

*SELECTMEN'S e-Packet  
List of Files  
December 4, 2007*

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Page 10-12	Lake Region Transit Service Update Report from Denis Morse to follow



**BOARD OF SELECTMEN  
AGENDA**  
Tuesday, December 4, 2007  
7:00 p.m.  
JSMS Broadcast Studio

- 1) Call to order.
- 2) Minutes of previous meeting dated November 20, 2007
- 3) New business.
  - a) Discussion of insurance review/summary report – Finance Director Nancy Yates
  - b) Proposed Lakes Region Transit service – GPCOG Planning Director David Willauer
  - c) Department Head Quarterly Reports – Fire Chief Denis Morse
  - d) School consolidation information update – Selectman Joe Bruno
- 4) Old (unfinished) business.
  - a) none
- 5) Town Manager Report and Communications.
  - a) none
- 6) Fiscal Warrants – Payroll and Appropriation Warrants – December 4, 2007.
- 7) Adjournment.

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The Selectmen may take items out of order at their discretion.



**BOARD OF SELECTMEN  
AGENDA SUMMARY**  
Tuesday, December 4, 2007  
7:00 p.m.  
JSMS Broadcast Studio

- 1) Call to order.
- 2) Minutes of previous meeting dated November 20, 2007
- 3) New business.
  - a) Discussion of insurance review/summary report – Finance Director Nancy Yates

Finance Director Nancy Yates will present the recommendations of insurance consultant Scott Simmonds. Please see electronic attachments, including Mr. Simmonds complete report and the Finance Director's action recommendations.

**b) Proposed Lakes Region Transit service – GPCOG Planning Director David Willauer**

As you may be aware, the Lakes Region Transportation Coalition has been discussing the possibility of a regional bus service to serve the Route 302 corridor for some time. Accordingly, GPCOG Planning Director David Willauer has sought funding support for a concept from the Maine Department of Transportation and Cumberland County's Community Development Block Grant Entitlement Funds.

Mr. Willauer has developed a pilot program which would require start up funding from the Town of Raymond and all the other communities directly and indirectly served. At this writing it would appear that Raymond's portion of the start up funding will amount to approximately \$3,848, annually for the two year pilot program experimental run. Attached to the e-packet is detailed information about the project, timeline, budget, route and service to be offered. From time to time in the past, the town has received expressions of interest from our citizens for such a service. This year's budget development process will be particularly arduous given the very limited resources available under the spending strictures of LD-1. Given the significant run-up in costs of various commodities and the natural increase in other programs and services, finding funding for a new program will be difficult. If the Board of Selectmen deem this program as a priority however, staff will make every effort to enable its inclusion in the draft budget.

**c) Department Head Quarterly Reports – Fire Chief Denis Morse**

Fire Chief Denis Morse will attend the meeting and present his quarterly report for the Rescue Department. He has requested to break the Fire Department and Rescue budgets into two presentations. Accordingly he will return to a future meeting to provide the Fire Department report.

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The Selectmen may take items out of order at their discretion.

The Board of Selectmen recently reinstated the practice of receiving quarterly department head reports in order to better familiarize themselves with ongoing departmental activities including short and long range goals as well as financial planning. Department head reports will be scheduled until all department heads have had an opportunity to address the Selectmen. These meetings will provide a good opportunity for the Selectmen and the public to become updated on the activities of Raymond's Municipal government by department.

**d) School consolidation information update – Selectman Joe Bruno**

Selectman Joe Bruno will update the Board of Selectmen and the public on the activities of the regional school consolidation committee.

**4) Old (unfinished) business.**

a) none

**5) Town Manager Report and Communications.**

a) none

**6) Fiscal Warrants – Payroll and Appropriation Warrants – December 4, 2007.**

**7) Adjournment.**

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The Selectmen may take items out of order at their discretion.



401 Webbs Mills Road  
Raymond, Maine 04071  
207.655.4742 x32

November 29, 2007

To: Raymond Board of Selectmen  
From: Nancy Yates, Finance Director

Subject: Insurance Coverage Review

Scott Simmonds of Insurance Consultants of Maine has completed his review of our insurance coverage. In the main, he found no problem with our current coverage, but did make some recommendations for changes. He suggested that we increase our Public Officials Liability deductible from \$2500 to \$5000, which would save us \$741 annually. He also recommended that we increase our Property deductible from \$1000 to \$5000, which would save us an additional \$746 per year.

During the review process, we discovered that our ornamental streetlights are not included in our current property coverage. MMA quoted \$690 per year to cover the 68 lights, each having a replacement cost of approximately \$2500. Individual replacement would not meet the proposed new deductible, so this would be worthwhile only if we anticipate some catastrophic event, in which case these lights would be the least of our worries.

Scott also checked with MMA regarding an additional one million dollars in liability coverage. The cost of this would be \$3000 annually. We are already insured for one million dollars. The additional would only be necessary for incidents occurring out of state, when we would not be covered under Maine Tort Claims Act. Very rarely do town vehicles go out of state. Fire/rescue apparatus may go out of state for repairs once or twice a year.

I would recommend that we not purchase coverage for the streetlights or the additional liability coverage. Given the infrequency of claims against Property or Public Officials, I would also recommend increasing our deductibles.

Additionally, Scott suggested that we wait a year or two before going out to bid on insurance again. He feels that there will be more competition in the state in the next year or so, and that the effort involved will be more worthwhile at that time. I agree that we should wait.

Nancy,

As promised, here is my review of the issues we discussed in our conversation on October 18. There are several decisions to be made.

MMA quoted savings of \$741 to move the public officials liability from the current \$2,500 deductible to \$5,000 deductible. The town will have to decide if this \$741 savings is enough to merit a reduction of \$2,500 in your insurance coverage.

MMA also quoted an increase in your property deductible from \$1,000 to \$5,000. The savings for this change is \$746. As I mentioned to you, I recommend high property deductibles. Small property claims should be paid without the involvement of insurers. The smaller incidents also clutter up the loss record and can have an impact on your renewal premium. Said another way, if you told me that you had a small \$4,000 fire in a trashcan, I would advise that you clean up the mess and not reported to your insurer. This is a long way of saying that I think you should increase your deductible to \$5,000 and save the \$746.

The strategy outlined above for property is very different than the strategy for liability claims. I just want to be clear. I strongly recommend that an organization report to insurers all liability claims.

In my review, I found that you currently are not insuring your street light poles. MMA has quoted \$690 in premium for \$170,000 worth of coverage on 68 light poles (\$2,500 each). I'm ambivalent about this area. Losing a pole to an automobile accident will generally be covered by the person that caused the accident's auto insurance company. So, we are down to vandalism and windstorm as the most likely cause of loss to multiple poles. Windstorm is the primary worry. The town will have to judge the risk of loss versus the premium.

I requested that MMA provide a quote for excess liability. MMA is quoting approximately \$3,000 for an additional \$1 million worth of coverage. Excess liability insurance provides an additional layer above your primary insurance policies. Recall that the Maine Tort Claims Act also provides you with protection.

The reason a municipality would purchase excess liability coverage is incidents outside of the Maine Tort Claims Act. The most likely incident would be an automobile accident that happens outside of the state of Maine. If the town truck were involved in an accident in New Hampshire, the tort claims act would provide no protection for your town. You would then rely upon your \$1 million of auto coverage. The excess liability policy would provide an additional million, for a total of two. Here again, the town will have to measure the value of the coverage versus the risk of loss. At \$3000 I see the value as marginal. In my experience, about half of the municipalities in Maine purchase excess liability coverage. Certainly smaller towns are less likely to buy the coverage.

We also discussed the issue of bidding the town's insurance this coming year. I found nothing in my review that indicated any problem in the last bid process. I would suggest that the town not bid their insurance two years in a row. My primary concern is that bidding too frequently can lead to competitors being less than enthusiastic about offering proposals. We can wait a bit on this decision to see how the market develops.

Attached is an updated overview. I'm glad to discuss these and any of the other issues that we have talked about in my review. Please let me know how I can help further.

Regards,  
Scott

Scott Simmonds, CPCU, ARM

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Insurance from an Unbiased Point of View

**Town of Raymond**  
 Outstanding Issues  
 October 21, 2007  
 Version 3

<b>Issue/Recommendations</b>	<b>Actions</b>
Town should review and reconcile the schedule of locations and buildings provided by MMA.	9/25 conv with Nancy – they have reviewed  DONE
Town should review and reconcile vehicle list provided by MMA.	9/25 conv with Nancy – they have reviewed  DONE
Town should review and reconcile equipment list provided by MMA.	9/25 conv with Nancy – they have reviewed  DONE
Town should confirm Raymond Casco Historical Society has their own insurance and/or knows that they are not covered by the town's insurance.	9/25 conv with Nancy – they have reviewed coverage issues with all other entities. I offered to review the entity's coverage at no fee.  DONE
Town should confirm Raymond Village Library has their own insurance and/or knows that they are not covered by the town's insurance.	9/25 conv with Nancy – they have reviewed coverage issues with all other entities. I offered to review the entity's coverage at no fee.  DONE
Town should confirm Raymond Recreation Association has their own insurance and/or knows that they are not covered by the town's insurance.	9/25 conv with Nancy – they have reviewed coverage issues with all other entities. I offered to review the entity's coverage at no fee.  DONE
Town should confirm Raymond Mentoring Partnership has their own insurance and/or knows that they are not covered by the town's insurance.	9/25 conv with Nancy – they have reviewed coverage issues with all other entities. I offered to review the entity's coverage at no fee.  DONE
Town should confirm Raymond Waterways Protective Association has their own insurance and/or knows that they are not covered by the town's insurance.	9/25 conv with Nancy – they have reviewed coverage issues with all other entities. I offered to review the entity's coverage at no fee.  DONE

Town should identify any other entities where there could be coverage misunderstandings	9/25 conv with Nancy – they have reviewed coverage issues with all other entities. I offered to review the entity's coverage at no fee.  DONE
Obtain quote for \$250,000 Employee Dishonesty (from the current \$100,000)	9/25 conv with Nancy – get quote  10/1/07 note to Marcus at MMA  10/11 Per Marcus the current coverage is 250k. He made an error on the coverage overview.  DONE
Confirm no exclusion for required positions crime coverage.	9/10/07 Confirmed by Marcus Ballou of MMA  DONE
Obtain quotes for the savings for a \$5,000 deductible for public officials liability (from the current \$2,500)	9/25 conv with Nancy – get quote  10/1/07 note to Marcus at MMA  10/11 quoted savings is \$741  10/18 reviewed with Nancy.  10/22 included in review email
Obtain quotes for the savings for a \$7,500 deductible for public officials liability (from the current \$2,500)	9/25 conv with Nancy – get quote  10/1/07 note to Marcus at MMA – not available
Obtain quotes for the savings for a quote for \$5,000 property deductible (from the current \$1,000)	9/25 conv with Nancy – get quote  10/1/07 note to Marcus at MMA  10/11 savings is \$746  10/18 reviewed with Nancy.  10/22 included in review email




<p>Consider need for mobile equipment coverage for Police Department. Current equipment list does not seem to include property common to police cruisers.</p>	<p>9/25 conv with Nancy – no PD</p> <p>10/1/07 note to Marcus at MMA re computer</p> <p>10/11 per Marcus - Laptop computers which have been place on the Electronic Data Processing (EDP) Schedule would have coverage in a vehicle.</p> <p>10/15 per Marcus - We do not ask of the Membership to provide a detailed listing of computer equipment, but rather a value.</p> <p>10/18 reviewed with Nancy. Laptop was part of overall values reported.</p> <p>DONE</p>
<p>Consider coverage for light poles, traffic signals, etc. Current policies do not cover.</p>	<p>9/25 conv with Nancy – no light poles only ornamental lights – she will get info</p> <p>9/26 recvd info from Nancy</p> <p>10/1/07 note to Marcus at MMA</p> <p>10/15 Per Marcus - we would recommend that the Town schedules the lights with a value of \$170,000 which would incur a premium of \$690 annually.</p> <p>10/18 reviewed with Nancy.</p> <p>10/22 included in review email</p>
<p>Obtain quotes for excess liability coverage – current coverage depends on the \$400,000 tort claims act plus the \$1,000,000 limit on your insurance policies.</p>	<p>9/25 conv with Nancy – get quote</p> <p>10/1/07 note to Marcus at MMA</p> <p>10/11/07 per Marcus –</p> <p>\$2,500 POL deductible - \$3,273.00. \$5,000.00 POL deductible - \$3,013.00</p> <p>10/18 reviewed with Nancy.</p> <p>10/22 included in review email</p>
<p>Consider pollution liability coverage. Policies contains severe (though common) exclusions for liability arising out of pollution.</p>	<p>9/25 conv with Nancy - reviewed exposures.</p> <p>DONE</p>

# GPCOG THE GREATER PORTLAND COUNCIL OF GOVERNMENTS

68 Marginal Way, 4<sup>th</sup> Floor ♦ Portland, Maine 04101 ♦ Telephone (207) 774-9891 ♦ Fax (207) 774-7149

November 28, 2007

**To:** Lakes Region Town Managers  
**From:** David Willauer GPCOG Planning Director   
**Subject:** Lakes Region Transit Service Update

## Concept

Implement Lakes Region Transit Service in the Fall of 2008.

## Background

GPCOG published a plan to implement bus service in 2001.<sup>1</sup> In January, 2007, representatives from the Lakes Region Transportation Coalition expressed unanimous support for GPCOG to work with Lakes Region towns to implement transit service. CDBG funds totaling \$49,500 were awarded to Windham on behalf of the Lakes Region towns to help fund the program.

## Proposed Bus Service and Costs

One dedicated bus would operate weekdays year-round between Bridgton and Portland. Route 115/202 and Exit 63 in Gray would be incorporated into the route to avoid Route 302 congestion. The proposed service concept is a contract operation using a coach-style bus.

hours/day	# buses	Cost/hr	Days/yr	Op \$ Costs
9.5	1	\$75	240	\$171,000

## Proposed Funding Sources

Proposed operating revenues include \$50,000 (JARC<sup>2</sup>), \$50,000 (New Freedom<sup>3</sup>), \$50,000 (municipal contributions) and \$22,400 (farebox revenues) for a total of \$172,400. CDBG funds totaling \$49,500 for fare passes, shelters and signage.

## Management and Oversight

The Service will be managed by METRO through a contract operation with a private operator. GPCOG staff will provide help with technical and financial planning. METRO will rely upon a Lakes Transit Committee for service adjustments and other policies. The LTC will be comprised of representatives from all participating towns along the route.

## Proposed Schedule and Bus Stops

The proposed schedule will be developed by the LTC to meet commuter and other needs, including medical appointments, shopping and other purposes. The Lakes Transit Committee will be determining service adjustments, scheduling, fare policies and proposed park and ride locations.

## Municipal Contributions

Towns will pay a pro-rated annual amount determined by the LTC (see page 3).

<sup>1</sup> Windham to Portland Commuter Express Bus Study, GPCOG, 2001.

<sup>2</sup> JARC = Job Access & Reverse Commute Program (Federal Transit Administration)

<sup>3</sup> New Freedom = Funds to promote transportation access per the Americans with Disabilities Act (ADA) of 1990.

## Proposed Methodology for Municipal Contributions

The proposed methodology assumes an annual contribution of \$50,000 spread between participating "member" and "contributing" municipalities. **Member** municipalities are directly on the proposed bus route will be represented on the Lakes Transit Committee (LTC) and have input on the route planning, fare policies, marketing and promotion. **Contributing** municipalities are those towns not directly on the route but who are willing to contribute an agreed upon amount to help support the service. The calculations are based on the U.S. Census Population figures. The municipal contributions will serve to match the federal funds secured for the program. Each year, the LTC will calculate the municipal match based on available federal, state and private funds.

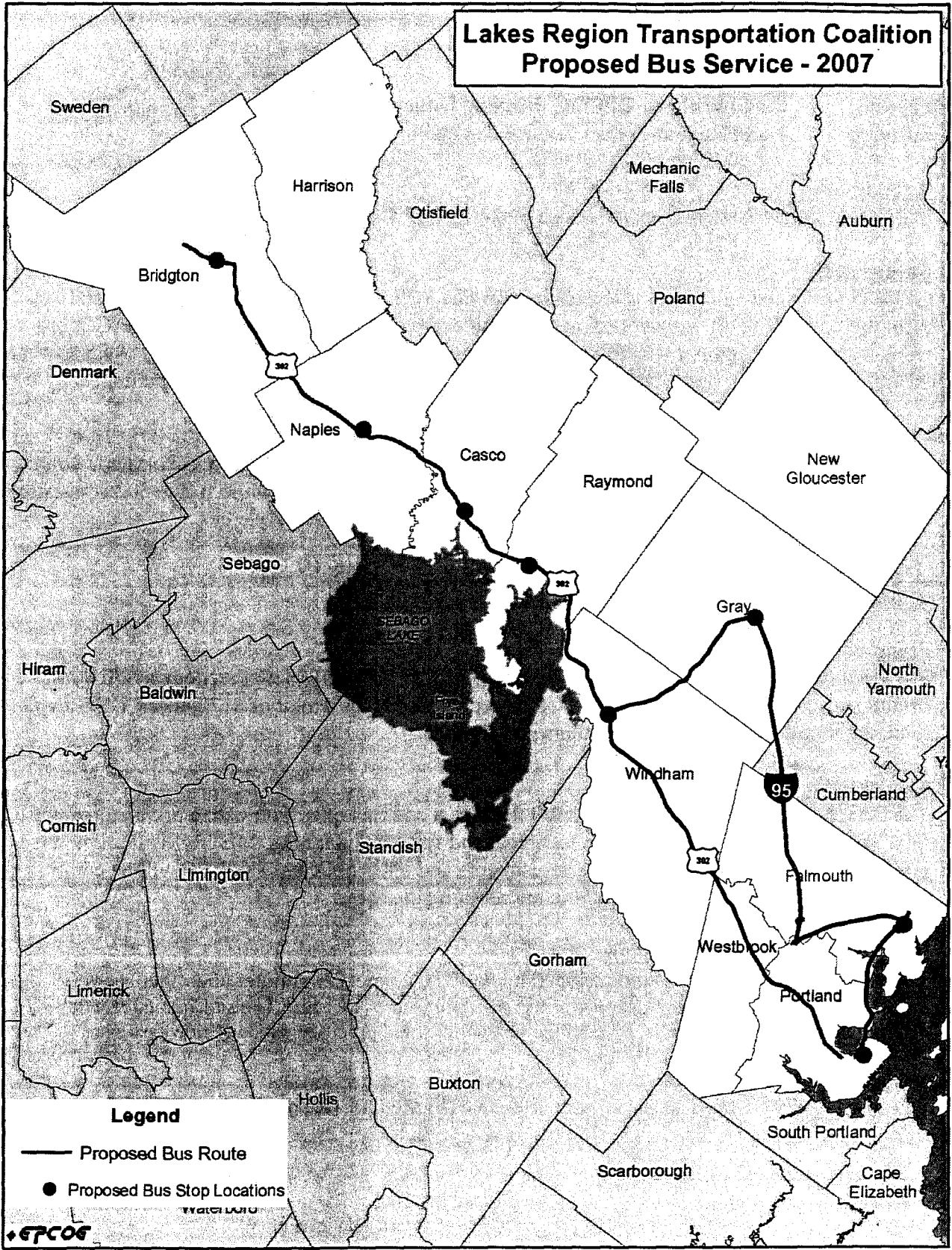
### Member Municipalities

Municipality	2000 POP	Census%	Total
Bridgton	4,883	10%	\$ 4,371
Casco	3,469	7%	\$ 3,105
Gray	6,820	14%	\$ 6,105
Falmouth	10,310	21%	\$ 9,228
Harrison	2,315	5%	\$ 2,072
Naples	3,274	7%	\$ 2,931
Raymond	4,299	9%	\$ 3,848
Windham	14,904	30%	\$ 13,340
Total Seven Towns	50,274	100%	\$ 45,000

### Contributing Municipalities

Municipality	2000 POP	Census%	Total
Denmark	1,004	6%	\$304
New Gloucester	4,803	29%	\$1,453
Sebago	1,433	9%	\$434
Standish	9285	56%	\$2,809
Total Four Towns	16,525	100%	\$5,000.00

**Lakes Region Transportation Coalition  
Proposed Bus Service - 2007**



**Legend**  
 — Proposed Bus Route  
 ● Proposed Bus Stop Locations