

THE PAR-PLAN NEWS

ISSUE 104

APRIL 2011

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David Kensler returns to administer the Par-Plan Program



We are very pleased to announce that David Kensler has returned to his position as program administrator of the Par-Plan and President of Kenrick Corporation. As you may know, David helped create the Par-Plan back in 1985 with the help of several township officials including John Jones from Ira Township and Willis Walker from Charlton Township. They along with several others had a vision of what was needed to best serve township governments across Michigan.

Now, in its 26th year of operation, the program currently serves the property and casualty needs of close to 1,000 townships in Michigan as well as hundreds of small cities, villages, and counties. With approximately 1,400 total members, the Par-Plan is by far the largest provider of protection for small governments in the state.

One of Dave's first objectives is to overhaul the structure of the program to better serve today's needs and provide our members with clearly the best program. To that end, your board of directors recently formed a new committee to review all the options available and will be unveiling the new and improved program soon.

Join all of us in welcoming David back to the helm.

Par-Plan News Editorial Staff:

Pat Mead - Benzonia Township
Benzie County

Jon Sherwood - Beaverton Township
Gladwin County

Rita Evans - MTPP Program Administrator



The Par-Plan News is published by the Michigan Township Participating Plan's Program Administrator:

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Michigan Township Participating Plan UPCOMING BOARD OF DIRECTORS ELECTION

During the next several months, member representatives will be electing Zone Representatives to serve on the Par-Plan Board of Directors. This year Zones 1, 4, & 7 are up for regular election with representatives serving three year terms. Zones up for election consist of the following counties:

Zone 1: Baraga, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Marquette, Menominee, Ontonagon

Zone 4: Alcona, Alpena, Antrim, Arenac, Crawford, Iosco, Kalkaska, Missaukee, Montmorency, Ogemaw, Oscoda, Otsego, Roscommon

Zone 7: Genesee, Huron, Lapeer, Macomb, Sanilac, St. Clair, Tuscola

Each member of the Par-Plan should designate a person to serve as their member representative. Only member representatives are eligible to serve on the Par-Plan Board of Directors. A completed nomination form, conflict disclosure, statement and resolution confirming membership are required to be submitted to participate in the Michigan Township Participating Plan's Board of Directors election.

According to the Par-Plan Bylaws: Member shall mean a local unit of government participating in the Michigan Township Participating Plan. Member representative shall mean the member representative to the Par-Plan. A member representative must be an elected official of the unit of government that is a member of the Par-Plan. If the unit of government does not have elected officials, a member from the Board of that unit of government may be its member representative to the Par-Plan.

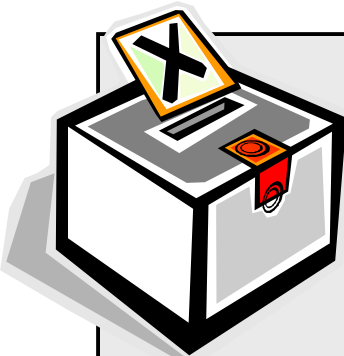
Appointed officials such as City Managers, Township Superintendents or DPW Superintendents are not eligible. Units of government that would not have elected officials might be fire authorities and library boards.

If you are uncertain of your eligibility to run for the Zone Director or the procedure to vote, please contact William Bamber the Chairman of the Election Committee at (517) 546-3259, or the Par-Plan office at (800) 783-1370.

The winner is selected based upon the highest number of votes received. Elected positions will be for a three-year term and will require elected Directors to attend at least (4) four board meetings per year in addition to committee meetings.

You will be receiving a nomination form along with the election required documentation in the mail. If you wish your nomination form to receive consideration, please return the nomination form and all required documentation before May 6th to the Michigan Township Participating Plan, 1700 Opdyke Court, Auburn Hills, Michigan 48326.

The election committee has set the following election timetable:



- April 1st** - Nomination and election forms mailed to zone members
- May 6th** - Nomination and election forms must be postmarked to receive consideration
- May 13th** - Confirm nomination and election forms confirmed by committee
- May 27th** - Election ballots mailed to all zone members
- June 20th** - Election ballots must be postmarked to receive consideration
- June 28th** - Election ballots counted and winning candidates confirmed by committee
- July 14th** - Par-Plan Annual Business Meeting

How does your municipality handle a sewage disposal event

By Leslie Powell, MTPP Risk Control Services

Sewage disposal events are not a new problem. Home owners in the past, would not look to the public entity for relief, but would handle the mess themselves. This changed in 2001 once Public Act 222 was enacted. The Act sets standards to determine the extent to which a municipality is liable for a sewage disposal event and has established a process that persons must follow to seek compensation when an event occurs. The municipality does not have legal authority or obligation to repair a private sewer lead.

The Act provides that anyone making a claim for property damage or physical injury must prove that the public sewer had a defect and must prove that the governmental agency knew of the defect or should have known about the defect. Pursuant to Public Act 222 a “**Defect**” is defined as, construction, design, maintenance, operation, or repairs defect. The claimant **MUST** show that all of the following existed at the time of the event:

Claimant must **PROVE** that the public sewer had a “**DEFECT**”

- a. The governmental agency was an appropriate governmental agency.
- b. The sewage disposal system had a defect.
- c. The governmental agency knew, or in the exercise of reasonable diligence should have known, about the defect.
- d. The governmental agency, having the legal authority to do so, failed to take reasonable steps in a reasonable amount of time to repair, correct, or remedy the defect.
- e. The defect was a substantial proximate cause of the event, and the property damage or physical injury.

Finally, the municipality must be 50% or more the cause of the sewage disposal event for liability to be assessed.

The claimant must provide written notice to the municipality within 45 days of a sewage disposal event. Within this 45 days the municipality and the claimant have an opportunity to reach an agreement on the liability and amount of compensation. If no agreement is reached the claimant can file a lawsuit. If the municipality has agreements with other sewer disposal entities involved in the disposal process the municipality has 15 days to notify them of the claim. This notice must be given to the Clerk, an individual who may be served with civil process or any other individual authorized by the municipality to receive notice. The municipality has the right to inspect the damage and investigate after any notice is received. Failure to provide the required written claim within the allotted time will prevent recovery of damages.

Claimant must provide written notice to the Municipality within 45 DAYS

How does your municipality handle a sewage disposal event? As you know each event may vary in damages. It is recommended that you have a procedure in place and do not divert from this process. Many municipalities have developed informational packets that they have made available for a claimant who has experienced a sewage disposal event. This type of preventive action does assist the municipality in gathering all information needed prior to submitting their claim to Midwest Claims Service, Inc.

Two very important items the municipality should stress to a claimant. First, the claimant should contact their homeowner’s insurance carrier to see if there is applied coverage. Secondly, **do not** dispose of any personal property until is has been inspected by the **municipal insurance carrier and you have been advised to do so.**

Continued on page 4

MTPP BOARD OF DIRECTORS

Zone 1

Paul Lehto
Calumet Township
(906) 337-2410

Zone 2

Marvin Besteman, Jr.
Kinross Charter Township
(906) 495-5381

Zone 3

Pat Mead
Benzonia Township
(231) 882-4411

Zone 4

Terry Wright, Chairman
Grayling Charter Township
(989) 348-4361

Zone 5

Don Hilton, Sr.
Gaines Charter Township
(616) 698-6640

Zone 6

Jon Sherwood
Beaverton Township
(989) 465-9176

Zone 7

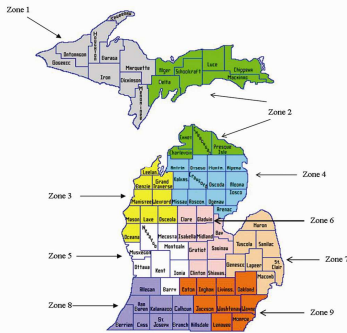
William Walters
City of Brown City
(810) 346-2325

Zone 8

Ronald Reid, Vice Chairman
Kalamazoo Charter Township
(269) 330-0321

Zone 9

William Bamber, Secretary
Oceola Township
(517) 546-3259



If you have not developed a procedure or have sample documents available the Par-Plan and Midwest Claims Services, Inc. are here to assist our Par-Plan members. We have made available through our websites the capability to submit a notice of claim form directly to Midwest Claims Service, Inc. and sample documents to assist the municipality on getting the proper information when submitting a claim. These documents include:

- First Notice of Claim
- Letter to Claimant
- Notice of Claim
- Damage Inventory Report/with photos

Please feel free to contact the Par-Plan and/or Midwest Claims Service, Inc. if you have any questions.

Par-Plan office at 800-783-1370 or visit the website: www.theparplan.com

Midwest Claims Service, Inc. at 800-225-6561 or visit the website: www.midwestclaims.com

Notice of Quarterly Board of Directors Meeting

The April quarterly board of directors meeting of the Michigan Township Participating Plan will take place on Friday, April 29, 2011 at 9:00 a.m. in the Indigo room of the H Hotel located at 111 West Main Street, Midland, Michigan.

Par-Plan members are encouraged to attend.

Par-Plan Risk Managers to exhibit at the Spring Regional Meetings

- May 10, 2011 - Franklin Square Inn, Houghton, MI
- May 11, 2011 - Bay College, Escanaba, MI
- May 12, 2011 - Little Bear East Arena, St. Ignace, MI
- May 13, 2011 - Crystal Mountain, Thompsonville, MI
- May 16, 2011 - Garland Resort, Lewiston, MI
- May 17, 2011 - Holiday Inn, Big Rapids, MI
- May 18, 2011 - Forward Conference Center, West Branch, MI
- May 19, 2011 - Doubletree, Bay City, MI



Take a few minutes to stop by and network with your Par-Plan Risk Managers.

