

80692

Date: November 5, 2020

To: The Honorable Board of Acquisition and Contract

From: John M. Nonna
County Attorney

Re: **Authority to enter into insurance agreements with New York Municipal Insurance Reciprocal and CNA Insurance Company, for All Risk Property/Boiler and Machinery Insurance Policies, through the brokerage firm Brown & Brown of NY, Inc., d/b/a Brown & Brown Hudson Valley, each for the period January 1, 2021 through January 1, 2022, in the total aggregate amount of \$1,170,935.00.**

By resolution approved on December 5, 2019, your Honorable Board authorized the County to enter into insurance agreements with New York Municipal Insurance Reciprocal ("NYMIR") for "All Risk" Property Insurance, and with CNA Insurance Company ("CNA"), for Boiler and Machinery Insurance, through the brokerage firm Spain Agency, each for a period from January 1, 2020 through January 1, 2021, in the aggregate amount of \$1,138,227.00.

The County now seeks authority from your Honorable Board to enter into new insurance agreements (individually, the "Agreement" and collectively, the "Agreements" or "Policies") with NYMIR, for "All Risk" Property Insurance, and with CNA, for Boiler and Machinery Insurance, through the brokerage firm Brown & Brown of NY, Inc., d/b/a Brown & Brown Hudson Valley, for an aggregate amount of \$1,170,935.00, for County property valued at approx. \$3 billion, with a \$500,000.00 deductible. Each Agreement will be for a term commencing on January 1, 2021 and continuing through January 1, 2022. Property damage claims that may occur valued under \$500,000.00 will be paid by the property deductible portion of the County's 6N fund. In the event County property is added (or deleted), the Policies' premiums will be debited (or credited), as applicable, at the pro-rated policy rate.

Under the "All" Risk Insurance Policy, NYMIR will provide the following services to the County free of charge: facility inspections, special inspections, certificate of insurance/contract/bid specification review, attendance at safety committees and other risk management consulting services.

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

The proposed Agreements 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 proposed Agreements are to provide a cost-effective Risk Management program to properly insure County property. The goals and objectives of the Agreements 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 County’s Office of Risk Management will track any report of incident and/or accident occurring at the County’s insured premises over the Policies’ periods and prepare a summary report at the end of the Policies’ periods identifying the number of occurrences and corrective actions taken (as necessary) to prevent recurrence.

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

JMN/CMC

APPROVED BOARD OF ACQUISITION & CONTRACTS 12/03/2020 - DISTRICT SECRETARY

RESOLUTION

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

RESOLVED, that the County of Westchester ("County") is authorized to enter into insurance agreements (individually, the "Agreement," and collectively, the "Agreements" or "Policies") with New York Municipal Insurance Reciprocal ("NYMIR"), for "All Risk" Insurance, and with CNA Insurance Company, for Boiler and Machinery Insurance, through the brokerage firm Brown & Brown of NY, Inc., d/b/a Brown & Brown Hudson Valley; and be it further

RESOLVED, that each Agreement shall have a term commencing on January 1, 2021 and expiring on January 1, 2022; and be it further

RESOLVED, that the premium cost of this combined insurance package shall be an aggregate amount of \$1,170,935.00, with a \$500,000.00 deductible; in the event County's property is added (or deleted), as necessary, during the Policies' periods, the Policies' premiums shall be debited (or credited), as applicable, at the pro-rated policy rate; and be it further

RESOLVED, that NYMIR will provide the following services free of charge: facility inspections, special inspections, certificate of insurance/contract/bid specification review, attendance at safety committees and other risk management consulting services; and be it further

RESOLVED, that these Agreements shall be subject to County appropriations; and be it further

RESOLVED, that these Agreements are 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 these Agreements. 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 any of these Agreements or to renegotiate the amounts and rates approved therein. If the County subsequently offers to pay a reduced amount to NYMIR and/or CNA, then NYMIR and/or CNA shall have the right to terminate the 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	18	2000	4280		\$497,677
	221	60	0110	4280		\$373,210
	251	60	7100	4280		\$32,336
	165	42	5520	4280		\$56,701
	278	42	5511	4280		\$7,077
	161	44	4110	4280		\$29,436
	101	44	2100	4280		\$29,316
	101	26	2000	4280		\$708
	101	18	2000	4280		\$144,474
					TOTAL	\$1,170,935.00

Budget Funding Year(s) **2021** Start Date **01/01/2021** End Date **01/01/2022**
 (must match resolution)

Funding Source

Tax Dollars	100%
State Aid	
Federal Aid	
Other	

\$1,170,935.00
