

ITEM #: 23
DATE: 6-13-23
DEPT: HR

COUNCIL ACTION FORM

SUBJECT: FY 2023/24 PROPERTY BROKERAGE AGREEMENT RENEWAL

BACKGROUND:

The City contracts with Willis Towers Watson of Greater Kansas, Inc. (WTW), to provide property insurance brokerage services for the City's property insurance program. This contract stems from a three- year agreement with Willis initiated in 2011. After the initial three-year term, both parties agreed to extend the agreement for one-year extensions. Previous agreements with WTW have been for the amounts indicated below:

FY 2011/12 through FY 2018/19:	\$45,000 annually
FY 2019/20:	\$50,000
FY 2020/21:	\$50,000
FY 2021/22:	\$50,000
FY 2022/23:	\$50,000

The current agreement, in the amount of \$50,000, expires June 30, 2023. **Willis has agreed to extend this agreement through June 30, 2024, at the cost of \$55,000.** The FY 2023/24 budget contains \$55,000 for this service.

Under Willis' guidance, the City's property program has been divided into a municipal property insurance program and a power property program. 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.

ALTERNATIVES:

1. Approve an extension of the property brokerage agreement with WTW of Greater Kansas, Inc. in the amount of \$55,000 for a period beginning July 1, 2023.
2. Do not approve an extension of the property brokerage agreement and seek proposals from other companies.

CITY MANAGER'S RECOMMENDED ACTION:

Staff has been very satisfied with work performed by Willis on behalf of the City and the advice they have provided in the past. Commercial property insurance has been an extremely difficult area to contain cost for several years. WTW has worked closely with City staff to obtain the best renewal rates possible. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, as described above.