

Avon Village Board Special Meeting  
Monday, August 30, 2010

2010 INSURANCE RENEWAL: ..... 2  
EXECUTIVE SESSION: ..... 6  
TRUSTEE’S UPDATE: ..... 7  
CIVIL SERVICE APPOINTMENT: ..... 7  
EXECUTIVE SESSION: ..... 8

Avon Village Board Special Meeting  
 Monday, August 30, 2010

The special meeting of the Board of Trustees of the Village of Avon was held at the Avon Village Hall, 74 Genesee Street, Avon, New York on Monday, August 30, 2010.

Present: Thomas Freeman, Mayor  
 Mark McKeown, Trustee  
 William Zhe, Trustee  
 Timmy Batzel, Trustee

Absent: Robert Hayes, Trustee

Visitors: Brian Baty

## 2010 INSURANCE RENEWAL:

Brian Baty submitted renewal quotes for the Village's liability insurance renewing on September 1, 2010. Based on the proposals submitted and the coverage provided, Brian Baty recommended that the Village move the insurance to Houston Casualty from Selective. The coverage quoted is much better and more extensive than Selective, with the premium being almost \$4,000 less than Selective.

	<b>EXPIRING</b>	<b>EXPIRING @ UPDATED EXPOSURES</b>	<b>SELECTIVE</b>	<b>HOUSTON CASUALTY</b>
Property	\$10,927 <i>\$15,006,146 TIV \$5,000 Deductible</i>	\$11,364 <i>\$15,606,144 TIV \$5,000 Deductible</i>	\$12,087 <i>\$15,606,144 TIV \$5,000 Deductible</i>	\$39,318 <i>\$15,606,144 TIV \$5,000 Deductible</i>
General Liability	\$7,751 <i>1MM per Occur. 3MM Aggregate</i>	\$8,061 <i>1MM per Occur. 3MM Aggregate</i>	\$7,105 <i>1MM per Occur. 3MM Aggregate</i>	Included <i>1MM per Occur. 3MM Aggregate</i>
Automobile	\$8,082* <i>21 Vehicles 1MM CSL \$100 Comp. Ded. \$500 Coll. Ded.</i>	\$8,467* <i>22 Vehicles 1MM CSL \$100 Comp. Ded. \$500 Coll. Ded.</i>	\$9,070* <i>22 Vehicles 1MM CSL \$100 Comp. Ded. \$500 Coll. Ded.</i>	Included <i>22 Vehicles 1MM CSL \$500 Comp. Ded. \$500 Coll. Ded.</i>

Avon Village Board Special Meeting  
Monday, August 30, 2010

Boiler & Machinery	Incl. in Property	Incl. in Property	Incl. in Property	Included
Inland Marine	\$2,891** <i>\$1,759,193 TIV \$500 Ded.</i>	\$2,891** <i>\$1,759,193 TIV \$500 Ded.</i>	\$3,000** <i>\$1,759,193 TIV \$500 Ded.</i>	Included <i>\$451,619 TIV \$500 Ded.</i>
Crime	\$889	\$889	\$889	\$1,000
Police Professional	\$6,500 <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>	\$6,500 <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>	\$7,000 <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>	Included <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>
Public Officials	\$4,500 <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>	\$4,500 <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>	\$4,500 <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>	Included <i>\$1MM per Occur. \$1MM Aggregate \$5,000 Ded.</i>
OCP	\$275	\$275	\$275	\$500
Umbrella	\$6,500 <i>.\$5MM Limit</i>	\$6,760 <i>\$5MM Limit</i>	\$6,000 <i>\$5MM Limit</i>	\$5,580 <i>\$5MM Limit</i>
<b>TOTAL</b>	<b>\$48,315</b>	<b>\$49,707</b>	<b>\$49,926</b>	<b>\$46,398</b>

\* Auto Liability Only

\*\* Includes values for Auto Physical Damage

Mayor Freeman informed the Board that he had talked with Brian Baty today to ask if he would honor a new quote from Selective.

Brian Baty reported that Selective won't talk directly with him; you have to be a broker. So I went through the broker, Tim Anderson and asked if Selective would beat the quote from Houston Casualty and that he will get back to Brian by noon tomorrow (August 31<sup>st</sup>).

Brian Baty - I understand the Village has a long relationship with Selective. At one time you were in the upper 60's. Since going out for bid every 3 years it's making it more competitive. At this time we got Selective down to \$49,000. When we held Selective's feet to the fire they reduced our rates. Our claim history is very good. I understand for wanting to stay with someone who's given you good service over the years. The real difference is in the coverage.

Mayor Freeman – Did you ask for that additional coverage?

Brian Baty – No.

Brian Baty – I spoke to Tim Anderson the middle of June and told him there were three markets he wanted him to solicit quotes for. I called him again in July and he hadn't done anything. The due date was August 15<sup>th</sup>. He asked for an extension so he then had until the 23<sup>rd</sup> of August. Tim Anderson didn't get the proposal to me until August 24<sup>th</sup>. That's why we're in the 11<sup>th</sup> hour. In my opinion and recommendation, and that's what you hire me for, I recommend Houston Casualty.

Mr. Baty reviewed the Proposal Notes.

**1) Houston Casualty Insurance Co.**

- General Liability includes coverage for "Failure to Supply" (utilities) and "Sexual Abuse / Molestation". Neither coverage endorsements are on the current policy with Selective.
- Auto Physical Damage is quoted on a Replacement Cost basis for Medium and Heavy vehicles, 10 years old and newer. Coverage is currently Actual Cash Value.
- Auto quote includes Uninsured / Underinsured Motorist coverage with \$350,000 limit versus \$300,000 limit currently.
- Auto Comprehensive coverage was quoted with \$500 deductible in lieu of \$100 deductible currently.
- An "optional" quote for Spousal Liability Coverage was quoted for Auto with an annual premium of \$150.
- Auto coverage requires the Village to perform annual MVR reviews on all drivers and prior to new drivers.
- Proposal is conditional upon receipt and /or implementation of an acceptable sidewalk ordinance.
- Property coverage is written with a 125% valuation guard for all properties shown on the statement of values.

- Law Enforcement Liability includes "Line of Duty Death" coverage at \$50,000 per officer.
- Law Enforcement Liability includes coverage for "Departmentally Authorized Moonlighting"
- Umbrella is quoted with "silo aggregates", meaning that the limits are applicable by line of coverage. (eg: \$6MM total limits for General Liability; another \$6MM total limits for Auto Liability; etc)

2) **Selective Insurance – Landon Agency**

- All terms, coverage and conditions were quoted per specifications and expiring policy coverage.

Trustee Batzel – What about public official coverage with Houston Casualty?

Brian Baty – There is full prior acts there is no retro date.

Trustee McKeown - So our current agent would be our current agent so if he's not handling Selective he would be handling Houston Casualty?

Brian Baty – It's our intent to be with an insurance company for three years. There's no three year expiration policy. Selective has done a good job on this account. You retain me to get the best rates and the best coverage.

Trustee Batzel – No one else quoted this?

Brian Baty – No, Mr. Anderson didn't solicit anyone else.

Mayor Freeman – So what did you do?

Brian Baty - I put together the renewal schedule. I'm giving you my recommendation based on what I received.

Trustee Batzel – Will they give us any type of extension?

Brian Baty – As I said, the adjustor was off today so we couldn't get an answer. I've never seen an extension but it doesn't hurt to ask.

Trustee Zhe – I'm looking at the coverage under Houston Casualty and I believe that's the way to go.

Avon Village Board Special Meeting  
Monday, August 30, 2010

Trustee Batzel – I disagree with you. The problem is we're at the 11<sup>th</sup> hour. I'm not so sold on some of the coverage. I think we need to give Selective a chance to bid again. I feel like this is being shoved down my throat.

Brian Baty - Selective did know there were going to be other quotes according to Tim Anderson. This is a non bid year so it's up to the incumbent and myself to keep feet to the fire. The quotes were due 2 ½ weeks ago, Tim asked for an extension and it was granted.

Brian Baty submitted to the Board Selective's quote and a copy of Houston Casualty's quote that he got directly.

Trustee McKeown – Is there something with Houston Casualty's proposal that may make us want to stay with Selective?

Brian Baty – The coverage from Houston Casualty that you're looking at now is equal to or greater than what you currently have.

Brian Baty – If Tim Anderson comes back to us with a lower quote, do I give them the binding agreement?

Trustee McKeown – Who else is with Houston Casualty?

Brian Baty – Penfield and Tonawanda are with Houston Casualty.

Mayor Freeman - What do you see us doing next June and July?

Brian Baty – You're in a situation where you need to keep their feet to the fire. That's where I see the market. The market has been aggressive for new comers for the last three years. Next time, I think we shouldn't give the incumbent the option to solicit bids. I don't see it a real problem to stay with Selective and negotiate for a lower premium. I just expected Tim Anderson would come back with a couple more quotes. I think he dropped the ball.

## **EXECUTIVE SESSION:**

Upon a motion by Trustee Zhe, the Board entered executive session at 6:55 p.m. to discuss contractual matters. The motion was seconded by Trustee McKeown and the Board exited executive session at 7:20 p.m.

Mayor Freeman informed Mr. Baty that the Board would like him to ask Selective for a \$5,000 reduction in premium.

Trustee Zhe – What is Houston Casualty's claims payoff record?

Brian Baty – It works the same as Selective. They have a good quality insurance company and underwriting staff. The agent makes a 15% commission under Selective, and under Houston Casualty 10% commission.

Upon a motion made by Trustee McKeown, the Board was in agreement to have the Village's Insurance Consultant, Brian Baty make a request to Tim Anderson to see if Selective can give a \$5,000 reduction pending that we hear back by noon on August 31, 2010, otherwise, the Village will go with Houston Casualty. Trustee Zhe seconded the motion and it was carried by the following vote:

Thomas Freeman, Mayor	Voting	Yes
Mark McKeown, Trustee	Voting	Yes
William Zhe, Trustee	Voting	Yes
Robert Hayes, Trustee	Absent	
Timmy Batzel, Trustee	Voting	Yes

## **TRUSTEE'S UPDATE:**

Trustee Zhe - I met with John Harmon who is the DOT Landscape Architect and Wayside on Friday regarding the East island. There have been numerous complaints and the island is full of weeds. The DOT should be weeding it once a month. Obviously that is not enough, and there is not enough ground cover in there. They will come back to weed and put more ground cover in there. John Marks was there also. Worse case is we would take it out and plant grass.

Trustee Zhe – Mr. Harmon was then taken to the West island where there is grass and weeds. He suggested that area needed weed and feed. He'll be back soon to do the final walk through.

## **CIVIL SERVICE APPOINTMENT:**

A motion was made Trustee Zhe to appoint Matt McFadden, part time patrolman to Civil Service status. The motion was seconded by Trustee Batzel and carried by the following vote:

Thomas Freeman, Mayor	Voting	Yes
Mark McKeown, Trustee	Voting	Yes
William Zhe, Trustee	Voting	Yes
Robert Hayes, Trustee	Absent	
Timmy Batzel, Trustee	Voting	Yes

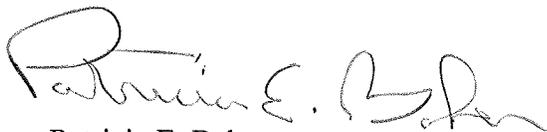
## **EXECUTIVE SESSION:**

Upon a motion by Trustee Batzel, the Board entered executive session at 7:45 p.m. to discuss personnel matters. The motion was seconded by Trustee McKeown and the Board exited executive session at 8:15 p.m.

Mark informed Board about pot holes on Hal Bar, he mentioned he had walked the Austin property and found it to be dry. There's also a large pot hole in front of John Penvose. He also thought Hal Bar Road by Austin's home could use another drain.

Upon a motion the meeting was adjourned 8:30 p.m. meeting adjourned.

Respectfully submitted,

A handwritten signature in cursive script that reads "Patricia E. Baker". The signature is written in black ink and is positioned above the printed name and title.

Patricia E. Baker  
Village Clerk