

# Executive Summary



**To:** James Scholl, City Manager

**From:** Todd Stoughton, Risk Manager 

**Date:** 9/25/2017

**RE:** Renewal of Property and Casualty Insurance Program for FY 2017-2018

---

## **Action:**

Respectfully request the City Commission ratify the placement of the City's property and casualty insurance program for policy year 2017-2018 proposed by Public Risk Management of Florida (PRM) as submitted by World Risk Management (WRM) in the amount up to \$985,983.00 as well as recognize WRM as the City's agent/broker for the City's property and casualty insurance program for policy year 2017-2018. Due to Hurricane IRMA and the closing of the current policy year for City Insurance Program, the City Manager signed the approval for the placement of the City's Property & Casualty Insurance Program for Policy Year 2017-2018 to avoid a lapse in the City's insurance coverage.

Further, request the City Commission ratify the placement of the City's Ancillary Policies in the amount of \$82,652.35 to include; Great American for Marine Operators Legal Liability Coverage (\$22,472.00), Outer Mole Excess Liability Coverage (\$8,684.00), Wharfingers Liability Coverage (\$16,066.00), Hull Coverage (\$9,165.00), Vessel Pollution Coverage (\$3,620.00); Commerce & Industry for Tank Storage Coverage plus Terrorism (\$4,544.95); AIG for AD&D Coverage (\$5,558.15); XL - Indian Harbor for Pollution/Tank Liability Coverage (\$12,542.25); Authorizing acceptance of Public Risk Insurance Agency (PRIA) as the agent/broker for the City's Ancillary Policies; Authorizing the City Manager to execute all documents consistent therewith.

## **Background:**

On September 7, 2016, the City Commission adopted Resolution No. 16-255 authorizing the acceptance of the renewal proposal for FY 2016-2017 from the Public Risk Management of Florida (PRM) submitted by Arthur J. Gallagher & Company in the amount of \$903,871.00. Subsequently, on June 7<sup>th</sup>, 2017, the City Commission adopted Resolution 17-163 approving the agreement with Public Risk Insurance Agency (PRIA) for Insurance Broker Services. During the ensuing process, both PRIA and PRM submitted insurance proposals consistent with the City's current insurance policies. Both insurance proposals were reviewed by two separate consultants; Silver Insurance Consultants and Interisk Corporation who both recommended the City accept PRM's Property & Casualty proposal, and PRIA's Ancillary Policy proposal.

**Financial Impact:**

If the City Commission ratifies the recommendation of Staff as submitted, then the City will carry comprehensive coverage with continued enhancements at the same rates as policy year 2016-2017. The proposed 2017-2018 budget contains sufficient funding for all coverages in the City's 502-1952 and 502-1953 accounts.

**Recommendation:**

Request the City Commission ratify the approval to award placement of the City's property and casualty insurance program for policy year 2017-2018 proposed by The Public Risk Management of Florida (PRM) in the amount up to \$985,983.00 as well as recognize World Risk Management (WRM) as the City's agent/broker for the City's property and casualty insurance program for policy year 2017-2018.

Further, staff recommends the City Commission ratify the approval of all ancillary policies totaling \$82,652.35 as proposed by Public Risk Insurance Agency (PRIA) as well as recognize PRIA as the agent/broker for the City's ancillary policies for policy year 2017-2018.