



Staff Report

RESOLUTION AUTHORIZING AN AMENDMENT TO EXTEND INSURANCE BROKERAGE AGREEMENT WITH ALLIANT INSURANCE IN THE AMOUNT OF \$75,000 FOR FY08 AND \$80,000 FOR FY09.

Honorable Mayor and Council Members:

Summary

Alliant Insurance (formerly known as Driver Alliant Insurance) has been fulfilling the insurance brokerage role for the City since 2004. Staff has accepted Alliant's proposal to perform the required work for an additional two year term. Approval of the attached resolution will authorize an amendment to extend the original insurance brokerage agreement with Alliant Insurance in the amount of \$75,000 for FY08 and \$80,000 for FY09.

Background

Alliant has served as the City's insurance broker since 2004, and has carried out their duties in a professional and timely manner. Through Alliant's services, the City has been able to bind insurance policies at very competitive costs. Alliant has also performed well in providing guidance and advising the City on best practices and decisions related to insurance policies and procedures, and has consistently and responsibly taken initiative on obtaining quotes and guiding the City on processing the applications in order to meet our annual August 1 renewal date.

Alliant's original 2004 contract allowed for an optional two year extension with to-be-determined costs for Core Placement and Workers' Compensation Placement. Staff now recommends exercising that option at the costs stated below.

Discussion

In accepting Alliant's proposal for insurance brokerage services, staff gives significant weight to the value of retaining a skilled and responsible broker, with a well-grounded depth of knowledge of their field of expertise and a history of successful results. In light of the success of insurance policy placement the City has experienced with this firm, their responsiveness to staff's questions and requests, and the professional working relationship that has developed, staff finds it highly unlikely that the City would get improved services with another brokerage firm with the performance record and knowledge base of Alliant. Furthermore, Alliant's proposal represents a 6.67% increase over the current rates. Staff therefore finds no reason to change brokers at this time, and recommends extending Alliant's contract for two more years.

General Plan/Vision Statement

No Impact.

Fiscal Impact

The amendment to the professional services agreement with Alliant is for two years (FY08 and FY09). Alliant will perform the recurring insurance brokerage services at the combined cost of \$75,000 for FY08 and \$80,000 for FY09.

The fees and payment dates proposed by Alliant Insurance are as follows:

Payment Date	Core Placements	Workers' Compensation	Total
July 1, 2007	\$35,000	\$40,000	\$75,000
July 1, 2008	\$37,500	\$42,500	\$80,000

There are sufficient funds in the Risk Management Fund to authorize the agreement amendment.

Public Contact

Posting of City Council agenda.

Recommendation

It is recommended that the City Council approve the attached resolution authorizing an amendment to extend the insurance brokerage agreement with Alliant Insurance in the amount of \$75,000 for FY08 and \$80,000 for FY09.

Alternatives

1. With direction, seek an alternative insurance broker.

Attachments

- A. Implementing Resolution
- B. Proposal (Exhibit A)

Respectfully submitted,

Thomas Fil
Finance Director

Jack R. Crist
City Manager

Staff Contact:

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RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELMONT
AUTHORIZING AN AMENDMENT TO EXTEND INSURANCE BROKERAGE
AGREEMENT WITH ALLIANT INSURANCE IN THE AMOUNT OF
\$75,000 FOR FY08 AND \$80,000 FOR FY09**

WHEREAS, the City of Belmont contracted with Alliant Insurance (formerly known as Driver Alliant Insurance) for insurance brokerage services in 2004 with an option to extend for a two year term; and,

WHEREAS, Alliant Insurance has performed such services in a competent and timely manner; and,

WHEREAS, staff recommends a two year contract extension with Alliant Insurance to provide continuing insurance brokerage services.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Belmont authorizes the City Manager to execute an agreement amendment for professional services, in a form approved by the City Attorney, engaging Alliant Insurance to provide insurance brokerage services for two years at the fee of \$75,000 for FY08 and \$80,000 for FY09.

* * * * *

I hereby certify that the foregoing Resolution was duly and regularly passed and adopted by the City Council of the City of Belmont at a regular meeting thereof held on September 11, 2007 by the following vote:

AYES, COUNCILMEMBERS: _____

NOES, COUNCILMEMBERS: _____

ABSTAIN, COUNCILMEMBERS: _____

ABSENT, COUNCILMEMBERS: _____

CLERK of the City of Belmont

APPROVED:

MAYOR of the City of Belmont