



TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: April 16, 2013

TITLE: Motion approving the use of the negotiation method of Ordinance 2-199(3)
to obtain insurance premium quotes

Recommendation

It is recommended that the City Commission approve the use of the negotiation process to obtain a premium quote for cyber liability insurance and a quote for police liability insurance from all available insurance markets.

Background

Due to security concerns related to cyber-attacks, the Insurance Advisory Board recommended that staff evaluate the City's exposure related to cyber-attacks and purchase insurance to mitigate the cost of potential damages. This insurance policy will be negotiated with all available and qualified markets.

In addition, due to the unlimited exposure related to civil rights violations associated with police liability claims, management felt it would be fiscally responsible to purchase insurance to transfer that risk at a certain retention level, which will be reviewed and a recommendation made by the Insurance Advisory Board. This insurance policy will be negotiated with all available and qualified markets.

Staff, and by recommendation from the Insurance Advisory Board, requests authorization from the City Commission to permit the City Manager's designee, Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency, to conduct negotiations with all available and qualified markets to obtain insurance premium quotes, as prescribed in Section 2-199(3) of the Code of Ordinances, for the policy period of July 1, 2013 through June 30, 2014.

The Insurance Advisory Board met on April 3, 2013 and unanimously approved the recommendation to negotiate for cyber liability insurance and police liability insurance, as prescribed in Ordinance 2-199(3).

Resource Impact

There is no fiscal impact associated with this action.

Prepared by: Guy Hine, Risk Manager

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