



Legislation Text

File #: 20-1697, **Version:** 1

STRATEGIC PRIORITY: Government Performance and Financial Management
AGENDA DATE: September 23, 2020
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 from October 1, 2020 to September 30, 2021 in the amount of \$6,472,925.35 - Total not to exceed \$6,472,925.35 - Financing: Risk Management Fund

BACKGROUND

These insurance policies will provide coverage for 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. The current policies will expire on September 30, 2020.

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
- 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, Cyber extortion

The current policies will expire on September 30, 2020. The City's property values total approximately \$4.2 billion. McGriff Insurance Services, Inc. will secure coverage for a property loss limit of \$250 million per occurrence insuring all risk of direct physical loss utilizing a layered program structure with multiple carriers participating. No single carrier in the Property market is offering the loss limits needed by the City. McGriff Insurance Services, Inc. approached 48 carriers in the Global Property Insurance Market to obtain the best combination of carriers offering the best available rates and terms.

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.

FISCAL INFORMATION

Fund	FY 2021	FY 2022	Future Years
Risk Management Fund	\$6,472,925.35	\$0.00	\$0.00

OWNER

McGriff Insurance Services, Inc.

Tommy Ebner, President
Doug Hodo, Vice President