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Date: October 11, 2018

To: The Honorable Board of Acquisition and Contract

From: John M. Nonna
County Attorney

Re: **Authority to enter into an agreement for All Risk Property/Boiler and Machinery Insurance Policy with the New York Municipal Insurance Reciprocal and the CNA Insurance Co. through the brokerage firm the Spain Agency for the period January 1, 2019 through January 1, 2020 in the total aggregate amount of \$1,098,770.00.**

Authority is requested from your Honorable Board to enter into an agreement (“Agreement”) for “All Risk” Property/Boiler and Machinery Insurance from the New York Municipal Insurance Reciprocal and CNA Insurance Co. through the Spain Agency for a term commencing January 1, 2019 and continuing through January 1, 2020 in the amount of \$1,098,770.00 for property valued at approx. \$3 billion with a \$500,000.00 deductible. Property damage claims that occur valued under \$500,000.00 will be paid by the property deductible portion of the 6N fund. If property is added (or deleted), the policy will be debited (or credited) at the pro-rated policy rate.

This year property rates will remain unchanged but County property values are increasing approximately 3% to stay current with construction costs.

The Agreement is exempt from the Westchester County Procurement Policy pursuant to section 3(a) v thereof which exempts “procurements of insurance or surety bonds.”

The proposed Agreement will serve a public purpose by insuring the County against any losses that may occur on County property, thereby protecting the public purse.

The goals and objectives of the 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.

The Office of Risk Management will track any report of incident and/or accident occurring at the insured premises over the policy period and prepare a summary report at the end of the policy period identifying number of occurrences and corrective actions taken (as necessary) to prevent recurrence.

Accordingly, approval of the attached Resolution is most respectfully requested.

JMN/AJD/mkf

APPROVED BOARD OF ACQUISITION & CONTRACT - 11/08/2018 - LISA MRBAJ, SECRETARY

RESOLUTION

Upon a communication from County Attorney, be it hereby

RESOLVED, that the County of Westchester (“County”) is authorized to contract for “All Risk” Property/Boiler and Machinery Insurance from the New York Municipal Insurance Reciprocal (“NYMIR”) and CNA Insurance Co. through the brokerage firm the Spain Agency (hereinafter the “Agreement”); and be it further

RESOLVED, that the Agreement shall commence on January 1, 2019 and expire on January 1, 2020; and be it further

RESOLVED, that the premium cost of this insurance package shall be \$1,098,770.00, with a \$500,000.00 deductible, and that if property is added (or deleted) during the period the policy shall be debited (or credited) at the pro-rated policy rate; and be it further

RESOLVED, that NYMIR shall provide the following services free of charge: annual fire and safety inspections, special inspections, certificate of insurance/contract/bid specification review, attendance at safety committees, risk management consulting services for property conservation, and NYMIR land use program; and be it further

RESOLVED, that this Agreement shall be subject to County appropriations; and be it further

RESOLVED, that this Agreement is also subject to further financial analysis of the impact of any New York State Budget (the “State Budget”) proposed and adopted during the term of this Agreement. The County shall retain the right, upon the occurrence of any release by the Governor of a proposed State Budget and/or the adoption of a State Budget or any amendments thereto, and for a reasonable period of time after such release(s) or adoption(s), to conduct an analysis of the impacts of any such State Budget on County finances. After such analysis, the County shall retain the right to either terminate this Agreement or to renegotiate the amounts and rates approved herein. If the County subsequently offers to pay a reduced amount to the Consultant, then the Consultant shall have the right to terminate this Agreement upon reasonable prior written notice; 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.

RESOLUTION

Account to be Charged/ credited	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub Object	Trust Account	Dollars
			Unit/subunit	Object/sub		
	101	52	2004	4280		\$459,005.00
	221	60	0110	0110		\$355,209.00
	251	60	7100	4280		\$30,343.00
	165	42	5520	4280		\$53,207.00
	278	42	5511	4380		\$6,641.00
	161	44	4110	4280		\$27,509.00
	101	44	2100	4280		\$27,622.00
	101	26	2000	4280		\$664.00
	101	52	2004	4280		\$138,570.00
					TOTAL	\$1,098,770.00

Budget Funding Year(s) 2019
(must match resolution)

Start Date 1/1/2019

End Date 1/1/2020

Funding Source

Tax Dollars	100%
State Aid	
Federal Aid	
Other	

\$1,098,770.00