



	Approved	Denied
Date Action Taken:	4/18/08	
Other:		
Verified by:	<i>H. Miller</i>	

WASILLA CITY COUNCIL ACTION MEMORANDUM

AM No. 08-25

TITLE: AWARD OF A THREE (3) YEAR CONTRACT TO COMBS INSURANCE FOR INSURANCE BROKERAGE SERVICES IN THE AMOUNT OF \$76,753.

Agenda of: April 28, 2008

W. Miller

Date: April 18, 2008

Originator: **William A. Miller, Purchasing/Contracting Officer**

Route to:	Department	Signature/Date
	Police Chief Youth Court, Dispatch, Code Compliance	
	Culture and Recreation Services Manager Library, Museum, Sports Complex	
	Public Works & Recreation Facility Maintenance Director	
X	Finance, Risk Management & MIS Director Purchasing	<i>Cheryl Draining</i>
X	Deputy Administrator Planning, Economic Development, Human Resources	<i>Mary Jo Goal</i>
X	City Clerk	

REVIEWED BY MAYOR DIANNE M. KELLER:

Dianne M. Keller 4/18/08

FISCAL IMPACT: yes \$76,753 or no Funds Available yes no

Account name/number: 001-4134-414.30-34

General & Administrative – Professional Services - Other

Attachments:

Excerpt from Combs Insurance Agency Proposal
Score Sheet

SUMMARY STATEMENT: In accordance with WMC 5.08.120, on December 4, 2007, the City of Wasilla issued Request for Proposal 0651-0-2007/WM for Insurance Brokerage Services (property, liability, automobile and workers compensation). The objective is to secure an insurance broker that will seek the best insurance rates for the City and serve as an independent focal point for all claims and insurance related matters.

On February 25, 2008, the Council via Action Memorandum 08-13 approved a contract with Marsh USA. However, upon review of the Marsh insurance documentation with the State of Alaska Division of Insurance, it was determined neither they did not have the

prerequisite insurance. Subsequently, upon review with the State of Alaska Division of Insurance of all the proposals, it was found none of the proposers had the prerequisite insurance, and all solicitations were rejected.

On March 4, 2008, Request for Proposal 0651R-0-2007/WM was issued and three proposals were received in response to the solicitation. A committee of three scorers (Deputy Administrator, Chief Financial Officer and City Clerk) scored the proposals based upon firm experience, personnel experience, methodology/approach, communication, proposed fee structure, and response from two references. The two highest scoring firms (Combs Insurance and Marsh USA) were invited in to give presentations and answer questions from the scoring committee on April 18, 2007. Following the meetings, the same scoring committee scored the presentations. Combs Insurance received two first place votes and Marsh USA received one first place vote which resulted in Combs completing the process with 262.5 points and Marsh with 188.5 points. Council is requested to approve a contract with Combs Insurance Agency as they received the most points in the competitive solicitation process.

(RFP Excerpt)
REQUEST FOR PROPOSAL
No. 0651R-0-2007/WM
Insurance Broker Services

1. RFP GENERAL INFORMATION

The City of Wasilla is a First Class municipality with a population of approximately 6,700 people located forty five miles northeast of Anchorage. The City operates as a strong mayor form of government, and has approximately 115 full-time employees. The City provides a range of municipal services including administration, public safety, public works, library, parks and recreation, and water and sewer utilities. The City maintains several miles of paved and unpaved roads, including drainage systems, street lighting, and the Wasilla Airport. The City provides municipal water and wastewater service to approximately 1,123 customers.

Marsh USA is the City's current broker of record for the coverages listed in Attachment D. The City's medical/dental/vision coverage program is currently provided separately; therefore, it is not a consideration in this Request for Proposal.

The City of Wasilla, Alaska is seeking proposals for professional insurance broker services to assist in the management of the City's various insurance programs. Such services include, but are not limited to, the review, analysis, recommendation, and timely placement of all insured programs listed in Attachment D as well as any other coverages requested by the City of Wasilla or recommended by the broker.

Proposers are invited to submit proposals for broker services for the full range of purchased insurance coverages only. Value added items such as loss control services, technical assistance, claims advocacy, and policy interpretation should be specifically outlined in the response. Proposers are not to respond by providing insurance

quotations. Contact with carriers for the purpose of preparing proposals is not to be made as **you are NOT to approach any markets at this time**. Proposals will be limited to presentations of service capabilities as they relate to the City's various exposures to loss.

The contract resulting from this solicitation shall be effective July 1, 2008 for a term of three (3) years with the option to renew for one (1) additional three (3) year term.

The City of Wasilla requires that all respondents:

- are licensed as insurance brokers in the State of Alaska;
- have a minimum of five (5) years experience and the broker to be assigned to the City have a minimum of ten (10) years experience providing multi-million dollar insurance coverage to government agencies and/or corporations;
- have experience with municipalities similar in size, types of exposure to the City of Wasilla, and in the types of policies and coverages reference herein;
- have the ability to place all lines of coverage currently purchased by the City of Wasilla that may be appropriate for the City, or that may be recommended by the broker.

2. SCOPE OF SERVICES

The City of Wasilla requires the broker of record to provide the following minimum level of service:

2.1. Coverage Placements

- 2.1.1. Search the market annually for the best available coverage at the best available price.
- 2.1.2. Deliver a proposal to the City annually by approximately June 1 covering all carriers, coverages, premiums, fees, and terms and conditions concerning coverage options and recommended placements for the coming year. This proposal must contain comparisons of coverage options and must clearly delineate any changes in coverage from that of the prior year.
- 2.1.3. If necessary, make an oral presentation annually of the above noted proposal to the City Council.
- 2.1.4. If a presentation is made, fully disclose the percentage and amount of commission to be paid to any insurance broker, intermediary or wholesaler used in the placement process, or any dividends or credits to which the City may be entitled.

- 2.1.5. Place all coverage required by the City and arrange for bonds for City employees.
- 2.1.6. Provide a complete review annually of all City policies to assure that policy language, coverage and exclusions are consistent with the City's traditional level of coverage and process any endorsement necessary to accomplish such.
- 2.1.7. To bring to the attention of City staff any additional coverage that may become available in the market place, that could be advantageous to the City, and to obtain authorization and direction from the Deputy Administrator or designee prior to engaging in any related activity.

2.2. **Consulting Services**

- 2.2.1. Attend City council meetings as may be necessary or as requested to give reports or presentations as requested (two or three times a year).
- 2.2.2. Consult with City staff concerning coverage availability, terms and conditions, coverage interpretations, and premium
- 2.2.3. Cooperate fully with attorneys representing the City as may be necessary regarding claims, coverage, or other legal matters.
- 2.2.4. Cooperate fully with the City's independent auditor concerning any confirmations necessary to complete the annual audit.

2.3. **Certificates of Insurance**

- 2.3.1. Issue all certificates of insurance that are required by the City. Maintain a list of these recipients so that annual renewals will include a new issuance of certificates.

2.4. **Claims Administration**

- 2.4.1. The broker selected to provide broker services for the City will arrange claims administration services, and shall include cost proposals for those services.

3. STATEMENT OF QUALIFICATIONS (SOQ) REQUIREMENTS

To achieve a uniform review process, and obtain the maximum degree of comparability, the SOQ submitted in response to this RFP must be no more than twenty (20) pages in length (*excluding letter of transmittal, resumes, title page(s), index/table of contents, attachments, dividers or other forms, if required*). Please detail each of the following points in your Proposal:

- 3.1. Attachment A of this RFP.
- 3.2. Attach a completed Form W-9.
- 3.3. State the name of the insurance agency or broker firm, address, telephone number and contact person for the proposal submission. Identify the office from which the City of Wasilla account would be serviced. Provide a brief description of the history and organization of the bidder's firm. If you propose to team with another firm, provide the same information requested in this Section (Section 4) for that firm.
- 3.4. State the amount of excess premium volume (excluding personal lines and benefits). State the names of five (5) accounts with primary premium in excess of \$250,000.
- 3.5. Describe your firm's internal organization and the manner in which services will be furnished the City of Wasilla. Include and identify those services, which may not be available in the local office but are available from your firm and how you will access those services. Provide an example of the structure of servicing a current account similar to the City of Wasilla.
- 3.6. Include copies of business licenses, insurance licenses, professional certifications or other credentials, together with evidence that bidder, if a corporation, is in good standing and qualified to conduct business in Alaska.
- 3.7. Identify the account team structure your firm would use on the City of Wasilla account. List the names of the proposed account service team and describe each member's service role. Include at least two qualified individuals from your firm having a minimum of five years experience in public agency accounts who would be assigned to work directly with the City account. List any designations such as CPCU, CIC, ARM, etc. Identify the staff person who will be the day-to-day contact for the City. Attach resumes for the service team members describing their qualifications including credentials, experience, responsibilities, and specifically work on similar engagements.
- 3.8. List five (5) references with contact information from organizations that have used Proposer's services for similar services within the last 12-18 months.
- 3.9. Please provide a listing of the carriers you will be able to approach, by line, for a quote for the City of Wasilla's coverage. In addition, please advise which (if any) of the carriers that currently write the City's coverage you would not have access to as the broker of record.
- 3.10. Describe the steps you would take in reviewing the City of Wasilla's current insurance program and designing changes to the program. Include specific techniques and procedures your firm may use to assist in identifying current and anticipated new exposures to loss. Specifically, identify areas where your

firm can add value that may or may not be included in Section 3 - Scope of Services.

- 3.11. Provide the most recent year's annual reports, or comparable document, including detailed current profit and loss, assets and liabilities, and other relevant financial data.
- 3.12. Proposer shall include in its proposal a complete disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending which involves the Proposer or in which the Proposer has been judged guilty or liable. Failure to comply with the terms of this provision may disqualify any proposal. The City reserves the right to reject any proposal based upon the Proposer's prior history with the City or with any other party, which documents, without limitation, unsatisfactory performance, adversarial or contentious demeanor, significant failure(s) to meet contract milestones or other contractual failures per WMC 5.08.160.
- 3.13. Proposer shall include in its proposal any existing or potential conflict of interest relative to the performance of the contractual services resulting from this RFP. Any such relationship that might be perceived or represented as a conflict should be disclosed. By submitting a proposal in response to this RFP, Proposers affirm that they have not given, nor intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest will automatically result in the disqualification of a company's proposal. An award will not be made where a conflict of interest exists. The City will determine whether a conflict of interest exists and whether it may reflect negatively on the City's selection of a company. The City reserves the right to disqualify any company on the grounds of actual or apparent conflict of interest.
- 3.14. Firms shall provide a minimum of two (2) client references – of which at least one shall be a state or local government client - with whom they have provided insurance broker services within the last three years. Firms are required to submit Attachment C, Reference Questionnaire to two (2) of the business references they list. The business references must submit the Reference Questionnaire directly to the Purchasing Officer.
 - 3.14.1. ***Not required for the three (3) firms (Combs, Marsh, Willis) that submitted proposals for RFP 0651-0-2007 as the reference questionnaires received in response to that solicitation shall be utilized for the new solicitation.***
 - 3.14.2. It is the firm's responsibility to ensure that the completed forms are received by the Purchasing Officer on or before the proposal submission

deadline for inclusion in the evaluation process. Business References that are not received, or are not complete, will adversely affect the firm's score in the evaluation process. The City may contact any or all business references for validation of information submitted.

ACTION: Council is requested to authorize the award of a three (3) year contract effective July 1, 2008 for insurance brokerage services to Combs Insurance Agency in the amount of \$23,753 for FY2009, \$26,000 for FY2010 and \$27,000 for FY 2011 for a total contract amount of \$76,753. The City may terminate this contract, and Combs Insurance Agency waives any and all claim(s) for damages, effective immediately upon receipt of written notice (or any date specified therein) if for any reason the funding from City, State, and/or federal sources is not appropriated or is withdrawn, limited, or impaired.

Attachment A
PROPOSAL CERTIFICATION

(This **MUST** be the first page of the proposal or proposal shall be deemed non-responsive.)

Proposers shall use the attached PROPOSAL TO THE CITY OF WASILLA to prepare their proposals.

The proposal shall be completed, all required information provided, and the firm name and the signature of an authorized person shall be in the spaces provided. All proposals must be signed and notarized. Telephonic facsimile proposals or signatures will not be accepted. Proposal purchase price(s) is to exclude Federal Excise Tax. Proposal purchase price(s) shall be FOB Destination unless otherwise noted.

The undersigned attests that he/she has the authority to represent the firm in executing this proposal, that the information provided is true and accurate to the best of his/her knowledge, and understands that any false or substantially incorrect statement may disqualify this proposal or be cause for termination of any resulting contract.

Combs Insurance Agency, Inc.
Firm's Name (Print or type name)


Signature

341 S Alaska Street
Address

Michael F. Combs
Print or type name

Palmer, AK 99645
City, State, Zip Code

President
Title

Telephone: (907) 745-2144

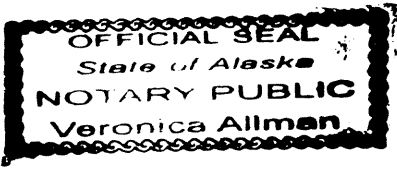
Federal Tax I.D. No 92-0062428

Fax Number: (907) 745-7275

Subscribed and sworn to before me this 24th day of March, 2008.



Notary Public for the State of Alaska



My commission expires 10-26-09



City of Wasilla

**Request for Proposal
No. 0651R-0-2007/WM**

NARRATIVE/TECHNICAL PROPOSAL

March 26, 2008

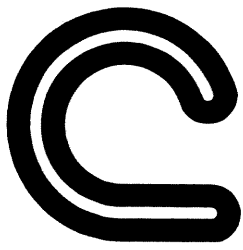
“THIS PROPOSAL CONTAINS PROPRIETARY INFORMATION”

Presented By:

Combs Insurance Agency, Inc.

**341 S. Alaska Street
Palmer, AK 99645**

COPY



Combs
Insurance
Agency, Inc.

"The Right Coverage at the Right Price"®

March 24, 2008

William Miller, Purchasing Officer
City of Wasilla
290 E Herning Avenue
Wasilla, AK 99654

Re: Request for Proposal #0651R-0-2007/WM
Narrative/Technical and Cost Proposal
Insurance Brokerage Services

Dear Mr. Miller,

Please find enclosed our written response to your request for proposals – insurance brokerage and risk management services. We certainly hope that you find the submission informative and qualifying for your consideration.

As an authorized representative of Combs Insurance Agency, Inc. I am requesting that you select our firm to represent the City of Wasilla as your broker providing insurance and risk management services. Our firm will provide all of the services as outlined in your solicitation dated March 4, 2008 including those described in sections 3. – 3.4.1. through our dedicated and licensed staff.

We have been providing insurance and risk management services since 1967 including municipal exposures for the following governmental agencies:

City of Wasilla (1975 to 1997),
City of Palmer (1982 to 1997),
City of Valdez (1982 to 1992),
Lower Kuskokwim School District (2002 to current),
Lower Yukon School District (2002 to current),
Lake & Peninsula School District (2002 to current), and
Aleutian Region School District (2005 to current).

We also provide specific employee benefit coverage services to the
Matanuska Susitna Borough, Inc. (2005 to current)

Several of the largest employers in the Matanuska Susitna Valley rely on our firm for their insurance broker services, including:

**Matanuska Telephone Association, Inc. (1980 to current),
Mat-Su Services for Children & Adults, Inc. (1993 to current),
Mat-Su Health Services, Inc. (1995 to current) and
Alaska State Fair, Inc. (1978 to current)**

Not only are they some of the larger businesses but they also offer some of the most complex and variety of exposures for risk analysis and required services.

We offer a fully trained and knowledgeable staff that have embraced the continuing education requirements of our firm and of the State Division of Insurance. We enjoy the following certified personnel within our employ:

- One – Certified Risk Manager/Certified Insurance Counselor (CRM/CIC)**
- One – Certified Insurance Service Representative/Human Resource Management Certificate (CISR/HRM)**
- Two – Certified Insurance Counselors (CIC)**
- Five – Certified Insurance Service Representatives (CISR)**
- One - Human Resource Management Certificate/Fundamentals of Payroll Certificate (HRM/FPC)**

Ten of fifteen employees have engaged and exceeded standard educational requirements of our industry as a commitment to excellent service.

I will personally supervise and manage this account from our Palmer office. I offer over 34 years of experience in the insurance industry, most of which involved the analysis and placement of complex insurance accounts such as yours. I look forward to a long term mutually satisfying relationship with the City of Wasilla.

Sincerely,



**Michael F. Combs, CIC, CRM
President
(907) 745-2144**

TABLE OF CONTENTS

<i>RFP Section</i>		<i>Page</i>	<i>Tab</i>
4.3	<i>Statement of Qualifications</i>	1-3	1
4.4	<i>Excess Premium Volume, Client List</i>	3	
4.5	<i>Internal Organization</i>	5	
4.6	<i>Business Licenses</i>	5	
4.7	<i>Account Team</i>	6	
4.8	<i>Service References</i>	7	
4.9	<i>Market List</i>	8	
4.10	<i>Insurance Program Review</i>	9-13	
4.11	<i>Combs Annual Report</i>	13	
4.12	<i>Disclosure</i>	14	
4.13	<i>Conflict of Interest</i>	14	
4.14	<i>Client References— exempt.</i>	14	
5	<i>Costs and Payment – Separate Proposal</i>	14	
	<i>Riders #1 - #11</i>	15	2-12



4.3 Statement of qualifications.

Combs Insurance Agency was founded in 1967 by Earl & Mary Combs. In 1977 Combs Insurance Agency was incorporated, here forward referred to as Combs Insurance. During the 40 plus years since we began offering insurance services to the Matanuska Susitna Borough we have grown to become the largest insurance firm in the valley providing all available commercial insurance and risk management services including primary employee benefits coverage.

At Combs Insurance we focus on the clients needs, not ours. We have integrated into the community over the last 40 years, knowing our clients personally while working with them to make the most appropriate risk management decisions.

Our area of expertise includes governmental entities including municipalities, school districts, village organizations, as well as public entity organizations, construction contractors, retail & wholesale operations and entertainment.

Combs Insurance has been providing governmental entity insurance to clients in Alaska since 1975 when we established the initial insurance program for the City of Wasilla. In the early 1980's we added the City of Palmer and the City of Valdez to our list for governmental entity services. In the late 1990's we added several rural City/Village entities including the Native Village of Kwinhagak/ City of Quinhagak. Starting in 2002 we extended our client base to include several large school \districts including the Lower Kuskokwim, Lower Yukon and Lake & Peninsula School Districts. Aleutian Region School District has also been a client since 2005.

Our clients receive hands on expertise, including but not limited to:

- ◆ Risk analysis of known and potential exposures, whether an insurance policy is necessary or can be absorbed by the company.
- ◆ Loss analysis to efficiently determine if frequency and severity of loss are standard for your type of exposure.
- ◆ Deductible/Retention analysis, formulating the most cost effective approach for your program.
- ◆ Claims administration, including negotiation of loss settlements & cooperation with legal counsel representing the client.
- ◆ Daily administration , such as policy review, certificate of insurance issuance, and auto identification issuance.
- ◆ Contract analysis including indemnification & insurance requirements.
- ◆ Marshall & Swift replacement cost analysis.
- ◆ Untimely Loss Scenario evaluating the financial effects to the relative time of loss.
- ◆ Accounting for all expenses by the client regarding our contracted services and insurance costs including any information necessary for the clients independent auditors.

City of Wasilla - Request for Proposal

4.3 Continued.

Combs Insurance has 15 employees to effectively service all clients needs. Exclusive operations for the City of Wasilla will be managed at our Palmer location at 341 S Alaska Street . We have designated the full-time key personnel listed below to be assigned to the City's team.

Michael F. Combs, CIC, CRM	President, Primary Account Executive
Aaron E. Combs, Jr. CIC	Vice President, Secondary Account Executive
Cheryl R. Combs, CISR	Senior Account Manager
Kathy L. Jackson, CISR	Assistant Account Manager
Veronica L. Allman, CIC	Assistant Account Manager
Tamara M. Combs, CISR	Assistant Account Manager

Our office location, contact information and website address are as follows:

341 South Alaska Street
Palmer, AK 99645
Telephone: (907) 745-2144
Facsimile: (907) 745-7275
Toll Free Number: 1-800-478-2144
Website: <http://www.combsinsurance.com>

Continually striving for excellence, Combs Insurance requires all employees, including the owners to attend a minimum of 20 hours of continuing education training each year. This is 40% higher than required by the Division of Insurance to maintain their insurance license. This commitment to education allows Combs Insurance to be kept abreast of the latest insurance innovations of risk transfer and forms application. Our superior knowledge is shared with our wide scope of clients as a value added benefit of our insurance brokerage services.

Combs Insurance operates under the philosophy that your success is our success. We will continue to advance our knowledge of the insurance industry, with our clients as the prime beneficiary.

City of Wasilla - Request for Proposal

4.3 Continued.

Our key corporate officers and owners are as follows:

Michael F. Combs, President
Aaron E. (Ron) Combs, Vice President
Mary E. Combs, Secretary/Treasurer
Cheryl R. Combs, Director
Cheri L. Mrak, Director
Tamara M. Combs, Director

Combs Insurance was incorporated in the State of Alaska on May 12, 1997.
Combs Insurance operates under Wasilla license #08 00000205.
Matanuska Susitna Borough license #2007-05967.
State of Alaska license #7758.

4.4 State the amount of excess premium volume and five accounts with primary premium in excess of \$250,000.00

Premium volume involving excess insurance is approximately \$1,043,000.00.

List of accounts in excess of \$250,000.00

Lower Kuskokwim School District

Lower Yukon School District

Lake & Peninsula School District

Matanuska Telephone Association, Inc.

Mat-Su Services for Children & Adults, Inc.

4.5 Internal organization and manner of furnishing services.

See attached chart (**Rider #5, TAB 6**) listing the internal organization including services facilitation.

We provide all of our services from our own office and we have listed a sample of these services that we currently provide to a number of governmental and public entities within the State of Alaska including:

Lower Kuskokwim School District	2002 to present
Lower Yukon School District	2002 to present
Lake & Peninsula School District	2002 to present
Native Village of Kwinhagak/City of Quinhagak	1999 to present

The following **sample** services agreement has been executed for each of the above School Districts and the Native Village of Kwinhagak/City of Quinhagak.:

We provide the following minimum broker services to our clients during each term, such as those referenced above, in addition to traditional insurance handlings.

- a. We will check the wording and accuracy of each policy, binders, certificates, endorsements or other documents that we issue or receive from insurers and obtain revisions to such documents when needed;
- b. We will verify all rates and premium charged for your accounting and audit purposes;
- c. We will be available to answer related insurance questions that the client would have regarding their insurance program, including submission of an annual report on the insurance program;
- d. We will communicate with administration personnel, review current exposures while discussing insurance issues and services as needed;
- e. We will provide loss control suggestions, review and comment on insurer loss control services, especially regarding compliance requests and implementation scheduling;
- f. We will prepare insurance certificates as requested and maintain the list for future use;
- g. We will assist the client in the adjustment and settlement of any claims or losses that occur within the insurance program including coordination with the legal counsel;

4.5 Continued.

- h. We will provide the client with loss data information as supplied by the insurance market and an annual summary of our in-house listing of reported claims, if needed as additional support;
- i. We will solicit insurance proposals from reputable insurance companies prior to the anniversary of each policy term and advise of the expected premiums and conditions for budget forecasting and actual policy premiums;
- j. We will assist in determining the insurable value of the properties owned, operated, or controlled by the client and;
- k. We will perform any reasonable request for insurance services that the client may have during the contract terms to satisfy your risk management service needs;
- l. We will solicit and/or invoice all of the Property & Casualty insurance policy coverages, including general and professional liability, workers compensation, commercial auto, directors & officers liability, property, mechanical breakdown, mobile equipment, airport liability and crime insurance "net" of any commission so that the client will be able to identify the cost of insurance and the cost of insurance brokerage services. If any of the above Property & Casualty insurance policies are written on a direct payment basis with the insurer, an estimate of the annual commission will be credited toward the broker services fee.
- m. All services are conducted on a direct basis using the personnel from our local firm in Palmer.

4.6 Copies of business licenses, insurance licenses, professional certificates and copies of state licensing are attached. (Rider #6, TAB 7)

Principals and support staff licenses:

State of Alaska License

Michael F. Combs	3445
Aaron E. Combs, Jr.	3448
Cheryl R. Combs	4021
Kathy L. Jackson	34504
Tamara M. Combs	19599
Veronica L. Allman	27136
Ann M. Schurman	54887
Melissa A. Visker	65569
Donna J. Whitmer	46069
Skye L. Phillips	34906
Cheri L. Mrak	16607
Melissa J. Haxton	60408

City of Wasilla - Request for Proposal

4.7 Identify the account team for the City of Wasilla.

A list of the account team (**Rider #7, TAB 8**) including their primary duties is attached.

The list includes the following dedicated personnel:

Michael F. Combs, CIC, CRM Primary Day to Day contact.
33 years experience, 32 with governmental and public entity accounts.

Aaron E. Combs, Jr. CIC Secondary contact.
32 years experience, 12 with governmental and public entity accounts.

Cheryl R. Combs, CISR Third contact.
26 years experience, 9 with governmental and public entity accounts.

Kathy L. Jackson, CISR Backup contact if first three are not available.
5 years experience, 3 with governmental and public entity accounts.

Tamara M. Combs, CISR Backup contact.
9 years experience, 7 with governmental and public entity accounts.

Veronica L. Allman, CIC Backup contact.
17 years experience, 3 with governmental and public entity accounts.

Resumes' (**Rider #8, TAB 9**) for all of the above members are attached.

City of Wasilla - Request for Proposal

4.8 List five references from organizations that have used our services over the past 12-18 months.

A current list of similar clients including contact information is provided below.

Lower Kuskokwim School District
Blair Alden, Business Manager
Telephone: (907) 543-4820
FAX: (907) 543-4954
E-mail: blair_alden@lksd.org

Lower Yukon School District
Davey Shields, Business Manager
Telephone: (907) 591-2411
FAX: (907) 591-2206
E-mail: dshields@loweryukon.org

Lake & Peninsula School District
Laura Hylton, Business Manager
Telephone: (907) 246-4280
FAX: (907) 246-4473
E-mail: lhylton@lpsd.com

Matanuska Telephone Association, Inc.
Diana Rooth, Treasury Accountant
Telephone: (907) 761-2403
FAX: (907) 761-2651
E-mail: drooth@mta-telco.com

Mat-Su Services for Children & Adults, Inc.
John Cannon, , Executive Director
Telephone: (907) 352-1200
FAX: (907) 352-1249
E-mail: jcannon@mssca.org

City of Wasilla - Request for Proposal

4.9 Provide a list of carriers that we would approach by line for quoting the City of Wasilla's coverage.

Combs Insurance has a strong presence in the insurance community. Underwriters know that we represent the client's interest in the marketplace. They respect our complete and thorough submissions and welcome the opportunity to work on our insurance business. This approach to maintaining these underwriting partnerships has allowed Combs Insurance to deliver superior results for our clients even during difficult times.

Combs Insurance continues to develop relationships with the following markets, including but not limited to the following:

Insurance Market	Lines of insurance coverage
ACE USA (Property & Casualty)	All lines of coverage.
American International Group	All lines of coverage.
Alaska National Insurance	All lines except aviation.
American Interstate Insurance	Workers Compensation.
Alaska Public Entity Insurance	All lines except aviation.
Chubb Group	All lines except aviation.
CNA	All lines except aviation.
Great American Group	All lines of coverage.
Hartford Steam Boiler & Inspection	Boiler & Machinery.
Indiana Insurance	All lines except aviation.
Liberty Northwest	Workers Compensation.
Ohio Casualty Group	All lines except aviation.
RLI Group (Mt. Hawley)	Excess liability and property.
Umialik Insurance	All lines except aviation.
Wausau Insurance	Workers Compensation.
Zurich Insurance	Builders Risk/Excess Property.

Due to relationships with general agent markets, we have virtually unlimited access to every insurance market in Alaska. The current list of markets used by the City of Wasilla would accept a Broker of Record assignment to Combs Insurance.

4.10 Describe the steps you would take in reviewing the City of Wasilla's current insurance program and design changes in the program.

We use the following as our guideline for research, recommendations and placement of your account. However, we can adjust to any timeline desired by the City.

REVIEW PROCESS FOR NEW AND RENEWAL MEETINGS

IDENTIFICATION OF EXPOSURES

Combs Insurance will request a meeting with the City approximately 120 days prior to the renewal dates to research and discuss the following identification processes:

Review the City of Wasilla's plans and operating strategy, exposures, risk management philosophy, program criteria, risk management program goals and objectives including self insured risk tolerance.

We would review the logical classifications of exposures from each of the following groups:

- Property: Owned, rented, controlled.
Exposures to real property, other tangible property or intangible property.
Perils such as fire, windstorm, earthquake or loss of proprietary information.
Review of construction types, methods and occupancy.
Duplication of critical records and separation of access.
- Human Resources: Employment practices, including personnel manuals, safety plans, job descriptions and the use of independent contractors.
Enterprise management of key and essential personnel including perpetuation, duplication of function and segregation of key information.
- Liability: Exposures to premises, operations and acts of employees.
Relationship to torts law, contract law or statutory law.
Systematic review of current, future and renewable contracts regarding the indemnification and insurance provisions.

4.10 Continued.

ANALYSIS OF THE IDENTIFIED RISKS

After compilation of the identified risks to the City of Wasilla an analysis must be made to determine the qualitative and quantitative exposure to loss.

Qualitative: What is the risk of loss.
Frequency versus severity. Is the exposure within self insured tolerance?
Is it physical loss such as real property.
Is it financial loss such as employee crime.
Is it a loss of data, which will lead to a human resource allocation
of time to retrieve or replace the data.

Quantitative: What is the projected final cost outcome.
Is the loss insurable, if so what is the cost of the insurance and deductible.
If not, is a potential expense within reasonable tolerance to the risk.
If not within the reasonable tolerance, is it transferable to others.

CONTROL ANALYSIS OF THE IDENTIFIED RISKS

After the review of the qualitative and quantitative exposure to loss we would then look to what control steps can be implemented regarding the risks.

Prior to loss: Avoid loss if reasonable and possible.
Prevent loss through safety methods.
Reduce the exposure to loss through review methods and communication.
Segregate and duplicate critical elements that could lead to disruption.
Transfer exposures to others when ever contractually possible and
economically beneficial.

After a loss: Monitor and maintain connection to the claims process.
Review litigation strategy.
Implement recovery process, if possible.

4.10 Continued.

Upon completion of the identification, analysis and control process Combs Insurance will confirm those exposures that should be transferred contractually to the insurance market following a discussion on risk tolerance regarding deductibles and retention limits.

Complete insurance specifications are submitted to the market place approximately 90 days prior to renewal. Our specifications include the following in order to best present the City's position during our negotiations with underwriters:

Full description of operations for the next 12 months.

Overview of the city history & description of named insured listing and additional insured exposures.

Current underwriting information by line of coverage (current data by exposures).

Historical underwriting information - 5 years of loss rating by line of coverage.

BROKERAGE SERVICE PLAN

Combs Insurance will provide to the City approximately 30 days prior to renewal the schedule of insurance exposures, the proposals received, comparisons from competing markets and information on the service capabilities and financial strength of the insurance markets.

We subscribe to AM Best's Key Rating Guide for a analysis of the financial strength of the insurance market. We are members of the Independent Insurance Agents and Brokers of America that produces weekly bulletins regarding adverse news in the insurance market of the United States. We subscribe to the National Underwriter that publishes information on the status of insurance and the insurance markets in the various national regions of the United States. The Alaska Division of Insurance is used as a source to confirm licensing of the various markets that provide insurance related services in Alaska.

Placement decisions are made based upon experience of the insurance market with your particular exposures, loss control service ability, timeliness and fairness of claims handling, appropriate coverage forms and financial ability to service and indemnify potential claims.

4.10 Continued.

VALUE ADDED SERVICES

Our firm's approach to providing insurance brokerage services with the City is one of mutual benefit. We sincerely strive to be a business partner with the City. The City utilizes accounting firms for auditing purposes, law firms for legal advice and we desire to be an integral part of your financial resource protection team that involves not only your own risk management personnel, but also our experienced team of insurance professionals. Working together to implement a usable risk management plan involving identification, analysis, control, financing, and implementation, the City can plan for acceptable exposures while transferring those exposures identified as potentially financially harmful.

Our firm has several years of experience in the practice of risk management techniques as described above. Our firm has one of the few Certified Risk Managers in Alaska as a major owner of the firm and acting as the account manager for the City. We will work with you to manage risk and control costs. By gathering your input to us describing your operations, we will be able to:

- ◆ Analyze the factors and conditions that are contributing to the cost of risk.
- ◆ Develop and present cost effective strategies for dealing with risk, such as retention, transfer, duplicate, segregate, or even eliminate.
- ◆ Seek out creative solutions and explore alternatives before recommending the purchase of any additional insurance.
- ◆ Provide a clear, concise explanation of what you are purchasing, what it could ultimately cost, and the rationale behind its purchase.

Our firm's philosophy and that of the account executive is to retain known exposure costs, transfer exposures that you cannot control, and purchase insurance to provide adequate protection for the "what if" items that keep risk managers awake at night.

Never trade dollars with insurance companies. If you have a known, manageable and predictable loss exposure it makes little sense to insure the risk. Insurance companies have some of the nicest people working for them but it is a business and their goal is to make a profit. For every dollar that is sent to them as premium, they intend to keep about 35% to cover their costs and profit. The balance is used to adjust and pay claims under the contract. If you have a known, manageable and predictable loss exposure it is money well spent to retain those losses yourself. A thorough discussion must take place regarding the parameters of this decision and we are readily available to begin that process.

4.10 Continued.

Combs Insurance is one of the few insurance brokers that offers risk management training to you, at your request, in the area of Employment Practices which includes comprehensive compliance reviews relating to:

COBRA (Consolidate Omnibus Budget Reconciliation Act)
ADA (Americans with Disabilities Act)
EEOC (Equal Employment Opportunity Commission)
Sexual Harassment
Employee Manual

Our agency offers general guidance on the above subjects and should not be considered legal advice. We are only offering assistance from a risk management perspective to help reduce your exposure and limit your liability. We have exclusive contracts to resource services called Compliance Check ® for updated information and training techniques regarding these compliance laws. **(Rider #9, TAB 10).**

These services are included in our annual broker fees.

4.11 Provide a copy of the most recent year's annual report.

Enclosed is a copy of our annual report data supplied to the stockholders and board of directors on October 16, 2007 for the fiscal year ending on June 30, 2007. **(Rider #10, TAB 11).**

The report contains the following information:

- ◆ June 30, 2007 income and expense statement.
- ◆ June 30, 2007 balance sheet.
- ◆ October 16, 2007 annual stockholders meeting agenda.
- ◆ October 16, 2007 annual board of directors meeting agenda.
- ◆ June 30, 2007 listing of corporate stockholders.
- ◆ June 30, 2007 listing of stockholder share value.

“THIS IS PROPRIETARY AND CONFIDENTIAL INFORMATION”

4.12 Complete disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending which involves the proposer or in which the proposer has been judged guilty or liable.

Combs Insurance Agency, Inc. has never been involved with any prior or ongoing contract failures, contract breaches, or any civil or criminal litigation or investigations.

4.13 Proposer shall include any existing or potential conflict of interest relative to the performance of the contractual services resulting from the RFP.

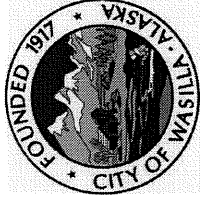
Combs Insurance Agency, Inc. does not have any existing or potential conflict of interest relative to the performance of the contractual services resulting from the RFP.

4.14 through 4.14.2. Provide a minimum of two client references of which at least one shall be a state of local governmental client.

Combs Insurance is exempt from this requirement due to previous compliance with RFP 0651-0-2007/WM.

5. Cost and payment.

Combs Insurance has included the "COST PROPOSAL" under separate cover as outlined under submittal requirements 6.15.



REQUEST FOR PROPOSAL
No. 0651R-0-2007/WM
Insurance Broker Services
Grand Total Score Sheet

	Technical Proposal Score		
	Combs Insurance	Marsh	Willis
Scorer #1	56.5	53.5	51
Scorer #2	40	40	40
Scorer #3	40	40	37
Total Qualifications Score	136.5	133.5	128
Total Cost Proposal Score	26	30	27
Total Qualifications/Cost Score	162.5	163.5	155
Presentation Score	100	25	N/A
Total Score	262.5	188.5	N/A
Ranking	1	2	3
Award contract to:	X		