

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO BIND THE POLICIES FOR EXCESS WORKERS' COMPENSATION INSURANCE, GENERAL LIABILITY, AUTO LIABILITY, STATUTORY ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE, CRIME INSURANCE, CYBER LIABILITY, AND FLOOD INSURANCE FOR A NOT TO EXCEED AMOUNT OF \$640,366.00 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 Agent of Record, Arthur J. Gallagher Risk Management Services; and

WHEREAS, Arthur J. Gallagher Risk Management Services solicited and/or obtained quotes from different carriers for the various types of coverage named above on behalf of the City; and

WHEREAS, the quotes received were for the 2016/2017 renewal period, except the quote for accidental death and dismemberment is for the 2016/2017 and 2017/2018 renewal periods (\$16,011/yr.); and

WHEREAS, the casualty package coverage and the self-insured retention are the same as the expiring policies with a 4.3% premium reduction; and

WHEREAS, the workers' compensation payroll is up by 3.6%, however there is a slight rate reduction of 0.47%; and

WHEREAS, accidental death and dismemberment per person exposure is up by 19.4% or approximately 86 additional covered police and firefighters with a premium increase of 6.5%; and

WHEREAS, the National Flood Insurance Program through FEMA declared rate changes effective November 2015 and April 2016 for flood coverage amounting to overall rate increases of 9% to 18%, increases in the Reserve Fund fee from 10% to 15% and various increases in the fees charged; and

WHEREAS, Arthur J. Gallagher Risk Management Services provided the City an option to reduce renewal costs by eliminating flood insurance on properties in Flood X zones; and

WHEREAS, the total renewal costs are an estimated decrease of \$112,894.00 from the costs of fiscal year 2016; and

WHEREAS, funding has been identified and will be available in the Fiscal Year 2017 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 excess workers compensation insurance, general liability, auto liability, statutory accidental death and dismemberment insurance, crime insurance, cyber liability and flood insurance for a not to exceed amount of \$640,366.00 in forms acceptable to the City Manager and approved as to form and legality by the City Attorney.

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

PASSED AND ADOPTED this _____ day of _____, 2016.

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