

**City of Coral Gables Virtual Commission Meeting**  
**Agenda Item B-2**  
**March 31, 2020**  
**City Commission Chambers**  
**405 Biltmore Way, Coral Gables, FL**

**City Commission**

**Mayor Raul Valdes-Fauli**  
**Vice Mayor Vince Lago**  
**Commissioner Jorge Fors**  
**Commissioner Pat Keon**  
**Commissioner Michael Mena**

**City Staff**

**City Manager, Peter Iglesias**  
**City Attorney, Miriam Ramos**  
**City Clerk, Billy Urquia**

**Public Speaker(s)**

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**Agenda Item B-2**

A Resolution authorizing the renewal of the Property and Casualty Insurance Program which includes, but is not limited to, Property, General Liability, Automobile Liability, Public Officials Errors & Omissions, Excess Workers' Compensation, Crime Liability, Cyber Liability, Terrorism Property and Liability, Pollution Liability, Active Assailant Coverage, Flood, as well as other ancillary lines of insurance coverage and insurance broker fees through Arthur J. Gallagher Risk Management Services, Inc., for a not to exceed amount of \$ 2,684,109 for the policy period of May 1, 2020 to May 1, 2021.

(Funding Source: Insurance Fund)

**Mayor Valdes-Fauli: Miriam.**

City Attorney Ramos: Yes, sir.

Mayor Valdes-Fauli: B-2.

City Attorney Ramos: B-2 is a resolution authorizing the renewal of the Property and Casualty Insurance Program which includes, but is not limited to, Property, General Liability, Automobile Liability, Public Officials Errors & Omissions, Excess Workers' Comp, Crime Liability, Cyber Liability, Terrorism Property and Liability, Pollution Liability, Active Assailant Coverage, Flood, as well as other ancillary lines of insurance coverage and insurance broker fees through Arthur J. Gallagher Risk Management Services, for a not to exceed amount of \$2,684,109 for a policy period of May 1, 2020 to May 1, 2021.

Mayor Valdes-Fauli: Are there any comments, Mr. City Manager?

City Manager Iglesias: Mayor and Commissioners...

Mayor Valdes-Fauli: What's wrong with our sound? There's somebody on the phone.

City Manager Iglesias: Mayor and Commissioners...

Mayor Valdes-Fauli: There. Go ahead, Mr. City Manager.

City Manager Iglesias: Thank you, Mayor. Mayor and Commissioners, we -- this is to bind the insurance for next year again, as in Item B-1. We have gone -- the director and I have gone through the insurance item. We feel it's appropriate. There have been some increases, but this is a tough insurance market right now. And the fact that what's going on now, and the fact that, again, hurricane season's coming up June 1<sup>st</sup>, I think it's good to bind all our insurance policies now and get them effective as soon as possible.

Mayor Valdes-Fauli: And this was with the unanimous recommendation of the Insurance Committee that we appointed?

City Manager Iglesias: That is correct, Mayor.

Mayor Valdes-Fauli: Any comments from the City Commission?

Commissioner Mena: No comments on my part.

Vice Mayor Lago: None.

Mayor Valdes-Fauli: Okay, no comments. Public comments through Zoom? No public comments through Zoom. Public comments on the phone? Alright, Mr. City Clerk, any eComments or emails from members of the public?

City Clerk Urquia: Mr. Mayor, we did receive an email from Mr. Juan Carlos Diaz-Padron. And it reads, "Mayor, Vice Mayor, Commissioners, we're living in extraordinary times, and I hope each one of you are staying safe and healthy. Due to the current circumstances, our board was unfortunately not able to meet and take a formal vote on the City's insurance package before you. My fellow board members did meet via Zoom on Friday, March 27<sup>th</sup>, however, and we previously had been working diligently with the City's broker, Arthur J. Gallagher and City staff who have been (INAUDIBLE) insurance marketplace worldwide and specifically in Florida had become extremely challenging, driven by double-digit rate increases, lack of capacity and lack of available markets willing to assume risk. The challenge becomes exponentially greater when it comes to ensuring municipal accounts and specifically those with the uniqueness of a City like Coral Gables. It's important to be aware the current trends and rate increases are expected to continue for the following year. We must continue to support excellent risk management practices and do everything we can to keep losses at a minimum. I understand that Gallagher would like to bind

coverage sooner rather than later as the volatility could change changes in proposals currently on hand. I think that it's prudent and support their thoughts to secure this important coverage for the City. However, I believe that reducing coverage and limits should be a last resort option, and so our insurance fund should take into account future possible double"...

Unidentified Speaker: Hello.

City Clerk Urquia: "Increases mentioned previously. On a separate note, I want to take this opportunity to thank all of you for appointing an insurance professional to the Insurance and Risk Management Advisory Board. Our board has had great robust discussions, brought forth great ideas, and has contributed to a healthier insurance program along with City staff Director Raquel Elejabarrieta and Risk Manager David Ruiz. In addition, the City Manager's Office has allowed our board to function in the intended matter for which I am grateful and which allows the board to be as effective as possible. Stay healthy and safe. Respectfully, J.C. Diaz-Padron, Chair, Insurance and Risk Management Advisory Board."

Mayor Valdes-Fauli: Thank you very much. Do I hear a motion from the Commission?

Vice Mayor Lago: So moved.

Mayor Valdes-Fauli: Second?

Commissioner Mena: Second.

Mayor Valdes-Fauli: Will you call the roll, please?

Vice Mayor Lago: Yes.

Commissioner Mena: Yes.

Commissioner Fors: Yes.

Commissioner Keon: Yes.

Mayor Valdes-Fauli: Yes.

(Vote: 5-0)