

42413

Date: September 30, 2014

To: Board of Acquisition and Contract

From: Robert F. Meehan
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 \$58,405.00 for the Policy Period November 4, 2014 through November 4, 2015.

Authority is requested for the County of Westchester (the "County") to purchase its Helicopter Hull and Liability Insurance from the National Union Fire Insurance Company through the brokerage firm of Marsh USA, Inc. of New York, NY.

The purchase of insurance is exempt from the County procurement policy under Section 3 (a) (v) of said policy. Notwithstanding this, on August 18, 2014, the Department of Law, Office of Risk Management, issued a Request for Proposals ("RFP") for Helicopter Hull and Liability Coverage. The RFP required that proposers provide an insurance package as follows: a) \$50,000,000.00 "All Risk" "First Dollar" Liability coverage b) Hull Physical Damage Coverage subject to standard deductibles for rotors in motion and rotors not in motion for the County Department of Public Safety's 2 Bell 407 helicopters.

Three (3) brokerage firms were approached and asked to obtain quotations from six (6) individual insurance companies. The County received responses from all three brokers, who submitted proposals from five (5) insurance companies. After a thorough review of all responses, it was determined that the proposal submitted by the incumbent, Marsh, USA Inc for the National Union Fire Insurance Co. best served the County's interests.

The Marsh, USA proposal provides coverage as requested in the RFP. In addition, some coverage enhancements have also been added to the policy, including a 3 year rate guarantee. The policy shall commence November 4, 2014 and expire on November 4, 2015. The premium cost of the insurance package shall be \$58,405.00. The coverage provided by the National Union Fire Insurance Co. represents a significant reduction in premium dollars from the previous program, with enhancements. The remaining proposals submitted were both higher in cost and, while they did include some coverage enhancements, none were comparable to the incumbent program, when you factor in the lower premium cost.

Other than the additions that Marsh, USA has negotiated for this policy, all other terms and conditions of this insurance package shall remain the same.

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

RFM/AJD/mkf
enc.

APPROVED BOARD OF ACQUISITION & CONTRACT - 10/23/2014 - JOMAR V. VELAZQUEZ SECRETARY

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 b) Hull Physical Damage Coverage subject to "in motion" and "not in motion" deductibles for the County's two (2) helicopters; and be it further

RESOLVED, that the premium cost of this insurance package shall not exceed \$58,405.00 for the policy period November 4, 2014 through November 4, 2015; 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	52	2004	4280			\$58,405.00

Budget Funding Year(s) 2014 Start Date 11/4/14 End Date 11/4/15

Funding Source

Tax Dollars	100%
State Aid	
Federal Aid	
Other	

\$58,405.00

APPROVED BOARD OF ACQUISITION & CONTRACT - 10/23/2014 - JOMARY VIEIRA, SECRETARY