



**City of Coral Gables  
CITY COMMISSION MEETING  
March 24, 2009**

**ITEM TITLE:**

A Resolution authorizing the City Manager or Designee to negotiate and execute a contract with AON Risk Services, Inc. of Florida and Arthur J. Gallagher Risk Management Services, Inc. for the ancillary lines of insurance coverage for three (3) years with two (2) additional two (2) year renewal options, with the first year premium fees not to exceed \$71,556.00 for the period May 1, 2009 to May 1, 2010.

**ACTION REQUESTED BY THE BOARD/COMMITTEE:**

The Insurance Advisory Committee is recommending that the City authorize staff to execute the appropriate broker of record letters to assign and/or re-assign the most competitive policies and/or quotations for ancillary coverages between AON Risk Services, Inc. of Florida and Arthur J. Gallagher Risk Management Services, Inc. so as to evenly distribute the number of policies that each broker will handle.

**RECOMMENDATION OF THE CITY MANAGER:**

The City Manager recommends approval.

**BRIEF HISTORY:**

The City entered into a three year contract with a three year renewal option that began on May 1<sup>st</sup>, 2003 for Risk Management and Insurance Brokerage Services with Arthur J. Gallagher Risk Management Services, Inc. /AON Risk Services, Inc. of Florida after an RFP process. In October of 2008, the City advertised RFP 2008.10.31 – Risk Management & Insurance Brokerage Services for the Property and Casualty Lines of Insurance Coverage. This bid was protested and a decision was made to start the process over and in January of 2009, 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.

The end result of this process is the Insurance Advisory Committee making a recommendation to the Commission to authorize City staff to execute the appropriate Broker of Record letters for the ancillary insurance policies for assignment purposes to more evenly distribute the total number of policies handled by each of the Property and Casualty Insurance Brokers (AON & Arthur J Gallagher).

The following is a list of the policies represented by this resolution: *Crime Insurance, Statutory AD&D (Police & Fire), Travel Accident, Public Officials Bond, Storage Tank Liability, Sports Medical, and Sports Liability.*

**FINANCIAL INFORMATION: (If Applicable)**

	Amount	Account No.	Source of Funds
	\$71,556.00	540-000-590-4550	Insurance Fund
Total:		APPROVED BY: <i>Donald A. Alm</i>	

**APPROVED BY:**

Department Director	City Attorney (If Applicable)	City Manager
<i>May J. Siedl</i>		

**Attachments:**

1. Resolution
2. Related documents from AON Risk Services Inc. of Florida and Arthur J. Gallagher response to RFP