



ERIE COUNTY WATER AUTHORITY

INTEROFFICE MEMORANDUM

June 29, 2021

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

From: Karen A. Prendergast, Chief Financial Officer *KAP*

Subject: 2021/2022 Insurance Renewals

Lawley Agency, LLC presented a preliminary renewal package at the board meeting on June 10, 2021 and provided an update at the June 24, 2021 meeting. On June 24th, the only outstanding issue was our ability to bind Cyber insurance at the desired levels due to current market conditions.

All requested coverages are now finalized, including a total of \$15,000,000 in cyber insurance. Pursuant to resolution 10 from the June 24th meeting, I am attaching the final report from Lawley which provides detailed information about each policy. I have also attached a summary including the carrier, coverage, and total premium. Premiums will be paid as soon as invoices are received.

If you have any questions before the July 8th meeting, please call me and I would be happy to discuss the upcoming renewal with you.

cc T. McCracken
M. Carney
R. Stoll

ECWA 2021 - 2022 Insurance Renewal Package

<u>Line</u>	<u>Carrier</u>	<u>Coverage Limits</u>	<u>2021-2022 Premium</u>
General Liability	Philadelphia Insurance Co	3,000,000	228,388.00
Automobile Liability	Philadelphia Insurance Co	1,000,000	193,154.00
Excess Umbrella Liability	Philadelphia Insurance Co	10,000,000	34,610.00
Terrorism	Philadelphia Insurance Co	1,000,000	2,364.00
Owners & Contractors Liability - NYS DOT & DEC	Philadelphia Insurance Co	n/a	530.00
Taxes and fees	Philadelphia Insurance Co	n/a	1,580.00
Property	Affiliated FM	300,000,000	443,643.00
Crime	Travelers	1,000,000	5,680.00
Cyber	Corvus	5,000,000	52,805.44
Excess Cyber	CFC (Lloyds of London)	5,000,000	36,838.35
Excess Cyber	Crum Forster	5,000,000	31,131.00
Public Officials Liability	Chubb	10,000,000	95,081.00
Excess Public Officials Liability	Ironshore	2,000,000	18,446.00
GL/Professional - Security	Clear Blue Specialty Insurance	1,000,000	17,112.63
Excess GL/Professional - Security	Clear Blue Specialty Insurance	1,000,000	4,673.72
Workers Comp Premium	NYSIF	500,000	1,839,869.13
Lawley Fees	Lawley Insurance	n/a	<u>70,000.00</u>
Total			3,075,906.27

INSURANCE PROPOSAL



Erie County Water Authority
July 1, 2021

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	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	Nicole Taylor	Phone:	(716) 849-8284
		Fax:	(716) 849-8291
		Email:	ntaylor@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	Tammy Stoj	Phone:	(716) 849-8633
		Fax:	(716) 849-8291
		Email:	tstoj@lawleyinsurance.com

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

Sr. Claim Management Consultant	Danielle Jackson	Phone:	(716) 849-8683
		Fax:	(716) 849-8291
		Email:	djackson@lawleyinsurance.com

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

Loss Prevention Consultant	Leonard Sommers	Phone:	(716) 849-4334
		Fax:	(716) 849-8291
		Email:	lsommers@lawleyinsurance.com

The Workers Compensation Consultant is your contact for Workers Compensation and Lawley's optional First Aid Program along with assisting on claim reviews and claim dispositions.

Workers Compensation Consultant	Colleen Dempsey	Phone:	(716) 849-1507
		Fax:	(716) 849-8291
		Email:	cdempsey@lawleyinsurance.com

Renewal Comparison

Coverages	2020-2021 Expiring Period	2021-2022 Renewal Period	Notes
Package			Approx.
- General Liability	\$208,397.00	\$228,388.00	4% rate increase + increase in exposures (Vehicle count and Waterworks Payroll)
- Automobile Liability	\$176,412.00	\$193,154.00	
- Taxes and Fees	\$1,460.00	\$1,580.00	
- Terrorism	\$1,873.00	\$2,364.00	
- OCP Policies	\$530.00	\$530.00	
Property	\$431,940.94	\$443,643.00	2.64% Rate Increase
Workers Compensation	\$1,734,461.00	\$1,839,869.13	6.08% Increase due to Experience Mod Rate Increase
Umbrella/Excess Liability	\$30,435.00	\$34,610.00	12% Increase
Crime	\$5,214.00	\$5,680.00	8.20% Increase
Public Officials Liability	\$92,299.00	\$95,081.00	2.93% Increase
Excess Public Officials Liability	\$15,044.00	\$18,446.00	22% Increase
Cyber	\$45,991.00	\$52,805.44	\$5 Million Limit (see notes)
Excess Cyber Liability	\$25,423.65	\$36,838.35	\$5 Million xs \$5 Million
2nd Excess Cyber Liability	N/A	\$31,131.00	\$5 Million xs \$10 Million
GL/Professional – Security	\$17,112.63	\$17,112.63	Flat
Excess GL/Prof – Security	\$4,673.72	\$4,673.72	Flat
LAWLEY SERVICE FEES			
Claims Management Services	\$10,000	\$10,000	Flat
Loss Control Services	\$40,000	\$40,000	Flat
Policy Administration Services	\$20,000	\$20,000	Flat
TOTAL PROGRAM COST	\$2,861,266.94	\$3,075,906.52	7.50% Increase (see notes)

Renewal Comparison

Notes:

- **TOTAL Program Increase is 7.50% based on renewal quotes received to date**
- **Workers Compensation**
 - Experience Mod Rate Increased from 1.41 to 1.62
 - NYSIF Charge 17% to 15%
- **General Liability**
 - Waterworks payroll increased from \$9.5 Million to \$10.9 Million (14.5% Increase)
- **Automobile Liability**
 - Vehicle count increased from 146 to 158 (8.2% Increase)
- **Cyber Liability (Primary and Excess)**
 - Quotes above reflect a total limit of \$15 Million....Max limit available given exposure and capacity issues in the marketplace
 - Current limit is \$20 Million
 - Cyber Liability Insurance Marketplace is extremely challenging due to uptick in Cyber claims across all industries
 - Municipalities and Public Utility Organizations are especially difficult as prime targets for hackers
 - See next page for marketing results

Bind Requirements:

- **Grundy – GL, Auto, OCP-2**
 - Terrorism Forms (3) – completed and signed
 - Signed Acord Application
 - Uninsured/Underinsured Motorist Form – completed and signed
 - Premium due within 10 days of renewal date
- **Property**
 - Updated Radio Equipment Schedule
- **Public Officials Liability**
 - Signature on Application
- **Cyber Liability (Excess and Primary)**
 - Total Cost Forms
 - Completed Corvus app
 - Terrorism form
 - Breach Contact

Cyber Liability Marketing Results

Carrier	Status	Quote	Comments
Corvus	Quoted	\$52,805	Can only quote \$5M primary
CFC	Quoted	\$36,838	Can only quote \$5M excess
Crum & Forster	Quoted	\$31,131	\$5 Million Excess underlying \$10 Million
Chubb	Quoted	\$28,411	Only offered \$1M in Limits, Will not consider excess
AWAC	Declined		Class of business/industry
Markel	Declined		Class of business/industry
Beazley	Declined		Class of business/industry
Erisk	Declined		Class of business/industry
Zurich	Declined		Class of business/industry
At Bay	Declined		Class of business/industry
Arch	Declined		Class of business/industry
Dual	Declined		Class of business/industry
Hiscox	Declined		Class of business/industry
Cowbell	Declined		Due to Size
RSUI	Declined		Class of business/industry
Starr	Declined		Class of business/industry
Sompo	Declined		Class of business/industry
Philadelphia	Declined		Class of business/industry
Travelers	Declined		Class of business/industry
NAS	Declined		Class of business/industry
Brit National	Declined		Class of business/industry

Named Insureds

Erie County Water Authority

Property Coverage

Location	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)	\$250,000	Replacement Cost
	Equipment Breakdown	Included	Special (Including theft)	\$250,000	Replacement Cost
	Flood	\$150,000,000		\$250,000	Replacement Cost
	Earthquake	\$150,000,000		\$250,000	Replacement Cost
	Business Income with Rental Value without Extra Expense	\$6,200,000	Special (Including theft)	24	Replacement Cost
	Extra Expense	\$2,500,000	Special (Including theft)	24	Replacement Cost
	Accounts Receivable	\$2,500,000	Special (Including theft)	\$250,000	Replacement Cost
	Valuable Papers	\$2,500,000	Special (Including theft)	\$250,000	Replacement Cost

Coverages

Description	Limit	Valuation
Contractors Equipment Per Schedule on File with Company	\$2,500,000	Actual Cash Value
Radio Equipment Per Schedule of File with Company	\$1,293,817	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

Coverage**Deductible**

Property Damage	\$15,000
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Exposures

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

Loc	Class Code	Classifications	Premium Basis	Rating Exposure
1	99946	Water Mains/Connections Construction Products/Completed Operations included	Payroll	If Any
1	99943	Water Companies Products/Completed Operations included	Payroll	\$10,900,000

Forms & Endorsements**Name****Remarks**

Not Auditable	
NY Pollution	Limited Coverage/Limited Exclusion
Failure to Supply	
Terrorism Sublimit	\$1,000,000
Defense Costs	In addition to the limits
Employee Benefits Liability	\$1,000,000 Per Person \$3,000,000 Aggregate Retro Date: 1/1/2003

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	As Per Schedule on file

Forms & Endorsements

Form Name	Remarks
Hired Car Physical Damage	Limit: \$35,000 Deductibles: Comp: \$100 /Collision: \$1,000
Full Glass	PPT's Only
NY Mobile Equipment	Liability: \$1,000,000 Uninsured Motorists: \$1,000,000 UM Comp and Collision
Composite Rated	Per vehicle schedule on file with company

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.

Loc	State	Code	Classification	Payroll	Rate	Premium
1	NY	7520	Water Works Operation & Drivers	\$10,447,723	8.26	\$862,981.92
		7542	Meter Readers Utility Co	\$100	5.42	\$5.42
		8742	Salespersons, Collectors or Messengers	\$67,235	0.37	\$248.77
		8810	Clerical	\$8,717,465	0.15	\$13,076.20
						\$876,312.31

Factor

Factor Premium

Terrorism		\$10,962.54
Catastrophe		\$1,923.25
Experience Modification	1.62	\$543,313.63
NYSIF Surcharge	15%	\$212,943.89
Expense Constant		\$250.00
NY Assessment	11.8%	\$194,163.76

Total Estimated Annual Premium

\$1,839,869.38

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 C)	\$1,000,000
Employer's Liability (The State Insurance Fund)	
- Per Accident	\$500,000
- Disease Policy Limit	\$500,000
- Disease Each Employee	\$500,000
Employee Benefits Liability (Philadelphia Indemnity Ins Co)	
- Each Person	\$1,000,000
- Aggregate	\$3,000,000

Named Insured

Erie County Water Authority

Coverage Information

Policy Type:	Crime - Occurrence
Carrier:	Travelers Casualty & Surety Company of America (Admitted; "A++" A.M. Best Rating)

Coverage	Limit	Deductible
Employee Theft	\$1,00,000	\$10,000
Forgery or Alteration	\$1,00,000	\$10,000
On Premises	\$1,00,000	\$10,000
In Transit	\$1,00,000	\$10,000
Money Orders & Counterfeit Currency	\$1,00,000	\$10,000
Computer Fraud	\$1,00,000	\$10,000
Computer Program & Electronic Data Restoration Expense	\$10,000	\$1,000
Funds Transfer Fraud	\$1,00,000	\$10,000
Personal Accounts Forgery or Alteration	\$1,00,000	\$10,000
Identity Fraud Expense Reimbursement	\$25,000	\$0
Social Engineering Fraud	\$100,000	\$5,000
Telecommunications Fraud	\$100,000	\$5,000
Claim Expense	\$5,000	\$0

Cyber Liability – Primary \$5 Million

Named Insured

Erie County Water Authority

Coverage Information

Term:	7/1/2021 – 7/1/2022
Retroactive Date	Full Unknown Prior Acts
Policy Type:	Professional/Cyber Liability– Claims Made
Carrier:	Hudson Excess Insurance Company (Non-Admitted; “A” A.M. Best Rating)

Coverage	Limit	Retention
First Party Coverages		
Business Interruption	\$5,000,000	6 Hours
Contingent Business Interruption	\$5,000,000	6 Hours
Digital Asset Destruction, Data Retrieval and System Restoration	\$5,000,000	\$100,000
System Failure Coverage	\$5,000,000	\$100,000
Social Engineering & Cyber Crime Coverage	\$250,000	\$100,000
Reputational Loss Coverage	\$5,000,000	2 weeks
Cyber Extortion Ransomware Coverage	\$5,000,000	\$100,000
Breach Response and Remediation Expenses	\$5,000,000	\$100,000
Court Attendance Costs	\$250,000	\$100,000
Third Party Coverages		
Network Security and Privacy Liability	\$5,000,000	\$100,000
Regulatory Investigations, Fines and Penalties	\$5,000,000	\$100,000
Media Liability	\$5,000,000	\$100,000
PCI DSS Assessment Expenses	\$5,000,000	\$100,000
Breach Management	\$5,000,000	\$100,000
Policy Aggregate	\$5,000,000	N/A

Additional Coverage Information

- Bodily Injury Claims - \$100,000
- Bricking - \$5,000,000
- Criminal Reward Expenses - \$50,000
- Forensic Accounting Coverage - \$50,000
- Invoice Manipulation Loss - \$250,000
- Solicitation Claims - \$50,000

Required to Bind

- Confirmation that Multi-Factor Authentication (MFA) has been implemented **NO LATER THAN July 31, 2021**....Coverage may be voided/cancelled if MFA implementation is not complete by deadline.
- Total Cost Form
- Completed Corvus app
- Terrorism form
- Breach Contact

Extended Reporting Period Option

- 12 months at 100% of the 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

Coverage Information

Retroactive Date:	Full Prior Acts
Policy Type:	Excess Cyber Liability
Carrier:	Underwriters at Lloyd's (Non-Admitted; "A++" A.M. Best Rating)

Coverage	Limit	Retention
Limit	\$5,000,000	\$5,000,000

Required to Bind

- Signed & Dated Total Cost Form
- Submitted application currently signed and dated

Named Insured

Erie County Water Authority

Coverage Information

Policy Type:	Excess Cyber Liability
Carrier:	Crum & Forster Specialty Insurance Co (Non-Admitted; "A" A.M. Best Rating)

Coverage	Limit	Retention
Limit	\$5,000,000	\$10,000,000

Required to Bind

- Signed & Dated Total Cost Form
- Submitted application currently signed and dated

Named Insured

Erie County Water Authority

Coverage Information

Retroactive Date:	1/1/2006
Policy Type:	ACE Municipal Advantage Public Entity Liability– Claims Made
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

Coverage Highlights

- Side A Coverage Included in Limit of Liability
- Defense Costs Outside of Limit up to \$2,000,000

Required to Bind

- Completed, signed and dated Chubb Renewal application
- Written request to bind

Extended Reporting Period Option

- 12 Months at 100% of the 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

Coverage Information

Coverage	Limit	Retention
Excess Public Officials Liability	\$2,000,000	\$10,000,000
Excess Employment Practices Liability- Including Third Party	\$2,000,000	\$10,000,000
Policy Aggregate Limit of Liability	\$2,000,000	N/A

Extended Reporting Period Option

- 12 Months at 100% of the 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 Type:	Commercial General Liability with Errors & Omissions Coverage
Carrier:	Clear Blue Specialty Insurance Company– (Non-Admitted; “A” A.M. Best Rated)

Coverage	Limit
Each Occurrence	\$1,000,000
Personal Injury & Advertising Injury	\$1,000,000
General Aggregate	\$2,000,000
Products/Completed Operations Aggregate	\$2,000,000
Fire Damage	\$50,000
Premises/Operations Liability – Lost Key	\$25,000
Employee Benefits Liability – Each Employee	\$1,000,000
Employee Benefits Liability – Aggregate	\$2,000,000
Errors & Omissions Coverage Extension Endorsement	Inclusive of GL coverage

Coverage	Deductible
Per Claim	\$1,000

Additional Coverage Information

- Defense Costs Outside the Limits
- Employee Benefits Liability – Claims Made Coverage – Retroactive Date: Policy Inception
- Errors & Omissions coverage Extension Endorsement – extends coverage to Errors & Omissions claims in relation to security guard patrol operations, and is inclusive within the GL coverage
- Limitation of Coverage to Designated Operations – Security Guard
- 100% minimum earned premium

Required to Bind

- Written request to bind
- Signed Total Cost Form
- Signed Terrorism Form

Extended Reporting Period Option

- 12 Months at 100% of the 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

Coverage Information

Term:	7/1/2021 – 7/1/2022
Retroactive Date:	Full Prior Acts
Policy Type:	Excess Professional/General Liability – Security Guard
Carrier:	Clear Blue Specialty Insurance (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

Additional Coverage Information

- 25% Minimum earned premium
- Underlying Limit: \$1,000,000/\$3,000,000 Aggregate

Required to Bind

- Signed ACORD application
- Signed Affidavit
- Completed Terrorism disclosure form signed and dated

**Lawley Agency, 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 Erie County Water Authority under the following terms and conditions.

Period Covered:

☒ 1 year July 1, 2021 to July 1, 2022

Services Provided:

- 1.) Loss Control Services- Site Safety Reviews- Safety Program Development
- 2.) Claim Management Services - Claim Reviews - Experience Mod Analysis
- 3.) Policy Administration Services- Policy Review- Certificates of Insurance

**Fee Amount: \$70,000
(Annual and Minimum)**

☐ This fee amount is in addition to commissions.

☒ This fee amount is not in addition to commissions for Workers Compensation Insurance.

Note that all fees are in addition to policy premiums.

Payable: Lawley, LLC

Accepted:


Erie County Water Authority

Chief Financial Officer

By Title:

06/29/2021

Date:

Lawley, LLC

By Title:

Date:

*Risk Management Programs That Save Dollars and Make Sense***Erie County Water Authority - Risk Management Services 7-1-2021****Site Contact:**

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	Program Costs
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.	Included
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.	Included
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.	Included
	Claim Management Subtotal	\$10,000

LOSS CONTROL SERVICES		
Safety Outsource 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.	\$40,000
	Loss Control Subtotal	\$40,000
POLICY ADMINISTRATION SERVICES		
Certificates of Insurance Policy Administration Policy Review Risk Assessments for Contract/Bid Insurance Specs	When needed and ongoing policy handling services throughout the year	\$20,000
	Policy Administration Services Subtotal	\$20,000
Your investment is based on the size and scope of work required to implement this risk management program:	Total Investment:	\$70,000

Agreement for the term of 7/1/21-7/1/22

Acceptance: Karen A. Rendugast Date 06/29/2021

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

<input type="checkbox"/>
<input checked="" type="checkbox"/>

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

<input checked="" type="checkbox"/>
<input type="checkbox"/>

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: Karen A. Rindge

Date: 06/29/2021

Name: **Erie County Water Authority**

Term: **2021 - 2022**

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.