

Personnel Management and Services
Nelson E. Diaz, Deputy Superintendent

SUBJECT: RENEWAL OF BOILER AND MACHINERY INSURANCE COVERAGE

Pursuant to the requirement of Section 230.23(9)(d), Florida Statutes, the Board carries insurance coverage on its boilers, air conditioning systems and other vessels, with Hartford Steam Boiler and Inspection Insurance Company (A.M. Best A+ XV). The current program consists of per loss limits of liability of \$10 million, subject to per occurrence deductibles of \$10,000 for all equipment except for air conditioning systems, electric motor driving A/C compressors, and A/C compressors in excess of 125 HP, which carries a per occurrence deductible of \$25,000.

At the Board meeting of August 25, 1999, the Board approved three, one-year renewals of this program, subject to annual re-rate, pursuant to State Board Rule 6A-1.012(11), whereby the Board is authorized to directly negotiate and enter into contracts for insurance and risk management programs under such terms and for such periods as may be in the best interest of the school district. The annual premium for the first year renewal of September 13, 1999 to September 13, 2000 was \$70,000.

The renewal premium for the second year renewal, September 13, 2000 to September 13, 2001 is \$75,000, with the \$5,000 increase of premium attributable to an increase in insured values.

RECOMMENDED: That The School Board of Miami-Dade County, Florida authorize the renewal of its boiler and machinery insurance coverage for the second year of its three year renewal, effective September 13, 2000 to September 13, 2001, with Hartford Steam Boiler and Inspection Insurance Company (A.M. Best A+ XV), at an annual premium of \$75,000, subject to annual re-rate based upon insured values for the third year renewal and Board approval.

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