




ERIE COUNTY WATER AUTHORITY
INTEROFFICE MEMORANDUM

June 10, 2024

To: Jerome D. Schad, Chair
Peggy A. LaGree, Vice Chair
Michele M. Iannello, Treasurer

From: Joyce Tomaka, Chief Financial Officer 

Subject: 2024-2025 Insurance Renewals

All the Authority's insurance policies will be renewed on July 1, 2024. Pat Quinn from Lawley has been working on renewal rates and will present a preliminary renewal package at the board meeting on June 20, 2024.

A resolution authorizing me as the Authority's Chief Financial Officer to sign renewal applications and bind coverage for the 2024-2025 period will be included in the June 20, 2024 meeting. I have included a copy of the 2023 resolution for your reference.

Insurance is budgeted in the following accounts:

- Workers' Compensation Fringe Benefit Expense – All units
- Commercial Auto Transportation Expense – Various units
- All Other Insurance Insurance Expense – General Expenses unit 7510

If you have any questions regarding the renewal, please call or email me.

cc M. Carney
C. Eaton
T. McCracken
M. Musarra

ITEM 10 - 2023-2024 INSURANCE COVERAGE AND AUTHORIZATION TO BIND AND PAY INSURANCE INVOICES

Motion by _____ seconded by _____

WHEREAS, the Erie County Water Authority (the "Authority") maintains insurance coverage for its properties and protection from loss, damage, or liability, arising from the operation, improvement, maintenance, or repair of its water system for which commercially available insurance coverage is available; and

WHEREAS, the Authority has designated Lawley Insurance Services (“Lawley”), as its insurance broker for the purpose of seeking, negotiating, and securing commercially available insurance coverage in the following areas: general liability, property, auto, crime, cyber, employees and public officers, security guard liability, workers compensation and disability, and such umbrella coverage as necessary; and

WHEREAS, in consultation with the Authority’s Chief Financial Officer and its General Counsel, Lawley has marketed the Authority’s pre-approved insurance protection program by soliciting coverage and pricing from the marketplace; and

WHEREAS, at a regular meeting of the Board held on June 22, 2023, Lawley presented a report on the results of the marketing effort as of that date; and

WHEREAS, the Authority will be required to bind coverage for each type of insurance coverage no later than June 30, 2023, for such insurance coverage to be effective July 1, 2023 through June 30, 2024, and

WHEREAS, working with the Authority’s Chief Financial Officer, Lawley will continue to solicit the best rates and coverage within the marketplace prior to the June 30, 2023 deadline;

NOW, THEREFORE, BE IT RESOLVED:

That the Board of Commissioners (the “Board”) hereby authorizes, Joyce A. Tomaka as the Authority’s Chief Financial Officer to bind coverage as identified in this resolution including but not limited to completing all applications or such other forms necessary to secure sufficient insurance coverage, and be it further

RESOLVED, the Board directs the Chief Financial Officer to file a final report with the carrier’s name, type of coverage, coverage and deduction limitations, and such other information relating to the sufficiency of such coverage, and be it further

RESOLVED: upon receipt, invoices from Lawley Service Insurance for subject coverage's be referred to the Comptroller's Office for verification, and if found to be in order, that said invoices be approved and the Treasurer is authorized to pay the same.

Ayes:

Noes:

06/22/23-alh



June 12, 2024

RE: 2024-2025 Insurance Renewal Projections for Erie County Water Authority

Dear Commissioners:

Enclosed please find a copy of our proposal for the Erie County Water Authority's insurance policies set to renew on July 1, 2024.

- We are recommending an alternative option on the General Liability, Auto Liability and Umbrella Liability coverage. ECWA's existing carrier, Philadelphia Insurance (via Grundy), has increased their premium by over 20%. In addition, they have also increased/added in Liability deductibles and reduced the Umbrella Limit from \$10 Million to \$7 Million.
- The alternative quote we received is from Munich Re who has a specialized program for Water Authorities/Water Districts. Their coverage is comparable, if not better, in most areas as compared to Philadelphia's program. In addition, Munich Re's premium is significantly less by almost \$100,000. A full comparison of the two programs is also enclosed.
- In terms of the other policies, there are only slight increases in the overall premiums as noted below (except for Cyber which is decreasing):
 - **Property (Affiliated FM):** Less than 3% increase due to a combination of Property Value and Rate increases
 - **Workers Comp (PERMA):** ECWA is in Year 2 of a 2-year policy with PERMA. The 2nd year premium is determined by ECWA's loss ratio (losses/premium) as of 5/31/2024. The 24% loss ratio warranted a flat rate renewal which is still down slightly due to a reduction in the New York State Assessment Rate
 - **Public Officials Liability (Chubb and Ironshore):** 6 % increase due to a combination of rate and exposure (revenues/asset) increases. This is consistent with what we are seeing in the market
 - **Cyber Liability (Various):** We have consolidated carriers from 4 to 3 in order to match the expiring \$20 Million Limit which resulted in a 15% DECREASE in the overall Cyber premium. We are replacing the primary \$5 Million with Resilience who is putting up \$10 Million in limits and then have 2 carriers with \$5 Million each excess of Resilience.
 - **Crime (Travelers):** Flat rate renewal
 - **Security Guard (Clear Blue):** Flat rate renewal

The overall increase is **LESS THAN 1%** if ECWA elects the Munich Re Liability option which is favorable given current market conditions. We also have included options for higher Excess/Umbrella limits for your consideration.

Sincerely,

Patrick Quinn, ARM
Insurance Advisor
361 Delaware Avenue
Buffalo, NY 14202
pquinn@lawleyinsurance.com

ERIE COUNTY WATER AUTHORITY
AUTHORIZATION FORM
For Approval/Execution of Documents
(check which apply)

Contract: _____ **Project No.:** _____
Project Description: Insurance Renewals July 1, 2024 – June 30, 2025

Item Description:

<input type="checkbox"/> Agreement	<input type="checkbox"/> Professional Service Contract	<input type="checkbox"/> Amendment	<input type="checkbox"/> Change Order
<input type="checkbox"/> BCD	<input type="checkbox"/> NYSDOT Agreement	<input type="checkbox"/> Contract Documents	<input type="checkbox"/> Addendum
<input type="checkbox"/> Recommendation for Award of Contract	<input type="checkbox"/> Recommendation to Reject Bids		
<input type="checkbox"/> Request for Proposals			
<input checked="" type="checkbox"/> Other <u>Insurance Applications 2024-2025 plan year</u>			

Action Requested:

<input type="checkbox"/> Board Authorization to Execute	<input type="checkbox"/> Legal Approval
<input type="checkbox"/> Board Authorization to Award	<input type="checkbox"/> Execution by the Chairman
<input type="checkbox"/> Board Authorization to Advertise for Bids	<input type="checkbox"/> Execution by the Secretary to the Authority
<input type="checkbox"/> Board Authorization to Solicit Request for Proposals	
<input checked="" type="checkbox"/> Other <u>Authorization to bind insurance for 2024-2025 plan year</u>	

Approvals Needed:

APPROVED AS TO CONTENT:

<input type="checkbox"/> Comptroller	_____	Date: _____
<input type="checkbox"/> Chief Operating Officer	_____	Date: _____
<input type="checkbox"/> Executive Engineer	_____	Date: _____
<input checked="" type="checkbox"/> Director of Administration	<u><i>Savanya Lester</i></u>	Date: <u>06/10/2024</u>
<input checked="" type="checkbox"/> Risk Manager	<u><i>Molly Jo Musarra</i></u>	Date: <u>6/10/2024</u>
<input checked="" type="checkbox"/> Chief Financial Officer	<u><i>Joseph [Signature]</i></u>	Date: <u>06/10/2024</u>
<input checked="" type="checkbox"/> Legal	<u><i>[Signature]</i></u>	Date: <u>6/11/2024</u>

APPROVED FOR BOARD RESOLUTION:

<input checked="" type="checkbox"/> Secretary to the Authority	<u><i>[Signature]</i></u>	Date: <u>6/11/2024</u>
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Remarks: _____

Resolution Date: _____ **Item No:** _____

INSURANCE PROPOSAL



Erie County Water Authority
July 1, 2024

Lawley

lawleyinsurance.com | 1.844.4LAWLEY

Risk Management

lawleyinsurance.com/riskmanagement

Loss Control & Safety Services

- Safety Training & Safety Program Evaluations
- General Liability Loss Control
- Loss Source and Trending Analysis
- Code Rule 59 Consultation
- OSHA Assistance
- Defensive Driving Courses & Vehicle Fleet Loss Control
- Ergonomics Evaluation, Training, & Development
- Captive Loss Control
- Life Safety & Evacuation Plans
- Fire & Protection Systems Assistance
- Site Hazard Analysis
- Return to Work Programs
- Industrial Hygiene - Air, Noise Sampling
- Business Interruption - Contingency & Continuity Planning
- Contractual Liability & Risk Transfer
- Grant Submission & Training
- Accident Investigation

Claims Management

- Claim Trend Analysis
- Claims Reviews (Workers' Compensation and General Liability)
- Claims Consulting Services
- Coverage Analysis Consulting and Monitoring
- Experience Modification Review and Recalculation
- First Aid Claim Program (Workers' Compensation)
- Litigation Management
- Reserve Analysis (Loss Forecaster Software)

Personal Insurance

lawleyinsurance.com/personal

- Automobile Insurance
- Homeowners Insurance
- Vacation or Secondary Home Insurance
- Jewelry, Fine Arts, and Collectibles Insurance
- Renters Insurance
- Condominium Insurance
- Landlord (Rental Properties) Insurance
- Excess/Personal Umbrella Liability
- Flood Coverage, Primary & Excess
- Life Insurance
- Motorcycle Insurance
- Recreational Vehicle Insurance
- Watercraft Insurance
- Co-Ops Insurance
- Identity Theft Insurance
- Trip/Travel/International Medical & Evacuation Coverage
- Workers' Compensation (Domestic Help)
- Earthquake

MyWave

lawleyinsurance.com/mywave

MyWave – A customized portal for your HR needs: thousands of valuable resources, OSHA forms and peer-based forums to keep you informed and in-the-know

Lawley Benefits University

lawleyinsurance.com/lbu

Lawley Benefits University – Resources and events to help keep you informed about changes to healthcare legislation, healthcare reform, compliance issues and more. These tools help you successfully control insurance costs while staying educated on changes to the insurance environment

Products/services are subject to state eligibility

It is important that you advise us of any changes in your operations which may affect your insurance. Some, but not all, of the changes that we need to be advised of include:

- Any new entities or DBA's established?
- Mergers with and/or acquisition of companies.
- Purchase or construction of any new premises or property.
- Any changes in existing premises (whether temporary or permanent) such as vacancy, alterations, demolition, etc.
- Installation, alteration, disconnecting of protection such as sprinkler systems, burglar alarms, fire alarms, etc.
- Circumstances which may require an increased liability limit.
- Any newly assumed contractual liability, granting of indemnities or hold-harmless agreements.
- Changes in operations locally or elsewhere including to another state, new products, or new applications of existing products.
- Changes in owned, leased, rented automobiles or scheduled equipment such as contractors' equipment or electronic data processing.
- Property of yours that is in transit, unless we have arranged previously for the insurance.
- Do any employees travel for business? If so, please advise of the frequency, mode of transportation, destinations (i.e. Within state, across state lines, to other countries)
- Do you currently use or plan to use an employment agency or temporary staffing service?

I have reviewed the above and noted any changes:

Signature: _____

Date: _____

At Lawley we are committed to providing our clients with the best possible service. We have assembled an experienced team dedicated to your account.

The Insurance Advisor evaluates your exposures and designs a cost-effective program.

Insurance Advisor	Michael Lawley	Phone:	(716) 849-8658
		Fax:	(716) 849-8291
		Email:	mlawley@lawleyinsurance.com

The Account Executive supports your Producer and commercial lines team in the servicing of your account.

Account Executive	Patrick Quinn, ARM	Phone:	(716) 849-4365
		Fax:	(716) 849-8291
		Email:	pquinn@lawleyinsurance.com

The Account Manager is your contact for all of your coverage and service requests.

Account Manager	Nicole Benda	Phone:	(716) 849-1599
		Fax:	(716) 849-8291
		Email:	nbenda@lawleyinsurance.com

The Specialty Account Manager supports your Producer and commercial lines team in the servicing of your specialty policy needs.

Specialty Account Manager	Matt Piegay	Phone:	(716) 849-
		Fax:	(716) 849-8291
		Email:	mpiegay@lawleyinsurance.com

The Account Technician quality controls policy documents and manages all invoicing.

Account Technician	Cynthia Christiansen	Phone:	(716) 849-4396
		Fax:	(716) 849-8291
		Email:	cchristiansen@lawleyinsurance.com

The Assistant Account Manager supports your Account Manager in fulfillment of service requests.

Assistant Account Manager	Tania Lanza	Phone:	(716) 849-1546
		Fax:	(716) 849-8291
		Email:	tlanza@lawleyinsurance.com

The Claim Consultant is responsible for reporting all loss information to the insurance company and then following up to make certain the claim is resolved.

Claim Consultant	Andrea Orłowski	Phone:	(716) 636-5814
		Fax:	(716) 849-8291
		Email:	aorłowski@lawleyinsurance.com

The Senior Claim Management Consultant analyzes and reviews claim financial data to minimize claim impact.

Sr. Claim Management Consultant	Nancy Salen	Phone:	(716) 849-8672
		Fax:	(716) 849-8291
		Email:	nsalen@lawleyinsurance.com

The Loss Prevention Consultant reviews your safety approach and site conditions, assisting you to prevent future losses.

Loss Prevention Consultant	Megan Ryan	Phone:	(716) 849-4336
		Fax:	(716) 849-8291
		Email:	mryan@lawleyinsurance.com

Please review the contact information we have on file. Over the course of a year, we may need to reach out to you for updates, notices or important information. If there is a specific person we should contact directly for billing, claims, inspections, service requests, please note that next to their name and the preferred method of contact.

Changes or Corrections

Contact Name	Molly Jo Musarra	
Contact Address	Erie County Water Authority 295 Main St Suite #350 Buffalo NY 14203	
Contact Phone #	(716) 849-8465	
Contact Email	mmusarra@ecwa.org	
Description	Risk Manager & Claim Contact	

Coverage	Expiring 7/1/23-7/1/24 Grundy	Renewal 7/1/24-7/1/25 Grundy - #1	Renewal 7/1/24-7/1/25 Munich Re- #2
Package	\$581,471.00	\$699,856.00	\$604,873.00
- General Liability	Included	Included	Included
- Automobile Liability	Included	Included	Included
- Excess/Umbrella Liability	Included	Included	Included
- Taxes and Fees	\$1,460.00	\$1,490.00	\$1,580.00
- Terrorism	\$3,192.00	\$3,437.00	Included
- OCP Policies (2)	\$1,010.00	\$1,010.00	\$1,010.00
Property	AFM	AFM	AFM
	\$505,000	\$520,000	\$520,000
Terrorism – Included in Totals	\$14,000	\$15,000	\$15,000
Workers Comp*	Perma	Perma	Perma
Includes 2% Full Pay Discount	\$2,062,583	\$2,059,790	\$2,059,790
Crime	\$5,943.00	\$5,943.00	\$5,943.00
Cyber Liability – Primary (\$5m)	\$52,914.94	\$88,537.50	\$88,537.50
Cyber Liability Excess (\$5m xs \$5m)	\$45,805.63	Included Above	Included Above
Cyber Liability 2nd Excess (\$5m xs \$10m)	\$41,889.06	\$31,067.94	\$31,067.94
Cyber Liability- 3rd Excess (\$5m xs \$15m)	\$33,000.00	\$26,456.25	\$26,456.25
Public Officials Liability – Primary	\$109,905.00	\$117,261.00	\$117,261.00
Public Officials Liability – Excess	\$19,564.00	\$20,872.00	\$20,872.00
Security Guard Liability – Primary	\$17,109.38	\$17,109.38	\$17,109.38
Security Guard Liability – Excess	\$5,449.95	\$5,449.95	\$5,449.95
Lawley Risk Management Fees	\$30,000.00	\$30,000.00	\$30,000.00
TOTAL PROGRAM COSTS	\$3,516,296.96	\$3,628,280.02	\$3,529,950.02

Optional Quotes:

- **\$10 Million Each Occurrence/Aggregate - \$132,600 Premium (incl. Terrorism)**
 - Excess over underlying \$10 Million/\$20 Million Umbrella with Munich Re
 - (for a total of \$20 Million Each Occurrence/\$30 Million Aggregate in Excess Limits)
 - Contains Asbestos Exclusion
 - Follow Form except for Asbestos Exclusion

- **\$5 Million Each Occurrence/Aggregate - \$91,800 Premium (incl. Terrorism)**
 - Excess over underlying \$10 Million/\$20 Million Umbrella with Munich Re
 - (for a total of \$15 Million Each Occurrence/\$25 Million Aggregate in Excess Limits)
 - Contains Asbestos Exclusion
 - Follow Form except for Asbestos Exclusion

Notes:

- **Workers Comp-** Premiums Noted Reflect 2% Paid in Full Discount (payment due by 7/1/2024)
 - 2nd year of 2-year policy with PERMA
 - Loss Ratio as of 5/31/2024: 24%

- **Philadelphia/Grundy Renewal - General Liability/Auto/Umbrella**
 - 20% Premium Increase Over Expiring
 - Increased General Liability Deductible from \$15k to \$50k including Property Damage AND Bodily Injury
 - Added \$10k Auto Liability Deductible
 - Increased Physical Damage Deductibles from \$1,000 to \$5,000
 - Total Cyber Exclusion

- **Alternative Quote Munich Re Specialty Insurance**
 - “A+” XV (Excellent) AM Best Rating
 - Dedicated Program for Water Authorities
 - Endorsements Include:
 - Failure to Supply Coverage
 - Contingent Pollution for Water Treatment Process
 - There is NO Absolute Cyber Exclusion

Munich Re

- Signed and Dated Public Entity Application and Insured FEIN # (required to bind Auto)
- Terrorism: The insured has the option to accept or reject terrorism coverage. The attached election form must be completed and signed by the insured. If notice is not returned to us upon binding of coverage, terrorism premium will automatically be included.
- Signed and Dated Uninsured/Underinsured Motorist Selection/Rejection Form
- Copy of the latest Dam Inspection reports and insured response to any inspection deficiencies, if applicable and not already provided.
- Signed State of Values (Property, Inland Marine and Auto, as applicable).
- Provide Name, Phone Number and Email Address for both the Risk Manager and Boiler & Machinery inspection contacts.
- Provide a complete driver schedule including name, date of birth, and license number.
- NY Only: Optional Supplemental Spousal Liability Premium is available. Please refer the Supplemental Spousal Liability Coverage Selection/Rejection form for the annual premium. If desired, remit the signed and dated Supplemental Spousal Liability Coverage Selection/Rejection form at the time of binding.

AFM - Property

- Signed 24-25 Terrorism Disclosure

PERMA – Workers Compensation

- Signed 24-25 Risk Management Agreement

Cyber

- Signed and dated application
- Please confirm the plan for remediating vulnerabilities noted in the attached Security Risk Indicator document
- How often are you conducting phishing testing on your employees?
- Confirmation IT and OT environments are segmented
- Higher Limits Warranty
- Answer questions 10A 1-7 & 10C on Tokio Marine Application along with Signature
- Ambridge Excess Limit Warranty
- Signed total cost forms for all 3 layers.

Public Officials Liability

- Signed renewal application

Security Guard Professional

- Completed supplemental application signed and dated
- Completed TRIA Disclosure forms signed and dated
- Signed Total Cost Forms

Named Insured

Erie County Water Authority

Coverage	Limit
Each Occurrence	\$1,000,000
General Aggregate	\$3,000,000
Products/Completed Operations Aggregate	\$3,000,000
Personal/Advertising Injury	\$1,000,000
Damage to Rented Premises	\$1,000,000
Medical Expenses	\$10,000
Employee Benefits Liability	\$1,000,000
- EBL AGGREGATE	\$2,000,000
- Deductible Per Claim	
- Retroactive Date	7/1/2023
Deductible – Bodily Injury & Property Damage (Damages Only)	\$25,000

Forms & Endorsements

Form Name	Remarks
Non-Auditable	
Automatic Additional Insured	As required by written agreement
Broadened Pollution for Municipal Exposure	Limited Coverage/Limited Exclusion
Failure to Supply	Included

Named Insured

Erie County Water Authority

Coverage	Limit
Combined Single Limit - Including Hired/Non-Owned Auto Liability	\$1,000,000
Personal Injury Protection (PIP) Coverage - Each Person	\$50,000
Supplementary Uninsured/Underinsured Motorist (includes Statutory Uninsured Motorist) - Each Accident	\$1,000,000
Medical Payments - Each Person	\$5,000
Physical Damage - Subject to Comprehensive & Collision Deductibles	See Schedule
Hired Automobile Physical Damage	\$100,000
Owned Physical Damage- Comprehensive	ACV
Owned Physical Damage- Collision	ACV

Forms & Endorsements

- Broadened Named Insured
- Employees/Volunteers as Insureds
- Additional Insured-Automatic Status
- Loss of Earnings @ \$500/day
- Fellow Employee Coverage
- Loss of Use Increased to \$500/day
- Favorable Exception to Expected or Intended Injury Exclusion for use of Reasonable Force
- Glass Repair Deductible Waiver
- Transportation Expenses up to \$1,500 for Temporary Transport
- Auto Loan/Lease Gap Coverage
- Commandeered Auto Coverage (\$500 deductible)
- Personal Effects- Up to \$500
- Rental Reimbursement up to \$3,000 (any one auto)
- Tapes, Records, and Discs Coverage @ \$500
- Limited Deductible Reimbursement for Employee's or Volunteer's Personal Auto up to \$1,000

New York law requires every automobile insurance policy sold in the state to provide liability coverage. This coverage insures you if another person accuses you of injuring them or damaging their property. It pays for the cost of your legal defense and any damages you may owe to that person because of a court verdict or out of court settlement, up to the amount of insurance you purchased.

Supplemental spousal liability is coverage that applies when you are injured in an accident where your spouse was driving and at fault. With supplemental spousal liability coverage, you are able to collect compensation from your own insurance company due to your spouse's responsibility for the car accident.

Named Insured

Erie County Water Authority

Coverage	Limit
Each Occurrence	\$10,000,000
Aggregate	\$20,000,000
Self-Insured Retention	

Schedule of Underlying Insurance

Coverage	Limit
General Liability <ul style="list-style-type: none">- Abuse and Molestation- Included- Employee Benefits- Included	\$1,000,000
Automobile Liability	\$1,000,000

Named Insured

Erie County Water Authority

Coverage	Limit
Each Occurrence	\$10,000,000
Aggregate	\$10,000,000
Self-Insured Retention	

Schedule of Underlying Insurance

Coverage	Limit
Munich Re	\$10,000,000

Property Coverage

Loc# Bldg#	Location Street	Subject of Insurance	Limit	Cause of Loss	Ded	Valuation
Per Schedule on File	Blanket Building and Business Personal Property	Blanket	\$300,000,000	Special (Including theft)	\$500,000	Replacement Cost
	Equipment Breakdown	Equipment Breakdown	Included	Special (Including theft)	\$500,000	Replacement Cost
	Flood	Flood	\$150,000,000	Special (Including theft)	\$500,000	Replacement
	Earthquake	Earthquake	\$150,000,000	Special (Including theft)	\$500,000	
	Business Income with Rental Value without Extra Value	Business Income with Rental Value without Extra Expense	\$6,200,000	Special (Including theft)	24 Hours	
	Extra Expense	Extra Expense	\$2,500,000	Special (Including theft)	24 Hours	
	Accounts Receivable	Accounts Receivable	\$2,500,000	Special (Including theft)	\$500,000	

Additional Coverages

Description	Limit	Valuation
Contractors Equipment	Per Schedule on File with Company	Actual Cash Value
Radio Equipment	Per Schedule on File with Company	Actual Cash Value

We strongly recommend that you obtain, and keep updated, a professional appraisal of the current cost to replace your real property (including an estimate of debris removal and any changes that would be required by current ordinance/law--these must be included in the building limit), and the length of time that would be required to rebuild. Any estimate you have been provided from any source other than a professional appraiser is just that -- an estimate -- and will not guarantee that you have sufficient limits to rebuild your building(s) in the event of a total loss.



POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Insured Name: Erie County Water Authority

Date: 4 June 2024

Account Number: 86370

Insurer Name: Affiliated FM Insurance Company

The Terrorism Risk Insurance Act of 2002, as amended and extended, gives you the right as part of your property insurance program to elect or reject insurance coverage for locations within the United States or any territory or possession of the United States for losses arising out of acts of terrorism, as defined and certified in accordance with the provisions of the act.

You should know that where coverage is provided for losses resulting from certified acts of terrorism, such losses may be partially reimbursed by the United States government under a formula established by federal law. Under this formula, the United States government generally pays 80% of covered terrorism losses exceeding a statutorily established deductible paid by the insurer referenced above. The Terrorism Risk Insurance Act, as amended, contains a USD 100 billion cap that limits the U.S. government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses in any one program year exceeds USD 100 billion. If the aggregate insured losses for all insurers exceed USD 100 billion, your coverage may be reduced.

The premium charged for this coverage is provided below and does not include any charges for the portion of loss covered by the federal government under the act.

Acceptance or rejection of terrorism insurance coverage: under federal law, you have the right to accept or reject this offer of coverage for terrorist acts covered by the act as part of your property insurance program. If we do not receive this signed disclosure form prior to property insurance program inception date of 1 July 2024, then your property insurance program will reflect your decision not to purchase the terrorism coverage provided by the act.

_____ I hereby elect to purchase coverage for terrorist acts covered by the act for a premium of USD 15,000. This premium does not include applicable taxes or surcharges.

_____ I hereby decline this offer of coverage for terrorist acts covered by the act.

Policyholder/Applicant Signature

Date

Print Name

Named Insured

FEIN

Erie County Water Authority	16-6000337
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Workers Compensation Limits – Statutory

Employers Liability Limits

Coverage

Limit

Each Accident	\$100,000
Policy Limit	\$500,000
Each Employee	\$100,000

Classifications shown below may be subject to audit – please refer to policy.

State	Code	Classification	2023-2024 Payroll	2023-2024 Premium
NY	7520	Water Works Operation & Drivers	\$11,274,110	\$2,022,158
NY	8742	Meter Readers/Messengers	\$69,730	\$621
NY	8810	Clerical	\$10,226,628	\$39,805

Total Standard Premium

\$2,062,583

	Factor	Factor Premium
Total Contribution – 23-24 Loss Ratio = 24.2%		\$2,062,583
New York State Assessment		\$38,459
Total Estimated Contribution & Assessment		\$2,101,042
Credit on Total Contribution, if paid in full	2.0%	(\$41,252)

Total Estimated Annual Premium, if paid in full

\$2,059,790



Public Employer Risk Management Association
P.O. Box 12250, Albany, NY 12212

June 6, 2024

Erie County Water Authority
3030 Union Road
Cheektowaga, NY 14227

Re. Renewal Pricing - Year two of contract
Effective Date: 7/1/2024

Dear Member:

We are completing the first year of our two-year contract with you, the Erie County Water Authority. We have calculated your loss ratio for the period of 7/1/2023 - 5/31/2024 as per the contract and your ratio for this period is **24.2%**. The coverage documents you received last year are still in effect; and the mandatory state notices, C-105 and 430s, are also valid and do not need to be replaced.

Please refer to form number PERMA WC16 (06-04) Freeform Change Endorsement for the complete 2-year contract conditions. The following is your applicable contribution based on the contract provisions:

<u>Year Two Contribution 7/1/2024 To 6/30/2025</u>	<u>(Loss Ratio > 10% up to 25%)</u>
Total Contribution:	\$2,062,583
New York State Assessment:	<u>\$38,459</u>
Total Estimated Contribution & Assessment:	\$2,101,042
2% Credit on Total Contribution, if pay in full:	<u>\$41,252</u>
Total Estimated Coverage Cost due PERMA, if paid in full:	\$2,059,790

*PERMA is required to collect the New York State Assessment on behalf of the NYS Workers' Compensation Board (WCB) and pass through the monies to the WCB when invoiced. The WCB additionally may audit the related payrolls quarterly and adjust billing as needed.

Thank you for your continued support. If you have any questions, please contact me at (888) 737-6269 extension 135.

Sincerely,

Jennifer Hromada

Jennifer Hromada
Senior Underwriter

cc: Lawley Service, Inc.



Public Employer Risk Management Association
9 Cornell Road, Latham, NY 12110

Invoice

Page 1 of 1
Invoice 20250111
Date 6/6/2024

Bill To: Erie County Water Authority
3030 Union Road
Cheektowaga,
NY 14227

Payments please reference invoice #

Electronic Payments:
Contact billing@PERMA.org for updated
account information

Check Payments mail to:
PERMA
PO Box 293
Canajoharie, NY 13317-9993

Broker: 1995-1
Lawley Agency, LLC

Inquiries	Coverage Term	Member ID	Due Date
billing@PERMA.org or (518) 220-1111	7/1/2024-6/30/2025	WC 0002079-02	7/1/2024
Description			
Annual - Contribution			2,062,583.00
Annual - New York State Assessment			38,459.00

Total: \$2,101,042.00
Payments Received: \$0.00
Current Amount Due: \$2,101,042.00

You may take a 2% discount on the contribution portion for payment in full.
Contribution in full (after discount): \$2,021,331.00
Plus Full New York State Assessment: \$38,459.00
Total amount due by 7/1/2024 after taking advantage of the discount: \$2,059,790.00

Risk Management Programs That Save Dollars and Make Sense
Erie County Water Authority - Risk Management Services 7-1-2024

Client Needs: Risk Management Services – Loss Control & Claims Management aimed at reducing exposures to loss and controlling claim costs through claim management and regular review.

Proposed Services: The following services are being proposed to address the above needs:

CLAIM MANAGEMENT SERVICES	Benefit to Erie County Water Authority
Workers’ Compensation Claim Review: Conduct claim reviews with an eye on mitigating your workers’ compensation losses.	A review of open claims within your Experience Mod provides an opportunity to manage their value and the impact they have on premium costs.
Annual Experience Mod Analysis: Utilize ModMaster Software to verify the accuracy of the experience modification factor.	A review of the values going into the experience modification factor assures the mod is calculated by the state correctly and provides an early projection allowing Erie County Water Authority to plan for their WC premium costs.
First Aid Claim Program: Process and fee schedule your First Aid Claims (Medical Only per NY WC Section 110).	The NY statute allows for self-pay of minor medical only claims that fall under the provisions of section 110 of the WC law. Paying for these minor claims out-of-pocket, Erie County Water Authority will be able to manage their claims frequency and lower their premium costs. The Lawley First Aid program identifies which claims can be handled this way and evaluates the medical charges against the NY fee schedule allowance to assure there is no overpayment
LOSS CONTROL SERVICES	
Outsourced Safety Consulting – Lawley loss control will compliment your in-house safety department. Services will include site safety reviews, lockout program updates, safety meeting attendance, training, program development/implementation, written safety program updates, safety benchmarking, accident investigation, loss history analysis, grant writing, and other safety resource needs as mutually agreed upon by the ECWA and Lawley.	Hands-on safety consultation services providing professional insight and experience to supplement the ECWA safety efforts.
POLICY ADMINISTRATION SERVICES	
Certificates of Insurance Policy Administration Policy Review	When needed and ongoing policy handling services throughout the year

Lawley, LLC
361 Delaware Avenue
Buffalo, NY 14202

Under Sect. 2119 of the NYS Insurance Law, Lawley Agency, LLC agrees to provide the following fee based services to Town of Lancaster under the following terms and conditions.

Period Covered: (check one)

X 1 year July 1, 2024 to July 1, 2025.

Continuous effective until cancelled by either one or both of the undersigned.

Services Provided:

- Workers Compensation Claim Management and Loss Prevention Services as outlined per the attachment

Fee Amount: \$30,000
(Annual and Minimum)

- This fee amount is in addition to commissions.
This fee amount is not in addition to commissions.

Note that all fees are in addition to policy premiums.

Payable: Lawley, LLC

Accepted:

Erie County Water Authority

Lawley, LLC

By:
Title

By:
Title

Date

Date

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024-7/1/2025
Policy Type:	Crime Coverage - Occurrence
Policy Number:	106315566
Carrier:	Travelers Casualty & Surety of America (Admitted "A++" A.M. Best Rating)

Coverage	Limit	Deductible
Employee Theft Governmental Crime	\$1,000,000	\$10,000
Forgery or Alteration	\$1,000,000	\$10,000
On Premises	\$1,000,000	\$10,000
In Transit	\$1,000,000	\$10,000
Money orders and counterfeit money	\$1,000,000	\$10,000
Computer Fraud	\$1,000,000	\$10,000
Computer Program and Electronic Data Restoration Expense	\$100,000	\$5,000
Funds Transfer Fraud	\$1,000,000	\$10,000
Personal Accounts Forgery or Alteration	\$1,000,000	\$10,000
Identity Fraud Expense Reimbursement	\$25,000	\$0
Claim Expense	\$5,000	\$0
Social Engineering	\$100,000	\$5,000

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024 - 7/1/2025
Retroactive Date:	Full Prior Acts
Policy Type:	Cyber Liability – Claims Made
Carrier:	Resilience/Homeland Insurance Company of Delaware (Non-Admitted “A++” A.M. Best Rating)

Coverage	Limit	Retention
First Party Coverages		
Response	\$10,000,000	\$50,000
Data Recovery	\$10,000,000	\$50,000
Hardware Replacement	\$10,000,000	\$50,000
Reward	\$50,000	\$50,000
Insured Interruption	\$10,000,000	\$50,000
Vendor Interruption	\$10,000,000	\$50,000
Extortion	\$10,000,000	\$50,000
Reputation	\$10,000,000	\$50,000
Cryptojacking	\$250,000	\$50,000
Social Engineering	\$250,000	\$50,000
Invoice Manipulation	\$250,000	\$50,000
Transfer Fraud	\$10,000,000	\$50,000
Data & Network	\$10,000,000	\$50,000
Regulatory	\$10,000,000	\$50,000
Merchant Services	\$10,000,000	\$50,000
Media	\$10,000,000	\$50,000
Policy Aggregate	\$10,000,000	N/A

Additional Coverage Information

- Waiting Period- 12 hours

Extended Reporting Period

- 1 Year at 100% of Annual Premium

This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024 - 7/1/2025
Retroactive Date:	Full Prior Acts
Policy Type:	Excess Cyber Liability – Claims Made
Carrier:	Tokio Marine/Houston Casualty (Non-Admitted ‘A++’ A.M. Best Rating)

Coverage	Limit	Retention
Excess Cyber Liability	\$5,000,000	\$10,000,000

Primary Coverage Information

- Policy Period - 7/1/24-7/1/25
- Carrier – Homeland Insurance Company (Non-Admitted; “A++” A.M. Best Rating)
- Limit- \$10,000,000
- Retention - \$50,000

Extended Reporting Period

- This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024 - 7/1/2025
Retroactive Date:	Full Prior Acts
Policy Type:	2nd Excess Cyber Liability – Claims Made
Policy Number:	CYB104501
Carrier:	Ambridge/Lloyd’s of London (Non-Admitted “A” A.M. Best Rating)

Coverage	Limit	Retention
Excess Cyber Liability	\$5,000,000	\$15,000,000

Primary Coverage Information

- Policy Period - 7/1/24-7/1/25
- Carrier – Homeland Insurance Company (Non-Admitted; “A++” A.M. Best Rating)
- Limit- \$10,000,000
- Retention - \$50,000

Excess Coverage Information

- Policy Period - 7/1/24-7/1/25
- Carrier – Houston Casualty (Non-Admitted; “A++” A.M. Best Rating)
- Limit - \$5,000,000

Extended Reporting Period

- This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024 - 7/1/2025
Policy Type:	Public Officials Liability
Policy Number:	EONG46783281006
Carrier:	Chubb/Ace American Insurance Company (Admitted "A++" A.M. Best Rating)

Coverage	Limit	Retention
Public Officials Liability	\$10,000,000	\$100,000
Employment Practices Liability – Including Third Party	\$10,000,000	\$100,000
Policy Aggregate Limit of Liability	\$10,000,000	N/A

Additional Coverage Information

- Crisis Management Fund - \$25,000
- Limits of Liability Amended-Defense Outside Sublimit \$5,000,000

Extended Reporting Period

- 1 Year at 100% of Annual Premium
- This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024 - 7/1/2025
Retroactive Date:	7/1/2020
Policy Type:	Excess Public Officials Liability
Policy Number:	DO6NAB1ATF003
Carrier:	Ironshore Indemnity

Coverage	Limit	Retention
Excess D&O/EMPL	\$2,000,000	\$10,000,000

Additional Coverage Information

Prior & Pending Date: 7/1/20
Primary Policy Info ACE American -EONG46783281006
D&O/EMPL - \$10M
Retention - \$100k
Prior Acts Excl 1/1/06
Retroactive Date: 7/1/20
Sanction Limitation & Exclusion Clause
Specific Litigation or Event Exclusion - all prior Claim #KY18K2464814
Loss Date: 8/20/18
Non-Follow Form for Sublimit of Liability w/ Recognition of Reduction Excess Form

Extended Reporting Period

- This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024 - 7/1/2025
Policy Type:	Security Guard General Liability
Policy Number:	CSSECGL000072401
Carrier:	Champlain Specialty Insurance Company (Non-Admitted "A-" A.M. Best Rating)

Coverage

Limit

Each Occurrence	\$1,000,000
Personal Injury & Advertising Injury	\$1,000,000
General Aggregate	\$3,000,000
Products/Completed Operations Aggregate	\$3,000,000
Damage to Premises Rented to You Limit	\$100,000
Medical Payment Limit	\$5,000
Employee Benefits Liability – Each Employee	\$1,000,000
Employee Benefits Liability – Aggregate	\$1,000,000
Errors & Omissions Liability	\$1,000,000

Additional Coverage Information

- Defense Costs Outside the Limit
- Deductible
 - \$1,000 Per Claim
- 25% Minimum Earned Premium
- Retroactive Date: Employment Benefits Liability - 4/15/18
- Limitation of Coverage to Specified Operations - Security Guard and Patrol Operations
- Extended Property Damage with Sublimit and Sub-deductible
 - \$25,000 Limit / \$50,000 Aggregate/\$1,000 Retention

Extended Reporting Period

- This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed

Named Insured

Erie County Water Authority

Policy Term:	7/1/2024 - 7/1/2025
Policy Type:	Excess Security Guard Liability
Policy Number:	CSSECEL000072501
Carrier:	Champlain Specialty Insurance Company (Non-Admitted 'A' A.M. Best Rating)

Coverage

Limit

Excess General Liability – Each Occurrence	\$1,000,000
General Aggregate	\$1,000,000
Products & Completed Operations Aggregate	\$1,000,000
Policy Aggregate	\$1,000,000

Primary Coverage Information

- Carrier: Champlain Specialty Insurance Company
- Professional Liability
 - Each Occurrence: \$1,000,000
 - Aggregate: \$1,000,000
 - Effective Date: 7/1/2023 -7/1/2024
- General Liability
- General Aggregate: \$3,000,000
- Products/Completed Operations: \$3,000,000
- Each Occurrence: \$1,000,000
- Personal and Advertising Injury: \$1,000,000
- Effective Date: 7/1/2024 - 7/1/2025

Additional Coverage Information

- Minimum Earned Premium 25%
- Underlying Policy Information Errors and Omissions

Extended Reporting Period

- This coverage form is written on a Claims-made basis. You may have an option to purchase an Extended Reporting Period (ERP) endorsement should your policy be cancelled or non-renewed

June 13, 2024

Erie County Water Authority
295 Main Street, Suite #350
Buffalo, NY 14203-2494

Dear Molly Jo:

Lawley has gone “paperless” and we encourage you to do the same. We are pleased to announce the option to receive your insurance policy documents electronically via E-mail.

If you would like to participate in our electronic delivery program, please review the following statement, provide us with your contact/recipient e-mail address and fax number, sign, and return to us via e-mail at nbenda@lawleyinsurance.com or fax number 716-849-8291.

We (“Client”) hereby give consent and agree to receive documents related to insurance coverages written through or quoted by Lawley (“Agent/Broker”) in the form of electronic records. Agent/Broker may transmit documents to Client through electronic media, including but not limited to electronic mail, optical disks (including but not limited to compact discs and digital versatile discs), floppy disks, hard drives, thumb drives, jump drives, magnetic tapes, facsimiles, downloads from Web sites, and any other kinds of electronic media acceptable to both Client and Agent/Broker. Documents to be so delivered include but are not limited to policy information pages and coverage forms; endorsements; binders; certificates and evidences of insurance; automobile insurance identification cards; premium quotations; premium worksheets; invoices; premium finance agreements; audit statements; loss control reports; claim reports; correspondence; and notices of cancellation and non-renewal. Client’s signature or that of Client’s representative signifies that Client voluntarily agrees to use electronic records in accordance with section 309 of the New York State Technology Law. Client understands that, from the date of this agreement until such time as Client or Client’s representative revokes this consent in writing, Agent/Broker will send documents to Client in electronic form only and will not provide Client with paper copies of the documents. However, Client may specifically request a paper version of an electronically furnished document.

Please forward the documents to us via e-mail at:

Client contact E-mail address: _____

Client Name

Date

Signature

Title

Erie County Water Authority

295 Main Street, Suite #350
Buffalo, NY 14203-2494

Is the mailing address listed above correct? Yes: _____ No: _____

If you have answered No to the question shown above, please make corrections below:

Please respond in Section 1 **and** Section 2, then sign where indicated:

Section 1 - Select one of the following by placing an (X) in the appropriate box

By my signature below, I certify that I have requested Lawley Service, Inc. and/or Lawley LLC. bind coverage as shown in this proposal. All changes from the original proposal are noted and initialed.

By my signature below, I certify that I have requested Lawley Service, Inc. and/or Lawley LLC. bind coverage as shown in this proposal, with no changes from the original proposal

Section 2 - Select one of the following by placing an (X) in the appropriate box

By my signature below, I certify that I have declined quotes for additional coverages

By my signature below, I certify that I have requested Lawley Service, Inc. and/or Lawley LLC. obtain Quotes for the following coverage: *(please list below)*

Signed: _____

Date: _____

Name: **Erie County Water Authority**

Term: **2024-2025**

We ask that you do not accept our brief description of the insurance coverages as a complete explanation of the policy terms. The actual policy language will govern the scope and limits of coverage involved.

Erie County Water Authority

295 Main Street, Suite #350
Buffalo, NY 14203-2494

The New York State Department of Financial Services understands a “Minimum & Deposit” premium to be the premium that an insured has as a deposit on the policy regardless if the policy is written on an auditable basis or is canceled prior to expiration.

Premium shown is an “Advance Premium” and is both a “Deposit Premium” and a “Minimum Earned Premium” for the full policy period.

If the audited exposure results exceed the estimate, the insured will be billed the additional premium.

If audited exposure results are less than the estimate, the insured will NOT receive a return premium.

By my signature below, I certify, acknowledge & understand that the premium for the policy(s) listed below are fully earned. If the policy(s) are cancelled prior to the expiration date of the policy, no premium will be returned and I agree to pay the balance.

Signed: _____

Date: _____

Name: Erie County Water Authority

Term: 2024-2025

The following disclosure is provided pursuant to Insurance Department Regulation No. 194 (11 NYCRR 30.1 et seq.):

Lawley Service, Inc. and/or Lawley LLC, (“the producer”) is an insurance producer licensed by the State of New York. Insurance producers are authorized by their license to confer with insurance purchasers about the benefits, terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of the producer in any particular transaction typically involves one or more of these activities.

Compensation will be paid to the producer, based on the insurance contract the producer sells. Depending on the insurer(s) and insurance contract(s) the purchaser selects, compensation will be paid by the insurer(s) selling the insurance contract or by another third party. Such compensation may vary depending on a number of factors, including the insurance contract(s) and the insurer(s) the purchaser selects. In some cases, other factors such as the volume of business a producer provides to an insurer or the profitability of insurance contracts a producer provides to an insurer also may affect compensation.

The insurance purchaser may obtain information about compensation expected to be received by the producer based in whole or in part on the sale of insurance to the purchaser, and (if applicable) compensation expected to be received based in whole or in part on any alternative quotes presented to the purchaser by the producer, by requesting such information from the producer.

Lawley

INSURANCE | EMPLOYEE BENEFITS

Our Mission

Lawley is a dynamic independent regional firm of insurance professionals specializing in property casualty, employee benefits and risk management. We protect assets and minimize risk to help our customers avoid financial hardship.

We strive to be the partner of choice for Customers, Insurance Carriers and Employees looking for long-term relationship built on a foundation of trust.

Our Values

Relationship Building

- We are trusted advisors, driven by our customers' needs
- We bring new ideas and options to our customers, which enable them to focus on their business

Respect and integrity

- We preserve and protect our reputation that we earn everyday through trust, integrity and reliability

Passion

- We play as a team to win
- We bring high energy and a spirit of camaraderie to all we do

Accountability

- We set the standard for service excellence. We deliver what we promise
- We accept personal responsibility for our actions

Community Partners

- We commit our time, resources and energy to the communities in which we do business