid by the insurance company out of paid insurance premiums. Where a placement through such an intermediary will result in compensation to a PROGRAM ADMINISTRATOR affiliate, PROGRAM ADMINISTRATOR will fully disclose in writing to NCCSIF, its relationship to the affiliate and the reason that placement of coverage through that intermediary is in the best interest of NCCSIF.
- C. *Indirect Income.* Indirect Income includes such items as insurance carrier contingency arrangements. PROGRAM ADMINISTRATOR will not accept these compensation incentives from insurers, including contingent commissions, market service agreements (MSA), volume based commissions incentives and rebates on business placed on behalf of NCCSIF within the SCOPE OF SERVICE of this AGREEMENT.

## VII. PERSONNEL

PROGRAM ADMINISTRATOR agrees KEY PERSONNEL will be responsible for performance of the designated functions for NCCSIF as delineated in **Addendum B**. Should such personnel become unavailable to perform SERVICES for NCCSIF, PROGRAM ADMINISTRATOR agrees to replace, as soon as practical, such personnel with personnel of comparable skills and experience as determined by NCCSIF's evaluation and subject to NCCSIF' right of refusal for any reason.

## VIII. TERM

The term of the AGREEMENT shall be effective from July 1, ~~2009-2014~~ to June 30, ~~2014~~2019, unless cancelled pursuant to Section X Termination of Agreement. NCCSIF shall have an option to extend the AGREEMENT for two additional one-year periods, exercisable by NCCSIF by notifying PROGRAM ADMINISTRATOR of such extension prior to the anniversary date. The AGREEMENT shall have an anniversary date each July 1, for the purpose of reviewing compensation and optional extensions. This AGREEMENT supersedes and replaces all previous AGREEMENTS or Contracts.

## **IX. NONASSIGNABLE**

This AGREEMENT is binding upon the parties hereto and their respective successors by merger, sale, consolidation or reorganization. The AGREEMENT is otherwise personal to the PARTIES and cannot be assigned or delegated without prior written consent of the other PARTY.

## **X. TERMINATION OF AGREEMENT**

The AGREEMENT may be cancelled by either PARTY any time upon 90 days advance written notice delivered or mailed to the other PARTY. In the event of cancellation, PROGRAM ADMINISTRATOR will assist NCCSIF in arranging a smooth transition to another COMPANY, including, but not limited to providing NCCSIF copies of requested products, files, records, computations, quotations studies and other data, prepared or obtained in connection with this AGREEMENT in a mutually agreed to formal, which shall become the permanent property of NCCSIF.

Should this agreement be terminated pursuant to this section prior to the end of this AGREEMENT's term, the PROGRAM ADMINISTRATOR shall be entitled to retain as earned compensation for its SERVICES a prorated portion of the fees paid by NCCSIF for each member in certain NCCSIF programs as follows: if termination is effective in the first quarter of the program year, 50% of such fees, if in the second quarter of the program year, 67.7%; if in the third quarter of the program year, 83.3% and if in the fourth quarter of the program year 100%. These percentages apply only to the per member fees. Fees and commissions charged by the PROGRAM ADMINISTRATOR for all other compensation shall be considered fully earned upon termination of the agreement.

In the event of termination, PROGRAM ADMINISTRATOR shall give to NCCSIF copies of all products, files, records, computations, quotations, studies and other data prepared or obtained in connection with this contract, which shall become the permanent property of NCCSIF.

## **XI. ENTIRE AGREEMENT MODIFICATION**

This AGREEMENT constitutes the entire understanding of the PARTIES hereto. PROGRAM ADMINISTRATOR shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both PARTIES. PROGRAM ADMINISTRATOR specifically acknowledges that in entering into and executing this AGREEMENT, PROGRAM ADMINISTRATOR relies solely upon the provisions contained in this AGREEMENT and no others.

## **XII. SEVERABILITY**

If any term, covenant, condition or provision of this AGREEMENT is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.



### **XIII. APPLICABLE LAW**

This AGREEMENT has been executed and delivered in the State of California, and the validity, enforceability and interpretation of any of the clauses of this AGREEMENT shall be determined and governed by the laws of the State of California.

### **XIV. HOLD HARMLESS**

- A. PROGRAM ADMINISTRATOR agrees to indemnify, hold harmless and defend NCCSIF at all times against any claims, costs, expense, liability, obligation, loss or damage (including reasonable legal fees) of any nature, incurred by or imposed upon NCCSIF and based upon any errors or omissions of PROGRAM ADMINISTRATOR, its agents or employees, with respect to the Services provided by PROGRAM ADMINISTRATOR under this AGREEMENT, unless the error or omission arises from PROGRAM ADMINISTRATOR's reliance on information provided by NCCSIF or from PROGRAM ADMINISTRATOR's following instructions from NCCSIF. In the event that NCCSIF tenders its defense in any such claims, etc. to PROGRAM ADMINISTRATOR, and PROGRAM ADMINISTRATOR accepts such tender, the defense of NCCSIF shall be conducted by a counsel selected by PROGRAM ADMINISTRATOR and approved by NCCSIF.
- B. NCCSIF agrees to indemnify and hold harmless, reimburse and defend PROGRAM ADMINISTRATOR at all times against any claims, costs, expense, liability, obligation, loss or damage (including reasonable legal fees) of any nature, incurred by or imposed upon PROGRAM ADMINISTRATOR and based upon any errors or omissions of NCCSIF, its agents or employees, with respect to the obligations of NCCSIF under this AGREEMENT, unless the error or omission arises from NCCSIF's reliance on information provided by PROGRAM ADMINISTRATOR. In the event that PROGRAM ADMINISTRATOR tenders its defense to NCCSIF and NCCSIF accepts such tender, the defense of PROGRAM ADMINISTRATOR shall be conducted by counsel selected by NCCSIF.

### **XV. INSURANCE REQUIREMENTS**

During the term of this Agreement, Broker shall maintain the following insurance coverage and limits or the equivalent self-insurance coverage:

- A. Professional Liability insurance with minimum limits of \$2 million per claim providing coverage for any errors and omissions which the Broker or its agents may make resulting in financial loss to Client;
- B. Commercial General and Automobile Liability insurance with limits of at least \$2 million combined single limit per occurrence and aggregate for bodily injury and property damage. The policies are to contain, or be endorsed to contain the following provisions:



1. Client, its trustees, officers, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of the work or operations performed by the Broker or on behalf of the Broker, or arising from operation of “any auto,” whether owned leased, hired or borrowed by the Broker.

2. For any covered claims related to this Agreement, the Broker’s insurance coverage shall be primary insurance as respects Client, its trustees, officers, employees, or volunteers. Any insurance or self-insurance maintained by Client or any of its members shall be excess to the Broker’s insurance and shall not contribute with it.

- a. Workers’ Compensation coverage in compliance with the laws of the State of California, and Employers’ Liability insurance in the amount of \$1 million per accident or aggregate.
- b. Commercial Umbrella of at least \$3 million aggregate coverage over General Liability and Auto primary coverages.
- c. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled or non renewed by Broker, except with thirty (30) days prior written notice by certified mail, return receipt requested, given to Client.

All insurance carriers providing the coverages required by this section shall have a financial rating of at least an “A” published A.M. Best, or the published reports of an equivalent financial rating firm will be used to confirm the insurance carriers’ rating, unless the PROGRAM ADMINISTRATOR has obtained the NCCSIF’s written acknowledgment that an insurance carrier with a lower financial rating is permitted.

PROGRAM ADMINISTRATOR shall also provide to NCCSIF certificates of insurance and copies of applicable endorsements evidencing the above coverages and limits, and will maintain these coverages during the term of this AGREEMENT.

The failure of the PROGRAM ADMINISTRATOR to procure and maintain the required insurance does not negate the PROGRAM ADMINISTRATOR’s obligation under this AGREEMENT to do so.

## **XVI. DISPUTE RESOLUTION**

Any dispute arising under the terms of this AGREEMENT which is not resolved within a reasonable period of time by authorized representatives of the PROGRAM ADMINISTRATOR and the NCCSIF shall be brought to the attention of the Chief Executive Officer (or designated representative) of the PROGRAM ADMINISTRATOR and the Chair (or designee) of the NCCSIF for joint resolution. At the request of either PARTY, the NCCSIF shall provide a forum for discussion of the disputed item(s). If resolution of the dispute through these means is pursued without success, such dispute

shall be submitted to final and binding arbitration upon the mutual agreement of both of the parties. Such arbitration shall be conducted under the auspices of, and in accordance with the procedures and rules of the California Code of Civil Procedures. Any hearings held in the course of any such arbitration shall be held in the City of San Francisco, California unless the parties mutually agree in writing to another location.

Despite an unresolved dispute, the PROGRAM ADMINISTRATOR shall continue without delay to perform its responsibilities under this AGREEMENT. The PROGRAM ADMINISTRATOR shall keep accurate records of its SERVICES in order to document the extent of its SERVICES under this AGREEMENT.

## **XVII. COPYRIGHT**

Any reports, documents or other materials produced in whole or in part under this AGREEMENT shall be the property of NCCSIF and none shall be subject to an application for copyright by or on behalf of PROGRAM ADMINISTRATOR.

## **XVIII. CONFIDENTIAL INFORMATION**

No reports, information, documents, any other materials given to or prepared by PROGRAM ADMINISTRATOR under this AGREEMENT which NCCSIF deems confidential and requests in writing to be kept confidential, shall NOT be made available by PROGRAM ADMINISTRATOR to any individual or organization without prior written approval by NCCSIF. Notwithstanding the foregoing, however, the provisions of the proceeding sentence shall not apply where:

- A. PROGRAM ADMINISTRATOR is required by law, regulation or pursuant to any subpoena to disclose such information.
- B. The disclosure of such information is, in the good faith discretion of PROGRAM ADMINISTRATOR, necessary or appropriate to any civil litigation or arbitration commenced against the NCCSIF by PROGRAM ADMINISTRATOR; or the defense of PROGRAM ADMINISTRATOR or its officers, directors, employees, agents, attorneys-in-fact, attorneys-at-law, predecessors-in-interest or successors-in-interest in any pending or threatened civil litigation or arbitration prosecuted against PROGRAM ADMINISTRATOR by the NCCSIF, or to any civil litigation commenced against either the NCCSIF or PROGRAM ADMINISTRATOR by any third party.
- C. The disclosure of such information is, in the good faith discretion of PROGRAM ADMINISTRATOR, necessary and appropriate to the discharge of PROGRAM ADMINISTRATOR of its duties pursuant to this AGREEMENT including, without limitation, the provision of customary underwriting information to insurers.
- D. Such information, without any act by PROGRAM ADMINISTRATOR, is available to the public.

- E. Such information is rightfully acquired by PROGRAM ADMINISTRATOR from any third party.

## **XIX. ETHICS AND CONFLICT OF INTEREST STATEMENT**

The PROGRAM ADMINISTRATOR understands and agrees that NCCSIF desires to compare the cost of obtaining services or insurance products from PROGRAM ADMINISTRATOR against other viable and competitive options and expects that the PROGRAM ADMINISTRATOR will make its compensation agreements and revenue streams known to NCCSIF, so as to provide NCCSIF with a clear accounting of the costs of the placement of insurance services and products. The PROGRAM ADMINISTRATOR shall conduct its business so as to fulfill all legal and ethical requirements and standards of the industry and the State of California, and shall place the best interests of NCCSIF ahead of any other concerns in the placement of insurance services and products. To this end, PROGRAM ADMINISTRATOR:

1. Warrants that it will adhere to its ethical obligations to NCCSIF to deliver honest, competitive, and meaningful service and advice on the placement of any insurance products, services, or coverages, and to provide access to an open, fair, and competitive insurance market place;
2. Will exercise due diligence in making a full and complete disclosure of all quotes and declinations from all markets contacted for each specific line of coverage, including the date and time of contact, and the name, address, phone number and email address of the individual contact for each market;
3. Will make every good faith attempt to avoid even the appearance of a conflict of interest between the PROGRAM ADMINISTRATOR, NCCSIF, and any provider of any insurance product or service, and will promptly notify CLIENT of any real or potential conflict of interest;
4. Agrees to provide to NCCSIF a copy of PROGRAM ADMINISTRATOR's own Ethics Statement or Code, or PROGRAM ADMINISTRATOR Compliance Statement, or to make such statements available on the PROGRAM ADMINISTRATOR's website;
5. Will require that all insurance carriers show any commission rates on their insurance policies and ensure those rates are known to NCCSIF; and
6. Will annually benchmark NCCSIF's premiums in writing to confirm that the premiums quoted are competitive.

## **XIX. OBLIGATIONS OF NCCSIF**

NCCSIF will reasonably cooperate with the PROGRAM ADMINISTRATOR in the performance of the PROGRAM ADMINISTRATOR's brokerage, risk management and program administration duties by providing the PROGRAM ADMINISTRATOR where available reasonably complete and accurate information as to NCCSIF's loss experience

risk exposures and any other pertinent information that the PROGRAM ADMINISTRATOR requests. NCCSIF shall promptly review coverage documents concerning the Programs delivered by the PROGRAM ADMINISTRATOR for consistency with NCCSIF's specifications. NCCSIF shall designate one or more officers or committees of NCCSIF to receive and provide significant intervening substantive review, and independently evaluate any and all recommendations or proposals made to NCCSIF by the PROGRAM ADMINISTRATOR which are significant, substantive in nature and under which any benefit shall accrue to the PROGRAM ADMINISTRATOR or the PROGRAM ADMINISTRATOR's affiliates a Material Financial Impact, under the terms of this AGREEMENT. Such committees shall then provide their own recommendations concerning such matters to the Board of Directors of NCCSIF, having ultimate decision making authority on such matters.

**XX. COST AND ATTORNEY FEES**

The prevailing party in any action brought to enforce the terms of this AGREEMENT or arising out of this AGREEMENT may recover its reasonable costs and attorney's fees expected in connection with such action from the other party to such action.

**XXI. GENERAL**

A. **ASSIGNMENT.** Neither PARTY shall assign this AGREEMENT in whole or in part without the prior written consent of the other PARTY.

**NOTICES.** All notices hereunder shall be given in writing and mailed, postage prepaid, by certified mail, addressed as follows: To NCCSIF:

President, Board of Directors  
Northern California Cities Self Insurance Fund  
AT THE OFFICE ADDRESS OF CURRENT  
PRESIDENT  
~~e/o Alliant Insurance Services, Inc.~~  
~~100 Pine Street, 11<sup>th</sup> Floor~~  
~~San Francisco, CA 94111~~  
~~Attn: Marilyn T. Kelley~~

To PROGRAM ADMINISTRATOR: Alliant Insurance Services, Inc.  
1792 Tribute Road, Suite 450  
Sacramento, Ca 95815  
~~100 Pine Street, 11<sup>th</sup> Floor~~  
~~San Francisco, CA 94111~~  
Attn: ~~Michael Simmons~~Marcus Beverly

**XXII. PERFORMANCE MEASURES**

The PROGRAM ADMINISTRATOR agrees to be evaluated by performance measures as

developed with the Executive Committee.

**IN WITNESS WHEREOF**, NCCSIF and PROGRAM ADMINISTRATOR have hereby executed this AGREEMENT on this \_\_\_\_ day of June \_\_\_\_\_.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

By: \_\_\_\_\_  
President

ALLIANT INSURANCE SERVICES, INC.

By: \_\_\_\_\_  
Michael Simmons,  
Vice Chairman – Public Entity

Reviewed and Approved by NCCSIF Board Counsel

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**ADDENDUM A**

**To -Alliant Service Contract**  
**By and ~~between~~ Between NCCSIF and PROGRAM ADMINISTRATOR**

PROGRAM ADMINISTRATOR agrees to provide SERVICES to the following PROGRAMS of NCCSIF:

1. Workers' Compensation Program~~Property~~;
2. Liability Program; and
3. Other Lines of Coverage and excess insurance purchased by NCCSIF and Member Cities~~Workers' Compensation Program~~.

It is understood and agreed that NCCSIF may obtain additional services from PROGRAM ADMINISTRATOR for additional PROGRAMS. NCCSIF and PROGRAM ADMINISTRATOR shall agree in writing the Scope of Services and compensation in advance of PROGRAM ADMINISTRATOR's performance of additional SERVICES.

**ADDENDUM B**

**Northern California Cities Self Insurance Fund  
Account Service Team**

The hourly Time Tracking rates for FY 09/10 will be as follows:

Vice Chairman – <u>PE</u>	<del>\$245</del> <u>265</u>	(Mike Simmons)*
Vice President	<del>\$182</del> <u>195</u>	( <del>Marylin T.</del> <u>Kelley Marcus Beverly</u> )*
<u>Consultant</u>	<u>\$195</u>	<u>Marylin Kelley</u>
Claims Specialist	<del>\$125</del> <u>145</u>	(Diana Walizada, Bob Frey)
<del>Senior Account Manager</del>	<del>\$125</del>	( <del>Stacey Weeks</del> )
Account Manager	<del>\$123</del> <u>145</u>	( <del>Van Rin</del> ) <u>Johnny Yang</u>
<del>Account Representative</del>	<del>\$123</del>	( <del>Hsan Htein</del> )
<del>JPA Program Coordinator</del>	<del>\$123</del>	( <del>Amber Anderson</del> )
Technical/ <u>Clerical</u> Assistant	<del>\$75</del> <u>95</u>	( <del>Johnny Yang, Justin Gottwald</del> )
<del>Word Processing/Clerical</del>	<del>\$75</del>	

\* Denotes KEY Personnel

# **BROKER, RISK MANAGEMENT AND PROGRAM ADMINISTRATION SERVICES AGREEMENT**

## **I. PARTIES**

The PARTIES to this AGREEMENT are **Northern California Cities Self Insurance Fund** (NCCSIF) and **Alliant Insurance Services, Inc.**, a Delaware Corporation, (PROGRAM ADMINISTRATOR). This AGREEMENT is effective from the July 1, 2014 and shall remain in effect for five years through, and including, June 30, 2019.

## **II. AGREEMENT**

In consideration of the payments and agreements specified in the AGREEMENT, PROGRAM ADMINISTRATOR shall perform SERVICES pursuant to Section IV, Scope of Service.

## **III. DEFINITIONS**

When used herein, when capitalized, whether in the singular or in the plural, the following terms shall have the following meanings:

- A. PROGRAM ADMINISTRATOR – Alliant Insurance Services, Inc.
- B. NCCSIF – Northern California Cities Self Insurance Fund, and its Members.
- C. AGREEMENT - This PROGRAM ADMINISTRATOR services agreement, including any written changes thereto, which were agreed upon by the PARTIES.
- D. COMPENSATION:
  - FEES – Remuneration paid by NCCSIF directly to PROGRAM ADMINISTRATOR for Services (does not include commission).
  - COMMISSION - Remuneration paid by NCCSIF's insurance carriers (or excess programs) for services directly to PROGRAM ADMINISTRATOR.
- E. COMPANIES - The business entities other than the PROGRAM ADMINISTRATOR which make available services necessary to implement the PROGRAM.
- F. PARTY - NCCSIF or PROGRAM ADMINISTRATOR.
- G. PROGRAM – The lines of Insurance coverages placed on behalf of NCCSIF and SERVICE provided under the scope of this Agreement.
- H. SERVICE - Any and all obligations of PROGRAM ADMINISTRATOR to be performed pursuant to the AGREEMENT.



- I. KEY PERSONNEL –Those individuals on the Account Service Team, listed in **Addendum B**, responsible for the PROGRAM ADMINISTRATOR roles provided for under the SCOPE OF SERVICE.

#### **IV. SCOPE OF SERVICE**

- A. DESIGNATION OF BROKER AND BROKERAGE SERVICES. NCCSIF hereby engages and designates PROGRAM ADMINISTRATOR to act as NCCSIF’s insurance broker and perform all customary duties of an insurance broker for NCCSIF’s Programs including without limitation:
  - 1. Marketing the PROGRAMS to insurance carriers and/or excess Joint Powers Authorities;
    - a. Develop marketing specifications based upon an evaluation of NCCSIF’s loss exposure and which address such exposures;
    - b. Evaluate quotations as to the adequacy of coverages, appropriate retention levels and restrictions in coverage, the existence of warranties concurrency of coverage, suitability of forms;
    - c. Evaluate the financial status and service capabilities of insurers making quotations of coverage under the PROGRAMS, based upon available data. NCCSIF recognizes and agrees that PROGRAM ADMINISTRATOR is not responsible for any change in the financial condition of any insurance carrier or Joint Powers Authority after an insurance placement is made.
  - 2. Deliver binders and other evidences of insurance within ten (10) calendar days after the placement of any insurance under the PROGRAMS to be effective until such times as the policy or policies for the placement are received by NCCSIF from the insurance carriers. Such binders shall be signed by an authorized agent or employee of the insurance carrier. The PROGRAM ADMINISTRATOR shall use best efforts to secure a correct policy or policies within ninety (90) days of placement of any insurance under the Programs. The PROGRAM ADMINISTRATOR shall not be responsible for the failure of Members of NCCSIF to make premium payments;
  - 3. Forward questions from NCCSIF and/or its Members to the insurance carriers or excess Joint Powers Authorities;
  - 4. Identify, review and comment on loss-control activities and recommendations of insurers or excess Joint Powers Authorities;
  - 5. Issue Certificates of Insurance regarding the PROGRAMS;
  - 6. In the event that any insurance is written for the PROGRAMS, unless NCCSIF gives the PROGRAM ADMINISTRATOR contrary instructions the

PROGRAM ADMINISTRATOR will implement the practice of notifying all excess insurance carriers whenever NCCSIF or one of its members has requested that notice of claim be given to the primary carrier;

7. Assist NCCSIF and where applicable NCCSIF's third party administrator, in settlement issues with insurance carriers. However, it is understood and agreed that the PROGRAM ADMINISTRATOR is not providing claims management services under this Agreement;
8. Act upon request as a liaison for communications among or between all parties involved in the Programs including NCCSIF, its participating Members, insurance carriers and others;
9. Prepare written reports to NCCSIF to include:
  - a. Report as needed of pending rate, coverage or renewal problems including significant changes in the financial status of major insurers or reinsurers for the Programs;
  - b. At least thirty (30) days prior to the Programs anniversary(s), a written report stating anticipated renewal terms and conditions and other indications of market conditions trends and anticipated changes;
  - c. A comprehensive summary report (within fifteen (15) days of purchasing coverage) outlining the coverage(s) purchased. Such report shall contain the following information:
    - 1) Summary of insurance and their terms and conditions, and
    - 2) Summary of financial conditions of insurers providing coverage;

**B. PROGRAM ADMINISTRATION SERVICES. PROGRAM ADMINISTRATOR agrees to provide the following services to the satisfaction of the Board of Directors of NCCSIF:**

1. Act as “key” contact for the NCCSIF coverage programs including Liability, Workers’ Compensation and Property Programs.
2. Handle clerical and correspondence work duties of the Joint Powers Authority.
3. Work with the NCCSIF committees and coordinate NCCSIF program administration.
4. Meet with cities as requested and necessary.

5. Maintain a Policy and Procedures manual.
6. Develop, issue and maintain Certificates of Coverage for the NCCSIF Memorandums of Coverage on behalf of the members of NCCSIF.
7. Issue, modify as directed and maintain Memorandums of Coverage forms for the shared risk layer of PROGRAMS.
8. Prepare NCCSIF agendas and other general administrative functions.
9. Assist NCCSIF in preparing agendas and other general administrative functions.
10. Meet with the Board of Directors and the committees on a scheduled basis.
11. Prepare the annual budget and the Risk Management annual budget as directed by the Executive Committee.
12. Assist with the preparation of the annual budget.
13. Act as a central clearinghouse for dissemination of information on risk management issues and NCCSIF programs.
14. Assist Members in matters of proper Liability insurance coverage requirements of contractors.
15. Assist as may be required with financial audits, claims audits or actuarial studies conducted by NCCSIF's retained auditors and actuaries.
16. Monitor loss runs of NCCSIF programs.
17. Coordinate matters of safety/loss control programming and in the development of loss prevention material.
18. Provide monthly time tracking data summarized by program/service categories.
19. Maintain on behalf of NCCSIF; loss reports, insurance policies, certificates of insurance, JP A vendor contracts, claims audits, actuarial studies, financial audits, statistical studies, deposit premium calculations, and other pertinent materials in accordance with standard insurance record retention practices and with the NCCSIF approved Policy and Procedure on Records Retention. Beginning in 2010 old records will be converted to a digitized record format and current records will be maintained in a digital format.
20. Maintain a suitable backup and recovery system for data and develop and implement processes for the protection of electronic data including a written policy with respect to:

- a. Disaster recovery
- b. Physical and electronic data security
- c. Electronic data retention

- 21. On a six-month basis provide a service calendar reporting on the services rendered for the period and a projection of work to be accomplished during the next six months.
- 22. Update and maintain the NCCSIF website and other PROGRAM documentation.
- 23. Prepare an Annual Report to be distributed at the December Board of Directors meeting.

## V. COMPENSATION

With respect to the categories of risk and insurance identified in **Addendum A** and the Services specified in Section IV., SCOPE OF SERVICE, PROGRAM ADMINISTRATOR shall receive compensation as follows:

As compensation to the PROGRAM ADMINISTRATOR for the program administration services rendered hereunder,

- A. NCCSIF shall pay per program year two thousand seven hundred fifty dollars (\$2,750) per Workers' Compensation program member and two thousand seven hundred fifty dollars (\$2,750) per Liability program member. In addition, up to 7.5% will be collected on shared risk layer deposits in the Workers' Compensation program allocated to Members in relation to the shared risk layer premium. Up to 7.5% for the Liability shared risk layer deposits and up to 7.5% for the CJPRMA premium both of which will be allocated among the Members in relation to the shared risk layer premium.
- B. It is also agreed that PROGRAM ADMINISTRATOR may collect the commissions and placing fees on insurance coverage provided NCCSIF programs as agreed to by the Board, as well as agreed to fees for involvement in excess self-funded pools.
- C. Total Fee compensation for the period July 1, 2014 to June 30, 2015 for Workers' Compensation and Liability shall not exceed \$270,000.
- D. *Other lines of coverage including Property, crime, auto physical damage, mobile equipment, Excess Workers' Compensation and other coverage that may be placed on an individual basis for members will have additional commission.*

E. Subsequent years' annual compensation will be approved by NCCSIF each spring.

1. The Fee for program administration will not increase more than 3.5% each year for current Members.

2. New Members will be added at equivalent rates in effect and increase the not to exceed at that level.

F. Fees shall be paid in twelve (12) equal monthly installments.

**1. Fee Credit.**

During this Agreement, Pool Administrator shall disclose, in writing, any Commissions received by Pool Administrator in connection with any Insurance Placements on behalf of SCORE ("SCORE Placements"). The Fee for the operative Program year shall be reduced by the amount of any Commissions received by Pool Administrator for SCORE Placements made during that year. In the event such Commissions, plus Fees pre-paid by SCORE exceed the total Fee for the Program year, Pool Administrator shall reimburse SCORE for the excess payment it made. Alternatively, at SCORE's request, any excess Fee paid by SCORE during a Program year may be carried forward and applied against any future Fee due to Pool Administrator by SCORE during any subsequent periods that this Agreement is in effect.

**2. Disclosures.**

**a. Exclusions.**

Commissions for Special Events, Notary Bonds and Vendor/Contractor Liability Programs are not included in the Annual Fee or Compensation, as Coverage is provided to Third Party Individuals.

**b. Transparency and Disclosure.**

During the time of this Agreement, Pool Administrator will Annually Disclose any Commissions received by Pool Administrator or any affiliated Company in connection with any Insurance Placements on behalf of SCORE under the Alliant's "Transparency and Disclosure" Policy, a copy of which is made available upon request. Pursuant to its Policy, Alliant will conduct business in conformance with all applicable Insurance Regulations and in advancement of the best interests of SCORE. In addition, Alliant's Conflict of Interest Policy precludes it from accepting any form of Broker incentives that would result in business being placed with Carriers in Conflict with the Interests of Alliant's and/or SCORE's.

**c. Other Alliant Services.**

In addition to the Compensation that Pool Administrator receives, its related entity, Alliant Specialty Insurance Services ("ASIS") and its Underwriting operations, Alliant Underwriting Services ("AUS") may receive Compensation from Pool Administration and/or a carrier involved in underwriting services. The financial impact of the

Compensation received by AUS and/or ASIS is a cost included in the premium. Compensation received by AUS and/or ASIS will be disclosed in writing to SCORE and is Agreed to by SCORE as part of the Premium. SCORE further acknowledges that Pool Administrator and ASIS maintain an arm's length relationship. SCORE understands that while Pool Administrator represents SCORE as an Individual Entity, AUS and/or ASIS independently administers its Program as a whole, and not on behalf of any particular Member.

Additionally, the related entities of Alliant Business Services (ABS) and/or Strategic HR may receive Compensation from Pool Administrator and/or a Carrier for providing designated, Value-Added Services. Services contracted for, by the SCORE directly, will be invoiced accordingly.

F.G. \_\_\_\_\_

As used in this section, the term "commissions" refers to compensation made to the PROGRAM ADMINISTRATOR by insurance carriers (and excess programs) with respect to a specific placement of insurance with those carriers/programs.

During the time of this AGREEMENT, PROGRAM ADMINISTRATOR will annually disclose, in writing, any COMMISSIONS received by PROGRAM ADMINISTRATOR in connection with any insurance placements on behalf of CLIENT under the PROGRAM ADMINISTRATOR's Transparency and Disclosure policy that state that BROKER will conduct business in conformance with all applicable insurance regulations and in advancement of the best interests of our brokerage clients. PROGRAM ADMINISTRATOR will adhere to an established conflict of interest code that rejects any form of broker incentives that would result in business being placed with carriers in conflict with our clients' interests. PROGRAM ADMINISTRATOR will operate with full transparency and disclosure and regard all aspects of our broker services and compensation arrangements to be appropriate topics for discussion.

In addition to the COMPENSATION that PROGRAM ADMINISTRATOR receives, its related entity, Alliant Specialty Insurance Services ("ASIS") may receive compensation from PROGRAM ADMINISTRATOR and/or a carrier for providing underwriting services. The financial impact of the compensation received by ASIS is a cost included in the premium. Additionally, the related entities of Alliant Business Services (ABS) and/or Strategic HR may receive compensation from PROGRAM ADMINISTRATOR and/or a carrier for providing designated, value-added services. Services contracted for by the CLIENT directly will be invoiced accordingly. Otherwise, services will be provided at the expense of PROGRAM ADMINISTRATOR and/or the carrier.

In the event such COMPENSATION exceeds the maximum annual FEE provision for any particular AGREEMENT year, the PROGRAM ADMINISTRATOR will reimburse NCCSIF for such excess commissions as permitted by law. Otherwise, excess commissions will be carried forward and applied against any other compensation due from NCCSIF during any subsequent periods that this AGREEMENT is in effect, or shall be applied to other SERVICES outside this AGREEMENT as mutually agreed.

## VI. TAXES AND FEES AND USE OF INTERMEDIARIES

- A. *Surplus Lines Fees and Taxes.* In certain cases, placement made by PROGRAM ADMINISTRATOR on behalf of NCCSIF, with approval of NCCSIF, may require the payment of surplus lines assessments, taxes and/or fees to state regulators, boards or associations. Such assessments, taxes and/or fees will be charged to NCCSIF and identified separately on invoices covering these placements. PROGRAM ADMINISTRATOR shall not be responsible for the payment of any such fees, taxes or assessments, except to the extent such taxes or fees have been collected from NCCSIF.
- B. *Intermediaries.* PROGRAM ADMINISTRATOR may determine from time to time that it is necessary or appropriate to utilize the services of intermediaries (such as surplus lines brokers, underwriting managers, London market brokers, and reinsurance brokers) to assist in marketing the PROGRAM. These intermediaries may be affiliates of PROGRAM ADMINISTRATOR or may be unrelated intermediaries. Compensation of such intermediaries will be paid by the insurance company out of paid insurance premiums. Where a placement through such an intermediary will result in compensation to a PROGRAM ADMINISTRATOR affiliate, PROGRAM ADMINISTRATOR will fully disclose in writing to NCCSIF, its relationship to the affiliate and the reason that placement of coverage through that intermediary is in the best interest of NCCSIF.
- C. *Indirect Income.* Indirect Income includes such items as insurance carrier contingency arrangements. PROGRAM ADMINISTRATOR will not accept these compensation incentives from insurers, including contingent commissions, market service agreements (MSA), volume based commissions incentives and rebates on business placed on behalf of NCCSIF within the SCOPE OF SERVICE of this AGREEMENT.

## VII. KEY PERSONNEL

PROGRAM ADMINISTRATOR agrees KEY PERSONNEL will be responsible for performance of the designated functions for NCCSIF as delineated in **Addendum B**. Should such personnel become unavailable to perform SERVICES for NCCSIF, PROGRAM ADMINISTRATOR agrees to replace, as soon as practical, such personnel with personnel of comparable skills and experience as determined by NCCSIF's evaluation and subject to NCCSIF' right of refusal for any reason.

## VIII. TERM

The term of the AGREEMENT shall be effective from July 1, 2014 to June 30, 2019, unless cancelled pursuant to Section X Termination of Agreement. NCCSIF shall have an option to extend the AGREEMENT for two additional one-year periods, exercisable by NCCSIF by notifying PROGRAM ADMINISTRATOR of such extension prior to the anniversary date. The AGREEMENT shall have an anniversary date each July 1, for the

purpose of reviewing compensation and optional extensions. This AGREEMENT supersedes and replaces all previous AGREEMENTS or Contracts.

**IX. NONASSIGNABLE**

This AGREEMENT is binding upon the parties hereto and their respective successors by merger, sale, consolidation or reorganization. The AGREEMENT is otherwise personal to the PARTIES and cannot be assigned or delegated without prior written consent of the other PARTY.

**X. TERMINATION OF AGREEMENT**

The AGREEMENT may be cancelled by either PARTY any time upon 90 days advance written notice delivered or mailed to the other PARTY. In the event of cancellation, PROGRAM ADMINISTRATOR will assist NCCSIF in arranging a smooth transition to another COMPANY, including, but not limited to providing NCCSIF copies of requested products, files, records, computations, quotations studies and other data, prepared or obtained in connection with this AGREEMENT in a mutually agreed to formal, which shall become the permanent property of NCCSIF.

Should this agreement be terminated pursuant to this section prior to the end of this AGREEMENT's term, the PROGRAM ADMINISTRATOR shall be entitled to retain as earned compensation for its SERVICES a prorated portion of the fees paid by NCCSIF for each member in certain NCCSIF programs as follows: if termination is effective in the first quarter of the program year, 50% of such fees, if in the second quarter of the program year, 67.7%; if in the third quarter of the program year, 83.3% and if in the fourth quarter of the program year 100%. These percentages apply only to the per member fees. Fees and commissions charged by the PROGRAM ADMINISTRATOR for all other compensation shall be considered fully earned upon termination of the agreement.

In the event of termination, PROGRAM ADMINISTRATOR shall give to NCCSIF copies of all products, files, records, computations, quotations, studies and other data prepared or obtained in connection with this contract, which shall become the permanent property of NCCSIF.

**XI. ENTIRE AGREEMENT MODIFICATION**

This AGREEMENT constitutes the entire understanding of the PARTIES hereto. PROGRAM ADMINISTRATOR shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing and signed by both PARTIES. PROGRAM ADMINISTRATOR specifically acknowledges that in entering into and executing this AGREEMENT, PROGRAM ADMINISTRATOR relies solely upon the provisions contained in this AGREEMENT and no others.

**XII. SEVERABILITY**

If any term, covenant, condition or provision of this AGREEMENT is held by a court of



competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.

### XIII. APPLICABLE LAW

This AGREEMENT has been executed and delivered in the State of California, and the validity, enforceability and interpretation of any of the clauses of this AGREEMENT shall be determined and governed by the laws of the State of California.

### XIV. HOLD HARMLESS

1. In the event that POOL ADMINISTRATOR, its Agents, Employees, Representatives, or Assigns, negligently or intentionally violate any Law or Regulation, any Provision of the Agreement, or any written Rule, Regulation, Policy, Procedure or similar instruction under the Program, POOL ADMINISTRATOR shall Indemnify, Defend, and Hold NCCSIF harmless from and against all Loss and Damage, including any reasonable Costs or Expenses (including Attorney's Fees), incurred by NCCSIF in connection with such conduct.
2. In the event that NCCSIF, its Agents, Employees, Representatives, or Assigns, negligently or intentionally violate any Law or Regulation, or any Provision of the Agreement, NCCSIF shall Indemnify, Defend, and Hold POOL ADMINISTRATOR harmless from and against all Loss and Damage, including any reasonable Costs or Expenses (including Attorney's Fees), incurred by POOL ADMINISTRATOR in connection with such conduct.
  - ~~A. PROGRAM ADMINISTRATOR agrees to indemnify, hold harmless and defend NCCSIF at all times against any claims, costs, expense, liability, obligation, loss or damage (including reasonable legal fees) of any nature, incurred by or imposed upon NCCSIF and based upon any errors or omissions of PROGRAM ADMINISTRATOR, its agents or employees, with respect to the Services provided by PROGRAM ADMINISTRATOR under this AGREEMENT, unless the error or omission arises from PROGRAM ADMINISTRATOR's reliance on information provided by NCCSIF or from PROGRAM ADMINISTRATOR's following instructions from NCCSIF. In the event that NCCSIF tenders its defense in any such claims, etc. to PROGRAM ADMINISTRATOR, and PROGRAM ADMINISTRATOR accepts such tender, the defense of NCCSIF shall be conducted by a counsel selected by PROGRAM ADMINISTRATOR and approved by NCCSIF.~~
  - ~~B. NCCSIF agrees to indemnify and hold harmless, reimburse and defend PROGRAM ADMINISTRATOR at all times against any claims, costs, expense, liability, obligation, loss or damage (including reasonable legal fees) of any nature, incurred by or imposed upon PROGRAM ADMINISTRATOR and based upon any errors or omissions of NCCSIF, its agents or employees, with respect to the obligations of NCCSIF under this AGREEMENT, unless the error or omission arises from NCCSIF's reliance on information provided by PROGRAM~~

~~ADMINISTRATOR. In the event that PROGRAM ADMINISTRATOR tenders its defense to NCCSIF and NCCSIF accepts such tender, the defense of PROGRAM ADMINISTRATOR shall be conducted by counsel selected by NCCSIF.~~

## XV. INSURANCE REQUIREMENTS

During the term of this Agreement, Broker shall maintain the following insurance coverage and limits or the equivalent self-insurance coverage:

- A. Professional Liability insurance with minimum limits of \$~~2-15~~ million per claim providing coverage for any errors and omissions which the Broker or its agents may make resulting in financial loss to ~~Client~~NCCSIF;
- B. Commercial General and Automobile Liability insurance with limits of at least \$2 million combined single limit per occurrence and aggregate for bodily injury and property damage. The policies are to contain, or be endorsed to contain the following provisions:
  1. ~~Client~~NCCSIF, its trustees, officers, employees, and volunteers are to be covered as additional insureds with respect to liability arising out of the work or operations performed by the ~~Broker~~PROGRAM ADMINISTRATOR or on behalf of the ~~Broker~~PROGRAM ADMINISTRATOR, or arising from operation of “any auto,” whether owned leased, hired or borrowed by the ~~Broker~~PROGRAM ADMINISTRATOR.
  2. For any covered claims related to this Agreement, the ~~Broker’s~~PROGRAM ADMINISTRATOR’s insurance coverage shall be primary insurance as respects Client, its trustees, officers, employees, or volunteers. Any insurance or self-insurance maintained by ~~Client~~NCCSIF or any of its members shall be excess to the ~~Broker’s~~PROGRAM ADMINISTRATOR’s insurance and shall not contribute with it.
    - a. Workers’ Compensation coverage in compliance with the laws of the State of California, and Employers’ Liability insurance in the amount of \$1 million per accident or aggregate.
    - b. Commercial Umbrella of at least \$~~3-4~~ million aggregate coverage over General Liability and Auto primary coverages.
    - c. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled or non renewed by ~~Broker~~PROGRAM ADMINISTRATOR, except with thirty (30) days prior written notice by certified mail, return receipt requested, given to ~~Client~~NCCSIF.

All insurance carriers providing the coverages required by this section shall have a financial rating of at least an “A” published A.M. Best, or the published reports of an

equivalent financial rating firm will be used to confirm the insurance carriers' rating, unless the PROGRAM ADMINISTRATOR has obtained the NCCSIF's written acknowledgment that an insurance carrier with a lower financial rating is permitted.

PROGRAM ADMINISTRATOR shall also provide to NCCSIF certificates of insurance and copies of applicable endorsements evidencing the above coverages and limits, and will maintain these coverages during the term of this AGREEMENT.

The failure of the PROGRAM ADMINISTRATOR to procure and maintain the required insurance does not negate the PROGRAM ADMINISTRATOR's obligation under this AGREEMENT to do so.

## **XVI. DISPUTE RESOLUTION**

Any dispute arising under the terms of this AGREEMENT which is not resolved within a reasonable period of time by authorized representatives of the PROGRAM ADMINISTRATOR and the NCCSIF shall be brought to the attention of the Chief Executive Officer (or designated representative) of the PROGRAM ADMINISTRATOR and the Chair (or designee) of the NCCSIF for joint resolution. At the request of either PARTY, the NCCSIF shall provide a forum for discussion of the disputed item(s). If resolution of the dispute through these means is pursued without success, such dispute shall be submitted to final and binding arbitration upon the mutual agreement of both of the parties. Such arbitration shall be conducted under the auspices of, and in accordance with the procedures and rules of the California Code of Civil Procedures. Any hearings held in the course of any such arbitration shall be held in the City of San Francisco, California unless the parties mutually agree in writing to another location.

Despite an unresolved dispute, the PROGRAM ADMINISTRATOR shall continue without delay to perform its responsibilities under this AGREEMENT. The PROGRAM ADMINISTRATOR shall keep accurate records of its SERVICES in order to document the extent of its SERVICES under this AGREEMENT.

### **A. WAIVER:**

No Provision of this AGREEMENT shall be considered Waived, unless such Waiver is in writing and signed by the Party that benefit from the Enforcement of such Provision. No Waiver of any Provision in this AGREEMENT, however, shall be deemed a Waiver of a subsequent Breach of such Provision or a Waiver of a similar Provision. In addition, a Waiver of any Breach or a Failure to Enforce any Term or Condition of this AGREEMENT shall not in any way Affect, Limit, or Waive a Party's Right under this AGREEMENT at any time to Enforce strict Compliance thereafter with every Term and Condition of this AGREEMENT.

## **XVII. COPYRIGHT**

Any reports, documents or other materials produced in whole or in part under this AGREEMENT shall be the property of NCCSIF and none shall be subject to an application for copyright by or on behalf of PROGRAM ADMINISTRATOR.

## **XVIII. CONFIDENTIAL INFORMATION**

No reports, information, documents, any other materials given to or prepared by PROGRAM ADMINISTRATOR under this AGREEMENT which NCCSIF deems confidential and requests in writing to be kept confidential, shall NOT be made available by PROGRAM ADMINISTRATOR to any individual or organization without prior written approval by NCCSIF. Notwithstanding the foregoing, however, the provisions of the preceding sentence shall not apply where:

- A. PROGRAM ADMINISTRATOR is required by law, regulation or pursuant to any subpoena to disclose such information.
- B. The disclosure of such information is, in the good faith discretion of PROGRAM ADMINISTRATOR, necessary or appropriate to any civil litigation or arbitration commenced against the NCCSIF by PROGRAM ADMINISTRATOR; or the defense of PROGRAM ADMINISTRATOR or its officers, directors, employees, agents, attorneys-in-fact, attorneys-at-law, predecessors-in-interest or successors-in-interest in any pending or threatened civil litigation or arbitration prosecuted against PROGRAM ADMINISTRATOR by the NCCSIF, or to any civil litigation commenced against either the NCCSIF or PROGRAM ADMINISTRATOR by any third party.
- C. The disclosure of such information is, in the good faith discretion of PROGRAM ADMINISTRATOR, necessary and appropriate to the discharge of PROGRAM ADMINISTRATOR of its duties pursuant to this AGREEMENT including, without limitation, the provision of customary underwriting information to insurers.
- D. Such information, without any act by PROGRAM ADMINISTRATOR, is available to the public.
- E. Such information is rightfully acquired by PROGRAM ADMINISTRATOR from any third party.

## **XIX. ETHICS AND CONFLICT OF INTEREST STATEMENT**

The PROGRAM ADMINISTRATOR understands and agrees that NCCSIF desires to compare the cost of obtaining services or insurance products from PROGRAM ADMINISTRATOR against other viable and competitive options and expects that the PROGRAM ADMINISTRATOR will make its compensation agreements and revenue streams known to NCCSIF, so as to provide NCCSIF with a clear accounting of the costs of the placement of insurance services and products. The PROGRAM

ADMINISTRATOR shall conduct its business so as to fulfill all legal and ethical requirements and standards of the industry and the State of California, and shall place the best interests of NCCSIF ahead of any other concerns in the placement of insurance services and products. To this end, PROGRAM ADMINISTRATOR:

1. Warrants that it will adhere to its ethical obligations to SCORE to deliver honest, competitive, and meaningful Service and advice on the placement of any Insurance Products, Services, or Coverages, and to Provide access to an open, fair, and Competitive Insurance marketplace;
2. Shall exercise Due Diligence in making a full and complete Disclosure of all Quotes and Declinations from all Markets contacted for each specific Line of Coverage, including the date and time of Contact and the Name, Address, Phone Number and, to the extent available, Email Address of the individual Contact for each Market;
3. Shall make every good faith attempt to avoid even the Appearance of a Conflict of Interest between the Pool Administrator, SCORE, and any Provider of any Insurance Product or Service, and will promptly Notify SCORE of any real or potential Conflict of Interest;
4. Agrees to include a copy of Pool Administrator's own Ethics Statement or Code, or Pool Administrator's Compliance Statement available on the Pool Administrator's Website; and,
5. Shall request that all Insurance Carriers show any Commission Rates on their Insurance Policies and will otherwise ensure those Rates are known to SCORE.
6. Acknowledges the Mutual Trust and Confidence by both Parties, and that all Actions of the Pool Administrator shall be for the specific benefit of the SCORE and their Programs as a whole.
- ~~1. Warrants that it will adhere to its ethical obligations to NCCSIF to deliver honest, competitive, and meaningful service and advice on the placement of any insurance products, services, or coverages, and to provide access to an open, fair, and competitive insurance market place;~~
- ~~2. Will exercise due diligence in making a full and complete disclosure of all quotes and declinations from all markets contacted for each specific line of coverage, including the date and time of contact, and the name, address, phone number and email address of the individual contact for each market;~~
- ~~3. Will make every good faith attempt to avoid even the appearance of a conflict of interest between the PROGRAM ADMINISTRATOR, NCCSIF, and any provider of any insurance product or service, and will promptly notify CLIENT of any real or~~

~~potential conflict of interest;~~

- ~~4. Agrees to provide to NCCSIF a copy of PROGRAM ADMINISTRATOR's own Ethics Statement or Code, or PROGRAM ADMINISTRATOR Compliance Statement, or to make such statements available on the PROGRAM ADMINISTRATOR's website;~~
- ~~5. Will require that all insurance carriers show any commission rates on their insurance policies and ensure those rates are known to NCCSIF; and~~
- ~~6. Will annually benchmark NCCSIF's premiums in writing to confirm that the premiums quoted are competitive.~~

## **XIX. OBLIGATIONS OF NCCSIF**

NCCSIF will reasonably cooperate with the PROGRAM ADMINISTRATOR in the performance of the PROGRAM ADMINISTRATOR's brokerage, risk management and program administration duties by providing the PROGRAM ADMINISTRATOR where available reasonably complete and accurate information as to NCCSIF's loss experience risk exposures and any other pertinent information that the PROGRAM ADMINISTRATOR requests. NCCSIF shall promptly review coverage documents concerning the Programs delivered by the PROGRAM ADMINISTRATOR for consistency with NCCSIF's specifications. NCCSIF shall designate one or more officers or committees of NCCSIF to receive and provide significant intervening substantive review, and independently evaluate any and all recommendations or proposals made to NCCSIF by the PROGRAM ADMINISTRATOR which are significant, substantive in nature and under which any benefit shall accrue to the PROGRAM ADMINISTRATOR or the PROGRAM ADMINISTRATOR's affiliates a Material Financial Impact, under the terms of this AGREEMENT. Such committees shall then provide their own recommendations concerning such matters to the Board of Directors of NCCSIF, having ultimate decision making authority on such matters.

### **B. RELATIONSHIP OF THE PARTIES:**

At all times and for all purposes, the Relationship between the Parties is intended to be that of Independent Contractors and there is no intent to create a Joint Venture Relationship, and any Person representing Pool Administrator, shall be an Independent Contractor to SCORE, and the Agreement shall not in any way be construed as a Contract of Employment between SCORE and Pool Administrator's Agents. In addition, the Parties Agree that, except as otherwise provided herein, SCORE shall not be obligated for any expense incurred by Pool Administrator in rendering Services, or by engaging in any other transaction or conduct arising out of this Agreement.

### **C. OWNERSHIP OF BOOKS AND RECORDS:**

The Parties shall each maintain normal business records related to all business generated

under this Agreement. Upon reasonable request, and subject to the Confidentiality Provisions set forth herein, the Parties may each obtain from the other copies of all Policyholder Documents, including but not limited to Policies, Binders, Certificates, Endorsements, Underwriting Data, Loss Data, and other Statistical information in the other's possession, custody, or control with respect to all business generated under this Agreement.

**D. NON-SOLICITATION:**

Pool Administrator agrees that, during the Term of this Agreement, Pool Administrator's personnel shall not purposely solicit SCORE Members from Programs or Lines of Coverage, on which they work or have worked. SCORE understands and agrees that Pool Administrator has offices, staff, clients, (and prospects nationwide) and nothing in this paragraph shall restrict it from responding to any Request for Proposal with notice to SCORE, or from otherwise providing Services or Products when asked by a SCORE Member after receiving permission from SCORE. In addition, this paragraph shall not prohibit Pool Administrator from engaging in general advertising, or marketing campaigns. Nothing in this paragraph shall be applied in a manner that violates any State or Federal Law or Regulation.

**E. DISASTER RECOVERY; CONTINUITY:**

Pool Administrator Agrees that it has a Disaster Recovery Plan in place that is intended to secure, and if necessary, restore information physical and electronic data affected by a Security Breach, Force Majeure or Natural Disaster. In addition, Pool Administrator will make Commercially reasonable efforts to ensure that, at all times, it has a sufficient number of Trained Personnel on hand to meet its Obligations under this Agreement including in the Event of a Force Majeure, Natural Disaster, or Pandemic.

**XX. COST AND ATTORNEY FEES**

The prevailing party in any action brought to enforce the terms of this AGREEMENT or arising out of this AGREEMENT may recover its reasonable costs and attorney's fees expected in connection with such action from the other party to such action.

**XXI. GENERAL**

A. **ASSIGNMENT.** Neither PARTY shall assign this AGREEMENT in whole or in part without the prior written consent of the other PARTY.

**NOTICES.** All notices hereunder shall be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To NCCSIF:

President, Board of Directors

Northern California Cities Self Insurance Fund  
AT THE OFFICE ADDRESS OF CURRENT  
PRESIDENT

To PROGRAM ADMINISTRATOR: Alliant Insurance Services, Inc.  
1792 Tribute Road, Suite 450  
  
Sacramento, Ca 95815  
  
Attn: Marcus Beverly

**XXII. PERFORMANCE MEASURES**

The PROGRAM ADMINISTRATOR agrees to be evaluated by performance measures as developed with the Executive Committee.

**IN WITNESS WHEREOF**, NCCSIF and PROGRAM ADMINISTRATOR have hereby executed this AGREEMENT on this \_\_\_\_ day of June \_\_\_\_\_.

NORTHERN CALIFORNIA CITIES SELF INSURANCE FUND

By: \_\_\_\_\_  
President

ALLIANT INSURANCE SERVICES, INC.

By: \_\_\_\_\_  
Michael Simmons,  
Vice Chairman – Public Entity

Reviewed and Approved by NCCSIF Board Counsel

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**ADDENDUM A**

**To Alliant Service Contract  
By and Between NCCSIF and PROGRAM ADMINISTRATOR**

PROGRAM ADMINISTRATOR agrees to provide SERVICES to the following PROGRAMS of NCCSIF:

1. Workers' Compensation Program;
2. Liability Program; and
3. Other Lines of Coverage and excess insurance purchased by NCCSIF and Member Cities.

It is understood and agreed that NCCSIF may obtain additional services from PROGRAM ADMINISTRATOR for additional PROGRAMS. NCCSIF and PROGRAM ADMINISTRATOR shall agree in writing the Scope of Services and compensation in advance of PROGRAM ADMINISTRATOR's performance of additional SERVICES.

**ADDENDUM B**

**Northern California Cities Self Insurance Fund  
Account Service Team**

Vice Chairman – PE	(Mike Simmons)*
Vice President	(Marcus Beverly)*
Consultant	Marylin Kelley
Claims Specialist	(Diana Walizada, Bob Frey)
Account Manager	Johnny Yang

Technical/Clerical Assistant

\* Denotes KEY Personnel

## NCCSIF Organizational Chart

BOARD OF DIRECTORS			
Jeff	Kiser		City of Anderson
Shari	Conley		City of Auburn
Toni	Benson		City of Colusa
John	Brewer		City of Corning
Steve	Johnson	EC	City of Dixon
Brad	Koehn		City of Elk Grove
Bruce	Cline		City of Folsom
Paula	Islas		City of Galt
Karin	Helvey		City of Gridley
Ed	Pattison		City of Lone
Michael	Daly		City of Jackson
John	Lee	EC	City of Lincoln
Matt	Michaelis		City of Marysville
Corey	Shaver	EC	City of Nevada City
Liz	Ehrenstrom	P	City of Oroville
Gina	Will		Town of Paradise
Dave	Warren		City of Placerville
Sandy	Ryan		City of Red Bluff
Tim	Chapa	EC	City of Rio Vista
Russell	Hildebrand	VP	City of Rocklin
Tim	Sailsbery	T	City of Willows
Natalie	Walter		City of Yuba City

ALTERNATES		
TBD		City of Anderson
Joanna	Belanger	City of Auburn
Cathy	Higgins	City of Colusa
Tom	Watson	City of Corning
Kim	Stalie	City of Dixon
Jonathan	Hobbs	City of Elk Grove
Kristine	Wilfong	City of Folsom
Jason	Behrmann	City of Galt
Elisa	Arteaga	City of Gridley
Jane	Wright	City of Lone
TBD		City of Jackson
Sheila	Vanzandt	City of Lincoln
Walter	Munchheimer	City of Marysville
Catrina	Olson	City of Nevada City
TBD		City of Oroville
Crystal	Peters	Town of Paradise
John	Driscoll	City of Placerville
Cheryl	Smith	City of Red Bluff
Marni	Rittburg	City of Rio Vista
Michael	Green	City of Rocklin
Steve	Holsinger	City of Willows
Robin	Bertagna	City of Yuba City

EXECUTIVE COMMITTEE			
Liz	Ehrenstrom	P	City of Oroville
Russell	Hildebrand	VP	City of Rocklin
Paula	Islas	S	City of Galt
Tim	Sailsbery	T	City of Willows
Steve	Johnson	EC	City of Dixon
John	Lee	EC	City of Lincoln
Corey	Shaver	EC	City of Nevada City
Tim	Chapa	EC	City of Rio Vista

RISK MANAGEMENT COMMITTEE		
Juanita	Barnett	City of Anderson
Robert	Richardson	City of Auburn
Shelly	Kittle	City of Colusa
Tom	Watson	City of Corning
Kim	Stalie	City of Dixon
Brad	Koehn	City of Elk Grove
Bruce	Cline	City of Folsom
Paula	Islas	City of Galt
Karin	Helvey	City of Gridley
Ed	Pattison	City of Lone
Carla	Soracco	City of Jackson
John	Lee	City of Lincoln
Matt	Michaelis	City of Marysville
Catrina	Olson	City of Nevada City
Liz	Ehrenstrom	City of Oroville
Crystal	Peters	Town of Paradise
Dave	Warren	City of Placerville
Sandy	Ryan	City of Red Bluff
Marni	Rittburg	City of Rio Vista
Russell	Hildebrand	City of Rocklin
Wayne	Peabody	City of Willows
Natalie	Walter	City of Yuba City

PROGRAM ADMINISTRATORS		
Marcus	Beverly	Alliant Insurance Services
Michael	Simmons	Alliant Insurance Services
Joan	Crossley	Alliant Insurance Services
Johnny	Yang	Alliant Insurance Services
Laurence	Voiculescu	Alliant Insurance Services

ADVISORS		
Byrne	Conley	Byrne and Conleys
James	Marta	James Marta & Company

RISK CONTROL CONSULTANTS		
Henri	Castro	Bickmore
Jeff	Johnston	Bickmore
Tom	Kline	Bickmore

P = President	VP = Vice President
S = Secretary	T = Treasurer

## 2013 NCCSIF RESOURCE CONTACT GUIDE

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<b>SUBJECT</b>	<b>MAIN CONTACT</b>	
<b>COVERAGE / RISK MANAGEMENT ISSUES –</b> <ul style="list-style-type: none"> <li>➤ Certificates of coverage, additions/deletions of coverages, special events liability coverage, automobile identification cards, auto/mobile equipment physical damage programs</li> <li>➤ Coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for actuarial services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development</li> <li>➤ Insurance Requirements in Contracts (IRIC), hold harmless agreements, indemnification clauses, safety program planning, RFPs for JPA services &amp; audits, third party contract review</li> </ul>	<b>Michael Simmons</b> Marylin Kelley Johnny Yang Joan Crossley	
<b>JPA MANAGEMENT ISSUES –</b> program budget/funding, financial analysis, coordination w/financial auditor/JPA accountant	<b>Michael Simmons</b> Marylin Kelley Johnny Yang Joan Crossley	
<b>JPA ADMINISTRATIVE ISSUES –</b> meeting agendas; minutes; development/maintenance of governing documents, development/interpretation of policies & procedures, JPA state compliance, Form 700, changes in Board members.	<b>Johnny Yang</b> Michael Simmons Marylin Kelley Joan Crossley	
<b>COVERAGE ISSUES -</b> coverage questions, quotations, new members, development of shared risk program coverage agreements, RFPs for actuarial services, actuary liaison, excess insurance/additional coverage marketing (Crime coverage, etc.), program development	<b>Michael Simmons</b> Marylin Kelley Johnny Yang Joan Crossley	
Mike Simmons Johnny Yang Joan Crossley Marylin Kelley	(415) 403-1425 / (925) 708-3374 (cell) (916) 643-2712 (916) 643-2708 (415) 403-1448	msimmons@alliantinsurance.com jyang@alliantinsurance.com jcrossley@alliantinsurance.com mkelley@alliantinsurance.com

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<p><b><u>CLAIMS ADMINISTRATION / LOSS CONTROL</u></b>  <b>York Risk Services Group, Inc.</b>  <a href="http://www.yorkrsg.com">www.yorkrsg.com</a>                  P.O. Box 619058                  Roseville, CA 95661-9058                  (800) 922-5020 · Fax (800) 921-7683</p>			
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