ORANGE COUNTY GOVERNMENT

Interoffice Memorandum

March 1, 2022

TO: Mayor Jerry L. Demings

-And-

County Commissioners

ELEM: Carrie Mathes, CFCM, NIGP-CPP, CPPO, C.P.M., Manager II, Procurement

Division

CONTACT: John Petrelli, Director Risk Management and Professional Standards

(407) 836-9640

SUBJECT: Approval to Purchase All Lines of Commercial Insurance Coverage

Contract Y20-1061

ACTION REQUESTED:

Approval to Purchase Renewals of All Lines of Commercial Insurance Coverage under Contract Y20-1061, Insurance Broker and Consultant Services, with Arthur J. Gallagher Risk Management Services, Inc. for premiums not-to-exceed \$6,016,550.

Commercial Property including Equipment Breakdown, Inland	
Marine and Stand-Alone Terrorism	\$4,200,000
Excess Public Entity Liability	\$ 800,000
Cyber Liability & Extortion	\$ 950,000
Corporate Counsel Liability	\$ 19,000
Commercial Crime and Public Officials Bonds	\$ 13,000
Neighborhood Services Grant Liability*	\$ 16,000
Unmanned Aviation Policy**	\$ 10,500
Corrections Accidental Death & Dismemberment***	\$ 3,050
Vendor Liability Program+	\$ 5,000
Total	\$6,016,550

- * The premium for the Neighborhood Services grant policy is paid from the General Fund.
- ** The premium for the unmanned aviation policy is paid from Fund 1009.
- *** The premiums for the Corrections AD&D policies are paid from the General Fund.
- + The premium for the Vendor policies is paid by the vendor and is collected annually from Fund 1050.

PROCUREMENT:

To purchase renewal policies of all-lines of commercial insurance for the Board of County Commissioners, Clerk of the Circuit and County Courts, Property Appraiser, Tax Collector, Comptroller, Supervisor of Elections, and the Orange Blossom Trail Development Board (workers' compensation only).

Approval to Purchase All Lines of Commercial Insurance Coverage Contract Y20-1061 Page 2

Arthur J. Gallagher will serve as agent with insurers as yet to be determined for policies with effective dates of April 1, 2022 through March 31, 2023.

FUNDING:

Funding is available in account number 5510-025-0328-3350.

APPROVALS:

The Risk Management Committee and the Risk Management Division concur with this recommendation.

DISCUSSION:

The Board selected Arthur J. Gallagher & Co. on December 15, 2020 to provide insurance broker and consultant services to the County for an initial three-year contract with two optional one-year renewals. This particular request for Board approval will allow Risk Management and Arthur J. Gallagher & Co. to participate in ongoing negotiations with insurance carriers up to March 31, 2022, to achieve optimum coverage and pricing. The Risk Management Committee has given their approval of the not-to-exceed amount of \$6,016,550 of premium (in accordance with the intergovernmental self-insurance agreement adopted by the Board on August 6, 1997).

The requested not-to-exceed amount represents an increase of 12.6% in the authority that was requested for the previous policy year. Based on last year's increase this price considered reasonable.