



ERIE COUNTY WATER AUTHORITY INTEROFFICE MEMORANDUM

June 9, 2023

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

From: Joyce Tomaka, Chief Financial Officer

Subject: 2023-2024 Insurance Renewals

All the Authority's insurance policies will be renewed on July 1, 2023. Pat Quinn from Lawley has been working on renewal rates and will present a preliminary renewal package at the board meeting on June 22, 2023.

A resolution authorizing me as the Authority's Chief Financial Officer to sign renewal applications and bind coverage for the 2023-2024 period will be included in the June 22, 2023 meeting. I have included a copy of the 2022 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
T. McCracken
M. Musarra
R. Stoll

**ITEM 6 - 2022-2023 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 16, 2022, 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, 2022, for such insurance coverage to be in effective July 1, 2022 through June 30, 2023, 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, 2022 deadline;

NOW, THEREFORE, BE IT RESOLVED:

That the Board of Commissioners (the "Board") hereby authorizes, Karen A. Prendergast 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:

06/16/22-pjg

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

Contract: _____ **Project No.:** _____
Project Description: Insurance Renewals July 1, 2023 – June 30, 2024

Item Description:

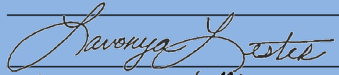
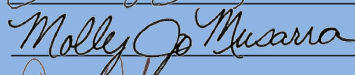


- | | | | |
|---|--|---|---------------------------------------|
| <input type="checkbox"/> Agreement | <input type="checkbox"/> Professional Service Contract | <input type="checkbox"/> Amendment | <input type="checkbox"/> Change Order |
| <input type="checkbox"/> BCD | <input type="checkbox"/> NYSDOT 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 2023-2024 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 2023-2024 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		Date: <u>06/12/2023</u>
<input checked="" type="checkbox"/> Risk Manager		Date: <u>06/12/2023</u>
<input checked="" type="checkbox"/> Chief Financial Officer		Date: <u>06/12/2023</u>
<input checked="" type="checkbox"/> Legal		Date: <u>6/12/2023</u>

APPROVED FOR BOARD RESOLUTION:

<input checked="" type="checkbox"/> Secretary to the Authority		Date: <u>6/13/2023</u>
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Remarks: _____

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

INSURANCE PROPOSAL



Erie County Water Authority
July 1, 2023-2024

Lawley

lawleyinsurance.com | 1.844.4LAWLEY

Business Insurance

lawleyinsurance.com/business

Property & Casualty

- General Liability
- Property
- Workers' Compensation Coverage
- Automobile/Commercial Vehicle Fleet Insurance
- Umbrella/Excess Liability Insurance
- Inland Marine/Equipment Coverage
- Business Income/Extra Expense
- Employee Dishonesty
- International Coverages
- Boiler & Machinery/Equipment Breakdown
- Transportation/Ocean Marine
- Owner's and Contractor's Protective Liability
- Builder's Risk
- Surety/Bonding
- Captive Programs
- Alternative Risk Financing
- Flood
- Earthquake

Specialty Products

- Pollution Liability/Environmental
- Professional Liability/Errors & Omissions
- Crime (Fidelity) Insurance
- Cyber Liability
- Director's and Officer's/Management Liability (D&O)
- Employment Practices Liability
- Fiduciary Liability
- Business Travel Accident/Kidnap & Ransom Insurance
- Identity Theft

Employee Benefits

lawleyinsurance.com/benefits

- Medical Insurance
- Prescription Drug Plans
- Private Benefits Exchange - Lawley Marketplace
- Medical Captive Programs
- Consortiums/Trusts
- Dental & Vision Benefits
- Group Life Insurance
- NYS Disability (DBL)
- Short-Term Disability Insurance
- Long-Term Disability Insurance
- Voluntary Insurance
- Executive Benefits
- Retirement Planning and 401k Administration
- Underwriting & Reporting
- Compliance
- Wellness Programs & Health Management Programs
- Lawley Simplifi

Industry Specialties/Practice Groups

lawleyinsurance.com/specialties

- Affordable Housing
- Construction
- Car Dealers
- Healthcare Facilities
- Manufacturing
- Not-for-Profits
- Farms
- Municipalities and Schools

Products/services are subject to state eligibility

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

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	Kim Patterson	Phone:	(716) 849-8688
		Fax:	(716) 849-8291
		Email:	kpatterson@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) 849-8686
		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	Garrett Schmigiel	Phone:	(716) 849-8272
		Fax:	(716) 849-8291
		Email:	gschmigiel@lawleyinsurance.com

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

Sr. Claim Management Consultant	Neal Cunningham	Phone:	(716) 849-4323
		Fax:	(716) 849-8291
		Email:	ncunningham@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

Coverages	7/1/2022-7/1/2023 Expiring Program	7/1/2023-7/1/2024 Renewal Option #1 NYSIF WC	7/1/2023-7/1/2024 Renewal Option #2 PERMA WC
Package (Grundy/Philadelphia)	\$492,589.00	\$581,471.00	\$581,471.00
- General Liability	Incl.	Incl.	Incl.
- Automobile Liability	Incl.	Incl.	Incl.
- Excess/Umbrella Liability	Incl.	Incl.	Incl.
- Taxes and Fees	\$1,370.00	\$1,460.00	\$1,460.00
- Terrorism	\$2,602.00	\$3,192.00	\$3,192.00
- OCP Policies (2)	\$1,000.00	\$1,010.00	\$1,010.00
Property	\$466,000.00	\$505,000.00	\$505,000.00
Workers Compensation	\$2,114,631.71	\$2,185,343.95	\$2,061,496.32
Crime	\$5,898.00	\$5,943.00	\$5,943.00
Cyber Liability – Primary	\$52,938.27	\$52,914.94	\$52,914.94
Cyber Liability – Excess	\$50,328.45	\$45,805.63	\$45,805.63
Cyber Liability – 2 nd Excess	\$42,097.14	\$41,889.06	\$41,889.06
Public Officials Liability – Primary	\$104,938.00	\$109,905.00	\$109,905.00
Public Officials Liability – Excess	\$18,620.00	\$19,564.00	\$19,564.00
Security Guard Liability – Primary	\$17,112.63	\$17,109.38	\$17,109.38
Security Guard Liability - Excess	\$4,672.68	\$5,449.95	\$5,449.95
Lawley Workers Comp Fees	\$70,000.00	\$70,000.00	\$30,000.00
TOTAL PROGRAM COSTS	\$3,444,797.88	\$3,646,057.91	\$3,482,210.28

Notes:

- **Property:** 7.7% Increase due to increases in Total Insurable Values (TIV) and slight rate increase.
- **Package (GL and Auto) and Excess Liability:** 15% Increase due to a combination of rate and exposures
 - Budget Increase from \$60.7 Million in 22-23 to \$68.5 Million in 23-24
 - Waterworks Payroll increase from \$10.4 Million in 22-23 to \$11.3 Million
 - Vehicle Count Increased from 157 in 22-23 to 164 in 23-24
- **Workers Compensation:** Increase due to an increase in the Experience Modification Rate (1.81 to 2.22).
 - Received Alternative option from PERMA outlined in Option #2 of the Renewal Comparison. Please note premium contemplates a 2% "Paid in Full" discount

Optional Quotes:

Site Pollution Liability (coverage for "new" conditions ONLY)

- \$5 Million Limit, \$50k Deductible - **\$32,087 Premium**

Binding Requirements

General

- Signed Proposal with signed Agency Fee Agreement Pages signed

Grundy – GL, Auto, OCP, Excess

- Terrorism Forms – completed and signed (3)
- Proposal Acceptance Page – signed
- Updated Drivers List
- Uninsured/Underinsured Form – completed and signed

Property

- Terrorism Form – completed and signed

Workers Compensation (Depending on which carrier binding)

NYSIF

- Terrorism Form – completed and signed

PERMA

- ECWA resolution to join PERMA effective July 1, 2023
- SI-26 coverage election
- Sample SI-26
- Special resolution that ECWA to fund their self-insured liabilities via taxation or issuance of bonds
(resulting from unlikely event of PERMA insolvency)

Cyber Liability – Primary

- Signed Total Cost Form
- Confirmation of the approximate number of unique PAPER records the applicant collects, stores, hosts, processed, controls, uses or shares that contain any private or sensitive information
- The answers to incomplete questions#10 (Loss History section)
- Signed application dated within 45 days of the effective date
- Name and signature of individual who is responsible for the Applicant's network security at the end of Section 5

Cyber Liability – Excess

- Signed Total Cost Form
- Primary submitted app currently signed and dated

Cyber Liability – 2nd Excess

- All underlying subjectivities
- Crum & Forster Warranty Statement
- Signed Total Cost Form

Public Officials – Primary

- Signed and dated application

Public Officials – Excess

- Signed Primary Application

Security Guard Liability – Primary

- Signed Total Cost Form
- Signed Terrorism Form
- Signed and dated Acord & Supplemental Applications.

Security Guard Liability – Excess

- Signed Total Cost Form
- Signed Terrorism Form
- Signed Acord 131 Application

Carrier	Quote Offered	Premium	Comments
Philadelphia - GL, Auto & Excess (Incumbent)	Yes	\$581,471.00	Increase due to Exposure + Rate increases
Affiliated FM – Property (Incumbent)	Yes	\$505,000.00	Increase due to Total Insurable Value Increase of 9%
NYSIF - WC (Incumbent)	Yes	\$2,185,343.95	Deposit \$546,335.99
PERMA - WC	Yes	\$2,102,748.00	Deposit \$175,229.00
Liberty - WC	Yes	\$2,333,428	Not Competitive
Liberty – Property Only	Yes	\$399,997	Very Limited Flood Coverage compared to Affiliated FM (\$1 Million at 3750 River Road) Declined to offer terms on Auto and General Liability due to loss history and current pricing.
Travelers	No		Declined to offer terms as they could not offer limits required on Property, also would require a 120% Margin clause
Chubb	No		Declined to offer terms as they could not offer limits required
Cincinnati	No		Declined to offer terms as exposures outside their appetite-too large
Zurich; Trident	No		Declined as exposures outside carriers appetite
Intact (PEA) WC	No		Declined due to losses and cannot be competitive

Property Coverage

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

Named Insured

Erie County Water Authority

Coverage	Limit
General Aggregate	\$3,000,000
Products/Completed Operations Aggregate	\$3,000,000
Personal/Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000
Damage to Rented Premises	\$1,000,000
Medical Expenses	\$10,000
Employee Benefits Liability	
- Per Person	\$1,000,000
- Aggregate	\$3,000,000
- Deductible Per Claim	\$0
- Retroactive Date	1/1/2003
Property Damage Deductible - Per Occurrence	\$15,000

Exposures

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

Loc #	Bldg #	Class Code	Classifications	Premium Basis	Rating Exposure
1	1	99946	Water Mains/Connections Construction Products/Completed Operations included	Payroll	If Any
1	1	99943	Water Companies Products/Completed Operations included	Payroll	

Forms & Endorsements

Form Name	Remarks
Automatic Additional Insured	As required by written agreement
NY Pollution	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
Additional PIP Protection (PIP) Coverage - Each Person	\$100,000
Optional Basic Economic Loss (OBEL) Coverage	\$25,000
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 - Comprehensive Deductible	\$35,000
- Collision Deductible	\$100
	\$1,000

Forms & Endorsements

Form Name	Remarks
Full Glass	PPT's Only
NY Mobile Equipment	Liability: \$1,000,000 Uninsured Motorists: \$1,000,000 Comprehensive and Collision
Composite Rated	Per vehicle schedule on file with company

Named Insured

FEIN

Erie County Water Authority

16-6000337

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	Payroll	Rate	Premium
NY	7520	Water Works Operation & Drivers	\$11,274,110	6.53	\$736,199.38
NY	7542	Meter Readers Utility Co	\$100	3.94	\$3.94
NY	8742	Salespersons, Collectors or Messengers	\$69,730	0.30	\$209.19
NY	8810	Clerical	\$10,226,628	0.13	\$13,294.62

	Factor	Factor Premium
Terrorism		\$8,196.82
Experience Modification	122%	\$914,642.70
Catastrophe		\$1,294.23
NYSIF Surcharge	19%	\$316,226.47
Expense Constant		\$250.00
NY Assessment	9.8%	\$195,026.60

Total Estimated Annual Premium

\$2,185,343.95

Named Insured

FEIN

Erie County Water Authority

16-6000337

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	Payroll	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

Factor

Factor Premium

Total Contribution	\$2,062,584
New York State Assessment	\$40,164
Total Contribution	\$2,102,748
2% Paid in Full Discount (if paid by 7/1/2023)	\$41,252

Total Estimated Annual Premium (if paid in full by 7/1/2023)**\$2,061,496****2 Year Contract Option Contribution for Year Two 7/1/2024-6/30/2025**

- \$1,907,890 - If the Loss Ratio in year one is under 10%
- \$2,062,583 - If the Loss Ratio in year one is between 10% - 25%
- \$2,114,148 - If the Loss Ratio in year one is between 25% - 40%
- \$2,165,712 - If the Loss Ratio in year one is between 40% - 55%
- \$2,268,842 - If the Loss Ratio in year one is =>55%

**** We would estimate the NYS Workers Compensation Assessment of \$41,369 for budgeting purposes for the 7/1/2024-6/30/2025 Year. Actual rates for next years' assessment will not be known until 10/1/2023****

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
General Liability (Philadelphia Indemnity Ins Co)	
- Each Occurrence	\$1,000,000
- General Aggregate	\$3,000,000
- Product & Completed Operations Aggregate	\$3,000,000
- Personal & Advertising Injury	\$1,000,000
Automobile Liability (Philadelphia Indemnity Ins Co)	\$1,000,000
Employer's Liability (The State Insurance Fund)	
- Per Accident	\$100,000
- Disease Policy Limit	\$500,000
- Disease Each Employee	\$100,000
Employee Benefits Liability (Philadelphia Indemnity Ins Co)	
- Per Person	\$1,000,000
- Aggregate	\$3,000,000

Named Insured

Erie County Water Authority

Policy Term:	7/1/2023-7/1/2025
Policy Type:	Crime Coverage
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:	7/1/2023 - 7/1/2024
Retroactive Date:	Full Prior Acts
Policy Number:	H22NGP21684200
Policy Type:	Cyber Liability – Claims Made
Carrier:	Houston Casualty Company (Non-Admitted “A++” A.M. Best Rating)

Coverage	Limit	Retention
First Party Coverages		
Breach Event Costs Coverage	\$5,000,000	\$50,000
System Failure Coverage	\$5,000,000	8 Hours - \$50,000
Dependent System Failure Coverage	\$5,000,000	12 Hours - \$50,000
Cyber Extortion Coverage	\$5,000,000	\$50,000
Cyber Crime Coverage	\$250,000	\$50,000
Bricking Loss Coverage	\$5,000,000	\$50,000
Third Party Coverages		
Multimedia Liability	\$5,000,000	\$50,000
Security and Privacy Liability	\$5,000,000	\$50,000
Privacy & Regulatory Defense and Penalties	\$5,000,000	\$50,000
PCI DSS Liability	\$5,000,000	\$50,000
Policy Aggregate	\$5,000,000	\$150,000

Additional Coverage Information

- Knowledge Date – 7/1/2022
- Bodily Injury Claims Endorsement \$250,000
- Property Damage Liability Coverage - \$50,000
- TCPA Defense Coverage - \$50,000
- Brand Guard Coverage - \$5,000,000
 - Waiting period – 2 weeks
- Cyber Crime Includes Financial Fraud, Telecommunications & Utilities Fraud, Phishing Fraud
 - Aggregate Limit - \$250,000
- Reward Expenses Coverage - \$50,000
- Court Attendance Costs - \$25,000
- Biometric Claims Sublimit Endorsement - \$100,000

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:	7/1/2023 - 7/1/2024
Retroactive Date:	Full Prior Acts
Policy Type:	Excess Cyber Liability – Claims Made
Policy Number:	ESL0239488612
Carrier:	Underwriters at Lloyds/CFC (Non-Admitted ‘A+’ A.M. Best Rating)

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

Primary Coverage Information

- Policy Period - 7/1/23-7/1/24
- Carrier - Houston Casualty Company (Non-Admitted; “A++” A.M. Best Rating)
- Limit- \$5,000,000
- Retention - \$50,000

Additional Coverage Information

- 30% Minimum Earned Premium

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:	7/1/2023 - 7/1/2024
Retroactive Date:	Full Prior Acts
Policy Type:	2nd Excess Cyber Liability – Claims Made
Policy Number:	CYB104501
Carrier:	Crum & Forster Specialty Insurance (Non-Admitted “A” A.M. Best Rating)

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

Underlying Policy Information**Primary Cyber Liability**

- Policy Period - 7/1/23-7/1/24
- Carrier - Houston Casualty Company (Non-Admitted; “A++” A.M. Best Rating)
- Limit- \$5,000,000
- Retention - \$50,000

Excess Cyber Liability

- Policy Period - 7/1/23-7/1/24
- Carrier - Underwriters at Lloyds London (Non-Admitted; “A” A.M. Best Rating)
- Limit - \$5,000,000

Additional Coverage Information

- 30% Minimum Earned Premium

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:	7/1/2023 - 7/1/2024
Policy Type:	Public Officials Liability
Policy Number:	EONG46783281006
Carrier:	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:	7/1/2023 - 7/1/2024
Retroactive Date:	7/1/2020
Policy Type:	Excess Public Officials Liability
Policy Number:	DO6NAB1ATF003
Carrier:	Ironshore Indemnity (Admitted, "A" A.M. Best Rating)

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

Underlying Policy Information

- Term: 7/1/23-24
- Carrier: ACE American Insurance Company
- Policy Number: EONG46783281006
- Limit: \$10,000,000
- Retention: \$100,000

Additional Coverage Information

- Prior & Pending Date: 7/1/20
- Prior Acts Exclusion: 1/1/2008
- 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:	7/1/2023 - 7/1/2024
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

Coverage	Deductible
Per Claim	\$1,000

Additional Coverage Information

- Limitation of Coverage to Specified Operations - Security Guard and Patrol Operations
- Defense Costs Outside the Limit
- Retroactive Date: Employment Benefits Liability - 4/15/18
- Coverage Limitation – Assault & Battery as Specified
 - \$250,000 Limit / \$500,000 Sublimit
- Coverage Limitation – Sexual Abuse or Misconduct
 - \$250,000 Limit / \$500,000 Sublimit
- Extended Property Damage with Sublimit and Sub-deductible
 - \$25,000 Limit / \$50,000 Aggregate/\$1,000 Retention
- 25% Minimum Earned Premium

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:	7/1/2023 - 7/1/2024
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: 7/1/2023 - 7/1/2024

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

Named Insured

Erie County Water Authority

Policy Term:	7/1/2023 - 7/1/2024
Policy Type:	Site Pollution Liability
Retroactive Date:	Policy Inception
Carrier:	Ironshore Specialty Insurance Company (Non-Admitted 'A' A.M. Best Rating"
Premium:	\$32,087 (plus taxes and fees)

Coverage	Limit	Retention
Pollution Liability- Per Claim	\$5,000,000	\$50,000
Disinfection Expenses	\$250,000	\$100,000
Image Restoration Expenses	\$250,000	\$50,000
Policy Aggregate	\$5,000,000	N/A

Covered Property

725 Sturgeon Point Road, Derby NY
3750 River Road, Tonawanda NY
3030 Union Road, Cheektowaga NY
1201 Sweet Home Road, Amherst NY
3476 Pleasant Ave, Hamburg NY

Additional Coverage Information

- New Conditions Coverage Only
- Business Interruption Sublimit (New Conditions) - \$5,000,000
- Defense Costs – 25% Outside the Limit Endorsement
- Underground Storage Tank Schedule – 3030 Union Road
 - 10,000 Gallon Tank – installed 12/1/1992
 - 6,000 Gallon Tank – installed 12/1/1992
- Upgrades Exclusion – will not cover cost to install, upgrade, improve repair or operate any water or wastewater treatment equipment, system or infrastructure
- Impoundments Exclusion – Excludes any pollutants in any impoundment including any pond, pit, or landfill, and soil within 10 feet of impoundment
- Pollutants Definition – Excludes PFAS (Forever Chemicals)
- 100% Minimum Earned Premium

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.

Risk Management Programs That Save Dollars and Make Sense

Erie County Water Authority - Risk Management Services 7-1-2023

Client Needs: Risk Management Services – Loss Control & Claims Management aimed at reducing exposures to loss and 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

June 15, 2023

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 kpatterson@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: **2023-2024**

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.

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