

TRI-VALLEY TRANSPORTATION COUNCIL

Contra Costa County, Department of Conservation and Development

30 Muir Road, Martinez, CA 94553

*Attachment(s), ** Handouts

Candace Andersen
TVTC Chair
Supervisor District 2
Contra Costa County
(925) 944-6492

MONDAY, July 20, 2015

4:00 p.m.

Danville Community Center – Las Trampas Room
420 Front Street, Danville, CA 94526

AGENDA

Steven Spedowski
TVTC Vice-Chair
Councilmember
Livermore
(925) 960-4016

1. Call to Order, Roll Call, and Self Introductions
2. Public Comment
3. Approval of Meeting Minutes April 20, 2015*
4. Oral Communication
5. Consent Calendar
6. Old Business
7. New Business

Arne Olson
Councilmember
Pleasanton
(925) 200-8579

- a. APPROVE 2016 TVTC Board Meeting Schedule (*Action*)*
- b. ACCEPT Financial Subcommittee report on stipends; take action as appropriate (*Information/Action*)*
- c. DIRECT TVTC staff to initiate a Local Agency Investment Fund (“LAIF”) account, as recommended by the TVTC Financial Subcommittee (*Action*)*
- d. DIRECT TVTC staff to submit an application for “Option 1,” TVTC Special Liability Insurance Program (“SLIP”) and CRIME Insurance Program coverage, as recommended by the TVTC Financial Subcommittee (*Action*)*

Scott Perkins
Councilmember
San Ramon
(925) 973-2530

David Haubert
Mayor
Dublin
(925) 833-6634

Newell Arnerich
Councilmember
Danville
(925) 314-3329

8. Other Business/Announcements
9. Adjournment

Scott Haggerty
Supervisor District 1
Alameda County
(510) 272-6691

Upcoming Meetings:

TVTC TAC: Monday, August 3, 2015, 10:00 a.m., Danville Town Offices,
Large Conference Room, 510 La Gonda Way, Danville, CA 94526

TVTC: Monday, October 19, 2015, 4:00 p.m., Danville Library, Mount Diablo
Room, 400 Front St, Danville, CA 94526

The Tri-Valley Transportation Council meetings are wheelchair accessible. If you have any questions related to the Tri-Valley Transportation Council meeting agenda, please contact Jamar Stamps, TVTC Administrative staff at (925) 674-7832 or email at jamar.stamps@dcd.cccounty.us.

Item 3

MINUTES

TRI-VALLEY TRANSPORTATION COUNCIL

Danville Community Center – Las Trampas Room
420 Front Street, Danville, CA 94526
April 20, 2015 at 4:00 p.m.

1) CALL TO ORDER, ROLL CALL, AND SELF-INTRODUCTIONS

The Tri-Valley Transportation Council (TVTC) was called to order at 4:00 p.m. by the Chair, Supervisor Candace Andersen, Contra Costa County.

Members in Attendance:

	<u>Present</u>
Candace Andersen, Chair, Supervisor District 2, Contra Costa County	X
Steven Spedowski, Vice Chair, Councilmember, Livermore	X
Arne Olson, Vice Mayor, Pleasanton	X
Scott Perkins, Councilmember, San Ramon	X
David Haubert, Mayor, Dublin	X
Newell Arnerich, Councilmember, Danville	X
Scott Haggerty, Supervisor District 1, Alameda County	X

TVTC Staff:

Debbie Bell, City of Livermore	X
Bob Vinn, City of Livermore	X
Mike Tassano, City of Pleasanton	X
Andy Dillard, Town of Danville	X
Dawn Argula, Alameda County	X
Obaid Khan, City of Dublin	X
Jamar Stamps, Contra Costa County	X

Others in Attendance:

Matt Kelly, Contra Costa Transportation Authority	X
Susan Chang, Alameda County Transportation Commission	X
Steven Mattas, Meyers Nave	X
Bill Loudin, DKS Associates	X
Sandeep Mehta, Planeteria Media	X
Heidi Peyser, Planeteria Media	X
Heather De Long, Planeteria Media	X

2) PUBLIC COMMENT

None.

3) APPROVAL OF MEETING MINUTES FOR JANUARY 26, 2015

Motion by Councilmember Perkins; Second by Councilmember Arnerich.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

4) **ORAL COMMUNICATION**

None.

5) **CONSENT CALENDAR**

- a. **APPROVE Southwest Area Transportation Committee's (SWAT) proposed edit to the Tri-Valley Action Plan for Routes of Regional Significance (Action)**

TVTC Board unanimously approved on motion by Councilmember Arnerich; Second by Councilmember Olson.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

6) **OLD BUSINESS**

- b. **RECEIVE presentation from Planeteria Media on proposed TVTC Website (Information)**

TVTC Board received the subject presentation and provided several comments on the website development project. The TVTC Board directed staff to provide the "beta site link" for the next round of review.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

7) **NEW BUSINESS**

- a. **APPROVE contract with Kimley-Horn Associates for consultant services to update the TVTC Strategic Expenditure Plan ("SEP") and AUTHORIZE TVTC Chair to ministerially approve non-substantial edits (Action)**

TVTC Board directed staff to disseminate the completed contract (with exhibits) to the TVTC Board, after which the Board would forward comments to their TAC representatives and the TVTC Chair. With that direction, the TVTC Board unanimously approved the item on motion by Councilmember Olson; Second by Councilmember Perkins.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

- b. **APPOINT TVTC representative to serve on the I-680 Transit Investment/Congestion Relief Options Study Oversight Committee (Action)**

Mayor David Haubert (Dublin) was nominated to represent TVTC on the subject committee. TVTC Board unanimously approved on motion by Supervisor Haggerty; Second by Councilmember Arnerich.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

- c. **ACCEPT 2014 TVTC Audit Report, as recommended by the TVTC Financial Subcommittee (Action)**

TVTC Board unanimously approved on motion by Councilmember Perkins; Second by Councilmember Olson.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

d. ACCEPT 2014 TVTC Financial Report, as recommended by the TVTC Financial Subcommittee (*Action*)

Councilmember Olson noted a correction to page 3 of the report (\$12,000,000 where it should read \$12,200,000). With the aforementioned edit, the TVTC Board unanimously approved on motion by Councilmember Perkins; Second by Vice-Chair Spedowski.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

e. ADOPT TVTC Resolution No. 2015-05 and APPROVE Fiscal Year 2015/2016 TVTC Budget, as recommended by the TVTC Financial Subcommittee (*Action*)

TVTC Board unanimously approved on motion by Councilmember Perkins; Second by Councilmember Arnerich.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

f. ADOPT TVTC Resolution No. 2015-06 and APPROVE City of Livermore Tri-Valley Transportation Development Fee Allocation Request. (*Action*)

TVTC Board unanimously approved on motion by Councilmember Arnerich; Second by Vice-Chair Spedowski.

Unanimously Approved (Ayes 7; Noes 0; Abstain 0)

8) OTHER BUSINESS/ANNOUNCEMENTS

Supervisor Haggerty recommended the TVTC TAC research other local financial institutions and community banks for the TVTC Financial Subcommittee to consider.

9) ADJOURNMENT

The meeting was adjourned by Supervisor Candace Andersen at 5:20 p.m.

Item 7.a.

Candace Andersen
TVTC Chair
Supervisor District 2
Contra Costa County
(925) 957-8860

To: Tri-Valley Transportation Council ("TVTC")
From: TVTC Technical Advisory Committee ("TAC")
Date: July 20, 2015
Subject: 2016 TVTC Meeting Schedule

Steven Spedowski
TVTC Vice-Chair
Councilmember
Livermore
(925) 960-4016

2016 TVTC Board Meeting Dates
Danville Community Center - Las Trampas Room
400 Front St, Danville, CA 94526

Arne Olson
Councilmember
Pleasanton
(925) 200-8579

Monday, January 25, 2016¹

Monday, April 18, 2016

Scott Perkins
Councilmember
San Ramon
(925) 973-2530

Monday, July 18, 2016

Monday, October 17, 2016

} Location T.B.D. due to City of Livermore rotating into administration

David Haubert
Mayor
Dublin
(925) 833-6634

RECOMMENDATION

ADOPT the 2016 TVTC Board Meeting Calendar.

Newell Arnerich
Councilmember
Danville
(925) 314-3329

Scott Haggerty
Supervisor District 1
Alameda County
(510) 272-6691

¹ Meeting date changed due to Martin Luther King Day holiday.

Item 7.b.

Candace Andersen
TVTC Chair
Supervisor District 2
Contra Costa County
(925) 957-8860

To: Tri-Valley Transportation Council ("TVTC")

From: TVTC Financial Subcommittee

Date: July 20, 2015

Steven Spedowfski
TVTC Vice-Chair
Councilmember
Livermore
(925) 960-4016

Subject: TVTC Board Member Stipends

BACKGROUND

The TVTC Financial Subcommittee ("Subcommittee") and TVTC Technical Advisory Committee ("TAC") received a referral from the TVTC Board to investigate the possibility of instituting stipends for TVTC Board members. Staff compiled a list ("Exhibit A") of public agencies similar to TVTC and their stipend provisions. The TVTC Joint Exercise of Powers Agreement ("JEPA") and TVTC Bylaws do not have a provision for stipends.

Arne Olson
Councilmember
Pleasanton
(925) 200-8579

Scott Perkins
Councilmember
San Ramon
(925) 973-2530

DISCUSSION

The agencies listed in Exhibit A that provide board member stipends are organizations similar to TVTC, as noted by the Subcommittee. Their boundaries cover multiple jurisdictions. In addition, some board members will have multiple meeting commitments (e.g. board and subcommittee meetings). These agencies also have operating budgets that make it feasible to support stipends.

David Haubert
Mayor
Dublin
(925) 833-6634

Newell Arnerich
Councilmember
Danville
(925) 314-3329

TVTC is a sub-regional transportation planning committee ("RTPC"). A RTPCs primary function is to facilitate multi-jurisdictional transportation planning and deliver capital projects and programs within the sub-region. The RTPCs in Contra Costa County do not provide stipends for their board members. TVTC also meets less frequently than most of the other RTPCs (quarterly).

Scott Haggerty
Supervisor District 1
Alameda County
(510) 272-6691

Under the current meeting schedule, assuming an allocation of \$100 per member, four Board meetings per year could yield \$2,800 in stipends (seven members x \$100/ member attending four meetings). In addition, two subcommittee meetings may yield \$600 in stipends (3 members x \$100/member attending two meetings). TVTC could disburse up to \$3,400 in stipends annually if provided on a per meeting basis.

If TVTC decides to institute stipends, the TVTC Bylaws would need to be amended to include this provision. An amendment to the bylaws requires a resolution and supermajority vote of five¹ by TVTC. Such an action would impact the budget and also require a resolution and supermajority

¹ Supermajority of Five: A vote of at least two-thirds (2/3) of the entire Governing Council, or five (5) Members, shall be required for the TVTC to: Adopt or amend a regional transportation plan...adopt a budget of TVTC expenditures; or amend the Bylaws. (TVTC Bylaws, 2014)

vote of five. Disbursement would likely entail TVTC staff contacting Mechanics Bank to set up check disbursements and/or wire-transfers (depending on the preference of the Board member). TVTC Board members may also be required to report this on their annual Conflict of Interest Statement (Form 700). Initial set up of the TVTC stipend provision would generate a brief increase in staff time for both TVTC staff and legal counsel. Routine administration of stipends would likely be minimal once instituted.

RECOMMENDATION

ACCEPT Financial Subcommittee report for consideration; APPROVE one of the following options:

- Option 1: Direct TVTC TAC work with TVTC Counsel on a draft amendment to the TVTC Bylaws to include a stipend provision, draft an amendment to the TVTC budget to include annual stipend expenses, and return at a future TVTC meeting with draft proposals.

Or;

- Option 2: Decline proceeding with adopting a TVTC stipend policy.

Att: Exhibit A – Stipend Table

Exhibit A

Agency	Function	JEPA*	Stipend	Amount	Frequency Stipend Received	Operating Budget
Metropolitan Transportation Commission ("MTC")	Metropolitan Planning Organization	No	Yes	\$100	Per meeting	Yes
Contra Costa Transportation Authority	Congestion Management Agency**	No	Yes	\$100 (\$400/month max)	Per meeting	Yes
Alameda County Transportation Commission	Congestion Management Agency**	No	Yes	\$225 plus one-time \$25 travel per diem	Per meeting	Yes
WHEELS (Livermore Amador Valley Transit Authority/"LAVTA")	Transit Agency	Yes	Yes	\$100	Per meeting	Yes
West Contra Costa Transportation Committee ("WCCTAC")	Regional Transportation Planning Committee	Yes	No	n/a	n/a	Yes
Central Contra Costa Transportation/Land Use Partnership ("TRANSPAC")	Regional Transportation Planning Committee	Yes	No	n/a	n/a	Yes
Southwest Area Transportation Committee ("SWAT")	Regional Transportation Planning Committee	No	No	n/a	n/a	Yes
Regional Transportation Planning Committee for Eastern Contra Costa County ("TRANSPLAN")	Regional Transportation Planning Committee	Yes	No	n/a	n/a	Yes
"TRAFFIX"	Subregional Congestion Management Agency	Yes	No	n/a	n/a	Yes

*Joint Exercise of Powers Authority

**Congestion Management Agencies are formed under the authority of California Public Utilities Code Section 180000

Exhibit A

Agency	Function	JEPA*	Stipend	Amount	Frequency Stipend Received	Operating Budget
Central Contra Costa Transit Agency "County Connection"	Transit Agency	Yes	No	n/a	n/a	Yes
East Contra Costa Habitat Conservancy	Natural Resource Protection Agency	Yes	No	n/a	n/a	Yes
Central Contra Costa Sanitary District	Public Utility	No	No	n/a	n/a	Yes

*Joint Exercise of Powers Authority

**Congestion Management Agencies are formed under the authority of California Public Utilities Code Section 180000

Item 7.c.

Candace Andersen
TVTC Chair
Supervisor District 2
Contra Costa County
(925) 957-8860

To: Tri-Valley Transportation Council ("TVTC")

From: TVTC Financial Subcommittee

Date: July 20, 2015

Steven Spedowski
TVTC Vice-Chair
Councilmember
Livermore
(925) 960-4016

Subject: Local Agency Investment Fund ("LAIF")

BACKGROUND

Arne Olson
Councilmember
Pleasanton
(925) 200-8579

The TVTC Board directed the TVTC Financial Subcommittee ("Subcommittee") to investigate opening a Local Agency Investment Fund ("LAIF") account parallel to the TVTC account with Mechanics Bank. At the June 12, 2015 TVTC Financial Subcommittee meeting, representatives from Mechanics Bank met with the Subcommittee to discuss the benefits of both types of accounts.

Scott Perkins
Councilmember
San Ramon
(925) 973-2530

LAIF is a voluntary program created by statute in 1977 as an investment alternative for California's local governments and special districts. The enabling legislation for LAIF is Section 16429.1 et seq. of the California Government Code. LAIF offers local agencies the opportunity to participate in a major portfolio, which invests hundreds of millions of dollars, using the investment expertise of the State Treasurer's Office investment staff at no additional cost to the taxpayer. In 2010, TVTC adopted a resolution (attached), which is required by the State, to authorize establishment a LAIF account.

David Haubert
Mayor
Dublin
(925) 833-6634

Newell Arnerich
Councilmember
Danville
(925) 314-3329

DISCUSSION

Scott Haggerty
Supervisor District 1
Alameda County
(510) 272-6691

Currently, TVTC possesses one account (Mechanics Bank) to maintain all TVTC revenue. TVTC's cash flows fluctuate based on TVTC operations, inflow of developer fee revenue, and Tri-Valley Transportation Development Fee ("TVTDF") allocations to fund TVTC projects. According to the most recent Mechanics Bank statement (attached), TVTC's current fund balance is approximately \$6.1 million.

The average annual yields for the past five years in LAIF are as follows:

Fiscal Year	Rates
09/10	0.651
10/11	0.495
11/12	0.382
12/13	0.307
13/14	0.249

Even with interest rates declining over the past five years, LAIF still outperforms the national average interest rate of major banks (approximately 0.06%¹). Interest is paid quarterly and is posted to LAIF accounts generally on the 15th of the month after the quarter end (i.e., January 15, April 15, July 15 and October 15). There is no minimum account balance requirement for LAIF. Each regular LAIF account is permitted 15 transactions per month. The minimum transaction amount is \$5,000. LAIF accounts are protected under Federal and State Law from transfer or loan, impoundment or seizure by any state official or state agency, or state budget impasse or deficit.

Mechanics Bank

The Subcommittee recommended maintaining TVTC's minimum annual operating budget in Mechanics Bank and transferring the balance of funds to LAIF. However, it should be noted that Mechanics Bank waives account activity fees (e.g. deposit entries, check disbursement, wire transfers, etc.) through "earnings credits" that are earned at a rate based proportionally on the account balance.

TVTC staff met with the Mechanics Bank, Danville Branch Manager to discuss a pro-forma analysis (attached) which shows four potential account balance scenarios, anticipated TVTC account activity, projected account fees generated based on anticipated account activity, and projected earnings credit. The scenario that best represents TVTC's most likely regular account activity requires an average balance of approximately \$500,000. Maintaining a balance of this size in Mechanics Bank would generate the necessary earnings credit to cover account activity fees, support TVTC's annual operating budget and provide a reasonable contingency to cover any unforeseen TVTC expenses. Mechanics Bank has also confirmed they've waived the \$2.00 "multiple statement fee."

TVTC will continue to disburse funds as authorized by the TVTC Joint Exercise of Powers Agreement and adopted budget. TVTC developer fees are typically allocated shortly after they're received to fund projects in the TVTC Strategic Expenditure Plan ("SEP"). So it's possible the LAIF account balance could experience fluctuations from time to time depending on project readiness. Should an allocation exceeding the balance at Mechanics Bank need to be authorized, TVTC staff will contact the state directly to have funds transferred to Mechanics Bank within 24 hours.

At a previous meeting the TVTC Board inquired about potentially switching banks. Over the years TVTC and Mechanics Bank have developed a rapport that has allowed us to maintain a good working relationship and effectively respond to TVTC's concerns. Mechanics Bank serves Alameda and Contra Costa County, but TVTC rarely has a need to visit the branch office so this should not be a concern. Mechanics Bank has met directly with TVTC in the past by attending meetings in Danville, San Ramon and Martinez when in-person meetings are necessary. Therefore, TVTC staff would not recommend switching banks at this time.

¹ <http://money.cnn.com/2013/10/01/pf/savings-account-yields/>

RECOMMENDATION

DIRECT TVTC staff to initiate a Local Agency Investment Fund account in accordance with TVTC Resolution 2010-05, as recommended by the TVTC Financial Subcommittee.

Att: TVTC Resolution 2010-05
Mechanics Bank Statement
Pro-Forma Statement

TRI-VALLEY TRANSPORTATION COUNCIL

RESOLUTION NO. 2010-05

A RESOLUTION OF THE TRI-VALLEY TRANSPORTATION COUNCIL TO ESTABLISH AN ACCOUNT AT THE LOCAL AGENCY INVESTMENT FUND TO SERVE AS THE JOINT TRI-VALLEY TRANSPORTATION DEVELOPMENT (TVTD) FEE FUND AND AT A PRIVATE BANKING INSTITUTION FOR PURPOSES OF DEPOSITING AND DISBURSING TVTD FEES

WHEREAS, in 1991, the Tri-Valley Transportation Council (TVTC) was created by a Joint Powers Agreement (JPA) to provide for the joint preparation, including the sharing of costs, of a transportation plan and to provide a forum for the review and coordination of the planning and implementation of transportation facilities in the Tri-Valley area"; and

WHEREAS, the JPA authorized the Tri-Valley Transportation Council to direct, on behalf of the parties to the Agreement, to perform all acts necessary or desirable to execute and administer the JPA; and

WHEREAS, in 1998, the TVTC adopted a Joint Exercise of Powers Agreement ("JEPA") to establish a framework for the enactment by the parties to the JEPA of a Tri-Valley Transportation Development (TVTD) Fee for Traffic Mitigation; and

WHEREAS, the JEPA calls for the establishment of a Joint TVTD Fee Account; and

WHEREAS, the Joint TVTD Fee Account is currently located within the treasury of the City of San Ramon, a member agency of the TVTC serving as the TVTC Treasurer; and

WHEREAS, the City of San Ramon is requesting that the TVTC Treasurer role be rotated to another agency and that the associated Joint TVTD Fee Account rotate to another institution;

NOW, THEREFORE, BE IT RESOLVED that the Tri-Valley Transportation Council:

1. Authorize the TVTC Treasurer to establish an account at the State of California's Local Agency Investment Fund (LAIF) to serve as the Joint TVTD Fee Account;
2. Authorize the TVTC Treasurer to establish an account at a private banking institution for purposes of depositing TVTD Fees from member agencies and disbursing TVTD Fees as authorized by resolution of the TVTC;
3. Authorize the TVTC Treasurer to transfer the minimum TVTD Fee Funds necessary to establish a private banking account;

4. Authorize the TVTC Treasurer to transfer the remainder of the TVTD Fee Fund balance to the new LAIF account; and
5. Authorize the TVTC Chair and Vice Chair to execute any administrative paperwork necessary to establish, and to transfer TVTD Fee Funds into, these accounts consistent with the intent of this resolution.

PASSED, APPROVED AND ADOPTED at the meeting of September 22, 2010, by the following votes:

AYES: Arnerich, Haggerty, Horner, Piepho, Sbranti, Thorne, Hudson

NOES: None

ABSENT: None

ABSTAIN: None



Newell Arnerich
Chair, Tri-Valley Transportation Council

ATTEST:



Tai Williams, TVTC Staff



Mechanics Bank

P.O. Box 5610
Hercules, CA 94547-5610

May 2015

Reporting Activity 05/01 - 05/29

Page 1 of 4

ADDRESS SERVICE REQUESTED

>007327 1007839 0001 092367 10Z 023

TRI-VALLEY
TRANSPORTATION COUNCIL
JAMAR STAMPS / CCC-DCD
30 MUIR RD FL 2
MARTINEZ CA 94553-4601



Managing Your Accounts



24-Hour Tele Banking 888.400.6324



Client Services 800.797.6324



Online www.mechanicsbank.com



Mobile Download Our Mobile Apps

Summary of Accounts

Account Type	Account Number	Beginning Balance	Ending Balance
ANALYZED PUBLIC	XXXXXXXX9596	\$5,833,323.26	\$6,112,566.60

ANALYZED PUBLIC - XXXXXXXXX9596

Account Summary

Date	Description	Amount
05/01/2015	Beginning Balance	\$5,833,323.26
	3 Debit(s) This Period	\$2,862.00
	1 Credit(s) This Period	\$282,105.34
05/29/2015	Ending Balance	\$6,112,566.60

Checks Cleared

Check Nbr	Date	Amount	Check Nbr	Date	Amount
1129	05/26/2015	\$360.00	1130	05/26/2015	\$2,500.00

* Indicates skipped check number

Other Debits

Date	Description	Amount
05/29/2015	Multiple Statement Fee	-\$2.00

Deposits

Date	Description	Amount
05/22/2015	DEPOSIT	\$282,105.34

Daily Balances

Date	Amount	Date	Amount
05/22/2015	\$6,115,428.60	05/26/2015	\$6,112,568.60
		05/29/2015	\$6,112,566.60

DEPOSIT TO CONTRIBUTION
2015 JUN 10 P 2:17
CONTRIBUTION

2000/T000 L947E0 5555T0 L68200T 22E20





Mechanics Bank

PROFORMA ANALYSIS

Tri-Valley Transportation Council
 30 Muir Rd 2nd Floor
 Martinez, CA 94553-4601

June 2015
 Earnings Credit: 100,000 - 99,999 0.3%
 On Investable Balances

GROUP ACCOUNT BALANCE INFORMATION

Account	Avg Ledger Balance (-)	Avg Daily Float (=)	Avg Collected Balance
General	\$250,000.00	\$0.00	\$250,000.00
Group Total:	\$250,000.00	\$0.00	\$250,000.00

GROUP EARNINGS CREDIT SUMMARY

Average Ledger Balance	\$250,000.00
Less Average Daily Float	\$0.00
Average Collected Balance	\$250,000.00
Less Reserve (10.00%)	\$25,000.00
INVESTABLE BALANCE	\$225,000.00
TOTAL EARNINGS CREDIT	\$55.48
Less Interest Earned	\$0.00
NET EARNINGS CREDIT	\$55.48

GROUP ACTIVITY SUMMARY

Analysis Monthly Service Fee	1 @	\$20.00	\$20.00
Balance Fee (per \$100)	1 @	\$0.0008	\$16.44
Business Online Banking Monthly per Acc	1 @	\$10.00	\$10.00
Checks Paid	1 @	\$0.17	\$0.17
Deposit Entries	1 @	\$1.40	\$1.40
Items Deposited (transit)	1 @	\$0.13	\$0.13
Online Wire Transfer Monthly Service Fee	1 @	\$25.00	\$25.00
TOTAL ACTIVITY CHARGE			\$73.14

SUMMARY

NET EARNINGS CREDIT	\$55.48
TOTAL ACTIVITY CHARGE	\$73.14
NET ANALYSIS POSITION	(\$17.66)
INVESTABLE BALANCE NECESSARY TO AVOID NEGATIVE NET ANALYSIS POSITION	\$329,574.07



Mechanics Bank

PROFORMA ANALYSIS

Tri-Valley Transportation Council - **One Wire Out**
 30 Muir Rd 2nd Floor
 Martinez, CA 94553-4601

June 2015
 Earnings Credit: 100,000 - 99,999 0.3%
 On Investable Balances

GROUP ACCOUNT BALANCE INFORMATION

Account	Avg Ledger Balance (-)	Avg Daily Float (=)	Avg Collected Balance
General	\$250,000.00	\$0.00	\$250,000.00
Group Total:	\$250,000.00	\$0.00	\$250,000.00

GROUP EARNINGS CREDIT SUMMARY

Average Ledger Balance	\$250,000.00
Less Average Daily Float	\$0.00
Average Collected Balance	\$250,000.00
Less Reserve (10.00%)	\$25,000.00
INVESTABLE BALANCE	\$225,000.00
TOTAL EARNINGS CREDIT	\$55.48
Less Interest Earned	\$0.00
NET EARNINGS CREDIT	\$55.48

GROUP ACTIVITY SUMMARY

Analysis Monthly Service Fee	1 @	\$20.00	\$20.00
Balance Fee (per \$100)	1 @	\$0.0008	\$16.44
Business Online Banking Monthly per Acc	1 @	\$10.00	\$10.00
Checks Paid	1 @	\$0.17	\$0.17
Deposit Entries	1 @	\$1.40	\$1.40
Items Deposited (transit)	1 @	\$0.13	\$0.13
Online Wire Transfer Fee (domestic)	1 @	\$20.00	\$20.00
Online Wire Transfer Monthly Service Fee	1 @	\$25.00	\$25.00
TOTAL ACTIVITY CHARGE			\$93.14

SUMMARY

NET EARNINGS CREDIT	\$55.48
TOTAL ACTIVITY CHARGE	\$93.14
NET ANALYSIS POSITION	(\$37.66)
INVESTABLE BALANCE NECESSARY TO AVOID NEGATIVE NET ANALYSIS POSITION	\$419,697.53



Mechanics Bank

PROFORMA ANALYSIS

Tri-Valley Transportation Council
 30 Muir Rd 2nd Floor
 Martinez, CA 94553-4601

June 2015
 Earnings Credit: 100,000 - 99,999 0.3%
 On Investable Balances

GROUP ACCOUNT BALANCE INFORMATION

Account	Avg Ledger Balance (-)	Avg Daily Float (=)	Avg Collected Balance
General	\$365,000.00	\$0.00	\$365,000.00
Group Total:	\$365,000.00	\$0.00	\$365,000.00

GROUP EARNINGS CREDIT SUMMARY

Average Ledger Balance	\$365,000.00
Less Average Daily Float	\$0.00
Average Collected Balance	\$365,000.00
Less Reserve (10.00%)	\$36,500.00
INVESTABLE BALANCE	\$328,500.00
TOTAL EARNINGS CREDIT	\$81.00
Less Interest Earned	\$0.00
NET EARNINGS CREDIT	\$81.00

GROUP ACTIVITY SUMMARY

Analysis Monthly Service Fee	1 @	\$20.00	\$20.00
Balance Fee (per \$100)	1 @	\$0.0008	\$24.00
Business Online Banking Monthly per Acc	1 @	\$10.00	\$10.00
Checks Paid	1 @	\$0.17	\$0.17
Deposit Entries	1 @	\$1.40	\$1.40
Items Deposited (transit)	1 @	\$0.13	\$0.13
Online Wire Transfer Monthly Service Fee	1 @	\$25.00	\$25.00
TOTAL ACTIVITY CHARGE			\$80.70

SUMMARY

NET EARNINGS CREDIT	\$81.00
TOTAL ACTIVITY CHARGE	\$80.70
NET ANALYSIS POSITION	\$0.30
INVESTABLE BALANCE NECESSARY TO AVOID NEGATIVE NET ANALYSIS POSITION	\$363,648.15



Mechanics Bank

PROFORMA ANALYSIS

Tri-Valley Transportation Council - One Wire Out
 30 Muir Rd 2nd Floor
 Martinez, CA 94553-4601

June 2015
 Earnings Credit: 100,000 - 99,999 0.3%
 On Investable Balances

GROUP ACCOUNT BALANCE INFORMATION

Account	Avg Ledger Balance (-)	Avg Daily Float (=)	Avg Collected Balance
Grneral	\$500,000.00	\$0.00	\$500,000.00
Group Total:	\$500,000.00	\$0.00	\$500,000.00

GROUP EARNINGS CREDIT SUMMARY

Average Ledger Balance	\$500,000.00
Less Average Daily Float	\$0.00
Average Collected Balance	\$500,000.00
Less Reserve (10.00%)	\$50,000.00
INVESTABLE BALANCE	\$450,000.00
TOTAL EARNINGS CREDIT	\$110.96
Less Interest Earned	\$0.00
NET EARNINGS CREDIT	\$110.96

GROUP ACTIVITY SUMMARY

Analysis Monthly Service Fee	1 @	\$20.00	\$20.00
Balance Fee (per \$100)	1 @	\$0.0008	\$32.88
Business Online Banking Monthly per Acc	1 @	\$10.00	\$10.00
Checks Paid	1 @	\$0.17	\$0.17
Deposit Entries	1 @	\$1.40	\$1.40
Items Deposited (transit)	1 @	\$0.13	\$0.13
Online Wire Transfer Fee (domestic)	1 @	\$20.00	\$20.00
Online Wire Transfer Monthly Service Fee	1 @	\$25.00	\$25.00
TOTAL ACTIVITY CHARGE			\$109.58

SUMMARY

NET EARNINGS CREDIT	\$110.96
TOTAL ACTIVITY CHARGE	\$109.58
NET ANALYSIS POSITION	\$1.38
INVESTABLE BALANCE NECESSARY TO AVOID NEGATIVE NET ANALYSIS POSITION	\$493,771.60

Item 7.d.

Candace Andersen
TVTC Chair
Supervisor District 2
Contra Costa County
(925) 957-8860

To: Tri-Valley Transportation Council ("TVTC")

From: TVTC Financial Subcommittee

Date: July 20, 2015

Steven Spedowfski
TVTC Vice-Chair
Councilmember
Livermore
(925) 960-4016

Subject: TVTC Insurance

BACKGROUND

Arne Olson
Councilmember
Pleasanton
(925) 200-8579

The 2013 TVTC Joint Exercise of Powers agreement provides that TVTC shall procure general liability insurance. The TVTC Bylaws also state specific requirements for TVTC insurance, which shall be procured and maintained for the duration of the agency's existence. The TVTC budget allocates \$5,000 annually for insurance services. TVTC contacted Alliant Insurance Services, an insurance broker who specializes in offering diversified insurance products and services to corporations and public agencies. Alliant also insures the TRAFFIX program, the Contra Costa County traffic congestion relief agency in the San Ramon Valley.

Scott Perkins
Councilmember
San Ramon
(925) 973-2530

DISCUSSION

David Haubert
Mayor
Dublin
(925) 833-6634

At the June 12, 2015 meeting, the TVTC Financial Subcommittee discussed two proposals provided by Alliant. Both proposals are summarized in Exhibit A, shown as "Option 1" and "Option 2" with full details of each proposal provided.

Newell Arnerich
Councilmember
Danville
(925) 314-3329

Both proposals were similar with the notable exception being the Employment Practices Liability ("EPL") coverage (\$10,000 deductible) offered in Option 2. This also results in different premiums (Option 1 = \$1,946, Option 2 = \$2,499). Alliant discussed these options with the Subcommittee via conference call where it was determined Option 1 would be most suitable due to the fact TVTC has no employees. Therefore, EPL coverage would not be necessary. In addition,

Scott Haggerty
Supervisor District 1
Alameda County
(510) 272-6691

Alliant provided a quote on their "Crime Insurance Program" or "CRIME." This policy protects TVTC against "Employee Theft, Forgery or Alteration, Inside the Premises theft of money and securities, Robbery and Safe Burglary of Other Property, Outside the Premises, Computer Fraud, Funds Transfer Fraud, Money Orders & Counterfeit Money." Alliant recommends purchasing Option 1 with the CRIME policy.

RECOMMENDATION

DIRECT TVTC staff to submit an application for "Option 1," TVTC Special Liability Insurance Program ("SLIP") and CRIME Insurance Program coverage, as recommended by the TVTC Financial Subcommittee.

Att: Exhibit A – Alliant Insurance Proposals

Insurance Proposals Summary for Liability and Crime **Insurance for Tri-Valley Transportation Council¹**

LIABILITY – Special Liability Insurance Program (SLIP)

Option 1:

- Coverage for General Liability, Errors & Omissions, Non-Owned & Hired Auto Liability, Cyber Liability
- \$1,000,000 Limit with a \$1,000 Deductible
- TOTAL ANNUAL COST: \$1,946

Option 2:

- Coverage for General Liability, Errors & Omissions, Non-Owned & Hired Auto Liability, Cyber Liability and Employment Practices Liability
- \$1,000,000 Limit option with a \$1,000 Deductible except \$10,000 for Employment Practices Liability
- TOTAL ANNUAL COST: \$2,499

CRIME – Alliant Crime Insurance Program (ACIP)

- Government Crime policy on a Discovery form including Employee Theft, Forgery or Alteration, Inside the Premises theft of money and securities, Robbery and Safe Burglary of Other Property, Outside the Premises, Computer Fraud, Funds Transfer Fraud, Money Orders & Counterfeit Money.
- \$1,000,000 Limit, \$2,500 deductible
- TOTAL ANNUAL COST: \$950

¹ Provided by Alliant Insurance Services, Inc.



**SPECIAL LIABILITY INSURANCE PROGRAM (SLIP)
PROPOSAL
TBD TO SEPTEMBER 29, 2015**

NAMED INSURED: Tri-Valley Transportation Council (TVTC)

COVERAGE TERM: EFFECTIVE DATE TBD / Program Coverage Dates 9/24/2014 to 9/29/15

INSURANCE COMPANY: Associated Industries Insurance Company

A.M. BEST RATING:* A, Excellent; Financial Size Category XI; (\$750 Million to \$1.0 Billion) as of 5/30/14

STANDARD & POOR RATING:* Not Rated

CALIFORNIA STATUS: Non-Admitted

POLICY NUMBER: TBD

COVERAGE: Manuscript Liability Form on an Occurrence Basis. Coverage included for:

(Coverage applies only where checked)

		LIMIT	
Maximum Per Occurrence Limit for all Coverages Combined		\$1,000,000	
		LIMIT	DED/SIR
X	Personal Injury (Including Bodily Injury and Property Damage)	\$1,000,000	\$1,000
	Owned Automobile Liability		
	Uninsured Motorist Coverage		
X	Non-Owned and Hired Automobile Liability	\$1,000,000	\$1,000
	Nonprofit Directors and Officers Liability		
X	Public Officials Errors and Omissions	\$1,000,000	\$1,000
	Employment Practices Liability		
	Nose Coverage	Retro Date:	
	Educators Legal Liability		
	Broadcasters Liability		

Annual Aggregate Limits		LIMIT
X	Products / Completed Operations	\$1,000,000
	Nonprofit Directors and Officers Liability	
X	Public Officials Errors and Omissions	\$1,000,000
	Employment Practices Liability	
	Educators Legal Liability	

**See last page for additional information.*

SLIP Proposal

SUBLIMITS:

(Coverage applies only where checked)		LIMIT	DED/SIR
X	Fire Damage Liability (Sublimit of Personal Injury/property Damage Coverage Limit) Capped at \$1,000,000	\$1,000,000	\$1,000

Special Endorsements

None

- Limits are exhausted by Indemnity and Defense Cost.
- Limits are Per Occurrence.
- There is no General Aggregate.
- Limits apply to each entity in the program.

This QUOTATION is subject to review and possible re-rating if there are any significant changes in operations, exposure or experience prior to carrier binding. Such significant changes include, but are not limited to, any declared or potential occurrence series, claims series or batch notices by or to the insured.

ANNUAL PREMIUM:

* Taxes, surplus lines fee and brokerage fees are included.

Option 1: \$1,000,000 General Liability, Errors & Omissions and Non-Owned & Hired Auto - \$1,000 Deductible

Premium: \$1,663.00
 Taxes: \$49.89
 Stamp Fee: \$3.33
 Broker Fee: \$191.25
 MGA Service Fee: \$38.45
Total Cost: \$1,945.92

Option 2: \$1,000,000 General Liability, Errors & Omissions, Non-Owned & Hired Auto and Employment Practices Liability (EPL) - \$1,000 Deductible except \$10,000 on EPL

Premium: \$2,135.00
 Taxes: \$64.05
 Stamp Fee: \$4.27
 Broker Fee: \$245.53
 MGA Service Fee: \$50.25
Total Cost: \$2,499.10

IMPORTANT NOTICE: THE NONADMITTED & REINSURANCE REFORM ACT (NRRRA) GOES INTO EFFECT ON JULY 21, 2011. ACCORDINGLY, SURPLUS LINES TAX RATES AND REGULATIONS ARE SUBJECT TO CHANGE WHICH COULD RESULT IN AN INCREASE OR DECREASE OF THE TOTAL SURPLUS LINES TAXES AND/OR FEES OWED ON THIS PLACEMENT. IF A CHANGE IS REQUIRED, WE WILL PROMPTLY NOTIFY YOU. ANY ADDITIONAL TAXES AND/OR FEES OWED MUST BE PROMPTLY REMITTED TO ALLIANT INSURANCE SERVICES, INC.

MGA Service Fee is 100% earned.

Mid-term cancellations could have a short-rate penalty applied to the return premium.

SLIP Proposal

TRIA OPTION: 5% of premium plus applicable taxes and fees.

MINIMUM EARNED: 25% of the annual premium

SUBJECT TO AUDIT: NO

MAJOR EXCLUSIONS: (Including but not limited to)

- Fiduciary Liability
- Breach of Contract
- Workers' Compensation
- Asbestos
- Auto Liability (unless Owned Auto coverage provided)
- Uninsured Motorist coverage except if Auto Liability marked X'd above, or unless coverage specifically requested and in file
- Failure to Supply
- Pollution Except for Hostile Fire and Vehicle Upset / Overturn coverage
- Inverse Condemnation / Eminent Domain
- Care, Custody, and Control
- Medical Payment Coverage
- Dam Liability
- All Aircraft; Watercraft over 51 feet in length
- Airports
- Medical Malpractice (except incidental)
- Subsidence
- Nuclear Material
- ERISA
- Fungi or Bacteria
- War or Terrorism
- Securities and Financial Interest
- Mold
- Public Officials Errors & Omissions (if Directors & Officers Applies)
- Directors & Officers (if Public Officials Errors & Omissions Applies)
- Employment Practices Liability (Unless purchased under page 1)
- Montrose Exclusion – Prior knowledge of incident or loss
- Abuse & Molestation
- Residential Construction
- Athletic Participants
- Transit Operations
- Bodily Injury of Tenants or Guests of Tenants for Habitational Risks
- Insurance Agent/Claims Administration/Mortgage Broker
- Lead

CLAIMS REPORTING: Please contact Alliant to report claims. Program and Deductible loss adjustment will be provided by Carl Warren Co.

PROPOSAL DATE: June 9, 2015

PROPOSAL VALID UNTIL: 30 days from the proposal date

BINDING CONDITIONS: Bind orders must be received prior to close of business for coverage to be effective same day. All orders received after close of business will be bound effective the next business day.

SLIP Proposal

BROKER:

ALLIANT INSURANCE SERVICES, INC. • SAN FRANCISCO, CA

Richard C. Calkins, Vice President
rcalkins@alliant.com 415/637/625/3677

Christine Calkins, Account Manager
ccalkins@alliant.com 415/637/625/3637

SUBJECT TO POLICY TERMS, CONDITIONS AND EXCLUSIONS



This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance.

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY REGULATION 194 DISCLOSURE

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

SPECIAL LIABILITY INSURANCE PROGRAM (SLIP) CYBER LIABILITY COVERAGE PROPOSAL

NAMED INSURED:	Tri-Valley Transportation Council (TVTC)
TYPE OF COVERAGE:	Information Security & Privacy Insurance
POLICY PERIOD:	September 29, 2014 to September 29, 2015
CARRIER:	AIG Specialty Insurance Company
AM BEST RATING:	A (Excellent); Financial Size Category XV (\$2 Billion or Greater) as of December 31, 2014
STANDARD AND POORS:	A+ (Strong) pulled as of December 31, 2014
ADMITTED STATUS:	Non-Admitted
POLICY NUMBER:	TBD
NOTICE:	Policy coverage sections Information Security & Privacy Liability, Privacy Notification Costs and Regulatory Defense & Penalties of this policy provide coverage on a claims made and reported basis ; except as otherwise provided, coverage under these insuring agreements applies only to claims first made against the insured and reported to underwriters during the policy period.
RETRO ACTIVE DATE:	TBD
CONTINUITY DATE:	TBD
SUBJECTIVITIES:	Completed Supplemental Application Confirmation of Controls
COVERAGE FORM:	SRP – Security & Privacy, Event Management, Network Interruption, Cyber Extortion Media Content (Internet Only)
COVERAGE AND LIMITS:	<p>PER PERSON PRIVACY EVENT:</p> <p>3,500,000 Affected Persons Annual Policy and Program Aggregate for all members combined</p> <p>50,000 Affected Person Limit and Annual Member Aggregate (Maximum number of affected persons who may receive privacy event services. Payments made are not a part of the Limit of Liability. An approved Chartis vendor to provide services.)</p>

SPECIAL LIABILITY INSURANCE PROGRAM (SLIP)

CYBER LIABILITY COVERAGE PROPOSAL

COVERAGE AND LIMITS (CONTINUED):	\$ 10,000,000	Annual Policy and Program Aggregate for all members combined (Aggregate for all coverages combined including claims expenses), subject to sub-limits as noted below.
	\$ 250,000	Annual Aggregate Limit of Liability for each member (Aggregate for all coverages combined including claims expenses), subject to sub-limits as noted below.
PER MEMBER SUB-LIMITS:	\$ 250,000	Security & Privacy Sublimit (\$250,000 Regulatory Action)
	\$ 250,000	Media Content Sublimit
	\$ 250,000	Event Management/Electronic Data Sublimit (\$125,000 for event response)
	\$ 250,000	Network Interruption Sublimit
	\$ 250,000	Cyber Extortion Sublimit
	\$ 10,000	PCI-Data Security Standards Assessment Sublimit
	<p>The sub-limits of liability are part of, and not in addition to, the overall Annual Aggregate limit of liability for each member. Claims expenses shall reduce the applicable limit of liability and are subject to the applicable retention.</p> <p>The aggregate limits are the most the carrier will pay regardless of the numbers of members participating or the number of claims made or the number of events occurring. There is a possibility that claims by other members could reduce or eliminate all of the coverage available to each member.</p>	
PER MEMBER SELF INSURED RETENTIONS (SIR):	100 Records	Privacy Event – Affected Person Retention (SIR)
	\$ 10,000	Security & Privacy Self Insured Retention (SIR)
	\$ 10,000	Media Content Self Insured Retention (SIR)
	\$ 10,000	Event Management Self Insured Retention (SIR)
	\$ 10,000/12 Hours	Network Interruption Sublimit
	\$ 10,000	Cyber Extortion Self Insured Retention (SIR)
<p>If a First Party Event or Third Party Event and any Related Acts triggers coverage under more than one coverage section, the highest applicable retention amount shall apply to all loss arising out of such First Party Event or Third Party Event.</p>		
ANNUAL PREMIUM/ TAXES AND FEES:	<p>Included within SLIP premium 100% earned premium at inception</p> <p>IMPORTANT NOTICE: THE NONADMITTED & REINSURANCE REFORM ACT (NRRRA) WENT INTO EFFECT ON JULY 21, 2011. ACCORDINGLY, SURPLUS LINES TAX RATES AND REGULATIONS ARE SUBJECT TO CHANGE WHICH COULD RESULT IN AN INCREASE OR DECREASE OF THE TOTAL SURPLUS LINES TAXES AND/OR FEES OWED ON THIS PLACEMENT. IF A CHANGE IS REQUIRED, WE WILL PROMPTLY NOTIFY YOU. ANY ADDITIONAL TAXES AND/OR FEES OWED MUST BE PROMPTLY REMITTED TO ALLIANT INSURANCE SERVICES, INC</p>	

SPECIAL LIABILITY INSURANCE PROGRAM (SLIP)

CYBER LIABILITY COVERAGE PROPOSAL

INSURING AGREEMENTS:	Per Person Privacy Event	Pays on behalf of the insured/member in excess of the retention for privacy event services or products provided by an approved vendor, the insurer or an affiliate insurer with prior written consent within one year of a loss including notification costs, identity theft call center, identity restoration services, identity monitoring and victim cost reimbursement insurance.
	Security and Privacy Liability	Pays on behalf of the insured/member and claim expenses excess of the retention to defend a suit or regulatory action alleging a security failure or a privacy event. Privacy event means any failure to protect confidential information (whether by “phishing,” other social engineering technique or otherwise) including, without limitation, that which could result in an identity theft or other wrongful emulation of the identity of an individual or corporation. Or failure to disclose an event of any Security Breach Notice Law or violation of any federal, state, foreign or local privacy statute alleged in connection with a claim for compensatory damages, judgments, settlements, pre-judgments and post-judgments.
	Event Management	Pays on behalf of the insured/member in excess of the retention for loss that is incurred as a result of an alleged security failure or privacy event. Loss includes investigation (including forensic investigation) to determine the cause; public relations firm, crisis management firm or law firm; to restore, recreate or recollect electronic data; and to determine whether electronic data can or cannot be restored, recreated or recollected.
	Network Interruption	Pays on behalf of the insured/member in excess of the remaining retention after the waiting period as a result of security failure for costs incurred within 120 days after interruption, which is the sum of the following calculated on an hourly basis. <ul style="list-style-type: none"> 1) Net income (net profit or loss before income taxes) that would have been earned and 2) Continuing normal operating expenses incurred, including payroll.
	Media Content	Pays on behalf of the insured/member in excess of the retention for wrongful acts in connection with media content in any form (including advertising and written, printed, video, electronic, digital or digitized content) of broadcasts or publications. Wrongful acts include infringement of copyright and trademark, plagiarism or piracy, invasion of privacy, defamation, libel and slander.
	Cyber Extortion	Pays on behalf of the insured/member in excess of the retention monies paid with the insurer’s prior written consent monies paid to terminate or end a security threat that would otherwise result in harm to an insured and costs to conduct an investigation to determine the cause of the security threat. Security threat is any threat or connected series of threats to commit an intentional attack against a computer system for the purpose of demanding money, securities or other tangible or intangible property of value from an insured.

SPECIAL LIABILITY INSURANCE PROGRAM (SLIP)

CYBER LIABILITY COVERAGE PROPOSAL

FORMS & ENDORSEMENTS:	<ul style="list-style-type: none"> • Specialty Risk Protector – Cyber Extortion Insurance • Specialty Risk Protector – Security Failure/Privacy Event Management Insurance • Specialty Risk Protector – General Terms & Conditions • Specialty Risk Protector – Media Content Insurance • Specialty Risk Protector – Network Interruption Insurance • Specialty Risk Protector – Security & Privacy Liability Insurance • Notice of Claim (Reporting by Email) – Endorsement • Notice of Claim Provision Amendatory Endorsement 60 Days • Notice of Claim Provision Amendatory Endorsement Non –Admin Personnel Only • Privacy Event Definition Amendatory Endorsement • Security Failure Definition Amendatory Endorsement • Conduct Exclusion Amendatory Endorsement • Cyber Terrorism Coverage Endorsement • Fines & Penalties Coverage Endorsement • Criminal Reward Coverage Extension Endorsement - \$25,000 per member claim/aggregate – subject to all other program limits/sub-limits • E-Discovery Consultant Services Coverage Endorsement - \$25,000 per member claim/aggregate – subject to all other program limits/sub-limits • Retention Amendatory Endorsement • Subsidiary Threshold Amendatory Endorsement – 15%of gross sales • Event Management/Electronic Data Sub-limits Endorsement – \$125,000 Event Response and \$250,000 Electronic Data • Per Person Privacy Event Coverage Endorsement – Vendor – IBC Intelligent Business Concepts Inc. • Choice of Panel Counsel Endorsement from Insurer’s approved panel firms • Wrongful Act Definition Amendatory Endorsement • Forms Index Endorsement • Coverage Territory Endorsement (OFAC) • California Punitive Damages Law Endorsement • Definition of Material Amendatory Endorsement • Insured Amendatory Endorsement • Absolute Tie In of Limits Endorsement • Other Insurance Amendatory Endorsement
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NOTICE OF CLAIM:	<ul style="list-style-type: none"> • IMMEDIATE NOTICE must be made to AIG Claims, Inc. of all potential claims and circumstances (assistance, and cooperation clause applies) • Claim notification under this policy is to: AIG Claims, Inc. Attn: c-Claim 175 Water Street New York, NY 10038 c-claim@chartisinsurance.com Fax (866) 227-1750
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SPECIAL LIABILITY INSURANCE PROGRAM (SLIP) CYBER LIABILITY COVERAGE PROPOSAL

DATE PREPARED:	June 9, 2015
BROKER:	ALLIANT INSURANCE SERVICES, INC. • NEWPORT BEACH, CA Gordon B. DesCombes, Executive Vice President Christine Tobin, Senior Vice President Sheryl Fitzgerald, Account Manager – Team Lead Esther Zavala, Account Manager Armando Guzman, Account Representative Anne Krueger, Assistant Account Representative

This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliant.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no

SPECIAL LIABILITY INSURANCE PROGRAM (SLIP)

CYBER LIABILITY COVERAGE PROPOSAL

responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY REGULATION 194 DISCLOSURE

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

ALLIANT CRIME INSURANCE PROGRAM
2015-16 INSURANCE PROPOSAL
TRI VALLEY TRANSPORTATION COUNCIL

INSURER:	National Union Fire Insurance Company of Pittsburgh, PA (Chartis)
*A.M. BEST'S GUIDE RATING: <i>(VERIFIED FEBRUARY 27, 2015)</i>	A, Excellent; Financial Size Category 15; \$2,000,000,000 or Greater
*STANDARD & POOR'S RATING: <i>(VERIFIED MAY 27, 2014)</i>	A-
STATE STATUS:	Admitted
POLICY PERIOD:	July 1, 2015 to July 1, 2016 (14-15 Policy Extended by Endorsement to 7/1/16)
COVERAGE:	Government Crime Policy on Discovery form including the following coverages: <ul style="list-style-type: none">➤ Employee Theft – Per Loss Coverage➤ Forgery or Alteration➤ Inside the Premises – Theft of Money and Securities➤ Inside the Premises – Robbery & Safe Burglary of Other Property➤ Outside the Premises (Money, Securities and Other Property)➤ Computer Fraud➤ Funds Transfer Fraud➤ Money Orders & Counterfeit Money
EXCLUSIONS (Including but not limited to):	<ul style="list-style-type: none">● Unauthorized disclosure of confidential information● Governmental Action● Indirect Loss● Legal Fees and Expenses● Nuclear Hazard● Pollution● War and Military Action● Inventory Shortages● Trading losses● Accounting or Arithmetical Errors or Omissions● Exchanges or Purchases● Fire● Money Operated Devices● Motor Vehicles or Equipment and Accessories● Transfer or Surrender or Property● Vandalism● Voluntary Parting of Title to Possession of Property

ENDORSEMENTS:

- State Changes
- Additional Named Insured – Endorsement identifies individual member limit and deductible
- Omnibus Named Insured – Coverage extended to all Agencies, Authorities and Districts (including Special Districts) which are governed directly by the governing body of the Named Insured
- Add Faithful Performance of Duty Coverage for Government Employees – Employee Theft Limit
- Revision of Discovery and Prior Theft or Dishonesty \$25,000 Sub-Limit
- Cancellation of Policy Amended – 120 DAYS Notice
- Bonded Employees Exclusion Deleted endorsement
- Add Credit, Debit or Charge Card Forgery – Forgery Limit
- Include Volunteer Workers as Employees
- Include Specified Non-Compensated Officers As Employees - ALL
- Include Chairperson and Members of Specified Committees - ALL
- Include Designated Persons or Classes of Persons as Employees – Any Director or Trustees, Any Board Members and Any Elected or Appointed Officials as Employees -of any of those named as insured
- Include Treasurers or Tax Collectors as Employees
- Include Expenses Incurred to Establish Amount of Covered Loss - \$75,000 Sub-limit
- Employee Post Termination Coverage – 90 Days
- Cancellation Amendatory (Return Pro-Rata)
- Include Leased Workers as Employees Endorsement
- Notice of Claim Reporting by Email
- Economic Sanctions (excludes loss payments in violation of economic or trade sanctions)
- Vendor Theft - \$1,000,000 Limit excess of vendor insurance policy required by contract. If vendor policy is not valid or collectible, this sublimit applies to loss excess of \$500,000. Coverage not applicable if crime insurance is not required in a written agreement
- Conditions Amended - Subrogation of Faithful Performance of Duty Claims - With respect to losses resulting from the failure of any employee to faithfully perform his or her duties as prescribed by law, the company may subrogate only due to actual fraud, corruption, actual malice, or where the employee or a person or entity was unjustly enriched
- Third Party Coverage - \$250,000 Sublimit with \$25,000 Deductible
- Blanket Joint Loss Payable



ENDORSEMENTS (continued);

- Cal Works Program Employee Endorsement
- Impersonation Fraud Endorsement --\$200,000 Sublimit with \$25,000 Deductible

LIMIT: \$1,000,000

DEDUCTIBLE : \$2,500

EMPLOYEE COUNT: 1 to 99 Employees

PREMIUM: \$950.00

CLAIMS REPORTING PROCEDURE: AIG
Financial Lines Claims
P.O. Box 25947
Shawnee Mission, KS 66225
Phone: 888-602-5246
Fax: 866-227-1750
Email: c-claim@aig.com

Also Please forward a copy of the loss to:

Alliant Insurance Services, Inc.
Attn: Robert Frey
100 Pine Street, 11th Floor
San Francisco, CA 94111
Phone: 415-403-1400
Fax: 415-403-1466

SUBJECTIVITY TO BIND:

- Complete, Sign and Date ACIP Application
- Bind Order Via Email to Alliant
- Payment to Alliant within 15 Days of Binding

DATE PREPARED: 6/4/15

QUOTE VALID UNTIL: 7/1/15

BROKER: **ALLIANT INSURANCE SERVICES, INC.**
NEWPORT BEACH, CALIFORNIA

P.J. Skarlanic, CPCU, ARM Armi Vega
Assistant Vice President Account Manager

This proposal does not constitute a binder of insurance. Binding is subject to final carrier approval. The actual terms and conditions of the policy will prevail.

In order to complete the underwriting process, we require that you send us any additional information requested. We are not required to bind coverage prior to our receipt and underwriting acceptance of the requested information. However, if we do bind coverage prior to such acceptance, the terms and conditions as indicated may be amended until such receipt and acceptance. Any agreement to bind coverage in connection with this proposal must be in writing from an authorized employee of the Insurer.



This proposal of insurance is provided as a matter of convenience and information only. All information included in this proposal, including but not limited to personal and real property values, locations, operations, products, data, automobile schedules, financial data and loss experience, is based on facts and representations supplied to Alliant Insurance Services, Inc. by you. This proposal does not reflect any independent study or investigation by Alliant Insurance Services, Inc. or its agents and employees.

Please be advised that this proposal is also expressly conditioned on there being no material change in the risk between the date of this proposal and the inception date of the proposed policy (including the occurrence of any claim or notice of circumstances that may give rise to a claim under any policy which the policy being proposed is a renewal or replacement). In the event of such change of risk, the insurer may, at its sole discretion, modify, or withdraw this proposal whether or not this offer has already been accepted.

This proposal is not confirmation of insurance and does not add to, extend, amend, change, or alter any coverage in any actual policy of insurance you may have. All existing policy terms, conditions, exclusions, and limitations apply. For specific information regarding your insurance coverage, please refer to the policy itself. Alliant Insurance Services, Inc. will not be liable for any claims arising from or related to information included in or omitted from this proposal of insurance

Alliant embraces a policy of transparency with respect to its compensation from insurance transactions. Details on our compensation policy, including the types of income that Alliant may earn on a placement, are available on our website at www.alliantinsurance.com. For a copy of our policy or for any inquiries regarding compensation issues pertaining to your account you may also contact us at: Alliant Insurance Services, Inc., Attention: General Counsel, 701 B Street, 6th Floor, San Diego, CA 92101.

Analyzing insurers' over-all performance and financial strength is a task that requires specialized skills and in-depth technical understanding of all aspects of insurance company finances and operations. Insurance brokerages such as Alliant Insurance typically rely upon rating agencies for this type of market analysis. Both A.M. Best and Standard and Poor's have been industry leaders in this area for many decades, utilizing a combination of quantitative and qualitative analysis of the information available in formulating their ratings.

A.M. Best has an extensive database of nearly 6,000 Life/Health, Property Casualty and International companies. You can visit them at www.ambest.com. For additional information regarding insurer financial strength ratings visit Standard and Poor's website at www.standardandpoors.com.

Our goal is to procure insurance for you with underwriters possessing the financial strength to perform. Alliant does not, however, guarantee the solvency of any underwriters with which insurance or reinsurance is placed and maintains no responsibility for any loss or damage arising from the financial failure or insolvency of any insurer. We encourage you to review the publicly available information collected to enable you to make an informed decision to accept or reject a particular underwriter. To learn more about companies doing business in your state, visit the Department of Insurance website for that state.

NY REGULATION 194 DISCLOSURE

Alliant Insurance Services, Inc. is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning

the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Named Insured Disclosure

Named Insureds are covered for all operations. Additional Insureds are only covered with respect to their interest in your operations. See each individual policy for details.

- The first named insured is granted certain rights and responsibilities that do not apply to other policy named insureds and is designated to act on behalf of all insureds for making policy changes, receiving correspondence, distributing claim proceeds, and making premium payments.
- Are ALL entities listed as named insureds? Coverage is not automatically afforded to all entities unless specifically named. Confirm with your producer and service team that all entities to be protected are on the correct policy. Not all entities may be listed on all policies based on coverage line.
- Additional named insured is (1) A person or organization, other than the first named insured, identified as an insured in the policy declarations or an addendum to the policy declarations. (2) A person or organization added to a policy after the policy is written with the status of named insured. This entity would have the same rights and responsibilities as an entity named as an insured in the policy declarations (other than those rights and responsibilities reserved to the first named insured).
- Applies to Professional Liability, Pollution Liability, Directors & Officers Liability, Employment Practices Liability, Fiduciary Liability policies (this list not all inclusive). Check your Policy language for applicability. These policies provide protection to the Named Insured for claims made against it alleging a covered wrongful act. Coverage is not afforded to any other entities (unless specifically added by endorsement or if qualified as a “Subsidiary” pursuant to the policy wording) affiliated by common individual insured ownership or to which indemnification is otherwise contractually owed. If coverage is desired for affiliated entities or for contractual indemnities owed, please contact your Alliant Service Team with a full list of entities for which coverage is requested. With each request, include complete financials and ownership information for submission to the carrier. It should be noted, that the underwriter’s acceptance of any proposed amendments to the policy, including expansion of the scope of “Insureds” under the policy could result in a potential diminution of the applicable limits of liability and/or an additional premium charge.

Changes and Developments

Please keep your Alliant representative(s) informed so they can assist you in making the right decisions regarding your insurance needs.

It is important that we be advised of any changes in your operations, which may have a bearing on the validity and/or adequacy of your insurance. The types of changes that concern us include, but are not limited to, those listed below:

- Changes in any operations such as expansion to another states, new products, or new applications of existing products.

- Travel to any state not previously disclosed.
- Mergers and/or acquisition of new companies and any change in business ownership, including percentages.
- Any newly assumed contractual liability, granting of indemnities or hold harmless agreements.
- Any changes in existing premises including vacancy, whether temporary or permanent, alterations, demolition, etc. Also, any new premises either purchased, constructed or occupied
- Circumstances which may require an increased liability insurance limit.
- Any changes in fire or theft protection such as the installation of or disconnection of sprinkler systems, burglar alarms, etc. This includes any alterations to the system.
- Immediate notification of any changes to a scheduled of equipment, property, vehicles, electronic data processing, etc.
- Property of yours that is in transit, unless previously discussed and/or currently insured.

Claims Reporting Notice

Your policy will come with specific claim reporting requirements. Please make sure you understand these obligations. Contact your Alliant Service Team with any questions.

Certificates / Evidence of Insurance

A certificate is issued as a matter of information only and confers no rights upon the certificate holder. The certificate does not affirmatively or negatively amend, extend or alter the coverage afforded by a policy. Nor does it constitute a contract between the issuing insurer(s), authorized representative, producer or certificate holder.

You may have signed contracts, leases or other agreements requiring you to provide this evidence. In those agreements, you may assume obligations and/or liability for others (Indemnification, Hold Harmless) and some of the obligations that are not covered by insurance. We recommend that you and your legal counsel review these documents.

In addition to providing a certificate of insurance, you may be required to name your client or customer on your policy as an additional insured. This is only possible with permission of the insurance company, added by endorsement and, in some cases, an additional premium.

By naming the certificate holder as additional insured, there are consequences to your risks and insurance policy including:

- Your policy limits are now shared with other entities; their claims involvement may reduce or exhaust your aggregate limit.
- Your policy may provide higher limits than required by contract; your full limits can be exposed to the additional insured.
- There may be conflicts in defense when your insurer has to defend both you and the additional insured.

Optional Coverages

The following represents a list of insurance coverages that are not included in this proposal, but are optional and may be available with further underwriting information.

Note some of these coverages may be included with limitations or insured elsewhere. This is a partial listing as you may have additional risks not contemplated here or are unique to your organization.

- | | |
|----------------------------------|----------------------------------------|
| • Crime / Fidelity Insurance | • Media and Publishers Liability |
| • Directors & Officers Liability | • Medical Malpractice Liability |
| • Earthquake Insurance | • Network Security / Privacy Liability |
| • Employed Lawyers | • and Internet Media Liability |
| • Employment Practices Liability | • Pollution Liability |
| • Event Cancellation | • Owned/Non-Owned Aircraft |
| • Fiduciary Liability | • Owned Watercraft |

- Fireworks Liability
- Flood Insurance
- Foreign Insurance
- Garage Keepers Liability
- Kidnap & Ransom
- Law Enforcement Liability
- Special Events Liability
- Student Accident
- Volunteer Accidental Death & Dismemberment (AD&D)
- Workers' Compensation
- Workplace Violence

Glossary of Insurance Terms

Below are a couple of links to assist you in understanding the insurance terms you may find within your insurance coverages:

<http://insurancecommunityuniversity.com/UniversityResources/InsuranceGlossaryFREE.aspx>

<http://www.ambest.com/resource/glossary.html>

<http://www.irmi.com/online/insurance-glossary/default.aspx>