

11359

DATE: May 11, 2010

TO: Board of Acquisition and Contract

FROM: Robert F. Meehan
County Attorney

SUBJECT: Authority to purchase "All Risk" Property/ Boiler & Machinery Insurance for Hangars "D" and "E" at Westchester County Airport with the New York Municipal Insurance Reciprocal ("NYMIR") and the Great American Property and Casualty Group through the brokerage firm, The Spain Agency, for the period, June 1, 2010 through June 1, 2011 in an amount not to exceed \$90,359.78.

Each year the County purchases "All Risk" Property/Boiler & Machinery Insurance for Hangars "D" and "E" at the Westchester County Airport. The cost of this insurance is reimbursed by the tenants operating Hangars "D" and "E". Last year we obtained this insurance from the New York Municipal Insurance Reciprocal ("NYMIR") and the Great American Property and Casualty Group through the Brokerage Firm, The Spain Agency, for the period 6/1/09 through 6/1/10 at a cost of \$89,438.31. There were no paid losses last year.

We recommend renewing the policy with the Spain Agency which was again successful in securing coverage from the New York Municipal Insurance Reciprocal ("NYMIR") and the Great American Property and Casualty Group for the period 6/1/10 through 6/1/11. The premium cost of \$90,359.78 for the current year represents an increase of only \$921.47 from last year. The increased premium reflects current market conditions as related to the aviation industry. This insurance includes coverage for terrorist acts. It also includes the New York State Inspection Fee, which is required by the State in order to obtain boiler-operating certificates.

Accordingly, authority is now requested to purchase "All Risk" Property/Boiler & Machinery Insurance for Hangars "D" & "E" from NYMIR and the Great American Property and Casualty Group through the brokerage firm, The Spain Agency, for the period from 6/1/10 through 6/1/11 in the premium amount not to exceed \$90,359.78.

This Agreement is exempt from the procedures of the Westchester County Procurement Policy pursuant to section 3(a)v thereof which exempts procurements of insurance.

The goals and objectives of this agreement are to provide a cost-effective Risk Management program to insure County property. The goals and objectives are in the best interest of the County in terms of fiscal responsibility by being able to manage the risks inherent in County ownership of property. Risk Management will track any report of incident and/or accident occurring at Hangars D&E over the policy period and prepare a summary report at the end of the policy period identifying the number of occurrences and corrective actions taken (as necessary) to prevent recurrence. It should be noted that there were no occurrences in 2009.

Accordingly, your favorable action on the annexed Resolution is urged and recommended.

enc.
RFM/ARA/mkf

APPROVED BOARD OF ACQUISITION & CONTRACT - 5-27-2010 - JOMARY VIEIRA, SECRETARY

RESOLUTION

Upon a communication from the County Attorney, be it hereby

RESOLVED, that the County of Westchester is hereby authorized to purchase “All Risk” Property/ Boiler & Machinery Insurance from the New York Municipal Insurance Reciprocal (“NYMIR”) and the Great American Property and Casualty Group through the Spain Agency for Hangars “D” & “E” at the Westchester County Airport at a cost not to exceed \$90,359.78 for the year June 1, 2010 through June 1, 2011; and be it further

RESOLVED, that the County will be reimbursed for the cost of the insurance by the tenants operating in this location as outlined under the terms and conditions of the lease agreement for this property; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby authorized to execute all instruments and take all actions reasonably necessary to implement this Resolution.

Account to be Charged/Credited

Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
161	44	4110	4280/10		\$90,359.78

Budget Funding Year(s) 2010 Start Date 6-1-2010 End Date 6-1-2011
 (must match resolution)

Funding Source Tax Dollars _____
 State Aid _____
 Federal Aid _____
 Other Airport Special Revenue Fund

\$90,359.78
 (must match resolution)

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