



**ERIE COUNTY WATER AUTHORITY**  
**INTEROFFICE MEMORANDUM**

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

**Cc:** Terrence D. McCracken, Secretary to the Authority  
Joyce A. Tomaka, Chief Financial Officer  
Charles E. Eaton, Chief Operating Officer  
Leonard F. Kowalski, Executive Engineer  
Jessica R. Brown, Comptroller  
Molly Jo Musarra, Claims Representative/Risk Manager

**From:** Mark S. Carney, General Counsel

**Date:** September 8, 2025

**Subject:** Authorization for General Counsel to Approve Claim Payments

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In November 1999, the Board of Commissioners passed a resolution permitting General Counsel to approve certain settlements (the "1999 Resolution"). Recently, the Authority's deductible on its insurance policies with Munich RE increased from \$15,000 to \$25,000. Accordingly, it would seem appropriate to amend General Counsel's authority for settlement purposes.

The 1999 Resolution authorized General Counsel to accept settlements in claims where the Authority was the injured party. The 1999 Resolution did not contemplate or account for situations where notices of claims were filed against the prior to the commencement of an action. A copy of the 1999 Resolution is attached for your review.

Since the appointment of Ms. Musarra as Claims Representative/Risk Manager, all notices of claims are being investigated internally and reviewed thoroughly in order to make an initial determination of whether it is in the best interests of the Authority to resolve the claim internally or to put our insurance carriers on notice and have the claims handled externally by our carriers. Over the past several years, this has saved the Authority thousands of dollars as prior insurance adjusters were willing to resolve claims at or just minimally above our claim deductible limits without input from either General Counsel or our Claims Representative.

In order to further streamline this process of internal claim resolution, I am recommending that the Board authorize General Counsel to approve any and all claims under \$25,000.00. All such recommended settlement amounts will be sent from the General Counsel to the Secretary, Chief Financial Officer, and Comptroller for approval. By making such authorization, the Board will expedite the handling of notices of claims and will permit the Authority to have greater ability to retain control over claims which can be resolved below our \$25,000 insurance deductible.

A resolution has been included for your consideration at the Board meeting of September 18, 2025. Additionally, an updated resolution will be sent to the Board at all upcoming Annual meetings.

MSC:mes

**ERIE COUNTY WATER AUTHORITY  
AUTHORIZATION FORM  
For Approval/Execution of Board Meeting Documents**

**Document Name:** \_\_\_\_\_ **Project No.:** \_\_\_\_\_

**Description:** \_\_\_\_\_

**Item Description:**

Choose one:

Other: \_\_\_\_\_

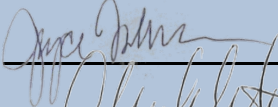
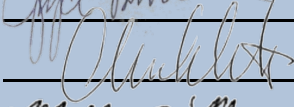




**Action Requested:**

Choose one:

Other: \_\_\_\_\_

**Approvals Required:**

**APPROVED AS TO CONTENT:**

|                             |                                                                                      |                  |
|-----------------------------|--------------------------------------------------------------------------------------|------------------|
| Chief Financial Officer     |     | Date: 09/09/2025 |
| Chief Operating Officer     |    | Date: 08/11/2025 |
| Claims Rep. – Risk Manager  |   | Date: 8/11/2025  |
| Comptroller                 |  | Date: 8/8/2025   |
| Director of Administration  | _____                                                                                | Date: _____      |
| Director of Distribution    | _____                                                                                | Date: _____      |
| Director of Human Resources | _____                                                                                | Date: _____      |
| Director of IT              | _____                                                                                | Date: _____      |
| Director of Production      | _____                                                                                | Date: _____      |
| Director of Water Quality   | _____                                                                                | Date: _____      |
| Executive Engineer          |  | Date: 8/11/2025  |
| General Counsel (Legal)     |  | Date: 8/08/2025  |
| Other: _____                | _____                                                                                | Date: _____      |

**APPROVED FOR BOARD RESOLUTION:**

|                            |                                                                                      |                |
|----------------------------|--------------------------------------------------------------------------------------|----------------|
| Secretary to the Authority |  | Date: 09/09/25 |
|----------------------------|--------------------------------------------------------------------------------------|----------------|

**Remarks:** \_\_\_\_\_

**Resolution Date:** \_\_\_\_\_ **Item No:** \_\_\_\_\_

WHEREAS, Heretofore and on the 21st day of October, 1999 the Board of Commissioners of the Erie County Water Authority authorized James Lisinski, Coordinator of Employee Relations to attend a Workers' Compensation Certification Program in Orlando, Florida from January 23, 2000 to January 30, 2000; and

WHEREAS, This Conference is full and cannot accept any additional participants; and

WHEREAS, The Workers' Compensation Certification Program is holding a session in Scottsdale, Arizona in February 2000; and

WHEREAS, James Lisinski, Coordinator of Employee Relations has submitted a travel request to attend the Workers' Compensation Certification Program in Scottsdale, Arizona at a total estimated cost of \$2,648.00 from February 19, 2000 to February 26, 2000; and

WHEREAS, Helen Cullinan Szvoren, Director of Human Resources, Matthew J. Baudo, Secretary to the Authority and Robert A. Mendez, Executive Director recommend amending Item No. 10 of the Minutes of the Meeting of the Authority held on October 21, 1999 to authorize Mr. Lisinski to attend the Workers' Compensation Certification Program in Scottsdale, Arizona from February 19, 2000 to February 26, 2000;

NOW, THEREFORE, BE IT RESOLVED:

That the Authority amend Item No. 10 of the Minutes of the Meeting of the Authority held on October 21, 1999 to authorize Mr. Lisinski to attend the Workers' Compensation Certification Program in Scottsdale, Arizona from February 19, 2000 to February 26, 2000.

Ayes: Three; Messrs. Patton, Lichtenthal and Hasiotis  
Noes: None

**ITEM 12 - AUTHORIZATION FOR THE ERIE COUNTY WATER AUTHORITY'S LEGAL DEPARTMENT TO BE EMPOWERED TO SETTLE CLAIMS WITHOUT BOARD RESOLUTION**

Motion by Mr. Hasiotis, seconded by Mr. Lichtenthal

WHEREAS, From time to time it is necessary for the Legal Department of the Erie County Water Authority (the "Authority") to accept settlement for less than the full amount of a claim for money damages in which the Authority is the Plaintiff of said claim; and

WHEREAS, The amount of these claims vary; and

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WHEREAS, Mark J. Fuzak, Associate Counsel recommends that the Board of Commissioners authorize the Legal Department to settle any claims in which the Authority is the Plaintiff for amounts up to \$5,000.00 less than the original claim amount; and

WHEREAS, Robert A. Mendez, Executive Director and Edward J. Kasprzak, Comptroller concur with said recommendation;

NOW, THEREFORE, BE IT RESOLVED:

That the Legal Department of the Authority is hereby authorized to settle claims in which the Authority is the Plaintiff for amounts up to \$5,000 less than the original claim amount; and be it further

RESOLVED: That the Comptroller is hereby authorized to accept said settlement and to adjust his records accordingly.

Ayes: Three; Messrs. Patton, Lichtenthal and Hasiotis  
Noes: None

**ITEM 13 - AUTHORIZATION OF DIRECTIONS TO HSBC BANK USA, AS TRUSTEE  
UNDER THE GENERAL IMPROVEMENT AND EXTENSION REVENUE BOND  
RESOLUTION**

Motion by Mr. Hasiotis, seconded by Mr. Lichtenthal

WHEREAS, HSBC Bank USA (the "Trustee") serves as Trustee under the General Improvement and Extension Revenue Bond Resolution (the "1973 Bond Resolution") adopted by the Erie County Water Authority (the "Authority") on December 11, 1973; and

WHEREAS, Pursuant to Sections 402(4) and 407 of the 1973 Bond Resolution, the Trustee holds the Debt Reserve Fund, as defined in the 1973 Bond Resolution, with respect to Bonds issued thereunder; and

WHEREAS, The Authority and the Trustee entered into the 1973 Bonds Escrow Deposit Agreement (the "Escrow Agreement") as of April 1, 1990, which provided, among other things, for the purchase of a Treasury Note maturing on November 15, 1999 in the par amount of \$2,955,000 (the "Treasury Note"), to be deposited in the Debt Reserve Fund; and

WHEREAS, Sections 3(e) and 5 of the Escrow Agreement provide for principal and interest on the obligations described in the Escrow Agreement, including the Treasury Note, to be used to pay outstanding bonds issued under the 1973 Bond Resolution, in accordance with the 1973 Bond Resolution ("1973 Bonds"); and

11/4/99