



## MEMORANDUM

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Date: September 25, 2025

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso  
City Manager

CC: Christina Bervaldi  
Director of Finance

From: Lucas Torres-Bull  
Procurement Manager

Subject: **File ID 25-4467 – Approval of FY 2025–2026 Ancillary Insurance Policy Renewals Not to Exceed \$148,608.95; Authorization of Insurance Brokers; Authorization for City Manager to Negotiate and Execute Agreements Pursuant to Section 2-797(4)(b) of the Code of Ordinances; and Approval of Related Budget Adjustments**

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### **Introduction**

Staff respectfully recommends that the Mayor and City Commission approve a resolution authorizing the City Manager to accept the placement of the City of Key West's ancillary insurance policies for Fiscal Year 2025–2026. This authorization is requested pursuant to Section 2-797(4)(b) of the City's Code of Ordinances. The total cost of the proposed insurance placements shall not exceed \$148,608.95.

The ancillary policies recommended for renewal are critical components of the City's risk management and liability mitigation strategy. The proposed policies include the following coverages to be placed through **Brown & Brown**:

- Marine Operators Legal Liability
- Outer Mole Excess Liability
- Wharfingers Liability
- Hull and Machinery
- Vessel Pollution
- Accidental Death and Dismemberment (AD&D)

- Storage Tank Liability

Additionally, policies will be placed through **World Risk Management** to provide:

- Aircraft Drone Coverage
- Florida Firefighter Cancer Coverage

These coverages ensure that the City remains adequately protected against a wide range of operational and occupational risks.

### **Background**

In accordance with Section 2-797(4)(b) of the Code of Ordinances, the City's Risk Management Department solicited renewal quotations for the various ancillary insurance policies currently held by the City.

The total quoted premium for all ancillary policies amounts to **\$148,608.95**, which reflects current market rates and maintains appropriate coverage limits in alignment with the City's identified operational risks.

### **Procurement**

The proposed insurance policies have been reviewed and incorporated into the Fiscal Year 2025–2026 City Budget. Sufficient funding has been allocated for these coverages in the following accounts within the Insurance Fund:

- Property and casualty insurance: Account No. 502-1952-519-4500

These allocations ensure full funding of the proposed policies without the need for supplemental appropriations.

### **Recommendation**

Staff recommends that the Mayor and City Commission approve the resolution authorizing the City Manager to negotiate and execute all necessary documents related to the placement of the City of Key West's ancillary insurance policies, at a total cost not to exceed **\$148,608.95**, in accordance with Section 2-797(4)(b) of the Code of Ordinances. Execution of the agreement shall be subject to the review and approval of the City Attorney.

This action is necessary to maintain comprehensive insurance coverage for key City assets, operations, and personnel, and to continue managing risk in a fiscally responsible manner.

### **Attachments:**

Resolution  
Cover Memorandum  
Proposals/Quotes