

63763

DATE: June 19, 2018

TO: Board of Acquisition and Contract

FROM: John M. Nonna
County Attorney

SUBJECT: Authority to purchase an insurance policy from the New York Municipal Insurance Reciprocal, through its exclusive brokerage firm of Brown & Brown of New York, Inc., which does business as The Spain Agency, for bus liability insurance for the portion of the Bee-Line Bus System currently operated by Liberty Lines Transit, Inc., for the period from July 1, 2018 through July 1, 2019, for an amount not-to-exceed \$3,316,020.00.

Under the agreement between the County of Westchester (the "County") and Liberty Lines Transit, Inc. ("Liberty"), pursuant to which Liberty was to provide professional management, operation, and maintenance services for a portion of the County of Westchester's Bee-Line Bus System, (County Contract No. DOTOP01-14, as amended; the "Liberty Agreement") Liberty has, heretofore, always obtained insurance coverage for the bus operations on its own, as an expense that is reimbursable by the County. However, the County recently sought to analyze its insurance options and determine whether or not it would be more cost-effective for the County to obtain such insurance on its own.

The County contacted Brown & Brown of New York, Inc., which does business as The Spain Agency, ("Spain") because Spain is the exclusive brokerage firm for the New York Municipal Insurance Reciprocal ("NYMIR") in Westchester County. Spain successfully obtained for the County a quote for bus liability insurance from NYMIR that is satisfactory, in its policy terms, to the County's Office of Risk Management, and would, in conjunction with a re-configuration of the County's approach to insurance for bus operations under the Liberty Agreement, represent a significant savings to the County.

Therefore, the County respectfully requests from your Honorable Board authority to purchase an insurance policy from NYMIR, through Spain, as NYMIR's exclusive brokerage firm in Westchester County (the "Policy"). Under the Policy, the County would be provided with bus liability insurance from NYMIR for the portion of the Bee-Line Bus System that is currently operated by Liberty Lines Transit, Inc. ("Liberty's Bee Line Services"), for the period from July

1, 2018 through July 1, 2019, for an amount not-to-exceed \$3,316,020.00. The Policy will provide said insurance, and the County will pay for said insurance, on the terms specified in Exhibit 1, which is attached hereto and made a part hereof.

The proposed Policy will serve a public purpose by ensuring that the County will have both proper and cost-effective insurance coverage for Liberty's Bee-Line Services.

The goal and objective of the proposed Policy is to ensure that the County will have both proper and cost-effective insurance coverage for Liberty's Bee-Line Services.

The goal and objective of the proposed Policy is in the best interests of the County in terms of fiscal responsibility, as it will ensure that the County's insurance coverage for Liberty's Bee-Line Services is cost-effective, including representing a significant savings over the County's previous approach for such insurance under the Liberty Agreement.

The goal and objective of the proposed Policy will be tracked and monitored by the County's Office of Risk Management.

The procurement of the Policy is exempt from the County's Procurement Policy and Procedures pursuant to Section 3(a)(v) thereof.

I respectfully recommend the adoption of the attached resolution.

JMN/AJD/bdm/nm

APPROVED BOARD OF ACQUISITION & CONTRACTS 6/27/2018 - JEA MR/AS SECRETARY

RESOLUTION

Upon a communication from the County Attorney, be it hereby:

RESOLVED, that the County of Westchester (“County”) is hereby authorized to purchase an insurance policy from the New York Municipal Insurance Reciprocal (“NYMIR”) through Brown & Brown of New York, Inc., which does business as The Spain Agency, (“Spain”) as NYMIR’s exclusive brokerage firm in Westchester County (the “Policy”); and be it further

RESOLVED, that, under the Policy, the County will be provided with bus liability insurance from NYMIR for the portion of the Bee-Line Bus System currently operated by Liberty Lines Transit, Inc., for the period from July 1, 2018 through July 1, 2019, for an amount not-to-exceed \$3,316,020.00; and be it further

RESOLVED, that, under the Policy, the County will be provided with said insurance, and the County will pay for said insurance, on the terms specified in Exhibit 1, which is attached hereto and made a part hereof; and be it further

RESOLVED, that the County Executive or his duly authorized designee is hereby authorized to execute any documents and take any actions reasonably necessary and appropriate to effectuate the purposes of this Resolution.

Fund	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
101	44	2100	4280		\$3,316,020.00

Budget Funding Year(s): 2018-19
(must match resolution)

Start Date: July 1, 2018

End Date: July 1, 2019

Funding Source:
\$3,316,020.00
(must match resolution)

Tax Dollars: 100%
State Aid: _____
Federal Aid: _____
Other: _____

EXHIBIT 1



Spain Agency
Your Insurance Professionals Since 1922
A BROWN & BROWN COMPANY



6/11/18 kb

Liberty Lines Transit, Inc.
Westchester County Bus Liability Insurance Renewal

Policy Period: 7/1/18 - 7/1/19

Coverage	Description
Carrier	New York Municipal Insurance Reciprocal (NYMIR)
Deductible	\$100,000
Combined Single Limit	\$1,000,000
Personal Injury Protection	\$50,000
Uninsured Motorists	\$50,000 per person / per accident (combined single limit)
Medical Payments	None
Hired / Non Owned Auto	\$1,000,000
Mutual Aid	\$1,000,000
Excess Limits	\$30,000,000 Occ. \$60,000,000 Agg.
Total Premiums	\$3,283,508.00
Legal fees & claim administration for auto liability	Included
Capitalization	\$29,312.00
MVR Fee	\$3,200.00
Total Premiums/Fees	\$3,316,020.00

[NO FURTHER TEXT ON THIS PAGE]

INSTALLMENT SCHEDULE:

Deposit = \$992,784.00
1st Installment = \$774,412.00
2nd Installment = \$774,412.00
3rd Installment = \$774,412.00

PAYMENT DUE DATE:

7/1/2018
10/1/2018
1/1/2019
4/1/2019

NOTES:

*Bus Auto Physical Damage subrogation services for third party reporting and recovery :
In consideration for third party recovery services, Spain Agency will charge a fee of 25% for amounts collected.

*NYMIR Capitalization charge will be spread out over a five year period (annual installments of \$29,312).

Brown & Brown of New York, Inc. dba Spain Agency
625 Route 6, Mahopac, NY 10541

Ph: (845) 628-4500 | Toll-Free: (800) 247-5521 | Fax: (845) 628-1804 | Email: Spainagency@spainins.com

[NO FURTHER TEXT ON THIS PAGE]

APPROVED BOARD OF ACQUISITION & CONTRACT - 06/21/2018 - IGA MRIJAJ, SECRETARY