RESOLUTION NO 12-06-44

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, APPROVING AN AGREEMENT BETWEEN ISLAMORADA, VILLAGE OF ISLANDS, AND GEHRING GROUP, INC., TO PROVIDE INSURANCE BROKER / AGENT OF RECORD SERVICES; AUTHORIZING VILLAGE OFFICIALS TO IMPLEMENT THE TERMS AND CONDITIONS OF THE AGREEMENT; AUTHORIZING THE VILLAGE MANAGER TO EXECUTE THE AGREEMENT; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, in September 2011 the Village Council directed that before the FY 2012-2013 renewals of policies for employee insurance benefits, the Village’s competitive bid procedures should be utilized to solicit bids from insurance providers thereby ensuring that the Village is incurring the lowest possible costs for employee insurance benefits; and

WHEREAS, in April 2012 Village staff prepared and published a Request for Proposals (RFP) for Insurance Broker / Agent of Record Services; and

WHEREAS, in May 2012 the Village Manager created an Evaluation Committee to review and evaluate the two proposals that the Village received in response to the RFP; and

WHEREAS, at its meeting of May 24, 2012, the Village Council adopted Resolution No. 12-05-37 approving the final ranking of the Evaluation Committee which selected Gehring Group, Inc., as the first ranked firm to provide Insurance Broker / Agent of Record Services for Employee Benefits; and

WHEREAS, Resolution No. 12-05-37 authorized the Village Manager to negotiate an agreement for services with Gehring Group, Inc.
NOW THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF

ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AS FOLLOWS:

Section 1.  Recitals.  The above recitals are true and correct and are incorporated herein by this reference.

Section 2.  Approval of Agreement. The Agreement between Islamorada, Village of Islands, and Gehring Group, Inc., a copy of which is attached as Exhibit 1, together with such non-material changes as may be acceptable to the Village Manager and approved as to form and legality by the Village Attorney, is approved.

Section 3.  Authorization of Village Officials. The Village Manager and/or his designee and the Village Attorney are authorized to take all actions necessary to implement the terms and conditions of the Agreement.

Section 4.  Execution of Agreement. The Village Manager is authorized to execute the Agreement on behalf of the Village, to execute any required agreements and/or documents to implement the terms and conditions of the Agreement and to execute any extensions and/or amendments to the Agreement, subject to the approval as to form and legality by the Village Attorney.

Section 5.  Effective Date. This resolution shall be effective immediately upon its adoption.

PASSED AND ADOPTED this 28th day of June, 2012.

Motion to adopt by Councilman Achenberg, second by Councilman Blackburn.

FINAL VOTE AT ADOPTION
Mayor Michael Reckwerdt  Yes
Vice Mayor Ken Philipson  Yes
Councilman Don Achenberg  Yes

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Councilman Ted Blackburn  Yes
Councilman Dave Purdo  Yes

Ken Philipson
KEN PHILIPSON, VICE MAYOR

ATTEST:

DEBRA EASTMAN
VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY FOR THE
USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS:

VILLAGE ATTORNEY
Weiss, Serota, Helfman, Pastoriza,
Cole & Boniske, P.L.
AGREEMENT BETWEEN ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AND GEHRING GROUP, INC.

This Agreement made this 28th day of June, 2012, by and between Islamorada, Village of Islands (the “Village”), a Florida municipal corporation, 86800 Overseas Highway, Islamorada, Florida 33036, and Gehring Group, Inc. (Employee Group Benefits consultant and Agent of Record (AOR)), a Florida corporation, 11505 Fairchild Gardens Avenue, Suite 202, Palm Beach Gardens, Florida 33410.

WHEREAS, the Village desires to have AOR provide agent of record/insurance broker services for employee benefits (the “Services”) as described in Exhibit “A,” attached hereto; and

WHEREAS, the Village and AOR agree to enter into this Agreement to provide the Services.

NOW THEREFORE, the Village and AOR do hereby incorporate all terms and conditions in Exhibit “A” and mutually agree as follows:

1. Scope of Services. AOR agrees to provide to the Village the Services described in Exhibit “A.” The Village may, from time to time, request changes in the scope of the services. Such changes, including any increase or decrease in the amount of AOR’s compensation and changes in any terms or conditions of this Agreement shall only be effective upon mutual agreement of the parties evidenced by a written amendment to this Agreement.

2. Term. The Term of this Agreement shall commence on July 1, 2012, and will be effective until June 30, 2013, unless otherwise terminated in accordance with Paragraph 7. The Term of this Agreement may be extended by the Village at the same terms and conditions for up to two (2) one (1) year periods (the “Renewal Terms”) by the Village providing AOR with written notice no later than thirty (30) days prior to the expiration of the Term or the Renewal Term.

3. Reports. AOR agrees to provide written reports to the Village upon written request from the Village Manager or his designee.

4. Compensation. All compensation to AOR for the Services provided pursuant to this Agreement will be provided directly from the service provider by separate agreement between the service provider and AOR. The Village will not be billed separately for AOR’s Services. AOR will provide a report on the actual monetary commissions received from any/all service providers upon the Village’s written
request. The Village may, from time to time, require changes in the scope of the services. Such changes, including any increase or decrease in the amount of AOR's compensation and changes in terms of this Agreement mutually agreed upon by and between the Village and AOR shall be effective when incorporated in a written amendment to this Agreement.

5. **Method of Payment.** AOR shall receive compensation directly from the service providers as specified in Paragraph 4.

6. **Contacts for Responsibility.** Kurt Gehring and Anna Maria Studley will be designated as Project Director for this project by AOR to manage and supervise the performance of this Agreement on behalf of AOR. AOR shall promptly notify the Village should either Mr. Gehring or Ms. Studley no longer be assigned to the Village. The Village may terminate the Agreement if either Kurt Gehring or Anna Maria Studley is no longer Project Director for AOR. Staff members with experience and qualifications appropriate for this Project will be associated with the Project Director. The Village will be represented by the Village Manager or his designee for all matters relating to this Agreement.

7. **Termination of Agreement.** The Village, at its sole discretion, may terminate this Agreement for convenience by giving AOR 30 days' written notice of its election to do so and by specifying the effective date of such termination. If AOR fails to fulfill any of its obligations hereunder, this Agreement shall be in default and the Village may immediately terminate the Agreement. If the Agreement is terminated for convenience, AOR shall be paid for services delivered to and accepted by the Village up to the date of termination. If the Agreement is terminated for cause, AOR shall not be entitled to receive any payment. The provisions of this paragraph pertaining to payment shall apply only to services that may be provided by AOR to the Village in which the Village is obligated to directly compensate AOR. The rights of AOR to receive of commissions from service providers shall be between AOR and the providers and not effected by this Paragraph.

8. **Non-Discrimination.** There shall be no discrimination against any employee who is employed in the work covered by the Agreement or against applicants for such employment because of race, religion, gender or national original. This provision shall include but not be limited to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rate or pay or other forms of compensation; and selection for training, including apprenticeship.
9. **Interests of Parties.** AOR covenants that its officers, employees and shareholders have no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of the Services required to be performed under this Agreement.

10. **Indemnification.** AOR agrees that it will indemnify and hold harmless the Village and its public officials, employees, agents or consultants, against any and all manner of actions, causes of actions, suits, debts, claims, demands, damages or liability or expenses of every kind and by whomever and whenever made or obtained allegedly caused by, arising out of, or relating in any manner to the activity by AOR.

11. **Insurance.** Without limiting its liability under this Agreement, AOR shall procure and maintain during the Term of this Agreement and any Renewal Term, liability insurance to cover any and all liability (including professional liability) for claims, damages, or injuries to persons or property of whatsoever kind of nature arising out of the activities of the AOR carried out under this Agreement. Such insurance shall be on an occurrence basis in amounts no less than $1,000,000/$2,000,000 for personal injuries and $100,000 for property damage; and the Village shall be an additional named insured under such general and professional liability policy or policies. AOR shall submit certificates of insurance to the Village evidencing such insurance at the time of the execution of this Agreement, and as may be subsequently requested by the Village. AOR agrees that the Village will receive no less than thirty (30) days' written notice prior to cancellation, modification, or non-renewal of any of the insurance coverages described herein.

12. **Ownership of Records/Proprietary Materials.** Upon termination or expiration of this Agreement, AOR shall at the Village's written request, transfer, assign and make available to the Village or its representatives all property and materials in AOR's possession belonging to or paid for by the Village.

13. **Public Records/Confidentiality.** AOR shall comply with the applicable provisions of Chapter 119, Florida Statutes (the Florida Public Records Act) in the provision of its Services under this Agreement. AOR shall comply with applicable federal and state regulations pertaining to confidentiality of records in the performance of its Services under this Agreement.
14. **Audit and Inspection.** AOR shall make available at the Village's written request, inspection of any and all books and records in its possession pertaining to the Services provided under this Agreement during the Term, any Renewal Term and for a period of three (3) years from the date of expiration or termination of this Agreement. The Village may audit AOR's books and records at any time during the Term or any Renewal Term of this Agreement.

15. **Attorney's Fees.** In the event that either party seeks to enforce this Agreement through an attorney, the parties agree that each party shall bear its own attorney fees and costs.

16. **Governing Law.** The Agreement shall be governed by and construed in accordance with the laws of the State of Florida. Venue for any legal proceeding shall be in Monroe County, Florida, upper Keys Division. Both the Village and AOR knowingly, voluntarily, and irrevocably waive their right to a trial by jury in any civil proceedings that may be initiated by either party with respect to any term or condition of this Agreement.

17. **Assignment.** The Services of AOR provided through Mr. Gehring or Ms. Studley are a key component of this Agreement such that this Agreement shall not be assignable without the Village's written consent.

18. **Independent Contractor.** AOR shall be considered an independent contractor in the performance of the Services specified in this Agreement and all employees or agents of AOR shall be supervised by AOR. The payment of appropriate employment taxes and benefits to AOR employees or agents shall be the responsibility of AOR.

19. **Severability.** The provisions of this Agreement are severable. Should a court of competent jurisdiction determine that a provision of this Agreement is unenforceable, the rest of this Agreement shall remain in full force and effect.

20. **Notices.** Notice to either party shall be deemed given if sent by certified mail, return receipt requested, by recognized public or private postal facilities or by hand delivery. The parties may change the contact information by written notice delivered as described in this Paragraph. Notice shall be sent as follows:
For the Village: Edward Koconis, Village Manager
Islamorada, Village of Islands
86800 Overseas Highway
Islamorada, FL 33036
Telephone: (305) 664-6400
Facsimile: (305) 664-6466

With a copy to: Nina Boniske, Village Attorney
Weiss, Serota, Helfman, Pastoriza,
Cole & Boniske, P.L.
2525 Ponce de Leon Blvd., Suite 700
Coral Gables, FL 33134
Telephone: (305) 854-0800
Facsimile: (305) 854-2323

For AOR: Kurt Gehring, President CEO
Gehring Group, Inc.
11505 Fairchild Gardens Avenue, Suite 202
Palm Beach Gardens, FL 33410
Telephone: (561) 626-6797
Facsimile: (561) 626-6970

21. **Counterparts** This Agreement may be executed in several counterparts, each of which shall be signed by each party and be deemed an original, and such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties execute this Agreement on the respective dates under each signature: The Village, signing by and through its Village Manager, attested to by its Village Clerk and by its Village Attorney by and through its principal.

**ISLAMORADA, VILLAGE OF ISLANDS**
a Florida municipality:

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<tr>
<td>Edward Koconis</td>
<td>Date</td>
<td>Kurt Gehring</td>
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<td>Village Manager</td>
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<td>President CEO</td>
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**ATTEST:**

Debra Eastman, Village Clerk

**APPROVED AS TO FORM AND LEGALITY**
FOR THE USE AND BENEFIT OF
**ISLAMORADA, VILLAGE OF ISLANDS ONLY:**

Village Attorney

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EXHIBIT A

SCOPE OF SERVICES

A. Background/Existing Benefit Program:

The Village provides benefits coverage to all full time Village employees. It also provides coverage for eligible Village retirees. Approximately 71 full time employees, 1 COBRA participant, and approximately 9 dependents are currently covered by various benefits. The intent of this Request for Proposals is for the Village to enter into an Agreement with an Insurance Broker / Agent of Record to provide benefits consulting services and assist the Village with competitively selecting insurance providers to provide the following insurance coverage/Benefits Programs currently offered by the Village:

1. Medical
2. Rx – Prescription Drugs
3. Dental
4. Vision
5. Basic Life and AD&D Insurance
6. Flexible Spending Account
7. Supplemental Insurance:
   a) Accident
   b) Cancer
   c) Hospital Confinement
   d) Critical Illness
8. Benefits Administration Tools:
   a) Employee Self Serve
   b) COBRA
B. Project Scope of Services:

The Firm shall provide services for the acquisition of employee benefits group insurance on an annual basis.

C. Benefits Analysis and Research:

1. Review and evaluate the Village’s existing employee benefits group plans or programs, including plan demographics, premiums/claims ratios, utilization of benefits and wellness programs to procure new insurance or manage associated costs.

2. Consolidate above referenced information for quarterly meetings with insurance providers and related service companies.

3. Conduct satisfaction surveys, feasibility studies, performance audits, and benchmarking of other Florida municipalities’ benefits and inform the Village of findings.

D. Procurement of Insurance:

1. Prepare Requests for Proposals in the format required by the Village for the procurement of employee benefits group insurance and related services.

2. Evaluate proposals and assist the Village in negotiations and implementation of employee benefits group insurance, including participation in open and re-enrollment meetings with employees, retirees, and their dependents.

E. Communications:

1. Assist in the review of Summary Plan Descriptions, preparation of newsletter articles to employees and retirees, and in communication of benefits insurance and wellness programs to plan participants.

2. Attend meetings with the Village, insurance carriers, and related service companies to discuss insurance benefits, service issues, wellness and other programs to manage costs and improve communications.

F. Regulatory & Compliance:

1. Provide general information, updates, document preparation/review, and assistance with filings of required documents.

2. Research governmental regulations, both state and federal (including Healthcare Reform laws), influencing employee benefit plan design, and provide commentary to the Village on methods of compliance or channels for rebuttal.

G. Continuous Examination:

1. Examine, recommend and comment on new and renewal insurance policies, policy amendments, and related service agreements or contracts.
H. Annual Renewal:

1. Provide a complete annual renewal package for the Village with carrier renewal formula analysis, claims experience analysis, pricing and benefit analysis.

2. Negotiate renewal positions with the carrier to develop appropriate renewal pricing.

3. Develop benefits plans that meet the benefit needs and budget considerations of the Village.

4. Design benefit alternatives and identify savings opportunities through benefit, utilization and behavioral changes.

5. Review contract and policy language to ensure plan compliance.

I. Benefits Administration Support:

1. Respond to questions from and provide information to staff, and provide other requested benefit administration support services throughout the course of the plan year.

2. Interface with insurance carriers as needed to assist the Village in the resolution of problems associated with benefit programs, claims, eligibility and billing.