

**TOWN BOARD  
SPECIAL MEETING**

**THURSDAY**

**July 11, 2024**

**Supervisor Reger opened the meeting at 7:00 p.m. with three Councilors present. Councilors Fallon and Golub were excused.**

**Supervisor Reger stated proper notification of the meeting took place and further a quorum was present for the purposes of this meeting.**

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*Hank Chapman of Haylor, Freyer & Coon presented a proposal to the Board for the Town's insurance policies for the upcoming renewal cycle. He started his presentation with sharing his background and experience with local government. As part of the proposal, he shared a complete list of locations that the town insures and the values. He said property insurance has been very difficult since COVID. However, rates have been going up significantly in the past five years. In his opinion, this has been due to ever increasing cost of building materials and labor. He also mentioned, part of this is due to the fact, that for many years insurance companies undervalued properties.*

*Mr. Chapman said the town has blanket coverage meaning the value of all the buildings added together. If there is a loss at one location, as long as it doesn't go over the total value of all the buildings, the Town would be covered. He further explained if the Town Hall was a total loss and cost three million and it was valued at two million, it would be covered because it doesn't exceed the total value of all the town properties in a year. He stated a 5% inflationary value has been added to this renewal. He drew the Board's attention to the last page within that section and said the important number is 18.3 million representing the total value of all the Town's properties.*

*He next highlighted the equipment list, known as "Scheduled Equipment" which is valued at One Million Four Hundred Thousand Dollars and said it is itemized on the next page. He stated there is Six Hundred Forty-three Thousand Dollars of "Miscellaneous Equipment."*

*He next presented the General Liability portion of the insurance which includes "slips and falls" that might happen at one of our premises. He said there is one million in coverage and three million in aggregate which means if you have multiple claims in a single year, it will cover up to three million, plus the umbrella coverage*

*He next explained the Public Officials coverage which would cover a lawsuit against the Town Board, Planning Board, etc. He said if the Town was to be sued for a zoning decision that was made, there is a million in coverage, plus the umbrella with a Five Thousand Dollar deductible. He stated this would also cover employment-related wrongful acts, such as sexual harassment or wrongful termination.*

*Supervisor Reger inquired about the exclusion regarding molestation charges.*

*Hank Chapman explained there is an exclusion in the umbrella for molestation and abuse. He said there is a million dollars of coverage in general liability, but not in the umbrella. He explained the carrier wanted to see a policy, state and federal background checks and once those items are in place the coverage can be extended to the umbrella limit. He responded to a question and clarified there is a million in coverage, but not five million.*

*Supervisor Reger informed Mr. Chapman there is a youth recreation program in the community.*

*Hank Chapman said the carrier wants to see a policy in place, such as no child alone with an adult, buddy system-two adults to a child, no children in a room with no windows, federal and state background checks. He said if those items are in place, Traveler's will consider releasing the coverage into the umbrella. If those items are not in place, the coverage will only be in the general liability. He said the state and federal background checks would be required for anyone that deals directly with children. He said this is an area that is a real sticking point with carriers these days. He did not think adding this coverage would affect premiums significantly.*

*He transitioned to automobile coverage and said there is a one million dollar combined single limit. He said no-fault is at the maximum amounts including APIP (Additional Personal Injury Protection) and OBEL. The uninsured and under-insured motorists' coverage is the maximum in the amount of one million dollars. He said vehicles are covered for comprehensive and collision with a one-thousand-dollar deductible.*

*Hank Chapman responded to a question about replacement of a snowplow. He said they are valued at the cost to replace them new-for the ones that have replacement cost coverage. The vehicles that have actual cash value would be at the depreciated value. He said if there was a six-year-old vehicle, it would be at the current value and determined at the time of the accident.*

*Mr. Chapman next discussed the umbrella coverage. He said all the liabilities (general, public officials, automobile, employment practices, etc.) have four million in coverage, in addition to the one million. He explained Traveler's Insurance does their umbrella different than NYMIR. Traveler's being a true umbrella and NYMIR being an excess liability. He defined a true umbrella as something that might not be covered under the general liability, but could be covered under the umbrella. He explained with an excess umbrella, it is follow-form coverage-if it is not covered under the general liability, it won't be covered under the umbrella. On another note, he said the biggest difference between the two companies is the way they list the limits with the general liability and umbrella. He summarized and said if you have multiple million-dollar claims that are in the same area, NYMIR has a little more coverage. If you have multiple million-dollar claims with Traveler's in different areas, you have more coverage with Traveler's.*

*He summarized his presentation and said there will be an increase with the premiums close to 20 percent. He said most of it is due to exposure increases and there is a small inflationary increase. The Town's budget increased roughly 7½ percent from last year and the general liability is a direct result of the budget. He said there are more employees than last year resulting in a higher premium for public officials. The equipment went up \$ 497,000 dollars making the inland marine policy increase. The premiums are going from roughly \$ 55,000 to \$ 65,000. He mentioned they went out to several different markets to make sure the best program was available to the Town.*

*Hank Chapman followed up on a weed harvester coverage question. [The representative from NYMIR that attended the work session on July 3, 2024 cautioned the Board the weed harvester may not have liability coverage due to the length of the vessel.] He reported there is an exclusion for watercraft over 25' in length and said this is listed as miscellaneous property on the equipment policy. He said it is not watercraft that is out on the Lake for pleasure and is listed as equipment by Traveler's. He said it is fully covered and there is no exclusion. He said both weed harvesting units are completely covered and reassured the Board a special policy is not necessary. He further explained some of his clients have a patrol boat or canal boats which do require a special policy.*

*He said there are a couple differences between NYMIR and Traveler's. NYMIR is a good program and has comparable coverage to Traveler's. He said you will often find coverage may be a little better with one program on some things and then another program may have a little better coverage on other things. NYMIR is not an insurance company, but a consortium of municipalities that band together for self-insurance. He said as a result they are not guaranteed by the State insurance department. However, if Traveler's went into default, the State insurance department would make them whole. On another note, he said NYMIR's "AM Best Rating" was downgraded from an A to an A-, 5 years ago. He said if they were ever downgraded beyond that, no insurance agency would work with them based on their financial status. He said he thought their finances were good and stable, but said it is a risk that is present. He reiterated he did not think it would happen. He said Traveler's is an A++. He added agents that work with NYMIR in Madison County have an exclusive arrangement with NYMIR. If you get a renewal quote from NYMIR, the agent would be unable to shop other insurance for the best possible pricing. He concluded and said he would like to continue to work with the Town of Cazenovia.*

*Councilor Johnson wondered if the Town was covered for cyber-attacks.*

*Hank Chapman said the Town has a cyber insurance policy which expires at the end of this year. He said the Town has a million dollars in coverage for cyber. He said he has more and more municipalities that are increasing their limits to two and three million. On another note, he mentioned the robust training module that Traveler's offers. He said he likes safety committees and would be happy to sit on one for the town. Committees such as this review accidents or "near misses" and "near hits" and ways to prevent future incidents. He offered his services to initiate a safety committee with the town.*

*Hank Chapman said he will follow up with providing the equipment list and a breakdown of the increases. He said he will e-mail the missing pages and concluded his presentation.*

*Councilor Race said Haylor, Freyer & Coon has provided good customer service since we have been with them.*

*Supervisor Reger said he preferred NYMIR because it is New York State based so they are not paying for natural disasters nationwide and many local municipalities are with NYMIR.*

*Councilor Race said with NYMIR, you are not susceptible to an earthquake in California or hurricanes down south, and leaned toward NYMIR, as well. He felt that the rates were pretty locked in and would not fluctuate greatly over time.*

*The Town Clerk said Haylor, Freyer & Coon has been really responsive and has provided exceptional customer service.*

*Councilor Johnson said this has been a good experience to hear and see both. She said she sees both sides and was inclined to stay with Haylor, Freyer & Coon, even though it is a little more.*

*Connie Sunderman said Tucker Lounsbury of NBT Agency pointed out the Town's deductibles were a little low and could be increased to \$ 5,000 to save a little, also. She further mentioned the policy expires July 16<sup>th</sup>. She said the number received from Haylor, Freyer & Coon was the first one received tonight.*

*Supervisor Reger said it was his vote to go with NYMIR.*

*Councilor Race said he leans toward NYMIR, as well. He thought it is a known entity and you are participating in a group that is insuring itself and working for you. He said it is local New York State municipalities and you are dealing with New York State issues. He had no disparaging comments about Haylor, Freyer & Coon, though.*

*Connie Sunderman said she drafted a proposed resolution. She explained to the Board if it is a renewal, no resolution is necessary. If there is a change in an insurance broker, then a formal resolution has to be adopted. She handed the proposed resolution to the Supervisor.*

*Councilor Johnson was inclined to renew with the current agent.*

*The Town Board and Clerk discussed passing the resolution. A quorum was present but the straw poll revealed the vote was split.*

*The Town Clerk phoned John Langey, Attorney for the Town, he clarified three of the five voting members have to agree, it cannot be two to one. The vote has to be unanimous, if only a quorum is present.*

*The Town Board and Clerk discussed a special meeting. The Clerk said she would e-mail the information to the absent members tonight so they can look over the proposal. The Board discussed their availability for a meeting tomorrow afternoon.*

*A date for a special meeting was set for Friday, July 12, 2024 at 4:30 p.m.*

***The full proposal is on file and available for viewing in the Town Clerk's Office. As well as, the NYMIR proposal presented at the Town Board work session on July 3, 2024.***

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*Councilor Race said a mini-bid through the Office of General Services was sent out for the higher valued truck. The trucks that the Town wants to buy are not on the contract. Therefore, the Town needs to go to bid. He said the Town can send it to any number of dealerships they choose to send it to. He said the Town Board has to authorize this to go to bid.*

**Resolution No. 103 presented by Councilor Johnson, seconded by Councilor Race**

**AUTHORIZE THE BIDDING FOR (4) FOUR NEW 2025 3/4 TON TRUCKS**

**WHEREAS**, the Town of Cazenovia Highway Department has advised it has analyzed the use of equipment, and

**WHEREAS**, the Town of Cazenovia Highway Superintendent has advised he desires to acquire three pickup trucks for the Highway Department; and

**WHEREAS**, the Superintendent also offered to assist the Water Pollution Control Facility in updating its fleet of work trucks; and

**WHEREAS**, funds have been budgeted for such equipment acquisition; and

**WHEREAS**, the Town Board, after due deliberation, has determined that the acquisition of such equipment would be in the best interest of the Town; and

**WHEREAS**, the Highway Superintendent has ascertained that such equipment may be available through the public bidding process.

**RESOLVED**, that the Town Board of the Town of Cazenovia hereby authorize the Highway Superintendent of the Town of Cazenovia to solicit and obtain bids through the public bidding process pursuant to GML § 103, including the usage of best value practices (as adopted by Local Law 1 of 2014) for the purchase of new pickup trucks, as follows: Four (4) New 2025 3/4 Ton Trucks with Crew Cab XL (or equivalent) w/6.75' Box, 4x4, Power Equipment Group, Running Boards, Trailer Tow Package, and 8.5' Stainless Steel V-Plow

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### **NOTICE TO BIDDERS**

The Town Board of the Town of Cazenovia will receive sealed bids on the following until 12:00 p.m. on August 7, 2024 at 7 Albany Street, Cazenovia, New York:

**Four (4) New 2025– 3/4 Ton Trucks With Crew Cab XL (or equivalent) w/ 6.75' Box, 4x4, Power Equipment Group, Running Boards, Trailer Tow Package & 8.5' Stainless Steel V-Plow**

All bids received pursuant to this notice will be publicly opened on August 7, 2024 at 12:00 p.m. at the Town Hall and awarded at a regular meeting of the Town Board on August 12, 2024 at 7:30 p.m.

Additional specification forms for this equipment may be obtained at the Town of Cazenovia Town Hall, 7 Albany Street, Cazenovia, New York 13035.

All bids must be accompanied by a certificate executed pursuant to section 103-d of the General Municipal Law of the State of New York. These certificates are available from the Town Clerk. Be further advised that the Town Board may consider any bid which provides the Town with the “best value” as determined under Local Law 1 of 2014 and shall consider the following factors:

1. Lowest cost and convenience of maintenance or service of the truck
2. Durability and quality of the equipment;
3. Product life;
4. Highest resale value.

Such factors shall be evaluated by any submitted materials offered by the responsive bidder, as well as independent research by the Town of Cazenovia.

The Town Board of the Town of Cazenovia reserves the right to reject any or all bids offered.

**CONNIE SUNDERMAN**  
**Town Clerk**

<b>Roll call:</b>	
<b>Councilor Race</b>	<b>Yes</b>
<b>Councilor Golub</b>	<b>Excused</b>
<b>Councilor Johnson</b>	<b>Yes</b>
<b>Councilor Fallon</b>	<b>Excused</b>
<b>Supervisor Reger</b>	<b>Yes</b>

**Supervisor Reger declared Resolution No. 103 adopted.**

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**Motion by Councilor Johnson, seconded by Councilor Race to adjourn this meeting. The motion was unanimously approved.**

**At 8:31 p.m., Supervisor Reger declared this meeting adjourned.**

**Signed:**     *Connie J. Sunderman*      
Connie J. Sunderman, Town Clerk