

# **COUNCIL COMMITTEE REPORT ACTION ITEM**

TO: Members of City Council

DATE: March 7, 2024

COUNCIL DATE: March 21, 2024

RE: March 7, 2024 Budget, Finance, & Taxation Action Item – Property  
Insurance Coverage for the Period of April 1, 2024 – March 31, 2025.

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## **ACTION DESIRED:**

Respectfully requesting approval of a resolution authorizing the Mayor or his designee to accept the proposals submitted by Brown & Brown of Florida, Inc. to provide property insurance coverage effective April 1, 2024.

## **ATTACHMENTS:**

Proposed Resolution

Council Vice-Chair Copley Gerdes  
Chair, Budget, Finance, & Taxation Committee

RESOLUTION NO. 2024-\_\_\_\_\_

A RESOLUTION AUTHORIZING THE MAYOR OR HIS DESIGNEE TO ACCEPT THE PROPOSALS SUBMITTED BY BROWN & BROWN OF FLORIDA, INC. TO PROVIDE PROPERTY INSURANCE COVERAGE EFFECTIVE APRIL 1 2024, AT A TOTAL ESTIMATED COST OF \$9,337,060, WHICH COST INCLUDES THE BROKER FEE TO BE PAID TO BROWN & BROWN OF FLORIDA, INC.; AUTHORIZING THE MAYOR OR HIS DESIGNEE TO EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE THESE TRANSACTIONS; APPROVING A SUPPLEMENTAL APPROPRIATION IN THE AMOUNT OF \$94,000 FROM THE UNAPPROPRIATED BALANCE OF THE COMMERCIAL INSURANCE FUND (5127) TO THE HUMAN RESOURCES DEPARTMENT, COMMERCIAL INSURANCE DIVISION (090-1925) AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City's current property insurance coverage expires on March 31, 2024; and

WHEREAS, due to the limited number of markets for coverage of this nature and the specialized nature of property insurance programs of this scope, it was determined that it would be most advantageous for the City to utilize the firm of Brown & Brown of Florida, Inc. ("Brown & Brown") as its designated broker for the purpose of securing proposals for coverage for the policy period April 1, 2024 to March 31, 2025 at a fixed fee of \$82,800 (in lieu of 10% commission); and

WHEREAS, Brown & Brown has secured a proposal to provide property insurance for properties assigned to the Water Resources Department for a Named Windstorm coverage limit of \$100,000,000 with a \$150,000,000 All Other Perils coverage limit and Flood annual aggregate (\$50,000,000 for all zones and \$20,000,000 for zones V & A) with a 5% Named Windstorm and Flood deductible for an annual cost, including National Flood Insurance Policies, Terrorism Coverage, and Loss Engineering fee, of \$2,758,736 (including taxes and assessments); and

WHEREAS, Brown & Brown has secured a proposal to provide property insurance for the General Property Program including Tropicana Field for a total insured value of \$1,136,888,921 and a coverage limit of \$441,000,000 (fire and non-named wind) with a combined coverage limit of \$100,000,000 for Named Wind Storm per occurrence and Flood annual aggregate with a \$25,000,000 sub-limit for Named Wind Storm per occurrence and Flood Annual Aggregate on Tropicana Field with a 5% Named Windstorm and Flood deductible with the City self-insuring 10% of the first layer of \$50,000,000 coverage for an annual cost of \$5,875,775 (including taxes and assessments); and

WHEREAS, Brown & Brown has secured proposals for Boiler & Machinery coverage, Fine Arts coverage, Crime coverage, Cyber Liability coverage, National Flood Insurance Policies, and Terrorism Coverage on Tropicana Field, Police Department Property, St. Pete Pier™, City Hall, Albert Whitted Airport, and Al Lang Field for an annual cost of \$211,755 (including taxes and assessments); and

WHEREAS, Brown & Brown. has secured a proposal for the Highly Protected Risk program which includes Police Headquarters for an insured value and limit of \$86,760,833, with a Flood Annual Aggregate of \$5,000,000, a 5% Named Windstorm deductible, a \$500,000 per Flood deductible, and a \$100,000 All Other Perils deductible including, Boiler and Machinery coverage, and Terrorism for an annual cost of \$407,994 (including taxes and assessments); and

WHEREAS, the coverages identified above will be for a one-year period commencing on April 1, 2024; and

WHEREAS, Section 2-186 (l) of the St. Petersburg City Code requires that the purchase of property insurance must be approved by City Council; and

WHEREAS, Administration recommends approval of this Resolution.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of St. Petersburg, Florida that the Mayor or his designee is authorized to accept the proposals submitted by Brown & Brown of Florida, Inc. to provide property insurance coverage effective April 1, 2024, at a total estimated cost of \$9,337,060, which cost includes the broker fee to be paid to Brown & Brown of Florida, Inc.

BE IT FURTHER RESOLVED that the Mayor or his designee is authorized to execute all documents necessary to effectuate these transactions.

BE IT FURTHER RESOLVED that there is hereby approved from the unappropriated balance of the Commercial Insurance Fund (5127), the following supplemental appropriation for Fiscal Year 2024:

Commercial Insurance Fund (5127)

Human Resources Department,

Commercial Insurance Division (090-1925)

\$94,000

This Resolution shall become effective immediately upon its adoption.

LEGAL:

  
00731103

DEPARTMENT:



BUDGET:

