

CITY OF CORAL GABLES, FLORIDA

RESOLUTION NO. 2021-_____

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, CYBER LIABILITY, TERRORISM PROPERTY & 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 \$2,967,592 FOR THE POLICY PERIOD OF MAY 1, 2021 TO MAY 1, 2022 (**FUNDING SOURCE: INSURANCE FUND**)

WHEREAS, the City desires to protect its assets through the purchase of various insurance products; and

WHEREAS, Arthur J. Gallagher Risk Management Services, Inc., serves as the City's agent of record and solicited and /or obtained quotes from different carriers for the various types of insurance coverage named above on behalf of the City; and

WHEREAS, the City's overall property insurance rate increased by 1.68%, which was attributable to a hardening market. The City's overall property insurance premium increased by 11%, which was attributable to the re-indexing of property values and adding at the time of this renewal three (3) new buildings to the City's property schedule (Fire Station 2, Trolley Building and new Public Safety Building) and removing the existing Public Safety Building; and

WHEREAS, the City's combined general liability, worker' compensation and excess workers' compensation premium with the incumbent increased by 7% with claim history and a hardening market driving the increase. An alternative proposal from a comparable carrier was obtained which, if purchased, would enable the City to renew with a slight decrease in the premium (0.5%). However, even though the terms of the two programs are very similar, there are several potential program differences which need to be favorably resolved or clarified prior to binding on May 1, 2021. The City will proceed with this analysis before binding with the incumbent or the new bidder; and

WHEREAS, the City's cyber liability insurance increased by \$67,065 (314% increase), which was attributable to the market's increased claim frequency leading to market hardening and also certain coverage changes; and

WHEREAS, the City's Sports Liability insurance increased by \$59,495 (224% increase) due to a hardening market; and

WHEREAS, the City's general terms and conditions for all the other coverages are similar to last year with some less significant increases; and

WHEREAS, funding has been identified and will be available from the City's Insurance Fund.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF CORAL GABLES:

SECTION 1. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this Resolution upon adoption hereof.

SECTION 2. The authorization is hereby granted for the renewal of the property and casualty insurance program which includes, but are not limited to, property insurance, 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 \$2,967,592 for the policy period of May 1, 2021 to May 1, 2022.

SECTION 3. That said Resolution shall become effective upon the date of its passage adoption herein.

PASSED AND ADOPTED THIS _____ DAY OF MARCH, A.D., 2021.

APPROVED:

RAUL VALDES-FAULI
MAYOR

ATTEST:

BILLY URQUIA
CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

MIRIAM SOLER RAMOS
CITY ATTORNEY