



SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY EXECUTIVE COMMITTEE MEETING AGENDA

LOCATION:	Campbell Union School District 155 N. Third Street Campbell, CA 95008	A - Action I - Information
DATE/TIME:	December 3, 2015 9:00 A.M.	1 - Included 2 - Hand Out 3 - Separate 4 – Verbal

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 Joan Crossley at Alliant Insurance Services, Inc. at (916) 643-2708.

Documents and material relating to an open session agenda item that are provided to the SBASIA Executive Committee less than 72 hours prior to a regular meeting will be available for public inspection and copying at 2180 Harvard St, Suite 460, Sacramento, CA 95815.

Page

A. CALL TO ORDER

B. ROLL CALL **A 4**

C. APPROVAL OF AGENDA **A 1**

D. PUBLIC COMMENT

This time is reserved for members of the public to address the Executive Committee on matters of the SBASIA Executive Committee business.

1 **E. CONSENT CALENDAR** **A 1**

- | | | |
|------------|---|--|
| <i>2-4</i> | 1. Executive Committee Meeting Minutes – June 18, 2015 | |
| <i>5-6</i> | 2. Executive Committee Teleconference Minutes-November 4, 2015 | |
| <i>7-8</i> | 3. Engagement Letter for SBASIA Actuarial Study as of 12/31/15 | |

F. CLAIMS

9 **1. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95** **A 1**

- a. Does vs. Santa Clara County Office of Education
- b. Perrizo vs. Santa Clara County Office of Education
- c. McElroy vs. Santa Clara County Office of Education
- d. Negrillo vs. Santa Clara Unified School District
- e. Milne vs. Berryessa Union School District



G. GENERAL ADMINISTRATION

- | | | |
|-------|---|------------|
| 10-28 | 1. JPA Website
<i>Staff will discuss if a vendor should be hired to design a new website for the JPA.</i> | A 1 |
| 29 | 2. Review of Board Agenda Items
<i>Staff will review the Board agenda items with the Executive Committee.</i> | A 3 |

H. COMMENTS FOR THE GOOD OF THE ORDER

ADJOURNMENT

NEXT MEETING

The next Executive Committee Meeting is set for March 3, 2016 at 9:30 a.m. The Location will be at Campbell Union School District, 155 N. Third Street, Campbell, CA 95008



Agenda Item E.1.

CONSENT CALENDAR

ACTION ITEM

ISSUE: The Executive Committee should review the Consent Calendar and pull any item that needs discussion. Otherwise, the Executive Committee should adopt the Consent Calendar as presented.

RECOMMENDATION: The Program Administrator recommends adoption of the Consent Calendar item as presented.

FISCAL IMPACT: None.

BACKGROUND: The following items are placed on the Consent Calendar for adoption by the Executive Committee. The Executive Committee may accept the Consent Calendar as posted, or pull any item for discussion.

- 1. Executive Committee Meeting Minutes – June 18, 2015**
- 2. Executive Committee Teleconference Minutes-November 4, 2015**
- 3. Engagement Letter for SBASIA Actuarial Study as of 12/31/15**

ATTACHMENTS: Executive Committee Meeting Minutes – June 18, 2015
Executive Committee Teleconference Minutes – November 4, 2015
Engagement Letter for SBASIA Actuarial Study as of 12/31/15



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
CAMPBELL, CALIFORNIA
June 18, 2015**

MEMBERS PRESENT

James Crawford, President, Campbell Union School District
Phuong Le, Treasurer, Berryessa Union School District
Barbara Coats, Secretary, Santa Clara County Office of Education
Mark Allgire, Member at Large, Santa Clara Unified School District

MEMBERS ABSENT

Nelly Yang, Vice President, Evergreen School District

GUESTS & CONSULTANTS

Matt Gowan, Alliant Insurance Services
Joan Crossley, Alliant Insurance Services
Mark Davis, Davis & Young

A. CALL TO ORDER

The meeting was called to order at 9:09 a.m.

B. ROLL CALL

The above-mentioned members were present constituting a quorum.

C. APPROVAL OF AGENDA

A motion was made to approve the agenda as presented.

MOTION: Mark Allgire	SECOND: Barbara Coats	MOTION CARRIED
AYES: 4	NOES: 0	ABSENT: 1
	ABSTAIN: 0	

AYES: Crawford, Le, Coats, Allgire
NAYS: None
ABSENT: Yang

D. PUBLIC COMMENT

There were no comments from the public.

E. CONSENT CALENDAR

1. Executive Committee Meeting Minutes – May 7, 2015

A motion was made to approve the items on the Consent Calendar as presented.

MOTION: Mark Allgire	SECOND: Barbara Coats	MOTION CARRIED
AYES: 4	NOES: 0	ABSENT: 1
	ABSTAIN: 0	



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
CAMPBELL, CALIFORNIA
June 18, 2015**

AYES: Crawford, Le, Coats, Allgire

NAYS: None

ABSENT: Yang

H. FINANCIAL

1. Authorization to Accept Check (Luyau) from the District Attorney's Office for Santa Clara Unified School District

Mr. James Crawford said the Santa Clara County District Attorney required Jim Luyau to pay \$79,000 to South Bay Area Schools Insurance Authority as part of a settlement. Since the JPA was not harmed by Mr. Luyau, the JPA will accept the check on behalf of Santa Clara Unified School District who was harmed. The JPA accountant will deposit the check and then issue a check payable to Santa Clara Unified School District in the amount of \$79,000.

A motion was made to authorize the JPA to accept the check from the District Attorney's Office on behalf of Santa Clara Unified School District.

MOTION: Phuong Le

SECOND: Barbara Coats

MOTION CARRIED

AYES: 3

NOES: 0

ABSTAIN: 1

ABSENT: 1

AYES: Crawford, Le, Coats

NAYS: None

ABSENT: Yang

ABSTAIN: Allgire

F. GENERAL ADMINISTRATION

1. Executive Committee Meeting Dates for Fiscal Year 2015 – 2016

Mr. Matt Gowan stated that the Executive Committee needs to schedule meeting dates for fiscal year 2015-2016. The Executive Committee reviewed the following meeting dates prepared by staff:

- October 8, 2015
- December 3, 2015
- March 3, 2016
- May 5, 2016
- June 16, 2016

A motion was made to adopt the schedule of meeting dates as presented.

MOTION: Mark Allgire

SECOND: Phuong Le

MOTION CARRIED

AYES: 4

NOES: 0

ABSTAIN: 0

ABSENT: 1



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE MEETING MINUTES
CAMPBELL, CALIFORNIA
June 18, 2015**

AYES: Crawford, Le, Coats, Allgire

NAYS: None

ABSENT: Yang

2. Review of Board Agenda Items

Mr. Gowan said he will explain to the Board that the JPA will be attaching to SELF (Schools Excess Liability Fund) at \$5 million limit for Excess Liability coverage. SELF has exclusion for trampolines. SELF previously excluded leased watercraft such as charter boats or ferry trips, but SELF is amending their Memorandum of Coverage to cover leased watercraft effective July 1, 2015. Mr. Gowan said the Board will also need to adopt a resolution to join SELF.

Mr. Gowan said the majority of the Board agenda is approving the budget and insurance renewals. Mr. Gowan said he will go through the budget and review the insurance items with the Board. Mr. Gowan noted the Liability market is hardening, but the Property market is softening.

F. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54956.95

- 1. Does 1-4 vs. Evergreen School District**
- 2. Does 1-2 vs. Santa Clara County Office of Education**

Mr. Mark Davis of Davis & Young arrived at 9: 30 a.m.
The Executive Committee went into closed session at 9:32 a.m.

G. PRESIDENT'S REPORT ON ACTION FROM CLOSED SESSION

The Executive Committee returned from closed session at 9:59 a.m. Mr. James Crawford reported that the closed session items were discussed and appropriate actions were taken.

J. COMMENTS FOR THE GOOD OF THE ORDER

There were no comments for the good of the order.

ADJOURNMENT

The meeting was adjourned at 10:00 a.m.



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE TELECONFERENCE MINUTES
November 4, 2015**

MEMBERS PRESENT

James Crawford, President, Campbell Union School District
Mark Allgire, Treasurer, Santa Clara Unified School District
Barbara Coats, Secretary, Santa Clara County Office of Education
Phuong Le, Member at Large, Berryessa Union School District

MEMBERS ABSENT

Nelly Yang, Vice President, Evergreen School District

GUESTS & CONSULTANTS

Joan Crossley, Alliant Insurance Services
Vince West, Carl Warren & Company

A. CALL TO ORDER

The meeting was called to order at 11:04 a.m.

B. ROLL CALL

The above-mentioned members were present constituting a quorum.

C. APPROVAL OF AGENDA

A motion was made to approve the agenda.

MOTION: Mark Allgire SECOND: Barbara Coats MOTION CARRIED

AYES: 3 NOES: 0 ABSTAIN: 0 ABSENT: 2

AYES: Allgire, Coats, Le

NAYS: None

ABSENT: Crawford, Yang

D. PUBLIC COMMENT

There were no comments from the public.

E. SETTLEMENT AUTHORITY REQUEST FOR EVERGREEN SCHOOL DISTRICT

Mr. Vince West stated on June 25, 2015 a corroded water heater pipe cap burst and water was flowing overnight. A library and three classrooms were flooded. There was damage to the floor covering including the particle board and baseboard. There were expenses for emergency restoration services, structural repairs and replacement of library books.

Mr. James Crawford joined the teleconference at 11:07 a.m.

Draft



**SOUTH BAY AREA SCHOOLS INSURANCE AUTHORITY
EXECUTIVE COMMITTEE TELECONFERENCE MINUTES
November 4, 2015**

Mr. West spoke with Rick Navarro at Evergreen School District who confirmed the burst pipe on the water heater was due to wear and tear. Mr. West confirmed that all invoices have been reviewed. Ms. Phuong Le questioned why the statement received from McLarens showed a loss amount of \$175,383 vs. the \$180,161.38 that is being requested. Ms. Joan Crossley stated the McLarens statement included depreciation because the insurance doesn't pay full replacement cost until all repairs have been made. Now that all the repairs have been made, the depreciation no longer applies.

A motion was made to approve the settlement authority request in the amount of \$180,161.38 for Evergreen School District.

MOTION: Barbara Coats

SECOND: Phuong Le

MOTION CARRIED

AYES: 4

NOES: 0

ABSTAIN: 0

ABSENT: 1

AYES: Crawford, Allgire, Coats, Le

NAYS: None

ABSENT: Yang

F. COMMENTS FOR THE GOOD OF THE ORDER

None

ADJOURNMENT

The meeting was adjourned at 11:12 a.m.



September 18, 2015

Ms. Joan Crossley
Account Manager
South Bay Area Schools Insurance Authority
c/o Alliant Insurance Services
1792 Tribute Road, Suite 450
Sacramento, CA 95815

RE: Actuarial Services Engagement Letter – South Bay Area Schools Insurance Authority
Actuarial Study 2015

Dear Ms. Crossley:

Thank you for the opportunity to provide actuarial services to the South Bay Area Schools Insurance Authority (SBASIA). The SBASIA is seeking professional actuarial advice with regard to its self-insured property and liability program. The following is a brief outline of our understanding of the scope of work to be performed and our fees.

We understand that the objective of the study is to provide estimated program reserves and expected costs for the program. Our report will include the following information:

- Estimate of the program's expected required loss reserves as of June 30, 2016 and June 30, 2017.
- Allocation of the estimated "expected" loss reserves as of June 30, 2016 and June 30, 2017, into short-term liability and long-term liability.
- Estimate of the program's required loss reserves as of June 30, 2016 and June 30, 2017, at a 70%, 80%, and 90% confidence level.
- Loss and claim count projection for the SBASIA's property and liability program losses expected to be incurred in fiscal years 7/1/16-17 and 7/1/17-18.
- Loss and claim count projection for the SBASIA's property and liability losses expected to be incurred in fiscal years 7/1/15-16 and 7/1/17-18 at the 70%, 80%, and 90% confidence level.
- Estimate the SBASIA's property and liability losses expected to be paid in fiscal years 7/1/16-17 and 7/1/17-18.

SBASIA

Ms. Joan Crossley

Page 2

- Written report documenting results of the analyses and providing other significant information such as loss rates, frequency and severity trends, etc. As long as the data is provided to us on a timely basis, the final written report will be completed by November 10, 2015.

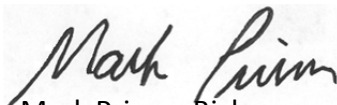
We will include sufficient documentation, details, and descriptions to enable the SBSIA to evaluate the actuarial methodology, indexes, and mathematical approaches we use to estimate claims costs. All exhibits in our reports are footnoted to enable our clients to trace calculations back to the original source. In addition, at the end of our text we include a glossary of actuarial terms. We present an executive summary at the front of our report, a section detailing our conclusions and recommendations, and our exhibits and appendices begin with summary exhibits and increase in level of detail throughout the appendices.

We will agree to complete the scope of work discussed above for \$7,200. This represents an annualized increase of less than 1.5% from our 2013 fee of \$7,000.

Should other services beyond the scope of work outlined above be required, we will bill for our time and out of pocket expenses at the rates specified below.

<u>Consultant</u>	<u>Hourly Rate</u>
Director	\$335
Senior Manager	230
Actuarial Staff	140
Administrative Staff	98

Our target delivery date for the draft report is four weeks after the receipt of complete data. Please call me at (916) 244-1161 with any questions you may have with regard to our proposal. Respectfully Submitted,

Bickmore**Approved by:**

Mark Priven, Bickmore
Fellow, Casualty Actuarial Society
Member, American Academy of Actuaries

SBASIA



Agenda Item F.1.

CLOSED SESSION PURSUANT TO GOVERNMENT CODE 54956.95

ACTION ITEM

ISSUE: Pursuant to Government Code Section 54956.95, the Executive Committee will hold a Closed Session to discuss the following claims:

1. Does vs. Santa Clara County Office of Education
2. Perrizo vs. Santa Clara County Office of Education
3. McElroy vs. Santa Clara County Office of Education
4. Negrillo vs. Santa Clara Unified School District
5. Milne vs. Berryessa Union School District

RECOMMENDATION: The Program Administrator cannot make a recommendation at this time as the subject matter is confidential.

FISCAL IMPACT: To be determined

ATTACHMENTS: None



Agenda Item G.1.

JPA WEBSITE

ACTION ITEM

ISSUE: The Executive Committee should decide whether to hire a vendor to design a new website for the JPA.

RECOMMENDATION: The Program Administrator recommends hiring a vendor.

FISCAL IMPACT: To be determined. One quote was obtained at cost of \$11,524.

BACKGROUND: Alliant Insurance created and maintains the JPA website. The software used, Microsoft FrontPage, is out of date and no longer supported by Microsoft. It is not compatible with Microsoft Windows 7; therefore staff no longer has the ability to maintain or make changes to the website. Staff received a positive recommendation for the vendor who created the website for San Mateo County Schools Insurance Group. Staff obtained a quote from that vendor, MC2 Design Group.

ATTACHMENTS: Website Design Quote from MC2 Design Group

South Bay Area Schools Insurance Authority (SBASIA) Web Project

Prepared For

Joan Crossley
Alliant Insurance Services, Inc.

Created By

Michael Coogan
MC2 Design Group, Inc.
(530) 893-4623
michael@mc2design.com
<http://www.mc2design.com>

Statement of Commitment

Dear Joan Crossley,

First of all, thanks for the opportunity to bid your project for Alliant Insurance Services, Inc.. We look forward to opportunity to work with you on your project.

We love our work and have a lot of fun in the process and we bring that passion for what we do to every project, big or small. We believe the relationship between our team and yours is the most important thing, so our focus is in building a relationship that is designed for success, built on trust, understanding and mutual respect for what each client needs and brings to the table. We believe in doing business right, with integrity and a commitment to excellence. Our commitment to you is this, we will conduct business with integrity and professionalism at all times. We will only accept projects in which we are qualified to perform and will assign our staff and agents accordingly based on their areas of expertise. There will be no hidden fees or surprises. We shall disclose fees in advance and will only charge fees that are reasonable. We will only perform work that is necessary to the thorough and competent completion of the project scope. We will freely disclose any fee or commission agreements we have with vendors that we recommend. We consider all information provided by you the client in the development of your project as proprietary and will not use, or pass on information or data without your permission. We have no problems with signing mutual non-disclosure agreements when necessary. And most importantly we will get the job done.

You have our personal commitment and we'd like to thank you for this creative opportunity.

Sincerely,

The image shows two handwritten signatures in black ink. The first signature on the left is 'M/TC' followed by a horizontal line. The second signature on the right is 'Brian Curtis'.

Michael Coogan & Brian Curtis - Principals
MC2 Design Group, Inc.

Statement of Qualifications

MC2 Design Group, Inc. is full service design and marketing agency serving a national and international market. We provide graphic design services, marketing consulting, Internet development and media production services to public and corporate clients. MC2 is staffed fulltime with a team of five who are skilled graphic designers, web programmers, application developers and project managers which create a unique mix of visual talent and technical skills providing our clients with a turn-key opportunity. Unlike many of our competitors we do not outsource anything, everything is handled by our in-house staff. At any time you can speak with or collaborate with anyone of our staff.

MC2 is a California Corporation and was founded in 1990 in Northern California to help companies and organizations of all sizes deliver a strong brand presence and message across all of their marketing channels. MC2 has successfully worked with hundreds of clients including, City of Lincoln CA, City of Victorville CA, Butte-Glenn Community College District, OSRAMSylvania, Macromedia, Apple, Sierra Nevada Brewery, Paramount Parks, State of Washington, State of Oregon, City of Phoenix, Chico Chamber of Commerce and many more.

Company Facts

Company Name	MC2 Design Group, Inc. (MC Squared)
Date Founded	1990
Business Type	California Corporation Corp. ID 45-0505234
Locations	1 location, Chico California
Address	330 Wall Street, Suite 12, Chico CA. 95928
Principal Lines of Business	Design, Marketing, Internet Development, Application Development, Consulting
Number of Employees	2 Full-Time Partners, 10-15 Full-Time Team Members
Hours of Operation / Staff Availability	Monday - Friday 8:00 a.m. to 5:00 p.m. or by appt.
Insurance Coverage	\$2 Million / \$4 Million Aggregate

List of Services

PRINT DESIGN
 Logo / Identity Design
 Business Cards / Systems
 Brochures
 Catalogs
 Info Graphics

Annual Reports
Product Packaging Design
Trade Show Booth Design
Outdoor Advertising

WEB & APPLICATION DEVELOPMENT

Web Development
E-Commerce Solutions
Mobile Site Design / Mobile E-Commerce
Interface Design
Content Management Systems
Social Media Integrations
Interface Design / UI/UX
Application Development
Application Design
Email Marketing

CONSULTING & STRATEGY

Brand Strategy
Search Engine Optimization
Marketing Consultation
Training / Seminars
Technology Consulting
Speaking Engagements
Social Media Campaigns
Media Buying / TV, Print, Radio
Technology Seminars
RFP Writing / Consulting

ADDITIONAL SERVICES

Web Hosting
Video Production / Editing
Photography / Product
Editorial Audio / Music Production
Copy Writing
Content Creation / Production

Key Personnel

Team Member Role

Brian Curtis: Founder | Vice President, Strategy & Design

Michael Coogan: Partner | President, Project Lead, Development

Colin Coogan: Project Support | Business Development

Bobby Vargas: Senior Designer, Design Team

Josh Brodleit: Lead Developer

Vanessa Wolfe: Designer

Ashley VanderHeiden: Designer | Photography

Brian Curtis Bio & Relevant Experience

Founder / Creative Director / Project Management
530 893-4623 ext 202
brian@mc2design.com

Brian Curtis is one of the founding partners in MC2 Design Group, Inc. a full service design firm specializing in Print Media and Marketing Strategies, Web Development, Social and Interactive Media.

After graduating from CSU, Chico in 1989, with a degree in Communications Design and minor in Accounting, he began his career running a marketing department for a market research company from San Francisco, MIRC. Soon after he was recruited by an interactive development company as Creative Director working for large public and private entities such as: Stanford University; Apple Computer; IBM; HP; Merrill Lynch and others.

He has taught interactive media courses at Butte College, Macromedia Corporation and CSU, Chico. Through his speaking engagements throughout the country, Brian has learned about many facets of business and the need for continuity in branding. He has made it a primary focus of MC2 Design Group to focus on creating marketing that is consistent and effective.

Brian has been lucky to work and play in Chico, California for the past 24 years. He and his wife Suzette are here to stay while raising their family. Brian enjoys flying, running and playing with his 14 year old son, Aydin.

Skill Set includes: Corporate Branding, Marketing, Graphic Design, Interactive Media, Web Design, Email Marketing, Social Media & Project management

Partial Client List:

Peets Coffee & Tea (marketing, logo design, collateral & branding)
Crain Walnut of California (Product Packaging, tradeshow booth, Marketing)
Fafco International (marketing, branding, packaging, interactive media, tradeshow marketing)
Victorville (website, marketing collateral, newsletters)
Ammin Nut Company (website, packaging, marketing collateral)
Far West Rice (packaging and marketing collateral)
Lundberg Family Farms (Point of sale materials)
Incrediwear (website, brochures, Point of Sale collateral)
Pumpskins (website & marketing collateral)
Hewlett Packard (Interactive Media)
City of Lincoln (website, marketing campaign, all city marketing materials)
Victor Valley (marketing campaign, video presentation)
State of Washington (economic development website)
State of Oregon (marketing collateral design)
Yuba County (interactive CD)
City of Oroville (interactive CD, brochures)

Michael Coogan Bio & Relevant Experience

Partner, President, New Business Development, Project Management
530 893-4623 ext 206
michael@mc2design.com

Michael Coogan is President and Partner in MC2 Design Group, Inc. a full service design firm specializing in Internet Development, Print Media and Marketing Strategies. MC2 has national clientele, having worked with; Peet's Coffee & Tea, Sierra Nevada Brewery, Osram-Sylvania, City of Phoenix, State of Oregon, State of Washington, Lundberg Family Farms, Far West Rice and Etna Brewery Company to name a few. His 20 years of experiences cover a broad area within the business marketplace, in both public and private sectors.

Michael's focus within MC2 design is business development and the oversight of all Technology Based projects. He has a strong technical knowledge of web related programming languages and protocols, and typically oversees and participates in all web projects that the company produces from initial concept through design, development and implementation.

Michael loves the business process, and his entrepreneurial spirit led him to start his first business at 10 years old. Prior to becoming a Partner at MC2, successfully started and ran a web development company, owned and ran a sales lead and data collection company, Pulse of the County, and was the CTO and shareholder of online retail venture, BagSelect.com. He is a shareholder, technical and strategic advisor for Work Truck Solution, an innovative start-up tech company geared towards revolutionizing the sales and delivery channels for the Commercial Truck industry. He also worked in management for a large public school district.

Unlike most, Michael loves public speaking, he is regularly sought after to conduct seminars and speaking engagements in the areas of Business Training, Internet Development, Marketing Strategies, Tactics and Entrepreneurship.

Michael is a long time resident of Chico, California where he attended college and raises his family. He is married 25 years, with two sons, one grandson, is an avid golfer, musician and is actively involved in his church as well as other local organizations and charities.

Process, Design and Development Methodology

Our production process covers 6 phases. The following document will cover in detail our work approach, design and development methodology.

Phase 1: Initial Site Work

Phase 2: Design

Phase 3: Production

Phase 4: Content Integration

Phase 5: Testing, Review, Revisions & Launch

Phase 6: Post Launch

PHASE 1 - Initial Site Work

Preliminary Meetings— Upon contract award, MC2 will conduct meetings with client lead staff to fully complete scope of project and identify final information such as; site phases, content scope, IT hosting specifications, and CMS functional needs. We will also review project schedule, make any adjustments that may be needed. Set up client in our online project management system that allows for a unified and seamless source for all communications, to-do's, milestones, documents and file associated with the project. Client will be able to track all progress and have direct access to all our assigned staff for the duration of the project.

How meetings, planning sessions and consulting takes place— Though we do travel, in order keep your costs low we prefer to use modern tech based resources, such as; video conferencing, go2meeting.com, our online based project management room, and phone conferencing. We have dozens of clients who are not in our physical

proximity that we have effectively worked with via these methods. We are willing to travel, and sometimes this is very beneficial, but we do ask for travel reimbursement and per diem. We will work with your staff to book such arrangements or handle them ourselves but we will make economical arrangements regardless, as being a good steward of resources is important to us.

Information Architecture— MC2 will evaluate existing site content, organize information flow and develop navigational and content strategy based upon available content and best practices. MC2 can assist with content creation and copy writing services if needed. If not quoted in existing proposal will be quoted separately.

Site Architecture— will group content into natural organized groupings based around logical associations, existing site precedence where applicable and input provided through discussions with client. A final site map for client approval will be provided.

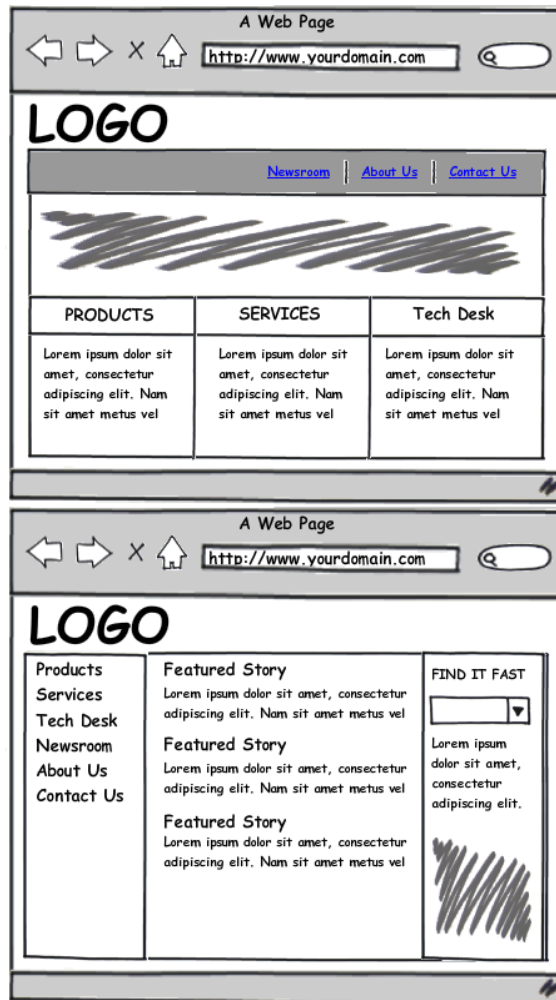
PHASE 2 Design

Wire Framing— MC2's design plan will include the creation of wire framed site layout options for review. Wire framing will convey a clean conceptual tool to show the placement of informational elements in the interface design.

Why do we wire-frame? The wire-frame creates a skeleton layout showing what elements will appear on the page and where they will be placed. This method is useful for visualizing what will be emphasized, how much text is needed, and how user will navigate to other pages. It quite often points to deficiencies in the site map and lead to revisions before costly production begins. See Exhibit A on next page.

Exhibit A

The Site Map tells only half the story. Each of these home page layouts could be developed from the site map below, yet each represents a different user experience



Design Methodology— Our design method is simple. Our team evaluates the goals and objectives of the project, identifies and surveys the audience and then, based on the information provided, secondary research and past experience, designs an interface to accomplish both form and function that provides optimum usability. Site design should not be self-serving to the design firm, client, or for the sake of the design itself, but ultimately serve the audience as effectively as possible. Our goal is to obtain optimal usability while still maintaining a pleasing visual form. Usability is defined based on elements that attribute to ease of use; home page clarity, ease-of-browsing, searching, organization of content, error recognition, and function as the primary role over form.

Design—MC2 will create a clean, professional and well organized site design, building a visual that features a strong appropriate visual around the approved wire frame while maintaining good information architecture and usability. MC2 will produce rough ideas and create web design concepts for client review. We will take client feedback, make revisions and resubmit for review. Upon client approval of visual direction MC2 will produce final art for site production.

PHASE 3 Production

Coding-HTML Development— MC2 will convert approved design elements and images to HTML or other web-ready formats, develop .css styles, create and produce top level page templates and sub-page templates for functionality review prior to full site production. This functionality review will be void of major content but will in sense be a 'working prototype' of the site so client staff can review and provide feedback prior to next phase of

production.

Programming Considerations— We develop all of our projects using standards base methodologies as indicated by the W3C consortium (www.w3c.org) and code sites to be Section 508 ADA compliant where possible. We also use non-proprietary standards based languages, database and scripting protocols, such as; PHP, MySQL, non-intrusive JavaScript, HTML and Cascading Style Sheets.

Final Production-HTML Development— Using approved HTML templates, we will produce navigable site structure for site. Development and integration of all additional site elements; such as existing 3rd party integrations, Payment gateways, news feeds, and on-site SEO elements will happen during this time. At the end of this phase you will have a completely operable site with fully enabled CMS throughout. It will just be void of the majority of the content, that's next.

PHASE 4 Content Integration

Content Integration— Content is added to site at this time. All content, images or copy for project will be provided by the client in digital formats at time of final art approval, unless otherwise agreed upon. MC2 will enter all initial content as directed by client into new staged website,

***Content development & copy writing services are available and additional.

PHASE 5 Testing, Review, Revisions & Launch

Initial Testing & Quality Assurance— MC2 will conduct initial site testing of all aspects of site functionality, integration with CMS, navigation function, page content completion, error recognition, integration with 3rd party modules etc, to prepare for final reviewing.

Initial Site Review— After initial testing and MC2 feels site is ready for final review we will provide you with access to the staging environment for client review, functionality testing and proofing of site copy by key personnel internally.

Site Revisions 1— Site content revisions after initial review. This is an opportunity to change any content prior to launch.

Site Revisions 2— Second phase of revisions to copy,

Final Testing— Final review prior to live launch

Final Approval— Main site authorized for live launch

Live Launch— Post live site.

PHASE 6 Post Launch

Training— All training needed in association with delivered web site will happen at this time.

Search Engine Submissions and optimization— By default MC2 develops its site code when ever applicable to be search engine friendly, using the W3C design and content standards as well as ADA compliance consideration.

After live site release if requested and noted in proposal MC2 will either submit or insure your site is listed with the following search engines and the following indexes; www.google.com - www.bing.com - www.yahoo.com. All

on-site elements will be optimized for Search Engines, robots.txt file created to tell spiders what to look at, site mapping for appropriate search engines. Since SEO results are a combination of ongoing on-site and off-site operations MC2 highly suggests creating an ongoing online marketing strategy.

Warranty— Upon site approval and sign-off by Alliant Insurance Services, Inc. to “go live” MC2 guarantees the project fit for their intended purposes as indicated by the original project scope to be free from all defects in workmanship. Upon notification by Alliant Insurance Services, Inc. of such defects MC2 will “free of charge” repair any functionality defects within approved site navigation, application functionality, display of graphical elements or to correct any content errors caused by MC2 or its agents in the production of the site.

This warranty of services is in place for 45 days from the date of “go live” approval. Further services after signed approval of project are subject to additional fees and will be considered new work. Warranty does not cover repairs or fixes of content and failures in workmanship caused by a failure of the hosting environment or Alliant Insurance Services, Inc.’s staff during or after warranty period.

As indicated we attempt to future proof your site as much as possible, though there may be some factors that can't be predicted and thus some fixes may be subject to additional charges if outside of warranty or if you are not on a maintenance agreement. These can include issues caused by;

- Browser changes/versions, i.e. changes to the software that people use to view and interact with your website. So your website might work just great on Internet Explorer 9, but a subtle difference when you upgrade to Internet Explorer 10 causes your site to misbehave.
- Software updates, e.g. security patches.
- Changes/updates to 3rd party systems or software.
- Improper entry of code or content via your site's content editor.
- Hardware failure, e.g. errors on a hard drive causing intermittent glitches.
- Computer viruses. A computer virus on a PC can make a web site do very strange things.
- Pop-up blockers, or other software specific to the IT environment of the website visitor. So things like anti-virus or parental control software (e.g. Net Nanny) can cause apparent problems on a website - such as making it appear completely unavailable - but without the computer user understanding why.
- Firewalls / Network Configurations. Some organizations - typically government - have very “locked down” IT environments. A website operates perfectly when viewed outside the organization, but misbehaves when viewed inside the organization.

Ongoing Technical Assistance—MC2 can provide ongoing technical assistance as needed on a per hour basis.

Browser Compliance and Compatibility— Sites will be cross-browser compliant for the latest two full release versions of Internet Explorer, Firefox, Google Chrome and Safari and above, for PC and MAC. We no longer support compatibility with other older browser versions as part of our standard contracts. If requested to be backwards compatible to an older version than those mentioned above we can provide that service at an hourly rate of \$95.00.

Technical Environment— MC2 will and may use some or all of the following programming languages and protocols in the development of this project: HTML, XHTML, XML, PHP, SQL or MySQL databases, MIVAScript, Cascading Style Sheets (.css), Flash, JavaScript, JQuery, AJAX/JSON, and other web technologies where appropriate. We prefer server environments that will support Apache, PHP and MySQL in it's latest stable versions.

Rights and Ownership—Alliant Insurance Services, Inc. has exclusive ownership rights to design and all content of web site. MC2 Design is granted use of final product to solicit future business. MC2 Design will assume Alliant Insurance Services, Inc. has appropriate licensing and ownership of existing 3rd party code integrated with web site. If MC2 Design is using any 3rd party environments with licensing those licenses will be transferred to Alliant

Insurance Services, Inc. once site is live.

Project Scope

Objectives Overview

Develop and design site for South Bay Area Schools Insurance Authority (SBASIA) with ability for client to manage content within site via CMS. Current site is very old and was on Front Page and is not longer support. New site will be to current HTML5/CSS3 design standards. Site will be designed in a responsive way to accommodate mobile / tablet users.

Site will also provide an intuitive interface and navigational structure as well as efficient functionality in load speed. Site will be developed using current programming standards when applicable.

The site will have the following navigation.

- Home (entry page with highlights and points of entry to key content)
- About Us (may be similar to mission, could be same page - overview of agency, history etc.)
- Agendas & Minutes
- Audited Financial Reports
- Calendar (list our upcoming workshops, trainings, board meetings, etc.)
- Contact Us (agency contact information, key personnel, intake/contact form.)
- Members
 - Add/Delete Property - Form or Fillable PDF to be emailed
 - Add/Delete Vehicle - Form or Fillable PDF to be emailed
 - Administration
 - Alliant Connect - link to 3rd party product
 - Athletic Checklists/Forms
 - FAQ
 - Financial Reports
 - Report a Claim
 - Request Certificate
- Program

Additional features:

- Password protected members area

Project Specifics— Included in proposal

- Site Architecture - Wire-framing
- Complete creative site design favorable to client and audience.
- Development of all code required to produce site online
- Fully maintainable site via a CMS (content management system). Site will be fully editable by client all content, images, type. This is a fully scalable product. The content management system will allow the following options: multiple users, add/edit pages, rename/delete/reorder pages, add/change/ optimize images, attach files (Word, Excel, PDF, Power Point), Link to other sites, Preview work before uploading to web, and

automatically generated site navigation.

- Social Media integration as appropriate (social share, social follow buttons).
- News, Press, Blog feed - archive for posting and writing articles
- Content Integration - MC2 will integrate content from existing site as directed by client. MC2 is not responsible for content creation/writing.
- Site coding will be built on current web standards as indicated by the W3C organization.
- Complete Google Analytics Integration

Estimated Project Schedule

Estimated project completion 60-90 days (excludes weekends and holidays) - based on all content needs being met on time and as scheduled. A final project schedule will be provided for client review after receipt of executed contract and initial payment. See trade customs for schedule revisions. Below is proposed initial schedule

PHASE 1 [Weeks 1-2] Initial Site Work - Preliminary Meetings - Site Architecture - Development Pre-production

PHASE 2 [Weeks 2-3] Design / Design Reviews, Revisions

PHASE 3 [Weeks 6-8] Code Development; CMS Deployment, Production of HTML and CSS, Content Integration

PHASE 4 [Weeks 2] Content Integration

PHASE 5 [Weeks 2-3] Review, Revisions & Launch

PHASE 6 [Week 1] Post Launch - Training

Total Time Estimate for Entire Project [approx. 12-15 weeks to live launch]

*Start dates and schedules may change based on client load, new projects and actual dates of contracts being signed. MC2 Design Group will do its best to accommodate your deadlines, but must balance all production schedules to accomplish projects in progress. We thank you for letting us bid on your project and look forward to working with you on your project.

Project Quote

Project Fees— Includes all expenses, administrative, insurance, and hard costs to deliver project as stated in scope unless otherwise specified. Additional expenses may be incurred during project based on undetermined need or client request. Expenses will be billed separately and with client approval. Fees do not include travel or per Diem expenses outside of local area.

PROJECT FEES

Creative / Development Services

Project Management / Specification

\$750.00

Web Creative / User Interface Design **\$3,000.00**

User Interface (UI) Wire-framing & walk-through, UI design / layout based upon approved wire-frames, up to 3 design comps, 1 approved direction, 2 rounds of design revisions, home page design, interior page design and layout. Creation of all visual assets for production.

Responsive web design (RWD) is a web design approach aimed at crafting sites to provide an optimal viewing experience—easy reading and navigation with a minimum of resizing, panning, and scrolling—across a wide range of devices (from mobile phones to desktop computer monitors)

HTML / CSS / Code Production **\$3,750.00**

All code elements, standards compliant HTML and CSS code. Production of creative assets into HTML web formats. Other programming and custom code elements

Create code for member's only area.

CMS Deployment **\$2,500.00**

Install CMS base code, integration of HTML templates, set up of security, set up requested modules, set up user accounts.

Content Integration **\$1,000.00**

Migration of existing content or implementation of content provided by Client

Server / Admin / Configuration **\$225.00****Products****Expression Engine Software License** **\$299.00****Monthly Fees / Subscriptions / Retainers****Business Plus** **\$39.95 / Month**

Base Hosting, Site with CMS

Bandwidth 2GB

HD Space 1GB

Email 50

Databases 5

Total cost: \$11,524.00
+ \$39.95 / Month

This proposal is good for 90 days.

Terms—Design: 30% deposit before project start, 35% at mid point, 35% due at upon completion. MC2 will accept payment as cash, check, money order, cashier's check, Visa or MasterCard (3% surcharge on credit card transactions). Thank you for this creative

opportunity

ACCEPTANCE

Alliant Insurance Services, Inc. accepts the above proposal for work to be performed as stated by MC2 Design Group, Inc. has read and agreed to the attached project scope and agrees to the trade terms, conditions and warranties on the additional pages. This proposal constitutes a contract between MC2 Design Group, Inc. and Alliant Insurance Services, Inc. when signed by both parties.

1. Payment will be made to MC2 Design Group, Inc. of all sums due in a timely manner as determined by both parties.
2. On default in payment of any obligations due, and in the event collection proceedings are instituted by MC2 Design, Inc. including legal proceedings, Alliant Insurance Services, Inc. agrees to pay all costs, expenses and attorney's fees incurred by MC2 Design Group, Inc. pursuant to the collection or attempts to collect said amounts.
3. Interest on past due and unpaid balances will accrue at the rate of 1-1/2% per month (18% per annum), or \$10.00 per month, whichever is greater, and Alliant Insurance Services, Inc. agrees to pay said interest on past due accounts.
4. The terms of the above Proposal clause and Acceptance clause constitute a contract between MC2 Design Group, Inc. and Alliant Insurance Services, Inc. and will be binding upon the heirs, executors, administrators, successors and assigns of the parties.
5. The Industry Trade Customs, which have been in general use in the design and printing industry throughout the United States for more than 50 years, are accepted as terms of this contract.

Fee Schedule

Project Management, Consulting	\$95-125/hr + travel and per diem for out of area clients
Senior Designer/Art direction, Creative	\$125/hr
Senior Developer / Application design, programming	\$125/hr
Design production	\$95/hr
Web / HTML production / .css / Production level programming	\$95/hr
Maintenance, Updates to content, no programming	\$95/hr
Phone / Email Support (copy writing, QA, etc)	\$95/hr
Project Support (copy writing, QA, etc)	\$75-100/hr

Testimonials

"MC2 Design created a unique file sharing database fully customized for our specific financial services platform. The team was incredibly accommodating, and the product has been very well-received both internally and externally. Our proprietary transaction process involves numerous parties accessing highly confidential information, and MC2 Design developed a module that fit our needs exactly. We're looking forward to maintaining an ongoing relationship with MC2 Design in the future. Thanks so much for your help!"

Robert Farinholt - Vice President Silver Steep Partners

"The new site (www.lassenparkfoundation.org) looks and works great. What isn't as apparent is how easy it is to update this site. That's all hidden from the user, but not from those of us who've experienced its back end...Congrats: to Michael and his team for crafting such an excellent platform."

**John Poimaroo Lassen Park Foundation
Board of Directors.**

"It has really been a pleasure to be working together, and to have your expertise and experience helping us put this website together – yours and Jarrett's and Brian's – throughout the whole process. You all worked hard to make the whole site function beautifully for us, and I know we all appreciate it."

Sara Bixler – Steven Barclay Agency

"MC2 Design Group, Inc. has produced marketing materials for Northeastern California Small Business Development Center at Butte College including customized letterheads, envelopes, brochures, flyers, training guides and website for several years. Their work set high standards of excellence and produced effective results in reaching our target markets. We have and continue to receive praise on all of our marketing materials including our website. We value their customer service and follow-ups. MC2 is a small business with big business results."

**Sophie Konuwa - Director
Northeastern California Small Business Development Center
at Butte College Chico, California**

At the Chico Chamber of Commerce, it's essential that we offer products and services that meet the needs of today's savvy business community. MC2 Design has helped us maintain a high-level of service with a comprehensive, user-friendly website and an interactive community profile. Both tools have been an integral part of our communication strategy. I've worked with MC2 for nearly a decade. Their staff has always been professional, thorough, and great to work with.

**Alice Patterson - Communications & Marketing Manager
Chico Chamber of Commerce**

"If you want to work a first-rate team in the industry (and you do!) then Mc2 Design Group should be your choice! Not only are they talented and reliable, but they respond quickly and professionally also. I look forward to working with them for decades to come and so will you".

**Keli Anthis, Director
Northeastern Small Business Development Center (SBDC)**

Industry Trade Customs & Terms

1. **Quotation.** A quotation not accepted within ninety (90) days is subject to review. All prices are based on material and labor costs at the time of quotation.
2. **Orders.** Orders regularly placed, verbal or written cannot be cancelled except upon terms that will compensate MC2 Design Group, Inc. (MC2) against loss incurred in reliance of that order.
3. **Experimental Work.** Experimental or preliminary work performed at the customer's request will be charged for at current rates and may not be used until MC2 has been reimbursed in full for the amount of the charges billed.
4. **Creative Work.** Creative work, such as sketches, web creative concepts copy, dummies, and all preparatory work developed and furnished by MC2, shall remain their exclusive property and no use of same shall be made nor any ideas obtained therefrom be used, except upon compensation to be determined by MC2, and not expressly identified and included in the selling price.
5. **Condition of Copy.** Upon receipt of original copy or manuscript, should it be evident that the condition of the copy differs from that which has been originally described and consequently quoted, the original quotation shall be rendered void and a new quotation issued.
6. **Preparatory Materials.** Working mechanical art, type, negatives, positives, flats, plates, electronic files and other items when supplied by MC2, shall remain MC2's exclusive property unless otherwise agreed to in writing.
7. **Alterations.** Alterations represent work performed in addition to the original specifications. Such additional work shall be charged at current rates and be supported with documentation upon request.
8. **Design Proofs.** Design proofs shall be submitted with original copy or "greeked copy" if no original copy was provided by client. Corrections are to be made on "master set" returned marked "O.K." or "O.K. with corrections," and signed by customer. If revised proofs are desired, request must be made when proofs are returned. MC2 cannot be held responsible for errors under any or all of the following conditions: if the work is completed per customers' O.K.; if changes are communicated verbally; if customer has not ordered proofs; if the customer has failed to return proofs with indication of changes; or if the customer has instructed MC2 to proceed with out submission of proofs.
9. **Press Proofs.** Unless specifically provided in MC2's quotation, press proofs will be charged for at current rates. An inspection sheet or any form can be submitted to customer for approval, at no charge, provided that customer is available at the press during the time of makeready. Lost press time due to customer delay, or customer changes and corrections, will be charged at current rates.
10. **Color Proofing.** Because of differences in equipment, computer screens, video cards, processing, proofing substrates, paper, inks, pigments and other conditions between color proofing and production operations, a reasonable variation between color proofs and the completed job shall constitute acceptable delivery.
11. **Over runs and Under Runs.** Over runs or under runs in printing are not to exceed 10% on quantities ordered, or the percentage agreed upon, shall constitute acceptable delivery. MC2 will bill for actual quantity delivered within this tolerance. If customer requires guaranteed exact quantities, the percentage tolerance must be doubled.
12. **Customers Property.** MC2 will maintain fire, extended coverage, vandalism, malicious mischief, and sprinkler leakage insurance on all property belonging to the customer, while such property is in MC2's possession; MC2's liability for such property shall not exceed the amount recoverable from such insurance. Customer's property of extraordinary value shall be insured through mutual agreement.
13. **Delivery.** Unless otherwise specified, the price quoted is for single shipment, without storage, F.O.B. local customer's place of business or F.O.B. MC2's platform for out of town customers. Proposals are based on continuous and uninterrupted delivery of complete order, unless specifications distinctly state otherwise. Charges related to delivery from customer to MC2, or customer's supplier to MC2, are not included in any quotation unless specified. Special priority pickup or delivery service will be provided at current rates at customer's request. Materials delivered from customer or his suppliers are verified with delivery ticket as to cartons, packages or items shown only. The accuracy of quantities indicated on such tickets cannot be verified and MC2 cannot accept liability for shortage based on suppliers tickets. Title for finished work shall pass to the customer upon delivery to carrier at shipping point or upon mailing of invoices for finished work, whichever comes first.
14. **Production Schedules.** Production schedules will be established and adhered to by customer and MC2, provided that neither shall incur any liability or penalty for delays due to state of war, riot, civil disorder, fire, labor trouble, strikes, accidents, energy failure, equipment breakdown, delays of suppliers or carriers, action

of government or civil authority and acts of God or other causes beyond control of customer or MC2. Where production schedules are not adhered to by the customer, final delivery date(s) will be subject to renegotiation.

15. **Customer furnished materials.** Customer furnished material shall be manufactured, packed and delivered to MC2's specifications. Additional costs due to delays or impaired production caused by specification deficiencies shall be charged to customer.
16. **Terms.** Payment shall be whatever was set forth in the quotation or invoice unless otherwise provided in writing. Claims for disputes, defects, damages or shortages must be made by the customer in writing within a period of fifteen (15) days after delivery of all or any part of the order. Failure to make such claim within the stated period shall constitute irrevocable acceptance and an admission that they fully comply with terms, conditions, and specifications.
17. **Refunds.** Refunds will be made within the first 15 days as stated above, and will be settled by either credit memo to client account, check refund or credit back to credit card (only if Credit Card was used for purchase).
18. **Liability.** MC2's liability shall be limited to stated selling price of any defective goods, and shall in no event include special or consequential damages, including profits (or profit lost). As security for payment of any sum due or to become due under terms of any agreement, MC2 shall have the right, if necessary, to retain possession of and shall have a lien on all customer's property in MC2's possession including work in progress and finished work. The extension of credit or the acceptance of notes, trade acceptance or guarantee of payment shall not affect such security interest and lien.
19. **Indemnification.** The customer shall indemnify and hold harmless MC2 from any and all loss, cost, expense, and damages (including court costs and reasonable attorney fees) on account of any and all manner of claims, demands, actions and proceedings that may be instituted against MC2 on grounds alleging that the said printing or web project violates any copyrights or any proprietary right of any person, or that it contains any matter that is libelous or obscene or scandalous, or invades any person's right to privacy or other personal rights, except to the extent that MC2 contributed to the matter. The customer agrees, at the customer's own expense, to promptly defend and continue the defense of any such claim, demand, action or proceeding that may be brought against MC2, provided that MC2 shall promptly notify the customer with respect thereto, and provided further that MC2 shall give to the customer such reasonable time as exigencies of the situation may permit in which to undertake and continue the defense thereof.

Signed by:

Alliant Insurance Services, Inc.

Date



Agenda Item G.2.

REVIEW OF BOARD AGENDA ITEMS

ACTION ITEM

ISSUE: The Executive Committee should make recommendations to the Board of Directors for those items on their agenda that require action.

RECOMMENDATION: None.

FISCAL IMPACT: Various. See the Board of Directors December 3, 2015 agenda.

BACKGROUND: The Board of Directors should take action on the following items:

Audited Financial Report as of June 30, 2015

ATTACHMENTS: None