


MEMORANDUM

TO: Mayor George
Vice Mayor England
Commissioner Kostka
Commissioner Samora
Commissioner Rumrell

FROM: Max Royle, City Manager 

DATE: September 12, 2019

SUBJECT: Discussion of Proposals for Liability, Property, Vehicle, and Workers Compensation Insurance from the Florida Municipal Insurance Trust and Public Risk Insurance Advisors

INTRODUCTION

Attached is a report from Ms. Raddatz, which provides the background for this topic. Also provided to each of you are two binders, one from each of the bidders: the Florida Municipal Insurance Trust (FMIT) and Public Risk Insurance Advisors (PRIA).

One of the key differences between the two bidders is that PRIA is a broker that canvasses the insurance market for its clients for various types of insurance while FMIT isn't a broker. It provides the various types of insurance. Another difference is that PRIA has served Florida local governments for 17 years and FMIT has existed for 40-plus years.

You'll note from Ms. Raddatz's report that the difference in cost between the two bidders is \$6,605, with PRIA the lower bidder.

RECOMMENDATION

It is that for FY 2020 the City continue with FMIT. It has provided very responsive service to the City for a number of years, and, in particular, provides a well-regarded response to cities that are hit by tropical storms and hurricanes. This was highlighted by the keynote speaker, Mr. Mark McQueen, City Manager of Panama City, at the Florida League of Cities' conference in August. FMIT has contracted with Synergy, a company that specializes in disaster preparedness and relief for local governments. Before Hurricane Dorian, a member of Synergy called our City to ask if he and another employee could be embedded at the County EOC, so that they would be ready to evaluate damage to City property and that of St. Augustine, which is also a member of FMIT, after the hurricane had passed.

As Ms. Raddatz notes, in 2020 she will again advertise for bids for insurance, including health insurance.

CONCERNS

It is whether City staff and the Commission can effectively evaluate insurance bids. None of us are experts in insurance matters. Of particular concerns are the effect of any exclusions listed by the bidders on the coverage they propose the City have, and the financial soundness of the companies proposed to provide insurance to the City. If the Commission is interested in changing from FMIT to PRIA or another company

in the future, it would be in the City's best interest to have the bids evaluated by a company that does such evaluations but doesn't sell insurance.



CITY OF ST. AUGUSTINE BEACH

Date: September 17, 2019

To: Mayor George
Vice Mayor England
Commissioner Kostka
Commissioner Rumrell
Commissioner Samora

From: Beverly Raddatz, MMC, City Clerk / HR Director / Risk Manager / Purchasing

Subject: Request for Proposal 19-05 Insurance & Risk Management Services

Background:

At the Regular Commission meeting of July 1, 2019, the Commission requested staff to do a Request for Proposal for Insurance & Risk Management Services. Staff posted RFP-19-05 Insurance and Risk Management Services on July 3, 2019 on Demand Star and the City's webpage with the closing date of August 23, 2019 at 4:00 p.m. The City received two bids: Public Risk Insurance Advisors (PRIA) and Florida Municipal Insurance Trust (FMIT). Bids were opened on August 23, 2019 at 4:00 p.m. by City Clerk Raddatz. Also, in attendance were: Finance Director Patricia Douylliez, Deputy City Clerk Dariana Fitzgerald, City Manager Max Royle, IT Manager Anthony Johns and IT Specialist Russell Adams. The total quotes were PRIA \$155,793 and FMIT \$162,398.

Analysis:

There is a difference between companies and their methods. PRIA is a broker-based company that gives the contracts to other insurance companies under their umbrella and does not guarantee any of the insurance companies they contract with, which could cause a lapse in coverage. PRIA picks from A- or better insurance companies such as Preferred Government Insurance Trust (PGIT). PGIT claims are handled by Preferred Governmental Claim Solutions, Inc. (PGCS), which is a third-party claims administrator. This can lead to staff dealing with multiple agencies to find a solution to a problem or waiting for PRIA for an answer from the other insurance companies.

FMIT is not a broker and has been providing insurance and risk and safety management services to Florida cities for over 40 years. Their customer service is excellent, and they answer questions quickly and professionally. They provide free inhouse and webinar training for employees, \$5,000 safety grants annually, that require and match reimbursement of shared premiums if not used as forecasted to their customers. In the past three years the City has received \$10,6349 and have a world-class Turnkey Recovery Program, Synergy/NDS, before and after a disaster which gives immediate mobilization of resources, and attorney services for any risk management questions.

Budget Analysis:

The quote breakdowns were as follows:


| | PRIA | FMIT |
|---|---|------------------|
| Inland Marine & Crime | \$22,121 | \$24,129 |
| General Liability | \$9,179 | 8,325 |
| Law Enforcement Liability | \$19,972 | \$19,466 |
| Employment Practices Liability/ Public Official Liability | \$29,011 | \$13,017 |
| Worker's Compensation | \$56,369 | \$74,580 |
| Auto Insurance | \$18,311 for \$500,000 or \$19,141 - \$1,000,000 Limit | \$22,881 |
| TOTALS: | \$155,793 | \$162,398 |

Recommendation:

It is the recommendation of staff to continue with FMIT because of their excellent customer service, professionalism, quality of service, small difference in pricing and the working relationships staff has with FMIT. However, staff would like to go out for a Request for Proposals in January 2020 for all City insurances, including medical, dental, vision, and life. This would update all aspects of the insurances for the City to make sure we have the best quotes available.

MEMORANDUM

TO: Mayor George
Vice Mayor England
Commissioner Kostka
Commissioner Samora
Commissioner Rumrell

FROM: Max Royle, City Manager 

DATE: September 12, 2019

SUBJECT: Determination of Projects for Which to Request County Funding

INTRODUCTION

At the September 10th meeting, County Commissioner Henry Dean informed you that the County had a surplus of \$15.5 million and that the City could receive \$400,000 based on a percentage of the City's population in relation to the County's population. He emphasized that this was a proposal from him, in response to a suggestion from a citizen, Mr. Tom Reynolds, and hadn't been approved by the County Commission and there was no timetable yet as to when the money might be available. He suggested that projects for the funding should be one-time, capital projects.

The day following the meeting, the City Manager asked the department heads for suggested projects. Attached is a list from the Public Works Director. In addition to that list, here are other suggestions:

a. Chief Hardwick:

Improvements to Ron Parker Park, such as the resurfacing/refurbishing of the basketball courts; improve multi-purpose field with artificial turf and better lighting; a walking path on the side area of the property; bicycle path circling the park.

b. City Manager:

- Portable pumps to remove water from certain neighborhoods, such as Magnolia Dunes, after storms.
- Backup generators for the city's storm water pump stations in the Sandpiper Village and Linda Mar subdivisions.
- Pedestrian-activated signals at certain intersections along the Boulevard, such as 16th, 11th, and F Streets.

ACTION REQUESTED

It is that you review the above list, and the suggestions from Mr. Tredik, and that you decide which projects to keep or delete, or you may have projects that you want to add to the list. The criteria you could use to evaluate the suggested projects:

- Which ones are needed to meet a critical need

- Which ones will provide the most benefit to the most people

SUGGESTION: It is that if you select for County funding some of the projects that are in the FY 2020 budget, you leave them in the budget. We don't know at this time whether the County will share its surplus. If it does, then the money in the budget for the projects can be transferred to savings to help build up the City's reserves.

Max Royle

From: Bill Tredik
Sent: Thursday, September 12, 2019 1:07 PM
To: Max Royle
Cc: Patricia Douylliez; Ken Gatchell
Subject: Potential use of County Surplus
Attachments: FY 2020 CIP - County Funds.xlsx

Max:

Attached is a list of candidate projects or expenditures which may be suitable for use of funds received from the County. In the attachment, I included items currently in the proposed FY20 budget as well as items not in the proposed FY20 budget.

Roughly prioritized items **not in the proposed FY20 budget** which could be considered for funding include:

| | |
|---|-----------|
| Ocean Hammock Park – Picnic area/observation deck other facilities | \$260,000 |
| Mickler Boulevard Resurfacing – 16 th Street to A Street | \$100,000 |
| Splash Park additional shade structure | \$20,000 |
| Ocean Hammock Park beach walkway handrail replacement | \$20,000 |
| Pave dirt west end of 7 th Street | \$30,000 |
| Pave dirt west end of 2 nd Street | \$20,000 |
| Elevated dune walkover | \$40,000 |

| | |
|-------|-----------|
| TOTAL | \$490,000 |
|-------|-----------|

Another option which could be considered may be to fund the estimated \$400,000 2nd Street opening. With the County funds, the project could be initiated, with the costs recovered through a special assessment of the property owners. Only 11 of 16 properties are in favor of the opening, so insufficient up-front funding is available to construct the project.

Items which **are in the proposed FY20 budget** which may be suitable for County funding include:

| | |
|---|-----------|
| 11 th Street Pipe lining, repair of base and resurfacing | \$140,000 |
| Mickler Boulevard North (Pope to 16 th) resurfacing | \$50,000 |
| 3 rd Lane Drainage | \$110,000 |
| A Street Sidewalk and Drainage improvements | \$60,000 |
| Ocean Hammock Park Restrooms | \$200,000 |

Of these **proposed budgeted** items, the only one which may be appropriate to consider for delay (in the hope of securing County funding) is the A Street project.

Bill

William Tredik PE, Public Works Director / City Engineer

City of St. Augustine Beach

2200 A1A South

St. Augustine Beach, Florida 32080

Ph: (904) 471-1119

email: btredik@cityof sab.org