



THE PAR-PLAN NEWS

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The Par –Plan News is published by the Michigan Township Participating Plan’s Program Administrator:

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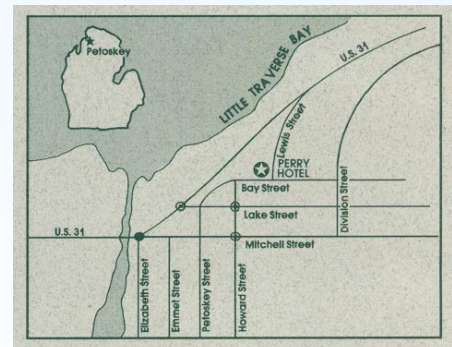


Michigan Township Participating Plan Annual Business Meeting

The 17th annual business meeting of the Par-Plan is being held at Stafford’s Perry Hotel in Petoskey, Michigan on July 11, 2002. The annual business meeting is for members who are interested in the detailed activities of the program and it’s standing committees over the past twelve months. Additionally, the Plan’s service providers, along with it’s reinsurers, will present their annual reports outlining their activity on behalf of the program.

The meeting is to be held in the Reycraft Room of the Perry Hotel and will begin at 10:00 am. Members are encouraged to attend.

Downtown Petoskey area Map / Perry Hotel Location



**MICHIGAN TOWNSHIP PARTICIPATING PLAN
DIRECTORS VISIT PLAN'S REINSURERS**

By: John Buckhout, Zone 8 Director

DIRECTORS
Term: July 1, 2001
Through June 30, 2002

ZONE 1
Paul Lehto
Calumet Township
(906) 337-2410

ZONE 2
Marvin Besteman, Jr.
Kinross Charter Township
(906) 495-5381

ZONE 3
Pat Mead, Vice Chairman
Benzonia Township
(231) 882-4411

ZONE 4
Terry Wright
Grayling Township
(989) 348-4361

ZONE 5
Jim Beelen
Allendale Charter Township
(616) 895-6295

ZONE 6
Jon Sherwood
Beaverton Township
(989) 465-9176

ZONE 7
John Jones, Chairman
Ira Township
(586) 725-0263

ZONE 8
John Buckhout
Charter Township of Kalamazoo
(616) 381-8080

ZONE 9
Bob Skrobola, Secretary
Pittsfield Township
(734) 944-3140

It is the goal of the Par-Plan Board of Directors to obtain quality reinsurance protection at the best possible prices. Since 9/11 the price of insurance and reinsurance has increased. Due to the foresight of our administrators, the Par-Plan currently has a multi-year contract with several large reinsurers. As a result, the rates that are charged our members have not increased dramatically.

In May, four directors of the Par-Plan Board accompanied our program administrator, David Kensler, on a reinsurance goodwill trip to Germany and England. The MTPP's reinsurance brokers from Guy Carpenter, Chicago, and Benefield Group, London, joined us as well.

Over a four-day period we collectively visited with twelve different reinsurance companies that support or have indicated interest in supporting our program. The meetings were very informative and the reinsurer's clearly indicated that they were pleased with our program and the success it has enjoyed. Most of the companies we visited have provided protection to our members for several years with one having over fourteen years of continued involvement with the Par-Plan.

David Kensler thanked all who participated in the tour as it surely makes a positive statement to have the membership directors there to answer questions and present their perspectives and viewpoints on the program and it's direction. It also was an excellent time to hear the reinsurer's opinions and positions first hand.

All agreed that the visit was a success and that it has helped to further cement our long-term relationships with those companies that support our program.

We believe that our representatives made a good impression.



WE'VE MOVED

On June 3rd, 2002 the Par-Plan administration office moved to a new location. We are now located off Interstate 75 in Auburn Hills, Michigan. Please make a note of our new address: 1700 Opdyke Court, Auburn Hills, Michigan 48326. Phone: (248) 371-3100 Fax: (248) 371-3069

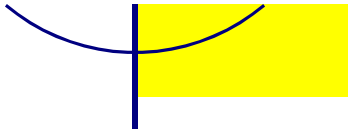




FIREWORKS DISPLAYS

DO YOU KNOW YOUR LIABILITY?

RISK WATCH:



With the fireworks season upon us, local government officials are finding themselves faced with questions concerning the display of fireworks. The purpose of this article is to provide insight on the rules and regulations regarding fireworks.

Act 328 of the Public Acts of 1931, as amended, known as the Fireworks Law, states that the responsibility for regulating use of fireworks falls on the council or commission of a city or village, or on the township board of a township. Before anyone, including a public body, can conduct a fireworks display—a permit **must** be obtained from the local unit of government. The council or commission of a city or village, or the township board of a township, may grant a permit to use fireworks for a public display. The law authorizes permits for municipalities, fair associations, amusements parks, or other organizations or groups of individuals. Any person or group that would like to conduct a fireworks display must apply to the local unit of government for a permit. Upon request, the Michigan State Police, Fire Marshal Division will supply these forms to the local unit of government.

A fireworks display permit cannot be issued to a nonresident person or firm, and a permit cannot be issued to anyone under the age of 18. Before issuing a permit, the local governing body must evaluate the competency and qualifications of the pyrotechnic operator, and the applicant must provide proof of financial responsibility in the form of a bond or an insurance policy. The local governing body must determine whether it will accept the bond or if it will require an insurance policy and the amount of coverage. The State Fire Safety Board has adopted the National Fire Protection Association NFPA 1123 standard (1995) edition for fireworks displays and requires **mandatory compliance**.

What this means to local units of governments.....: Unless there is currently an ordinance in place prohibiting any and all fireworks displays a permit must be issued to an applicant if the applicant meets the above requirements.

The Michigan Township Participating Plan Risk Control Department requires the following conditions be met for members wishing to sponsor or allow fireworks displays:

- The entity should enact a Fireworks Ordinance, which sets guidelines for anyone applying for a permit. This will aid to ensure the event will be safe for all concerned.
- The entity must require any persons wishing to obtain a permit for a fireworks display to fill out a Fireworks Application and submit it to the entity for approval. Someone from the entities local fire department familiar with the NFPA 1123 requirements (i.e. site plans, shell sizes and distances required) for fireworks displays should review the information on the application to assist the entity in making the decision whether to issue or deny the fireworks permit.
- The entity should require the person or fireworks company setting off the fireworks to provide proof of insurance coverage. The Risk Control Department requires the fireworks company to provide at least \$1,000,000 in insurance coverage for the event. Sponsors of the event and entity should require the fireworks company name both as an additional insured on the fireworks company's insurance policy.
- The fireworks company's insurance policy and contract should be reviewed to ensure they are responsible for cleanup after the fireworks display has ended. Many fireworks companies make this exclusion in their coverage and the responsibility then lies with the person or organization sponsoring the display. In this case we require the person or organization to designate a spotter

FIREWORKS *(continued)*

in the event one of these shells does not go off, the area is secured after the display has ended and no one is allowed access into the area until the unfired shell (s) is found.

- The entity should also require that the local fire department to stand by during the time of the fire works display. The entity may also charge the person or organization obtaining the permit for the fire department's time that they are at the display site.

Remember, if you are considering the sponsorship of a display or allowing others to display fireworks, the liability lies with you, the issuing authority. It is your responsibility to ensure that all ordinance and NFPA 1123 requirements have been met.

Additionally, you must contact your Par-Plan Agent to complete a fireworks application and forward to the risk control department for review to ensure insurance coverage is in place.

To obtain copies of NFPA 1123 you may contact the National Fire Protection Association at (800) 344-3555.



FIRE DEPARTMENT HAZARDOUS MATERIALS EMERGENCY PLANNING RESPONSIBILITIES

BY: Chief Mark Walterhouse, Auburn Hills Fire Department

The three emergency planning requirements fire departments must meet are:

1. Firefighter Right-To-Know
2. Hazardous Waste Operations and Emergency Response (HAZWOPER)
3. Superfund amendments and reauthorization Act (SARA) Title III.



Section 14i of Act 154, as amended, the Michigan Occupational Safety and Health Act (MIOSHA) requires that the fire chief of an organized fire department prepare and disseminate to each firefighter a plan for executing the departments responsibilities with respect to each site within their community where hazardous materials are used or produced. The purpose of this act is to ensure firefighter safety.

How do you as a municipality and fire department comply with these mandates?

The first step, the fire chief surveys ALL sites within the jurisdiction. The purpose of the survey is to gather information on the chemicals at each site and to determine whether the site uses or produces hazardous chemicals. A plan is required for ALL sites that uses or produces chemicals, regardless of quantity. The quantity will, however, determine if a site-specific plan must be developed or if the site can be addressed under a general plan. For sites which use or produce hazardous chemicals at or above the specified quantities, the fire chief MUST develop a site-specific plan. The fire chief must make every attempt to obtain completed surveys from each site. If the owner or operator of the site is uncooperative in helping the chief obtain the necessary information and continues to be uncooperative, the chief may refer the case to the Department of Consumer Industry Services (CIS), MIOSHA. The department must retain surveys and site-specific plans on file and these plans should be no older than five years. In addition the fire chief must survey new or changed sites (change of ownership, expanded, conducting new business, etc.) as they occur.

The Office of Fire Safety Bulletin #9 and the MSP Emergency Management Division, Guidance For Community Hazmat Response Plans are excellent tools to utilize to insure that fire departments are in full compliance with the mandates.

Firefighter Right-To-Know was ranked number two by MIOSHA in a summary of most violations cited over a 1 year period—the average fine per violation was \$1,500.00.

Be prepared. Protect your firefighters and community.