

The Hanover Township Board of Supervisors held a **Special Meeting** on **Tuesday, March 5, 2013** at 5:30 pm at the Municipal Building. Those present were Kevin Lemmi – Chairman, James Donohue-Vice Chairman, David Duerr – Supervisor, Herbert Grubbs-Supervisor, Donald Winkler-Supervisor, Wendy M. Turrentine-Secretary/Treasurer.

Call to Order

Roll Call

Pledge of Allegiance

Questions on Agenda Items:

Mr. Niederriter asked why there had to be an extra meeting.

-Mr. Lemmi stated that the quotes did not come in until last week and the rates went up.

New Business:

1. Law Enforcement Professional Liability Insurance

-Mr. Lemmi explained that there is an approximate 50% increase in the premium.

-Mr. Winkler stated that number of officers at the pavilion and a large claim were the cause of the increase even though the claim was disclosed with the application last year.

-He explained that this is an excess and surplus line and they do not have to notify you of a rate increase, their only requirement is to give a 60 day notice if they decide to cancel the policy.

-Mr. Duerr asked what the rules are regarding the number of officers as they are beginning the hiring process for the season.

-Mr. Winkler stated they tried to keep it at 35 in the past but there is no magic number that they will tell you.

-Mr. Contumelio asked if tail coverage could be purchased.

-Mr. Grubbs stated that a tail is only purchased if the department is being shut down.

-Mr. Winkler explained that the Township does not deal directly with the insurance company, it is done through a broker.

-He stated there have been no claims in 3 years and gave a claim and cancellation timeline.

-Mr. Grubbs asked if a policy was purchased and then tail coverage was required, would the deductible remain the same. Mr. Winkler stated yes.

-Mr. Donohue stated that this is a yearly issue and questioned how much coverage there is for residents.

-Mr. Winkler stated that there are 3 turns a week in the police department.

-Mr. Morra asked what the solution was.

-Mr. Donohue stated he does not think the cost of the insurance is worth it to the Township.

-Mr. Niederriter asked him if his idea was to not have police and questioned why more officers were not hired so the Township could be covered 24 hours a day.

-Mr. Niederriter asked what claims caused the increase.

-Mr. Winkler stated it was the Donohue case.

-Mr. Duerr asked if there was any light at the end of the tunnel. Mr. Winkler said no.

-Mr. Winkler stated the McDonald Police cover many areas and their budget is \$15,900 for all insurances.

-Mr. Grubbs commented that McDonald does not have an amphitheater.

-Mr. Winkler suggested working with McDonald for police coverage.

-Mrs. Grey asked if we had police if they had to cover the pavilion.

-Mr. Grubbs said that if the Township has a police department, then they have to cover the pavilion.

-Mr. Riter asked how much the insurance would be without the amphitheater.

-Mr. Duerr said that the history is still there.

-Mr. Grubbs said that the bigger claims are from the Township, not the pavilion.

-Mr. Winkler said there have been no recent claims so he thought it would have gone down.

- Ms. Sarracino asked if Live Nation gave the Township money towards the insurance.
 - Mr. Winkler stated no. He also explained that the price for tail coverage is 2.3 higher than the premium.
 - Mr. Grubbs responded that the tail is good for 2 years of coverage.
- Mr. Winkler said that the policy has been cancelled 3 times in 11 years and there have been no claims in 3 years.
- Mr. Grubbs asked if we purchased the policy and then opted to deal with another police department, can the Township get a refund.
 - Mr. Winkler explained that they keep 35% of the premium no matter what.
 - Mr. Grubbs suggested shopping around.
 - Mr. Duerr suggested not discussing this at this time due to advice from prior meetings.
 - Mr. Winkler explained that the broker wants to make the insurance affordable as they receive 7.5% in commission.
- Mr. Winkler stated that if they opted for a higher deductible, it would be difficult to get the lower deductible back.
- Mr. Duerr asked if no more claims were made, would they look at the liability different.
 - Mr. Winkler explained that it would take time and stated that these policy options were good because they were retroactive for two years.
 - Mr. Grubbs stated it would cover 3 years from 3-7-11 to 3-7-14.
- Mr. Grubbs asked Mr. Winkler if knowing what he knows and his knowledge of once owning his own insurance company, would he insure the police department for \$180,000.
 - Mr. Winkler stated yes but with a high deductible of \$100,000.
- Ms. Sarracino questioned which Board member was in charge of the insurance.
 - Mr. Grubbs stated that it was Mr. Winkler.
 - Mr. Winkler stated that this insurance is with the same carrier as last year.
- Mr. Niederriter asked if they were talking about not having a police department earlier.
 - Mr. Grubbs said that he did not say that.
 - Mr. Winkler stated that the Township is in a hole.
- Mr. Duerr asked if there were any other carriers that would insure the police department.
 - Mr. Winkler stated no.
- Mr. Contumelio asked if the Township was still bound by the union contract.
 - Mr. Winkler stated yes.
- Mrs. Grey asked that if McDonald was contracted, would they have to respond to calls at the amphitheater.
 - Mr. Winkler said that Mr. Dorsey could use his officers to staff it.
 - Mr. Niederriter asked who make the arrests. Mr. Duerr stated that it would be McDonald.
- Mr. Duerr asked if the least expensive option was purchased if it could be upgraded.
 - Mr. Winkler stated no.
- Mr. Winkler asked which option the Board was leaning towards.
 - Mr. Grubbs said that option 4 seemed like a good deal.
 - Mr. Duerr stated that option 5 cuts the payout from the Township.
 - Mr. Winkler stated option 3 would probably be best because it wouldn't increase the deductible.
 - Mr. Duerr asked why Mr. Winkler would want to pay out all of the money if he wanted to get rid of the police department.
 - Mr. Winkler stated he had spoken with Mr. Dorsey it would be \$92,127 to contract McDonald for 3 hours of patrol and 125 calls a month with the Township providing 2 cruisers. This would also include insurance, gas and maintenance. This information was provided in December 2010.
- Ms. Sarracino asked if the Township was bound to the pavilion.
 - Mr. Duerr stated that yes, if the Township has police.

