

Memorandum



Date: October 27, 2011

To: Honorable Chairman Joe A. Martinez
and Members, Board of County Commissioners

From: Carlos A. Gimenez
Mayor 

Subject: Airport Liability Insurance Program

The purpose of this report is to inform the Board of the annual term details of the Airport Liability Insurance Program effective October 1, 2011.

The Board approved Resolution R-733-10 on July 8, 2010, which awarded Contract No. 713 to AON Risk Services, Inc. of Florida as the broker to place the County's Airport Liability Insurance Program. This program provides liability coverage for the five airports owned and operated by Miami Dade County.

The cost for the Airport Liability Program for the period of October 1, 2011 through October 1, 2012 is \$515,707, which includes the annual policy premium and a 1.3% Florida Hurricane Catastrophe Fund assessment. Coverage was bound with the same limits, term and conditions as the expiring program with one exception; the limit for War Liability was increased from \$50 million to \$150 million. The annual broker fee remains at \$25,000.

Details of the program are as follows:

Limit:	\$500,000,000	
Self Insured Retention:	\$50,000 per occurrence \$500,000 annual aggregate	
Program Cost Comparison:	<u>2010</u>	<u>2011</u>
	\$525,130	\$515,707

We are pleased to report a reduction in the premium despite an increase in exposure due to increased passenger traffic and the increase in the limit as noted above. Should you have any questions, please contact Internal Services Department Director Lester Sola at 305-375-2363.

c: Office of the Mayor Senior Staff
Jennifer Moon, Director, Office of Management and Budget
Lester Sola, Director, Internal Services Department
Jose Abreu, P.E., Director, Aviation Department
Charles Anderson, Commission Auditor