

80048

Date: October 8, 2020

To: Board of Acquisition and Contract

From: John M. Nonna
County Attorney

Re: Authority to purchase Helicopter Hull and Liability Insurance from the National Union Fire Insurance Company (an AIG Company) through the brokerage firm of Marsh USA, Inc. of New York, NY. The premium cost of this insurance package shall not exceed \$81,770.00 for the Policy Period November 4, 2020 through November 4, 2021.

Authority is respectfully requested from your Honorable Board for the County of Westchester (the "County"), acting by and through the Department of Law, Office of Risk Management ("Risk Management"), to enter into an agreement with the National Union Fire Insurance Company through the brokerage firm of Marsh USA ("Marsh"), Inc. of New York, N.Y. to purchase Helicopter Hull and Liability Insurance for the policy period November 4, 2020 through November 4, 2021. The insurance package provides: a) \$50,000,000.00 "All Risk" "First Dollar" Liability coverage b) Hull Physical Damage Coverage subject to a \$50,000 deductible for 2006 Bell helicopter and \$55,000 deductible for the 2011 Bell helicopter, operated by the Department of Public Safety.

Although the purchase of insurance is exempt from the County procurement policy under Section 3(a)(v) of said policy, Risk Management, through Marsh, solicited quotes from nine individual insurance markets (insurance companies). Based on Risk Management's analysis of the data received, the quotation from AIG through the National Union Fire Insurance Company, appears to best suit the County's interest in both coverages and pricing as it has in previous years.

The goals and objectives of this agreement are to provide insurance coverage for the Helicopters. The goals and objectives are in the best interest of the County in terms of fiscal responsibility because the insurance coverage will protect County assets in the event of an accident, thus insuring public service continuity and reducing risk for all parties. Risk Management will track and monitor any reports of incidents and/or accidents occurring 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.

The proposed Agreement will serve a public purpose by protecting County assets in the event of an accident, thus ensuring public service continuity and reducing risk for all parties.

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

JMN/AJD/PLG/jrc
enc.

RESOLUTION

Upon a communication from the County Attorney, be it hereby

RESOLVED, that the County of Westchester (the “County”) is hereby authorized to purchase Helicopter Hull and Liability Insurance, from the National Union Fire Insurance Company through the brokerage firm of Marsh USA, Inc. of New York, NY; and be it further

RESOLVED, that under the terms of the insurance package, the National Union Fire Insurance Company shall provide: a) \$50,000,000.00 “All Risk” “First Dollar” Liability coverage and b) Hull Physical Damage Coverage subject to a \$50,000 deductible for 2003 Bell Helicopter and \$55,000 deductible for the 2011 Bell Helicopter, operated by the Department of Public Safety; and be it further

RESOLVED, that the premium cost of this insurance package shall not exceed \$81,770.00 for the Policy Period November 4, 2020 through November 4, 2021; and be it further

RESOLVED, that this Agreement is subject to County appropriation; 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, then the Insurance companies 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.

Account to be Charged/ credited	Fund	Agency	Capital Project Or Org	Object/ Sub Object	Trust Account	Activity	Dollars
	101	18	2000	4280			\$81,770.00

Budget Funding Year(s) 2020 **Start Date** 11/4/20 **End Date** 11/4/21

Funding Source

Tax Dollars	100%
State Aid	

\$81,770.00

Federal Aid	
Other	