

AGENDA
BOARD OF SUPERVISORS
Special Meeting
May 30, 2018
8:00 AM

1. Call Meeting to Order: Anne Lamberton - Chair
2. Pledge of Allegiance
3. **Old Business:**
4. **New Business:**
 - A. Consider Insurance Provider Proposals
5. Public Questions and Comment
6. Adjournment

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THE TOBYHANNA TOWNSHIP BOARD OF SUPERVISORS
SPECIAL MEETING
MAY 30, 2018

A Special Meeting of the Tobyhanna Township Board of Supervisors was held on May 30, 2018, at the Tobyhanna Township Government Center Building, 105 Government Center Way, Pocono Pines, Pennsylvania, 18350.

Present are Supervisors Anne Lamberton, Heidi A. Pickard, Brendon Carroll, and David Carbone. Township Manager John Jablowski and solicitor Jonathan J. Reiss, Esquire attend by phone. Supervisor John Holahan is absent.

1. Chair Anne Lamberton calls the meeting to order at 8:00AM. It is determined that a quorum is present.
2. The Pledge of Allegiance is recited.
3. Old Business – none.
4. New Business
 - a. Consider Insurance Provider Proposals. Anne Lamberton states that she called Jonathan Reiss in regards to rescinding a previous motion, and Jonathan Reiss indicated that a member can request a motion to rescind the motion from the May 14th meeting that appointed Brown & Brown as the insurance broker and accepted the proposal.

Heidi Pickard wants to understand why accurate information wasn't given or clarified, hopes to discuss the handout from Brown & Brown, and clarifies that the next step is to discuss the proposals further. Anne Lamberton indicates it is the plan to discuss the proposals after the rescinding of the motion. David Carbone motions to rescind the motion from the May 14th meeting that appointed Brown & Brown as the insurance broker and accepted the proposal, Brendon Carroll seconds. Vote: all in favor; motion carries.

Melissa Bio from Brown & Brown states that after reviewing Knowles Insurance's proposal, Brown & Brown compiled a list explaining why Argonaut is a better carrier with better coverage. Heidi Pickard questions the fire vehicle refund. Melissa Bio states that typically a carrier with municipalities doesn't process change of premiums mid-term. She spoke with Argonaut, who indicated that they would give a refund for the removal of the trucks.

Anne Lamberton states that it was her understanding that when vehicles are taken off the list, a refund should be given. Brendon Carroll states that the policy does not reflect Lamberton's statement. Anne Lamberton believes a refund should be

given immediately. Melissa Bio states they are working on it and the refund will be around \$1,000 as a return premium. Allied World does the same thing. Brendon Carroll questions how Brown & Brown could review other proposals. Jonathan Reiss states all that once the proposals were discussed at a public meeting, they became public documents and subject to the Right to Know Law.

Jonathan Reiss states that based on a brief examination of the proposals, it appears the request for proposals was not specific to deductibles or coverage limits. The two proposals cannot be compared based just on a number; they must be examined to determine the differences. Dave Carbone states that he thought there was a million-dollar difference. John Jablowski states that there seems to be more coverage with the umbrella from Knowles, and is also concerned with service issues with the refund and the roller, and that no rental vehicle coverage was mentioned as part of the claim. Anne Lamberton states that she is discouraged by the lack of communication about the coverage of rental equipment after a loss like the fire claim.

Bob Knowles from Knowles Associates indicates a \$4,000,000 umbrella limit, which is above the general limit on each individual policy, and believes that Brown & Brown is siloed as well. Anne Lamberton believes Knowles Associates limit is higher than Brown & Brown. Melissa Bio disagrees with Bob Knowles' statement regarding the silo limit. The Allied limit has a shared aggregate for Employment Practices Liability and Public Official. Brown & Brown has a \$3,000,000 separate aggregate for each Public Official and Employment Practices Liability.

Bob Knowles states that Brown & Brown is publically traded, very capable, and very good at what they do. Knowles Associates is a privately held company. The cost to go from \$4,000,000 to \$3,000,000 is incidental. There is a better chance of hitting the lottery than reaching the coverage limit. The decision to change should be based on whether the township is happy with the company. He states that John Jablowski indicated to him that there were concerns regarding the administration of the policy.

Heidi Pickard states that she has worked with both insurance companies and likes both of them. She feels the township did not know what they were looking at. Knowles has higher deductibles on certain items and is concerned whether or not the lines for the pump station are covered. Todd Zimmerman of Knowles Associates states that Location 15, Building 1 includes a septic pumping station and lines. Melissa Bio states that to her knowledge, Allied World doesn't offer coverage on underground lines. Todd Zimmerman states he disclosed what was needed to be insured and Allied World assured it would be covered. Brendon Carroll states that it is his experience is that the township and companies they work with for years get complacent with each other, and as soon as there is a

threat to make a change, the reaction is to block other companies in the industry; it is a bad process. Both proposals are good policies. Knowles serves the Police Commission and they are happy. Heidi Pickard states that the township switched from Selective to Argonaut with Brown & Brown last year. Bob Knowles suggests looking at the policy every three years. If it is every year, insurance companies are less likely to aggressively compete for business. Every three years creates a better window for competition. Heidi Pickard asks if the township can get a quote for three years. Bob Knowles replies no. Anne Lamberton states that Brown & Brown will hold their price for three years. Controlling pricing has not changed much in thirteen years, and insurance companies capitalize on soft market conditions. Market prices are beyond control. Heidi Pickard states that the township saved \$20,000-\$25,000 when they switched from Selective to Argonaut. John Jablowski states that the township should continue to look for the best coverage and rates. The two proposals have similar costs but are difficult to compare due to differences. Ed Tutrone states that Melissa Bio is great to work with, and he enjoys working with Todd Zimmerman for the fire company, but working with Argonaut is horrible. They are the worst insurance carrier he's ever worked with concerning claims. There have been three claims so far: the roller fire and two accidents. When dealing with Selective, they reached out within 24 hours. Now, he has to chase Argonaut. When the roller fire occurred in October or November, they did not remove the equipment until March. He has not worked with Allied, but is not happy with Argonaut concerning claims level. Anne Lamberton states that revisiting the proposals is occurring because of unresponsiveness.

David Carbone asks if Knowles' proposal covers cyber liabilities. Todd Zimmerman states that cyber liability is included. Depending where the township is at with the current claim, it may be an option to stay with the current carrier until the resolution of the open claim. Jonathan Reiss states that the township should definitely have cyber coverage. Melissa Bio states that she is local, and that Brown & Brown is not just a large corporation. If the township is looking for saving money, that could be compromised by one claim or a few deductibles. If there are any claims issues, contact her directly and she will help handle it.

Brendon Carroll motions to accept the revised proposal from Knowles Associates dated May 17, 2018, David Carbone seconds. Vote: all in favor; motion carries.

5. Board of Supervisors' Report – none.

6. Public Comment

- a. Mike Erlsten asks if anything can be done to get township to look nice again. Old Route 940 is a dump, and was appalled with a particular house on the Memorial Day Parade route. The homeowner moved the garbage from the front to the back

of the house and it still looks awful. John Jablowski states that the Zoning Officer and Bureau Veritas have surveyed the site. The township is very frustrated with the condition of that property and are exploring all venues to correct it. This issue is high priority. Mike Erlsten states that the problem is in more than one place.

Anne Lamberton states that the township can only impose so much on private property, but the township does have right of ways. She wants the township crews cleaning up the sides of the roads, even if they are states roads. Ed Tutrone replies that the DPW does. Mike Erlsten states that the accountant's office's garbage gets torn up by bears and dragged everywhere. The Pocono Lake Hotel is a dump, and he is sick of looking at it.


Anne Lamberton states that last April, she and John Jablowski met Leslie Richards, the secretary of the Department of Transportation, to ask if the township could take a corridor of 940, clean it up, and add a bike path on the berm. Nothing has happened yet even though the township has the money because the township is waiting on permits. She is frustrated with the state of properties too, and the township is trying to find a legal way to clean up the mess. Mike Erlsten asks if the township has any property maintenance codes. John Jablowski states that there are life safety codes, but life safety does not regulate cleanliness.

Brendon Carroll states that he believes the township should be more aggressive with enforcement. Anne Lamberton states that another property owner brought the state of the property on Old Route 940 to the township's attention, and that triggered the Zoning Officer to investigate. Ed Tutrone states that if there is garbage, the Municipal Waste Authority has the authority to get a citation to enter private property and clean it up. The DPW uses that service often. John Jablowski states that the owner is verbally cooperative but has failed to take action. Anne Lamberton suggests offering the township's aid and providing a dumpster.

7. David Carbone motions to adjourn, Heidi Pickard seconds. Meeting adjourned at 8:34AM.

Minutes recorded by Autumn Canfield and Julia Heilakka

Respectfully submitted:



Julia Heilakka, Township Secretary