



Approval to add Denton County Transit Authority (DCTA), TEXRail, & Grapevine Vintage Railroad to Rail Liability Insurance Policy

Budget & Finance Committee
November 10, 2020

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Sr. Manager, Insurance Programs



Recommendation

Approval of a resolution authorizing the President/Executive Director or his designee to add Denton County Transit Authority (DCTA) to rail liability insurance policy effective December 09, 2020, and to add TEXRail and Grapevine Vintage Railroad effective January 1, 2021.

Rail Liability Insurance

- Transportation agencies in the region have experienced a volatile insurance market that has seen in the past few years large jury verdicts and carriers leaving the rail liability market, creating a reduction in capacity.
- A partnership will reduce DART's share of the rail liability premium and result in significant savings for the other transportation agencies.
 - DCTA coverage effective December 9, 2020.
 - TEXRail and Grapevine Vintage Railroad coverage effective January 1, 2021.
- Agencies are governmental entities and are protected by the Texas Tort Claims Act.

Agencies Overview

	Year Established	Share Stations with TRE or Light Rail	Operates	Insurance Limit
TEXRail	2019	2	27 miles DFW Airport to Downtown FW	\$300 million
DCTA	2011	1	21 miles Carrollton to Denton	\$140 million
Grapevine Vintage Railroad	1996	0	21 miles Grapevine to FW Stockyards	\$300 million

Five Agencies Partnership Insurance Costs & Savings

	Individual Policies	^5 Agencies Combined	^Savings	Savings %
DART for TRE	\$1,211,024	\$777,960	\$433,064	35.76%
Trinity Metro for TRE	\$1,590,976	\$1,022,040	\$568,936	35.76%
TEXRail	^\$3,220,000	\$1,800,000	\$1,420,000	44.09%
Grapevine Vintage RR	^\$2,300,000	\$1,500,000	\$800,000	34.78%
DCTA	\$2,300,000	\$900,000	\$1,400,000	60.86%
Total	\$10,622,000	\$6,000,000	\$4,622,000	43.51%

Cost Allocation: TRE 30%; TEXRail 30%; Grapevine Vintage RR 25%; DCTA 15%

*DART and TM costs for TRE are split based on TRE revenue service miles.

^Premium is estimated



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