



Legislation Text

File #: 24-0041, Version: 1

Consider and take action on a resolution authorizing an agreement with McGriff Insurance Services, LLC as the City's Property, Casualty, and Windstorm Broker/Consultant for the period February 1, 2024, through January 31, 2026 for an amount not to exceed \$56,800 per year (Director of Human Resources and Civil Service)

McGriff Insurance Services, LLC is the current broker for windstorm coverage for League City. McGriff provides these services in exchange for commissions received from insurance providers. In an effort to control costs and ensure the brokers are working in the City's best interests as a fiduciary, an RFP was released by the HR department requesting proposals for a Property, Casualty, and Windstorm Broker/Consultant. The proposals would establish a set fee for service and demonstrate consulting services that would be available to City staff within the proposed fee structure. These services will include risk control, disaster management, claims analysis and auditing, exposure analysis, and much more.

The RFP #24-006 was released on Thursday, November 30, 2023 and closed on Friday, January 5, 2024. The City received two responses and evaluated both agencies.

Both McGriff Insurance Services, LLC and Arthur J. Gallagher & Co. submitted proposals. Both organizations shared commendable qualifications and project approach. McGriff, however, demonstrated more specific experience in their proposal and a lower fee structure of \$56,800/year commission cap compared to Gallagher's \$120,000/year straight fee.

Approval of this item will finalize the selection of the City's Property, Casualty, and Windstorm Broker/Consultant for the period February 1, 2024, through January 31, 2026 for an amount not to exceed a \$56,800 commission cap paid to McGriff by insurance providers.

Staff Recommendation:

Staff recommends contracting with McGriff Insurance Services for two years for a fixed commission of \$56,800 per year.

Attachments:

1. Data Sheet
2. Proposed Resolution
3. RFP #24-006 Evaluation Scoring Matrix - Summary

FUNDING

{x} Funding in the amount of \$56,800 is available in Non-Departmental Insurance - All Coverages account #1650000-53330. In FY205, \$56,800 will be allocated in Non-Departmental Insurance - All Coverages account #1650000-53330 upon Council's approval of the FY2025 budget.

STRATEGIC PLANNING

{x } NOT APPLICABLE