



MEMORANDUM

Date: September 3, 2025

To: Honorable Mayor and Commissioners

Via: Brian L. Barroso, City Manager

CC: Rod Delostrinos, Assistant City Manager
Michael Turner, Assistant City Manager
Christina Bervaldi, Director of Finance

From: Laura Bringle, Risk Manager/Safety Officer

Subject: **FILE ID 25-4327** Recommendation to Approve a One-Year Extension of the Third Party Claims Administration Services Agreement with Relation Insurance Services of Florida

Introduction

Respectfully request the Mayor and Commission approve the first option to renew the existing Agreement for Third Party Administrative Services with Relation Insurance Services for a (1) one-year period per Resolution #22-206 for services rendered as the City of Key West Third Party Claims Administrator for the City's property, casualty, and workers' compensation claims program for policy year 10/01/2025-09/30/2026.

Background

Beginning in 2009, the City has utilized Relation Insurance Services to serve as the City's insurance (property, casualty, and workers' compensation) program Third Party Administrator (TPA). This service has been awarded via various RFP issuances and awards since that time.

In June of 2022, with the pending expiration of the Agreement for Third Party Administrative Services, the City of Key West engaged Ben Few & Company, an independent insurance consultant, to assist the City in development of an updated Request for Proposal (RFP) in order to receive competitive proposals for the Third Party Claims Administration of the City's Property, Casualty, and Workers' Compensation Claims for the 10/01/2022-09/30/2025 policy year. RFP #22-004 for Third Party Claims Administration Services was issued and advertised via Demandstar and sent via email to several Florida TPA's by Ben Few & Company.

On August 10, 2022, sealed RFP proposals were received and were publicly opened by the City Clerk. Three prospective service providers responded to the RFP:

1. Gallagher Bassett Services, Inc.
2850 Golf Road
Rolling Meadows, IL 60008
2. PMA Management Corp.
380 Sentry Parkway
PO Box 3031
Blue Bell, PA 19422
3. Relation Services of Florida
700 SE Central Parkway
Stuart, FL 34994

On September 20, 2022, pursuant to the City's RFP for Third Party Claims Administration Services, the Commission adopted Resolution 22-206, authorizing the City Manager to enter into an Agreement with Relation Insurance Services of Florida for a three (3) policy-year term beginning 10/1/2022 – 09/30/2025, to include an option for the City to exercise up to two (2) one (1) policy-year renewals.

Procurement

The fiscal year proposed Risk Management, Fund 502, budget, when approved, will contain amounts sufficient to cover the number of claims projected to be administered in the fiscal year 2025-2026 operating period in account numbers 502-1952-519-3100 (Liability Insurance) and 502-1953-519-3100 (Workers' Compensation).

Recommendation

Respectfully request the Mayor and Commission approve the first option to renew the existing Agreement for Third Party Administrative Services with Relation Insurance Services for a (1) one-year period per Resolution #22-206 for services rendered as the City of Key West Third Party Claims Administrator for the City's property, casualty, and workers' compensation claims program for policy year 10/01/2025-09/30/2026. Additionally authorizing the City Manager or designee to execute all necessary documents with the advice and consent of the City Attorney.

Exhibits:

Exhibit A – RFP #22-004 – Third Party Claims Administration Services

Exhibit B – Resolution 22-206

Exhibit C – Agreement for Third Party Claims Administration Services