

SUBJECT: Consideration and possible approval of award for CSP #25P-028LP Property, Boiler & Machinery/Equipment Breakdown, Cyber Liability, & Crisis Management Insurance in the amount not to exceed \$10,731,269.

BACKGROUND: In accordance with state bid laws, legal notices were published in accordance with Texas Education Code 44.031. The purchasing office electronically distributed to 451 companies and 1 company responded. Initial analysis and clarification with vendors were done by our insurance consultant, Joe Blasi, with McGriff Insurance Services. The evaluation team was comprised of Kevin Fornof, Melissa McCalla, and Derek Gillard. The following proposals were scored by the team in the various coverages below:

Property

Various Layered Programs

Boiler & Machinery/Equipment Breakdown

Hartford Steam Boiler

Cyber

CHUBB

Crisis Management Insurance

Lloyds of London

Scores were calculated for the best value for the district. Arthur J. Gallagher Risk Management Services' proposal for Property, Boiler & Machinery/Equipment Breakdown, Cyber Liability, & Crisis Management Insurance was scored the highest in each of the three areas. Contract dates will run from June 1, 2025, to May 31, 2026, with (4) one-year renewal options.

FINANCIAL IMPLICATIONS: The table below reflects the estimated savings of \$1,400,473 in premium costs compared to the prior year to be paid out of local funds.

Policy Year:	2024-2025	2025-2026
Property*	\$11,814,556^	\$10,547,876
Boiler & Machinery	\$52,025	\$39,709
Cyber Security	\$178,382**	\$61,599
Crisis Mgmt.	\$86,779	\$82,085
Total	\$12,131,742	\$10,731,269

*\$50M Loss Limit

^includes both wholesale broker credits and Gallagher commission credits that are issued after premiums are paid by district

**12-month premium based on 18-month policy

RECOMMENDATION:	We recommend approval of award for CSP #25P-028LP Property, Boiler & Machinery/Equipment Breakdown, Cyber Liability, & Crisis Management Insurance in the amount not to exceed \$10,731,269.
CABINET MEMBER:	Tamika Alford-Stephens
CONTACT PERSON:	Derek Gillard
BOARD MEETING DATE:	May 27, 2025