

ITEM #:	<u>26</u>
DATE:	<u>06-25-24</u>
DEPT:	<u>HR</u>

COUNCIL ACTION FORM

SUBJECT: **FY 2024/25 PROPERTY BROKERAGE AGREEMENT**

BACKGROUND:

The City utilizes the services of a broker to procure property insurance coverage for City facilities. This year, City staff issued an RFP for a three-year Property Insurance Brokerage Services contract. A team of City staff evaluated the proposals based on thoroughness of the response, demonstration of successful prior performance, organization and management practices, adequacy and breadth of services available, history of collaboration with insurance markets to create innovative coverage solutions, and costs.

Proposals were received from two firms: Willis Towers Watson and Jester Insurance Services. **Following a review according to the RFP criteria, Willis Towers Watson (WTW) was City staff's unanimous choice to provide this service.** WTW has been the City's property insurance broker since 2011. Under Willis' guidance, the City's property program has been divided into a municipal property insurance program and a power property program. Last year, City staff instructed WTW to take the City's property insurance to the marketplace. The City seeks Willis' advice on a regular basis regarding risk mitigation efforts, insurance coverage strategies, and in completing claim documentation in the event of losses.

WTW's proposal is to provide this service at \$55,000 annually for the initial term of the agreement. The FY 2024/25 City budget contains \$60,000 for this service. There are two additional one-year renewal options on this contract.

ALTERNATIVES:

1. Approve the property brokerage agreement with WTW in the amount of \$55,000 for July 1, 2024 through June 30, 2025.
2. Approve a property brokerage agreement with Jester Insurance.

CITY MANAGER'S RECOMMENDED ACTION:

Willis has been the City's broker for many years, and they continue to seek out the best rates possible. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1.

ATTACHMENT(S):

[2024 City of Ames Statement of Work - signed by KM 4-22-24 \(1\).docx](#)