

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AUTHORIZING THE PLACEMENT OF THE CITY'S PROPERTY AND CASUALTY INSURANCE PROGRAM FOR 2020-21 BY PUBLIC RISK MANAGEMENT OF FLORIDA (PRM) AS SUBMITTED BY WORLD RISK MANAGEMENT (WRM) IN THE AMOUNT OF UP TO \$1,465,968.00, PURSUANT TO SECTION 2-797(4)(b) OF THE CODE OF ORDINANCES, EXEMPT CONTRACTUAL SERVICES; AUTHORIZING ACCEPTANCE OF WORLD RISK MANAGEMENT (WRM) AS THE AGENT/BROKER FOR THE CITY'S CASUALTY INSURANCE PROGRAM FOR POLICY YEAR 2020/2021; APPROVING PURSUANT TO SECTION 2-797(4)(b) OF THE CODE OF ORDINANCES THE PLACEMENT OF THE CITY'S ANCILLARY POLICIES IN THE AMOUNT OF \$93,052.00 THROUGH PUBLIC RISK INSURANCE AGENCY (PRIA) TO INCLUDE: WESTCHESTER FIRE INSURANCE FOR AIRCRAFT (DRONE) COVERAGE PROVIDED BY WRM (\$3,043.00), GREAT AMERICAN FOR MARINE OPERATORS LEGAL LIABILITY COVERAGE (\$15,316.00), OUTER MOLE EXCESS LIABILITY COVERAGE (\$10,450.00), WHARFINGERS LIABILITY COVERAGE (\$14,269.00), HULL & MACHINERY COVERAGE (\$15,547.00); VESSEL POLLUTION COVERAGE (\$6,025.00); ACE AMERICAN INSURANCE COMPANY (CHUBB) FOR AD&D COVERAGE (\$7,550.00), COMMERCE & INDUSTRY FOR STORAGE TANK LIABILITY (\$6,511.00), INDIAN HARBOR INSURANCE COMPANY FOR POLLUTION LIABILITY (\$14,341.00); AUTHORIZING THE ACCEPTANCE OF PUBLIC RISK INSURANCE AGENCY (PRIA) AS THE AGENT/BROKER FOR THE CITY'S ANCILLARY POLICIES, WITH THE EXCEPTION OF DRONE COVERAGE (WRM); AUTHORIZING THE CITY MANAGER TO EXECUTE ALL DOCUMENTS CONSISTENT THEREWITH UPON THE ADVICE AND CONSENT OF THE CITY ATTORNEY; PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, it has been established that the City of Key West insurance program is too small to obtain coverage through

traditional open markets, and that pooled insurance programs are the best option for the City; and

WHEREAS, City consultants determined that two of the three pooled insurance programs within Florida had little interest in the City's insurance program, and PRM offered a two-year rate guarantee for the City's Casualty Insurance in FY 2019-2020; and

WHEREAS, insurance consultants Ben Few and Company, LLC and Interisk Corporation reviewed the property and casualty insurance proposal from WRM and the proposal from PRIA for the ancillary coverages, and both consultants recommend acceptance of the proposals; and

WHEREAS, City staff recommends acceptance of the proposals, and authorize the City Manager to negotiate and execute necessary documents to approve the placement of the City's property and casualty insurance program as proposed by PRM for FY 20-21, as well as recognizing WRM as the City's agent/broker for the insurance program, and approval of all ancillary policies, as proposed by PRIA for FY 20-21, as well as recognizing PRIA as the agent/broker for the City's ancillary policies.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA, AS FOLLOWS:

Section 1: That the City Manager is authorized to accept, pursuant to Section 2-797(4)(b) of the Code of Ordinances, the coverage proposal from Public Risk Management of Florida (PRM) as submitted by World Risk Management (WRM) in the amount of up to \$1,465,968.00 for the City's property and casualty insurance program for policy year 2020/2021.

Section 2: That World Risk Management is accepted as the agent/broker for the City's property and casualty insurance program for policy year 2020/2021.

Section 3: That the City Manager is authorized to negotiate and accept, pursuant to Section 2-797(4)(b) of the Code of Ordinances, the placement of the City's ancillary policies in the amount of \$93,052.00, from PRIA to include: Westchester Fire Insurance for Aircraft (Drone) coverage provided by WRM (\$3,043.00); Great American for Marine Operators Legal Liability coverage (\$15,316.00), Outer Mole Excess Liability Coverage (\$10,450.00), Wharfingers Liability Coverage (\$14,269.00), Hull & Machinery Coverage (\$15,547.00), and Vessel Pollution Coverage (\$6,025.00).

Section 4: That the proposal for AD&D coverage (\$7,550.00) from ACE American Insurance Company (Chubb) is hereby accepted.

Section 5: That the proposal for Storage Tank Liability coverage (\$6,511.00) from Commerce & Industry is hereby accepted.

Section 6: That the proposal for Pollution Liability coverage (\$14,341.00) from Indian Harbor Insurance Company is hereby accepted.

Section 7: That acceptance of Public Risk Insurance Agency (PRIA) as the agent/broker of record for the City's Ancillary policies, with the exception of Drone Coverage (WRM) is hereby authorized.

Section 8: That the City Manager is authorized to execute all documents consistent therewith upon advice and consent of the City Attorney.

Section 9: That this Resolution shall go into effect immediately upon its passage and adoption and authentication by the signature of the Presiding Officer and the Clerk of the Commission.

Passed and adopted by the City Commission at a meeting held this _____ day of _____, 2020.

Authenticated by the Presiding Officer and Clerk of the Commission on _____ day of _____, 2020.

Filed with the Clerk on _____, 2020.

Mayor Teri Johnston	_____
Vice Mayor Sam Kaufman	_____
Commissioner Gregory Davila	_____
Commissioner Mary Lou Hoover	_____
Commissioner Clayton Lopez	_____
Commissioner Billy Wardlow	_____
Commissioner Jimmy Weekley	_____

TERI JOHNSTON, MAYOR

ATTEST:

CHERYL SMITH, CITY CLERK