



Legislation Details (With Text)

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On agenda: 9/22/2021 **Final action:**

Title: Authorize the purchase of insurance policies for commercial property, boiler and machinery and loss control, terrorism, cyber liability, fine arts, crime, aviation, flood, media professional liability, general liability, and other lines of coverage as needed for the period October 1, 2021 to September 30, 2022 - Not to exceed \$8,948,035.96 - Financing: Risk Management Fund

Sponsors:

Indexes: 300

Code sections:

Attachments: 1. Resolution

| Date | Ver. | Action By | Action | Result |
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STRATEGIC PRIORITY: Government Performance and Financial Management

AGENDA DATE: September 22, 2021

COUNCIL DISTRICT(S): N/A

DEPARTMENT: Office of Risk Management

EXECUTIVE: Elizabeth Reich

SUBJECT

Authorize the purchase of insurance policies for commercial property, boiler and machinery and loss control, terrorism, cyber liability, fine arts, crime, aviation, flood, media professional liability, general liability, and other lines of coverage as needed for the period October 1, 2021 to September 30, 2022 - Not to exceed \$8,948,035.96 - Financing: Risk Management Fund

BACKGROUND

These insurance policies will provide coverage for commercial property insurance, boiler and machinery and loss control, cyber liability, aviation, crime, fine arts, flood, media and professional liability, and general liability insurance policies on behalf of the City of Dallas. The current policies will expire on September 30, 2021.

The insurance policies secured by McGriff Insurance Services, Inc. will provide commercial insurance for the following types of coverage:

- Property - buildings, contents, business interruption, terrorism, extra expense, and debris

removal

- Aviation - police helicopters
- Crime - employee dishonesty, forgery, and fraud
- Fine arts - works of art owned by the City
- Flood - damage to property caused by flood
- Media professional liability - broadcasting operations at WRR-FM
- General liability - liability exposures specific to Southern Skates as well as the Jack Evans Police Headquarters parking garage as required by the contract
- Cyber Liability - Network breach events to include computer forensics, crises management and public relations expenses, consumer notification, forensic and legal expenses, credit monitoring services, systems failure business interruption, security and privacy liability, to include coverage for legal defense costs and damages for financial loss suffered by others due to failure of computer security, Payment Card Industry-Data Security Standard fines and penalties, and Cyber extortion

The City's property values total approximately \$4.3 billion. Insurance premium reflects a higher rate per \$100 of total insured values, new construction added values, and the condition of the insurance market, specifically property and cyber liability.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On June 24, 2020, City Council authorized a service contract with McGriff Insurance Services, Inc., for broker of record services granting the recommended vendor the authority to purchase commercial property insurance, cyber liability, aviation, crime, fine arts, flood, media and professional liability, and general liability insurance policies on behalf of the City of Dallas for a term of three years, with two one-year renewal options by Resolution No. 20-1008.

On September 23, 2020, City Council authorized the purchase of insurance policies for commercial property/boiler and machinery and loss control, terrorism, cyber liability, fine arts, crime, aviation, flood, media professional liability, general liability, and other lines of coverage by Resolution No. 20-1459.

FISCAL INFORMATION

| Fund | FY 2022 | FY 2023 | Future Years |
|----------------------|----------------|---------|--------------|
| Risk Management Fund | \$8,948,035.96 | \$0.00 | \$0.00 |

OWNER

McGriff Insurance Services, Inc.

Tommy Ebner, President
Doug Hodo, Vice President