

No. \_\_\_\_\_



## UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

**TOPIC** Approval for Award of Property & Casualty Insurance Renewal

**SUBMITTED BY:** Ofelia Dominguez **OF:** Director of Risk Management

**APPROVED FOR TRANSMITTAL TO SCHOOL BOARD:** \_\_\_\_\_

**DATE ASSIGNED FOR BOARD CONSIDERATION:** August 17, 2022

**RECOMMENDATION:**

Staff has completed review of the district Property & Casualty Insurance and recommends acceptance of the renewal proposal submitted by the carrier, Property Casualty Alliance of Texas (PCAT) and AMRISC/ Carlisle Insurance.

**RATIONALE:**

PCAT is an organization created pursuant to the Interlocal Cooperation Act, Chapter 791, Title 7, of the Texas Government Code. Membership is made up totally of Texas school districts and participation is by interlocal agreement. Property Wind & Hail Coverage will be provided by AMRISC. Casualty Coverage to be provided by PCAT. Coverage and deductibles as listed on attached schedule.

**BUDGETARY INFORMATION:**

Total Annual Premium: \$4,135,198

Package Policy to include AMRISC Property written through a pool of insurance companies- Casualty- PCAT: Automobile Liability and Physical Damage, Educator's Legal Liability, Flood in Non-flood Zone areas, Equipment Breakdown, Cyber Suite, General Liability, Law Enforcement Liability

**BOARD POLICY REFERENCE AND COMPLIANCE:**

Texas Education Code 22.08



# CARLISLE INSURANCE

— SINCE 1925 —

TAKE PRIDE



## United ISD 2022 Proposal

Property & Casualty Coverage

Member Number: 240-903

Effective Dates: 9.1.2022 - 9.1.2023

Chase Carlisle

Carlisle Insurance Agency

500 N. Water Street, Suite 900

Corpus Christi, TX 78401-0234

361.884.2775

carlisleins.com



TAKE PRIDE

## United ISD

## 2022 Coverage Summary

Property 9.1.2022 - 9.1.2023

PCAT 9.1.2022 - 9.1.2023

Coverage	Provider	Valuation	Limits	Deductible
Property Wind & Hail	Multiple Carriers	Replacement Cost As Per Schedule	\$250,000,000	\$500,000 per occurrence
Property All Other Perils	Multiple Carriers	Replacement Cost As Per Schedule	\$250,000,000	\$250,000 per occurrence
Property Earth Movement	Multiple Carriers	Replacement Cost As Per Schedule	\$10,000,000*	\$250,000 per occurrence
Property - Flood - not Zone A or V	Multiple Carriers	Replacement Cost As Per Schedule	\$10,000,000*	\$250,000 per occurrence
Property - Flood - Zone A or V	Multiple Carriers	Replacement Cost As Per Schedule	\$2,500,000*	Maximum NFIP plus \$250,000 per occurrence
<i>* Sublimits included as part of the property values shown above.</i>				
Equipment Breakdown	PCAT	Per Accident	\$100,000,000	\$5,000
Cyber Loss & Liability	PCAT	1st & 3rd Party Coverage	\$1,000,000	\$25,000
General Liability	PCAT	Per Occurrence / General Aggregate	\$1,000,000	\$1,000 \$10,000 Law
Educator's Legal Liability	PCAT	Claims Made & Reported	\$3,000,000	\$25,000
Auto Liability	PCAT	Per Accident	\$100/\$300/\$100	\$1,000
Auto Physical Damage	PCAT	Actual Cash Value	See Schedule	\$1,000

### Primary Property Coverage Carriers:

AmRisc, LP  
Illinois Union Insurance Company  
Everest Indemnity Insurance Company

Starstone Specialty Insurance Company  
Lexington Insurance Company

## Additional Property Coverages

*All Sublimits are part of, not in addition to, the limit of \$250,000,000 and are Subject to the Deductibles shown above.*

*Sublimits apply Per Occurrence unless otherwise shown.*

Earth Movement	\$	10,000,000
Flood – Annual Aggregate	\$	10,000,000
Further limited to Flood in Prefixes A and V	\$	2,500,000
Accounts Receivable:	\$	5,000,000
Contractor's Equipment: unscheduled: owned, leased, rented, or borrowed	\$	500,000
- Maximum any one item	\$	25,000
Course of Construction	\$	1,000,000
Course of Construction Soft Costs	\$	100,000
Debris Removal, whichever is less of 25% or:	\$	5,000,000
Electronic Data and Media	\$	5,000,000
Error And Omissions	\$	1,000,000
Extra Expense/Expediting Expense	\$	5,000,000
Fine Arts:	\$	250,000
Fire Brigade Charges	\$	100,000
Fungus, Molds, Mildew, Spores, Yeast - Annual Aggregate	\$	15,000
Leasehold Interest	\$	100,000
Limited Pollution Coverage - Annual Aggregate	\$	100,000
Lock Replacement	\$	25,000
Miscellaneous Unnamed Locations	\$	1,000,000
Newly Acquired Property (60 Days minimum)	\$	5,000,000
Ordinance Or Law		Included
*Coverage A		
*Coverage B & C combined: 20% per bldg, Subject to a maximum of:	\$	5,000,000
*Coverage D: Ordinance Or Law: Included in Time Element		
*Coverage E: Ordinance Or Law: Included in Building Element		
Plants, Lawns, Trees, or Shrubs, \$25,000 per item, Maximum of	\$	100,000
Professional Fees - Annual Aggregate	\$	100,000
Reclaiming, Restoring or Repairing Land Improvement	\$	10,000
Reward Reimbursement	\$	25,000
Service Interruption (72 Hour Qualifying Period)	\$	250,000
Spoilage	\$	250,000
Transit	\$	250,000
Underground Pipes, Flues & Drains	\$	250,000
Valuable Papers and Records	\$	5,000,000
As Per Schedule - Sinkhole Loss Extension	\$	Included
Exhibition, Exposition, Fair or Trade Show	\$	1,000,000
Band/Musical Instruments and Uniforms - \$25,000 per occurrence deductible	\$	1,000,000
Unscheduled Outdoor Property	\$	100,000

## Equipment Breakdown

	Limits	Deductible
Equipment Breakdown Limit	\$ 100,000,000	\$ 5,000
Property Damage	Included	
Off Premises Property Damage	\$ 25,000	
Business Income/Extra Expense/Service Interruption	\$ 1,000,000	
Contingent Business Income	\$ 25,000	
Civil Authority	Included	
Perishable Goods	\$ 100,000	
Demolition	\$ 100,000	
Ordinance or Law	\$ 100,000	
Expediting Expenses	\$ 100,000	
Hazardous Substances	\$ 100,000	
Newly Acquired Locations	\$ 1,000,000	
Green	\$ 25,000	
Public Relations	\$ 5,000	

	Annual Aggregate Limit	Deductible
Cyber Loss & Liability Coverage	\$1,000,000	\$25,000
Ransomware Limit	\$100,000	Included in Above

### Insuring Agreement A – Loss Expense Coverage

Protects against expenses the Insured incurs directly (i.e. 1st Party) in connection with a Privacy Incident or Network Security Incident. Examples of covered expenses include: forensics, notification, identity monitoring, breach coaching, data restoration, extortion costs, and business interruption loss.

### Insuring Agreement B – Liability Expense Coverage

Protects against the Insured's liability to others (i.e. 3rd Party) in connection with a Private Incident, Network Security Incident, or Media Incident. Examples of covered expenses include: Defense Expense, damages, pre-judgment interests, judgments, post judgment interests, settlements, PCI assessments, and consumer redress funds.

## General Liability

	Limits	Deductible
General Aggregate Limit	\$1,000,000	\$ 1,000
Each Occurrence Limit	\$ 1,000,000	\$ 1,000
Damage To Premises Rented To You Limit	\$ 500,000	\$ 1,000
Law Enforcement Liability Limit	\$ 1,000,000	\$ 10,000
Unmanned Aerial Vehicle Aggregate Limit	\$ 100,000	\$ 1,000
Personal and Advertising Injury Limit	\$ 1,000,000	\$ 1,000
Products/Completed Operations Aggregate Limit	\$1,000,000	\$ 1,000

## Employee Benefits Liability

	Limits	Deductible
Claims-Made & Reported Form	Retroactive Date: 9.1.2005	
Each Employee	\$1,000,000	\$ 1,000
Aggregate (Included in General Liability General Aggregate)		

## Educator's Legal Liability

	Limits	Deductible
Claims-Made & Reported Form	Retroactive Date: 4.1.2000	
Coverage A: Professional Educational Services		\$ 25,000
Each Professional Incident	\$3,000,000	
Professional Incident Aggregate	\$3,000,000	
Coverage B: Employment-Practices Liability		\$ 25,000
Each Employment Incident	Combined with Coverage A	
Employment Incident Aggregate	Combined with Coverage A	
Coverage C: Non-Pecuniary Defense		\$ 25,000
Defense Reimbursement	\$100,000	
Defense Reimbursement Aggregate	\$300,000	

Coverage A and B are subject to a sublimit of \$1,000,000 per claim and \$1,000,000 annual aggregate for any claim involving Sexual Misconduct, Sexual Abuse, and/or Sexual Harassment.

## Auto Liability

	Limits	Deductible
Bodily Injury - per person	\$ 100,000	
Bodily Injury - per accident	\$ 300,000	\$ 1,000
Property Damage - per accident	\$ 100,000	
Non-owned & Hired Liability	BI / PD Limit	
Medical Payments		
Per Person	\$ 5,000	
Per Accident	\$ 50,000	\$ 1,000

## Auto Physical Damage

	Limits	Deductible
Comprehensive & Collision Coverage Including Flood, except in Zones Prefixed A or V	ACV	\$ 1,000
Newly Acquired Vehicles	ACV	\$ 1,000
Hired Car Physical Damage	\$ 100,000	\$ 1,000

## Vehicle Coverage

Automobile Liability and/or Physical Damage coverage is provided for all vehicles shown on the attached schedule. If changes to your schedule need to be made, advise your PCAT Representative before the beginning of the Participation Period. Adjustments to the schedule will be made and an Amended Auto Coverage Form will be issued. **Any vehicle owned prior to the Participation Period but not on the schedule may not be covered.**

### Newly Acquired Vehicles

Vehicles obtained after the beginning of the Participation Period are automatically covered for the same limits and deductibles as other like-type vehicles. However, if the number of vehicles added exceed 5% of the total number of covered vehicles, then an additional Contribution as determined will be due for the pro-rated coverage period.



## Terms & Conditions

### General Terms

1. The proposed contributions and coverage include package discounts. Therefore, all proposed coverages must be accepted as a package.
2. This proposal is summary only. Please consult all applicable agreements and coverage documents for a complete explanation of the coverages, conditions and exclusions.
3. If this proposal is based upon an incomplete application, terms and pricing may change if the completed application reveals new underwriting concerns.
4. This proposal is based upon no deterioration in property losses prior to binding. If a Named Storm has entered the Gulf of Mexico, binding or increasing coverage is not allowed without written approval from North American Solutions.
5. This proposal is rescinded if a RFP is issued by the school district or college subsequent to the date that this proposal is offered.
6. Coverage begins at 12:01 am on the effective date and ends at 12:01 am on the expiration date.
7. Limits are as per Schedule by Building, NOT blanket.
8. Roof coverings to be ACV if originally installed or last fully replaced prior to 2010.
9. Cosmetic Roof Damage Restriction.
10. The deductible for flood zones A or V is Maximum NFIP, whether purchased or not, Plus \$250,000 per occurrence.
11. Binding is subject to no increase in hazards or exposure' no material change in operation or ownership and no undisclosed or new losses after the quote date.
12. The wind/hail deductible shown includes a separate buyback policy from \$1,000,000 to \$500,000.
13. Cyber coverage is subject to full receipt of cyber applications and subject to underwriting approval.

### Multi-Year Coverage

1. This proposal includes multi-year coverage terms as specified in the PCAT Multi-Year Interlocal Addendum.

### Automobiles

1. Automobile Liability coverage does not extend to 15 Passenger Vans "while transporting students."
2. A contracted school bus driver who is not a district employee is not considered a covered Member.

### Annual Adjustments

1. Contributions are adjusted annually based on updated exposures for Property and Contents, Automobiles and Average Daily Attendance.
2. Contributions may be adjusted annually per the PCAT Multi-Year Interlocal Addendum.

### Proposal Contingencies (the following must be received prior to binding)

1. Signed PCAT Multi-Year Interlocal Addendum.
2. Signed coverage applications.



## Cost Summary

	Exposures		Cost
Property	Building	\$ 1,119,785,451	Property Premium \$ 2,903,490
	Contents	\$ 219,960,757	Surplus Lines Tax \$ 125,083
	Total	\$ 1,339,746,208	Stamping Office Fee \$ 1,934
			Wind/Hail Buyback \$ 264,185
Equipment Breakdown	TIV	\$ 1,339,746,208	\$ 64,091
Cyber Loss & Liability	ADA	36,640	\$ 252,024
	Employees	7,007	
General Liability & Employee Benefits Liability	ADA	36,640	\$ 40,961
	Employees	7,007	
Educator's Legal Liability	ADA	36,640	\$ 47,440
	Employees	7,007	
Automobile Liability	Power Units	735	\$ 271,328
	Trailers	87	
Auto Physical Damage	Cost New	\$37,593,153	\$ 153,208
	Units	809	
Annual Cost \$ 4,123,744			

## Value - Added Services

Operational Disaster Recovery	Priority Access to Power, Fuel, Mobile Offices & Satellite Connectivity	Included
Property Valuations	Annual Property Valuation Updates including campus diagrams & photos	Included
Driver Training	On-site Training Session + School Bus Driver DVD Training Program	Included
Employee Training	Online Liability Training for School	Included
Facility Surveys	On-Site Facility Inspections	Included
SafeBus Community Bus Driver Monitoring	Yellow & White fleet safety monitoring program	Included

		Existing 2021-2022	RECOMMENDED 2022-2023 \$900K with Ded w/PG&T Casualty	Option 2 2022-2023 \$600K with Ded w/ Liberty Mutual Casualty	Option 3 2022-2023 \$1M with Ded w/PG&T Casualty	Option 4 2022-2023 \$1M with Ded w/ Liberty Mutual Casualty
<b>Property</b>	Building & Contents Value	\$1,296,586,667	\$1,339,746,208	\$1,339,746,208	\$1,339,746,208	\$1,339,746,208
	<b>Sublimits</b>					
	Building & Contents	\$250,000,000 Per Occurrence	\$250,000,000 Per Occurrence	\$250,000,000 Per Occurrence	\$250,000,000 Per Occurrence	\$250,000,000 Per Occurrence
	Building Ordinance or Law	20% per bldg, Max \$5,000,000 per occurrence	20% per bldg, Max \$5,000,000 per occurrence	20% per bldg, Max \$5,000,000 per occurrence	20% per bldg, Max \$5,000,000 per occurrence	20% per bldg, Max \$5,000,000 per occurrence
	Extra Expense	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
	Flood	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
	Flood Zones	Zones Prefixed A or V \$2,500,000	Zones Prefixed A or V \$2,500,000	Zones Prefixed A or V \$2,500,000	Zones Prefixed A or V \$2,500,000	Zones Prefixed A or V \$2,500,000
	Outdoor Property	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
	Contractor's Equipment	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000
	Equipment Breakdown	\$100,000,000	\$100,000,000	** \$200,000,000	\$100,000,000	\$200,000,000
<b>Deductibles</b>	Wind & Hail	\$500,000 Per Occurrence	\$500,000 Per Occurrence	\$500,000 Per Occurrence	\$1,000,000 Per Occurrence	\$1,000,000 Per Occurrence
	All Other Perils	\$250,000	\$250,000	** \$10,000	** \$5,000	\$250,000
	Equipment Breakdown	\$5,000	\$5,000	** \$10,000	** \$5,000	\$10,000
	Flood - Not A or V	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000
	Flood - A or V	Maximum NEIP plus \$250,000 per occurrence	Maximum NEIP plus \$250,000 per occurrence	Maximum NEIP plus \$250,000 per occurrence	Maximum NEIP plus \$250,000 per occurrence	Maximum NEIP plus \$250,000 per occurrence
	<b>General Liability</b>					
	ADA	39,911	36,640	36,640	36,640	36,640
	<b>Limits</b>					
	Each Occurrence	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
	General Aggregate	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
	Law Enforcement Liability	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Deductibles</b>	General Liability	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	Law Enforcement Liability	\$10,000	\$10,000	\$10,000	\$10,000	\$10,000

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	Expiring 2021-2022	RECOMMENDED 2022-2023 w/ PCAT Guaranty	Renewal 2022-2023 w/ Liberty Mutual Guaranty	Renewal 2022-2023 w/ PCAT Guaranty	Renewal 2022-2023 w/ Liberty Mutual Guaranty
<b>Auto Fleet</b>					
* Vehicles for Liability	842	822	822	822	822
Cost New for Auto Physical Damage	\$19,209,467	\$17,593,153	\$17,593,153	\$17,593,153	\$17,593,153
<b>Limits</b>					
Combined Single Limit (Bodily Injury & Property Damage)	\$100/\$300/\$100	\$100/\$300/\$100	**	\$100/\$100/\$100	\$1,000,000
Non-Owned & Hired Liability	Included	Included	Included	Included	Included
Auto Physical Damage	ACV	ACV	ACV	ACV	ACV
<b>Deductibles</b>					
Bodily Injury & Property Damage	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Non-Owned & Hired Liability	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
Auto Physical Damage	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
<b>Educator's Legal Liability</b>					
Cov A - Prof Educational Services	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Cov B - Employment Practices Liability	Combined w/Cov A	Combined w/Cov A	Combined w/Cov A	Combined w/Cov A	Combined w/Cov A
Cov C - Non Monetary Damages	\$100,000 per Claim/ \$300,000 Aggregate	\$100,000 per Claim/ \$100,000 Aggregate	\$100,000 per Claim/ \$100,000 Aggregate	\$100,000 per Claim/ \$100,000 Aggregate	\$100,000 per Claim/ \$1,000,000 Aggregate
<b>Deductibles</b>					
Coverage A	\$15,000	\$25,000	**	\$25,000	\$25,000
Coverage B	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000
Coverage C	\$15,000	\$25,000	\$25,000	\$25,000	\$25,000
<b>Cyber</b>					
Limits					
Per Occurrence	\$100,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
General Aggregate	\$100,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Deductibles</b>					
Per Occurrence	\$1,000	\$25,000	**	\$25,000	\$10,000
<b>Sublimits</b>					
Cyber Extortion	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Computer Fraud	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Ransomware	\$25,000	\$25,000	**	\$25,000	\$100,000

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Premium Summary						
Property	\$2,674,347	\$3,294,692	\$3,294,692	\$1,065,238	\$1,065,238	\$1,065,238
Equipment Breakdown	\$68,123	\$64,091	** \$38,036	\$64,091	\$18,016	
General Liability & Employee Benefits Liability	\$47,942	\$40,961	** \$109,130	\$40,961	\$109,130	
Educator's Legal Liability	\$136,133	\$47,440	** \$93,720	\$47,440	\$93,720	
Automobile Liability	\$419,069	\$271,328	** \$565,607	\$271,328	\$565,607	
Auto Physical Damage	\$160,940	\$153,208	Included Above	\$153,208	Included Above	
CyberSuite	\$4,546	\$252,024	Included in GL	\$252,024	Included in GL	
Crime	\$11,854	\$11,854	\$11,854	\$11,854	\$11,854	
Property Valuations	Included	Included	** N/A	Included	N/A	
Facility Surveys	Included	Included	** N/A	Included	N/A	
Driver Training	Included	Included	** N/A	Included	N/A	
Safebus	Included	Included	** N/A	Included	N/A	
Employee Training	Included	Included	** N/A	Included	N/A	
Annual Premium	\$3,523,154	\$4,135,193	\$4,110,039	\$3,906,144	\$3,880,585	