


**TOWN OF HARRISON  
VILLAGE OF HARRISON  
ATTORNEY'S OFFICE**

**MEMORANDUM**

E-6

TO: Richard Dionisio, Supervisor  
Members of the Town Board

FROM: Nelson E. Canter, Deputy Town Attorney 

DATE: June 2, 2023

RE: **ESIS Risk Management Services Agreement Renewal**

Attached hereto is a proposed Renewal Addendum for ESIS, who currently provides third-party risk management services for the Town/Village of Harrison, as required by our excess insurance carriers.

Authorization is hereby requested for the Supervisor/Mayor to execute the Renewal Addendum.

NEC:ld

Attachment

cc: Maureen MacKenzie, Comptroller

## RISK MANAGEMENT SERVICES AGREEMENT

### RENEWAL ADDENDUM

WHEREAS, ESIS, Inc. ("ESIS") and Town Village of Harrison ("Client") entered into a Risk Management Services Agreement ("Agreement") effective June 1, 2022 and as amended and/or renewed by the parties.

NOW, THEREFORE, ESIS and Client agree as follows:

1. Section 1 of the Agreement is amended to extend the term of the Agreement for an additional term of 1 years, commencing on June 1, 2023, until its expiration on May 31, 2024 ("Renewal Term"), unless sooner terminated pursuant to the terms of the Agreement.
2. Effective June 1, 2023, the Service Rate Schedule for Client as contained in the Agreement or as amended by a previous Renewal Addendum entered into by the parties is amended to include Exhibit 1 to this Renewal Addendum, Service Rate Schedule for Town Village of Harrison, attached hereto and made a part of this Renewal Addendum.
3. All other provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Renewal Addendum effective on the 1<sup>st</sup> day of June 2023.

ESIS, INC.

TOWN VILLAGE OF HARRISON

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Name: \_\_\_\_\_

Print Title: \_\_\_\_\_

Print Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# Exhibit 1 to Renewal Addendum

## ESIS Service Rate Schedule for Town Village of Harrison

Effective June 1, 2023, to May 31, 2024 ("Renewal Term")

### A. Claim File Review and Audit Fee:

For the term hereof, annual Claim File Reviews and Audit Fee is payable based upon the number and location of reviews with claim representative(s) participation. The Partnership Leader participation and location is mutually agreed upon between the Client and ESIS.

Fees will be invoiced to Client in billing frequency defined below at the inception of the program. Each installment is fully earned for term of this agreement. Additional review(s) and audits will be invoiced to Client as incurred at the rate provided below.

Claim File Review	Cost Per Service	# of Reviews	Total	Each Additional
Telephonic Claim Review	\$500	2	Included	\$500
Onsite Claim Review - ESIS Location	\$1,500	0	Optional	\$1,500
Onsite Claim Review - Client Location	\$3,000	0	Optional	\$3,000

Claim File Review Billing Frequency	Annual
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### B. Data and Risk Management Information Services (RMIS) Fees:

For the term hereof, Fees are for services outlined below are payable in the billing frequency described below. Fees theretofore paid or payable to ESIS are deemed to be fully earned.

RMIS & Data Fees	Cost Per Service	Number of Units	Total	Each Additional
<b>Global RiskAdvantage®</b> Customizable tool includes a dashboard, alerts, international capabilities, and report scheduling	Enhanced = \$125	2 User	\$250	Basic = \$750 Enhanced \$1500
Web Training			Included	
Invitation to Annual User's Conference			Included	
Toll Free Support Line			Included	
Data Management			\$0.00	
Hierarchy - Design and Maintenance (Annual)			Included	
OSHA Recordkeeping			Optional	
Inbound Tapes (Monthly)			Optional	
Outbound Tapes (Monthly)			Optional	
Subtotal			\$250	

RMIS & Data Billing Frequency	Annual
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**C. General Account Management and Administrative Fee:**

For the term hereof, an annual General Account Management and Administration Fee is payable and will be invoiced to Client in billing frequency defined below at the inception of the program term. Each installment is fully earned for the period of this agreement.

General Account & Administration Fees	Total
Administrative Fee	\$2,500
Designated National Account Executive	Included
Claim Intake	Included
Medicare Reporting	Included
Field Investigations	\$135 per hour
Risk Planning Meeting	Included
Benchmarking/Loss Cost Analysis & Consultation	Included
Banking Transactions	Included
ISO Claim Search (per request)	\$17.90
Subtotal	\$2,500

General Account & Admin Fee Billing Frequency	Annual
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**D. Claims Adjustment Service Rates:**

- 1) General Claim Adjustment Conditions:
  - a. ESIS reserves the right to modify claim adjusting fees if it is determined that the historical data upon which ESIS relied in developing its fees and service charges was erroneous, obsolete or insufficient information, or that a change in Client's business will materially change the nature and/or volume of its business or claims as contemplated at the inception of this Agreement.
  - b. Service Fees per Claim scheduled for Auto, General or Products Liability if resulting from a single event deemed as one occurrence by the insurer, the sixth (6<sup>th</sup>) through the twenty-fifth (25<sup>th</sup>) individual claim will bear a per Claim Service Fee discount of 50%. The twenty-sixth (26<sup>th</sup>) and all subsequent such Claims of these Claim types will be subject to prevailing hourly rates, plus expenses, in lieu of a Service Fee per Claim.
  - c. Service Fees noted herein will be billed directly from ESIS unless otherwise billed to Client through an insurance policy. Service Fees are deemed to be fully earned upon payment.

**Fee Per Claim – Life of Contract**

Claims of the Claim types described below that occur, or are reported during the term of this Agreement or within the term of any insurance policy or self-insured plan under which Client

directs ESIS to handle such Claims will be serviced, whether during the term of this Agreement and any continuous renewal period or not until they are either settled and paid, withdrawn, or become untenable under applicable statutes of limitations, or until the expiration of this Agreement or its last renewal, whichever first occurs.

On the date of expiration of this Agreement or its last renewal: (1) ESIS will cease rendering any Claims Adjustment Services on any Claim files remaining open at the expiration of, or newly reported at the expiration of, or any preceding term that has been continually renewed since incepting; (2) ESIS will accept no further referrals of Claims, including those, if any, arising out of any preceding term that has been continually renewed since incepting from Client; and (3) all services fees theretofore paid or payable to ESIS are deemed to be fully earned.

The Service Fee is a fee per Claim based upon the respective Claim type. The Service Fee is payable in full upon receipt of Client's referral of the Claim to ESIS, or when it converts into another claim type with rate differential to be billed in the month the claim converts. Fees will become payable at each billing period.

<b>Claim Management Services: Fee per Claim – Life of Contract</b>	
<b>Line of Business</b>	<b>Fee per Claim</b>
<b>Record Only</b>	<b>\$53</b>
<b>Administration Only</b>	<b>\$105</b>
<b>Auto Property Damage</b>	<b>\$520</b>
<b>Auto Bodily Injury</b>	<b>\$1,045</b>
<b>General Liability – Property Damage</b>	<b>\$520</b>
<b>General Liability – Bodily Injury</b>	<b>\$1,045</b>

<b>Service Fee Fund Type</b>	Pay as you go
<b>Payment Term</b>	Monthly

#### **D. Catastrophe Services**

If requested by Client, ESIS shall provide catastrophe-services which consist of 24 hour a day, 7 day a week response for an event that arises from Client's products, services or operations and affects multiple third parties. At the time ESIS catastrophe services are activated, the prevailing time and expense rates apply and Client agrees to pay all such prevailing time and expense rates as invoiced by ESIS for such utilization. Expenses, including but not limited to such items as travel expenses, hotel, rental car, meals and airfare are billed as incurred at market rates. Prevailing rates are subject to change at any time during the term of this Agreement.

#### **E. Recovery Services International (RSI) Rates**

RSI recovery rates are contingent upon recovery. The RSI rates prevailing at the time of recovery will be applied to the amount of recovery net, if litigated, of the sum of any contingent legal fees and/or legal expenses.

<b>Recovery Service</b>	<b>Rate</b>
Subrogation	25% of net recovery
Salvage	20% of net recovery
Second Injury Fund/Contribution Recovery	10% of net recovery
Any Other Form of Recovery Service	10% of net recovery
<b>Billing Frequency</b>	To claim file as incurred