

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO BIND THE RENEWAL POLICIES FOR PRIMARY AND EXCESS PROPERTY INSURANCE, TO BIND THE RENEWAL POLICIES FOR FLOOD INSURANCE, TO BIND THE RENEWAL POLICIES FOR PUBLIC OFFICIALS LIABILITY INSURANCE AND TO BIND NEW FLOOD INSURANCE POLICIES FOR THREE PROPERTIES FOR WHICH NO FLOOD COVERAGE IS IN PLACE FOR A NOT TO EXCEED AMOUNT OF \$1,973,620.43 FOR WHICH QUOTES WERE SOLICITED BY ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES.

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

WHEREAS, in accordance with the City's Purchasing Ordinance, Section 38.40(C)(9), purchases of insurance through the City's "Agent of Record" are exempt from the competitive bid and competitive proposal requirements; and

WHEREAS, on April 17, 2013, through RFP 4344-13-IS and Resolution R-2013-086, the City designated as its broker of record, Arthur J. Gallagher Risk Management Services; and

WHEREAS, Arthur J. Gallagher Risk Management Services solicited and/or obtained quotes from eleven (11) carriers for the various layers of property insurance; and

WHEREAS, Arthur J. Gallagher Risk Management Services solicited and/or obtained quotes from three (3) carriers for public officials liability insurance; and

WHEREAS, Arthur J. Gallagher Risk Management Services' approach is to segregate the Utilities property from the remainder of the City's property; and

WHEREAS, based on the wind damage model estimates provided by the underwriters, the wind coverage of \$50 million for Utilities property and \$30 million for all other City property is adequate for a 250 year storm; and

WHEREAS, the City will maintain a 5% wind deductible with a minimum wind deductible of \$500,000.00 for the Utilities property and \$250,000.00 for all other City property; and

WHEREAS, the current property insurance policies were written on a 14.5-month policy term to expire on December 15, 2014 in an effort to move the renewal outside of hurricane season; and

WHEREAS, the 2014-2015 property insurance policies will now be on a 12-month term (December 16, 2014 to December 15, 2015) so that the renewal continues to be outside of hurricane season; and

WHEREAS, the total cost for the renewed 12-month property insurance policies will be approximately \$270,000.00 less than the previous 14.5 month policies and the total cost for the renewed food insurance policies will be approximately \$12,000.00 less than the previous policies; and

WHEREAS, in addition to renewing the property and flood insurance policies currently in place, the City is seeking to obtain flood coverage for three properties with the same general terms and conditions as the flood renewal coverages; and

WHEREAS, the general terms and conditions for all the other coverages are the same as last year; and

WHEREAS, funding has been identified and will be available in the Fiscal Year 2015 budget in the City's Self Insurance Fund (Fund 58);

NOW THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That it hereby approves and authorizes the binding, by the appropriate City Officials, of policies embodying the terms and conditions approved by the City Commission this date for the renewal policies for primary and excess property insurance, for the renewal policies for flood insurance, for the renewal policies for public officials liability and for the new flood insurance policies for three properties for which no flood coverage is in place for a not to exceed amount of \$1,973,620.43 in forms acceptable to the City Manager and approved as to form and legality by the City Attorney.

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO BIND THE RENEWAL POLICIES FOR PRIMARY AND EXCESS PROPERTY INSURANCE, TO BIND THE RENEWAL POLICIES FOR FLOOD INSURANCE, TO BIND THE RENEWAL POLICIES FOR PUBLIC OFFICIALS LIABILITY AND TO BIND NEW FLOOD INSURANCE POLICIES FOR THREE PROPERTIES FOR WHICH NO FLOOD COVERAGE IS IN PLACE FOR A NOT TO EXCEED AMOUNT OF \$1,973,620.43 FOR WHICH QUOTES WERE SOLICITED BY ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES.

Section 2: That this resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this _____ day of _____, 2014.

PETER BOBER, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM AND LEGALITY
For the use and reliance of the
City of Hollywood, Florida, only.

JEFFREY P. SHEFFEL, CITY ATTORNEY