



**City of Coral Gables
CITY COMMISSION MEETING
April 27, 2010**

ITEM TITLE:

Resolution authorizing the renewal of the property and sports liability insurance policies with AON Risk Services, Inc. of Florida in the amount of \$1,158,084.07 for the policy period of May 1, 2010 to May 1, 2011. (Funding Source: Insurance Fund)

ACTION REQUESTED BY THE BOARD/COMMITTEE:

The Insurance Advisory Committee is recommending that the City bind the renewal insurance proposal presented by AON Risk Services, Inc. of Florida for insurance coverage with an effective date of May 1, 2010 to May 1, 2011.

RECOMMENDATION OF THE CITY MANAGER:

Approve.

BRIEF HISTORY:

The City entered into a three year contract with two, two year renewal options that began on May 1, 2009 for Risk Management and Insurance Brokerage Services with Arthur J. Gallagher Risk Management Services, Inc. and AON Risk Services, Inc. of Florida after the City advertised RFP 2009.01.05 – Risk Management & Insurance Brokerage Services for the Property and Casualty Lines of Insurance Coverage. This RFP created a controlled platform for the City to obtain competitive bids on insurance broker service fees and competitive quotations on insurance policies (net of commissions) through a market assignment process. This is the second year of a three year contract with AON Risk Services, Inc. of Florida to provide Risk Management & Insurance Brokerage Services.

Description of the Insurance Policy or Fee	Premiums/Fees for the May 1, 2010 to May 1, 2011	Premiums/Fees for the May 1, 2009 to May 1, 2010
Primary Property Policy (1 st Layer – 100%)	\$ 763,908.00	\$1,001,623.00
Primary Property Policy (2 nd Layer – 43.45% of 100%)	\$ 107,677.60	n/a
Primary Property Policy (2 nd Layer – 37.93% of 100%)	\$ 93,869.98	n/a
Primary Property Policy (2 nd Layer – 18.62% of 100%)	\$ 46,237.60	n/a
Total Premiums for Primary Property Layer	\$1,011,693.18	\$1,001,623.00
Excess Property Policy (excludes named windstorm)	\$ 56,324.00	\$ 66,564.00
Sports Liability Policy (Amateur Sports Program)	\$ 16,047.89	\$ 19,804.61
Sports Medical Policy (Excess Medical Insurance)	\$ 14,019.00	\$ 18,084.00
Total Insurance Premiums (including FL state fees)	\$1,098,084.07	\$1,106,075.61
AON Insurance Brokerage Fee	\$ 60,000	\$ 60,000
Total Insurance Premiums and Fees (-0.69%)	\$1,158,084.07	\$1,166,075.61

FINANCIAL INFORMATION: (If Applicable)

Amount	Account No.	Source of Funds
\$1,158,084.07	540-000-590-4550	Insurance Fund
Total:	APPROVED BY: <i>Donald A. Johnson</i>	

APPROVED BY:

Department Director	City Attorney (If Applicable)	City Manager
<i>Chris Jarmilky</i>	<i>John</i>	<i>J. B. Alonso</i>

Attachments:

1. Resolution
2. Siver Insurance Consultants Summary & Recommendation Letter
3. Insurance renewal proposal from AON Risk Services, Inc. of Florida
4. Current schedule of insurance for AON Risk Services, Inc. of Florida