

94122

Date: June 17, 2022  
To: Board of Acquisition and Contract  
From: John M. Nonna  
County Attorney

Kandy Davenport  
Director of Risk Management

Re: Authority to purchase a builder's risk and flood insurance package from Underwriters at Lloyds Insurance Company through the brokerage firm of Brown & Brown of New York, Inc. to insure certain renovations being performed at Playland Park by Worth Construction Company, Inc. under Contract No. 20-530 for an amount not to exceed \$218,795.93 for the Policy Period beginning on July 5, 2022 and terminating on May 31, 2023.

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Authority is respectfully requested from your Honorable Board for the County of Westchester, acting by and through its Department of Law, Office of Risk Management, to purchase from Underwriters at Lloyds Insurance Company ("Lloyds"), through the brokerage firm of Brown & Brown of New York, Inc., a builder's risk insurance and flood coverage package (the "Policy") to insure the renovation of the Plaza Restaurant building and reconstruction of the colonnades at Playland Park by Worth Construction Company, Inc. ("Worth") under Contract No. 20-530. The premium cost of this insurance package shall not exceed \$218,795.93 for the Policy Period beginning on July 5, 2022 and terminating on May 31, 2023, which is the anticipated time period during which the construction is to be completed.

The Policy will provide builder's all risk insurance and flood coverage for the renovation of the Plaza Restaurant building and reconstruction of colonnades throughout Playland Park with the following coverage limits:

Coverage Detail Limits of Liability Description: \$17,695,088 Per Occurrence  
Total Insured Value: \$17,695,088  
Hard costs: \$15,195,088  
Soft costs: \$2,500,000  
Existing Building Coverage: EXCLUDED  
Business Income (delay in completion): EXCLUDED  
Terrorism Sublimits of Liability: EXCLUDED  
Earthquake: (do not increase the total Policy Limit) \$17,695,088  
Equipment Breakdown / Cold Testing: (do not increase the total Policy Limit) \$17,695,088

Named Windstorm: (do not increase the total Policy Limit) \$17,695,088  
Ordinance or Law (undamaged portions of building): \$17,695,088  
Flood: (do not increase the total Policy Limit) \$2,500,000  
Property in Storage off site: (do not increase the total Policy Limit) \$1,000,000  
Property temporarily off site: (do not increase the total Policy Limit) \$1,000,000  
Property in transit: (do not increase the total Policy Limit) \$1,000,000  
Replacement Cost Valuation  
Exclusions include, but are not limited to Existing Building Coverage, Business Income & Terrorism.  
Deductible Per Occurrence Description: \$25,000 Per Occurrence – All other covered causes of loss  
Water Damage Deductible Per Occurrence: \$75,000  
Flood Deductible Per Occurrence: \$500,000

On or about August 19, 2021, Worth entered into Contract No. 20-530 – Infrastructure Rehabilitation – Phase 2 with the County, which required Worth to procure, among other coverage, a builder’s risk policy. Worth was unable to procure such coverage and, by letter dated September 16, 2021, formally requested from the County a waiver of the builder’s risk requirement. The letter also stated that Worth would provide the County a credit for all, or a portion of, the premium paid by the County for the builder’s risk insurance. The previous insurance package, as extended, will expire on July 5, 2022. Since the portion of the project related to the renovation of the Plaza Restaurant building and reconstruction of colonnades is not yet completed, it has become necessary to renew the Policy to cover these improvements through May 31, 2023, the estimated completion date.

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.

The goals and objectives of this agreement are to provide insurance coverage for the renovations being performed related to the colonnade replacement and Plaza Restaurant Building renovation at Playland Park. 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. Subsequent to receiving notices from the Department of Public Works and/or the Department of Parks, Recreation and Conservation of any reports of incidents and/or accidents occurring over the policy period, Risk Management will track and prepare a summary report identifying the number of occurrences and corrective actions taken (as necessary) to prevent recurrence.

The procurement of insurance is exempt from the Westchester County Procurement Policy under Section 3(a)(v) of said policy.

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

JMN/KD/jpg  
enc.

## RESOLUTION

Upon a communication from the County Attorney and the Director of Risk Management, be it hereby

RESOLVED, that the County of Westchester (the "County") is hereby authorized to purchase a builder's risk and flood insurance package from Underwriters at Lloyds Insurance Company ("Lloyds") through the brokerage firm of Brown & Brown of New York, Inc. to insure the renovations being performed by Worth Construction Company, Inc. at Playland Park related to the colonnade replacement and Plaza Restaurant building renovation under Contract No. 20-530; and be it further

RESOLVED, that under the terms of the insurance package, Lloyds will provide builder's all risk insurance and flood coverage for the renovation of the Plaza Restaurant building and reconstruction of colonnades throughout Playland Park with the following coverage limits:

Coverage Detail Limits of Liability Description: \$17,695,088 Per Occurrence  
Total Insured Value: \$17,695,088  
Hard costs: \$15,195,088  
Soft costs: \$2,500,000  
Existing Building Coverage: EXCLUDED  
Business Income (delay in completion): EXCLUDED  
Terrorism Sublimits of Liability: EXCLUDED  
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Named Windstorm: (do not increase the total Policy Limit) \$17,695,088  
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Property temporarily off site: (do not increase the total Policy Limit) \$1,000,000  
Property in transit: (do not increase the total Policy Limit) \$1,000,000  
Replacement Cost Valuation  
Exclusions include, but are not limited to Existing Building Coverage, Business Income & Terrorism.  
Deductible Per Occurrence Description: \$25,000 Per Occurrence – All other covered causes of loss  
Water Damage Deductible Per Occurrence: \$75,000  
Flood Deductible Per Occurrence: \$500,000

; and, be it further

RESOLVED, that the premium cost of this insurance package shall not exceed \$218,795.93 for the Policy Period beginning on July 5, 2022 and terminating on May 31, 2023; 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	Dept.	Major Program, Program & Phase Or Unit	Object/ Sub Object	Bond Act No.	Dollars
	372	42	RP02802C	6190	B.A. #161-2020	\$ 218,795.93

**Budget Funding Year(s)** 2022      **Start Date:** July 5, 2022      **End Date:** May 31, 2023  
(must match resolution)

**Funding Source:**      **Tax Dollars** 100% County

**State Aid** \_\_\_\_\_

\$218,795.93      **Federal Aid** \_\_\_\_\_  
(must match resolution)

**Other** \_\_\_\_\_

APPROVED BOARD OF ACQUISITION & CONTRACT - 06/30/2022 - RAYMOND SCULKY, SECRETARY