



Risk Management Solutions

A QUARTERLY NEWSLETTER OF THE ALABAMA MUNICIPAL INSURANCE CORPORATION
AND THE MUNICIPAL WORKERS COMPENSATION FUND, INC.

FALL 2006

Plenty of vacancies ...

By Richard Buttenshaw
Loss Control Representative

Plenty of vacant buildings, that is. Unfortunately, many of Alabama's towns and cities have empty, unused or abandoned municipal buildings. These may be old facilities no longer in use, buildings deeded to the town by a local resident or a spec building built to attract new businesses to town. Whatever the case, all of these buildings have one thing in common: they are vacant. Consequently, little time is spent thinking about these properties – which is exactly where trouble starts.

What property coverage does it have?

I'm sure everyone reads every page of their property insurance policy when it arrives, but let's assume, for the moment, that this isn't the case. Did you know a "vacant" building does *not* have the same property coverage as an "occupied" building? So, what is meant by the term "vacant":

- If the policy is issued to a tenant, a building is vacant when it does not contain enough business personal property to conduct customary operations.

- If the policy is issued to the owner, a building is vacant unless at least 31 percent of the total square footage is used to conduct customary operations or is leased to a tenant.

- Buildings under construction or renovation are not considered vacant.

If the building has been vacant for a period of 60 consecutive days, your insurance company's obligations are as follows:

– No payment is due for losses caused by:

- Vandalism
- Sprinkler leakage, unless precautions are taken
- Glass breakage
- Water damage
- Theft or attempted theft



– Reduced loss payments for any other covered cause of loss by 15 percent. That means if the vacant building burns down in a fire, you only have 85 percent of the coverage you thought you had!

What about the liability of vacant buildings?

Well, the good news is all buildings owned by a municipality automatically have liability coverage even if they don't have property coverage. So if you own it – it's covered for liability. However, unused and vacant buildings are municipalities' biggest liability as, unfortunately, these "abandoned" buildings seem like fun and exciting places for children to play and explore.

Because these buildings aren't used on a regular basis, preventative maintenance is often not performed, allowing the building to slowly fall into a poor state of repair; and poor state of repair means hazards. Remember, children don't view hazards in the same way as adults; therefore, you have a duty to do everything prudent to prevent children from getting injured on your property, particularly empty property. Some steps you can take to help towards this end are:

- Inspecting and removing hazards such as broken glass and windows from the exterior of the property.
- Inspecting and removing hazards from inside these facilities.
- Ensuring all doors and windows are locked.
- If necessary, erecting fencing with a locked gate to restrict access to the entire area.

Ultimately, some of these properties are beyond repair and all the hazards simply can't be eliminated. In such cases, you are better served to demolish these buildings and clear the site for future development.

So that empty, unused warehouse on the other side of town shouldn't just be out of sight, out of mind. For one, you may not have the insurance coverage on it you thought you had. Further, children may be endangering their lives by converting this into their newest playground. And remember, those children might be yours! (Read, also, **HOT TOPIC**, page 3.) ■

Library Fire Risk

By Debbie Freeland

Published in *Perspectives*, the Newsletter of the Public Sector Practice Specialty, Vol. 5, No. 2. by the American Society of Safety Engineers

As long as libraries have existed, they have been faced with the threat of fire. Destructive fires have damaged many distinguished libraries, including the Great Library of Alexandria (B.C. 48, A.D. 273, 640); the Great Library at Constantinople (730, 731, 802); the Library of the Caliphs (1200s); Strasburg Library (1870), U.S. Library of Congress (three major fires since its establishment); many public and private library collections; and countless college and university libraries. Even now, fires are the single greatest cause of property loss in libraries in the U.S. The country averages more than 200 library fires per year with an annual property loss exceeding \$6 million.

The need to provide better protection of these facilities is evident; however, the practical issues of accomplishing this while balancing budget constraints, assessing different types and levels of risk present, and evaluating the assortment of new products and technologies—many of which prey on the library's fear of water damage—can be daunting.

By far, the leading cause of fires in libraries is arson. It currently accounts for 40 percent of all library structure fires in the U.S. Electrical system failures are a distant second at 19 percent.

Obviously, security is a primary issue. But this statistic also suggests that the fire risk cannot be dealt with by simply eliminating traditional sources of ignition, such as smoking, faulty heating systems, extension cords and temporary wiring. A determined arsonist is difficult to thwart, generally provides his/her own source of ignition and often an accelerant as well, and may incorporate multiple points ignition. Fixed detection and suppression systems become increasingly important in this situation, when it is almost impossible to identify and eliminate the potential source of fire. Other than taking additional security precautions to reduce the frequency of incidents, the focus of risk management becomes one of reducing the potential severity of a fire.

As with most properties, the main features affecting the potential severity include the combustibility of construction, the number and location of fire divisions, the combustible loading within a fire area, and the presence and design of detection and suppression systems.

Emergency response activities can also play a major role, but often the number of trained staff in a library who can respond to a fire is limited. Additional challenges for libraries include:

- high combustible loading in the bookstacks and their ease of ignition;
- need for much of the collections to be accessible to library patrons;
- protection challenges posed by compact modular shelving;
- susceptibility of library collections to damage from extinguishing agents, including water and breakdown products of several of the gaseous agents;
- valuation and protection of special collections, archives, films/photographs, and rare books and manuscripts;
- valuation of books, especially donated collections, and extra expense issues associated with indexing and cataloguing large numbers of publications;
- critical need to promptly implement salvage procedures following an incident, and the susceptibility of the collections to damage from improper salvage attempts.

Conclusion

Careful design of protection systems and features, paired with other risk management techniques, can help to minimize a library's exposure. Fixed protection, generally in the form of specially designed automatic sprinkler systems, is a critical component.

Similarly, segregating valuable or critical collections and providing a higher level of security, fire protection and detection can make a major impact. Guidelines for protection of libraries and collections are provided in

NFPA 909, Code for the Protection of Cultural Resources; a reputable fire protection engineer who specializes in cultural properties can assist with design specifications and evaluation of protection alternatives. ■

Debbie Freeland is chair of National Fire Protection Assn.'s Committee on the Protection of Cultural Resources, which writes national fire codes for libraries and library collections, museums, places of worship and historic buildings. A senior vice president with Arthur J. Gallagher & Co., Freeland has been a fire protection consultant for more than 25 years, and has worked with museums and libraries of all sizes to assess risk and develop alternatives for protecting their collections and facilities.

Work-Related Hearing Loss

From the National Institute for Occupational Safety and Health

According to the National Institute for Occupational Safety and Health (NIOSH), work-related hearing loss continues to be a critical workplace safety and health issue. Once acquired, noise-induced hearing loss is permanent and irreversible. Therefore, prevention measures must be taken by employers and workers to ensure the protection of workers' hearing.

Magnitude

Approximately 30 million workers are exposed to hazardous noise on the job and an additional nine million are at risk for hearing loss from other agents such as solvents and metals.

Noise-induced hearing loss is one of the most common occupational diseases and the second most self-reported occupational illness or injury.

While any worker can be at risk for noise-induced hearing loss in the workplace, workers in many industries have higher exposures to dangerous levels of noise. Industries with high numbers of exposed workers include: agriculture; mining; construction; manufacturing and utilities; transportation; and military.

Prevention

Removing hazardous noise from the workplace through engineering controls (e.g. installing a muffler or building an acoustic barrier) is the most effective way to prevent noise-induced hearing loss. Hearing protectors such as ear plugs and ear muffs should be used when it is not feasible to otherwise reduce noise to a safe level. NIOSH recommends hearing loss prevention programs for all workplaces with hazardous levels of noise. These programs should include noise assessments, engineering controls, audiometric monitoring of workers' hearing, appropriate use of hearing protectors, worker education, recordkeeping and program evaluation.

For more information on hearing loss and prevention, visit:
www.cdc.gov/niosh/topics/noise/.

Previous Issues of *Risk Management Solutions* can be found:
www.AMICentral.org or www.alarm.org – click on the MWCF link.

HOT TOPIC!

Statistics show that firefighters often have a higher risk of injury or death when fighting **fires in vacant buildings**. For example, six firefighters died in a 1999 warehouse fire in Worcester, Mass., while searching for a homeless couple known to have been staying in the building.

Facts & figures

- There were an average of 14,900 fires in vacant U.S. buildings or buildings under construction, renovation or demolition each year between 1994 through 1998, resulting in 13 civilian deaths, 66 injuries and \$118.9 million in direct property damage.
- Two-thirds of fires in vacant properties were incendiary or suspicious, accounting for three-quarters of direct property losses in this category.
- Almost three times as many child-playing fires occurred in vacant buildings as in educational properties.
- There were 5.6 firefighter injuries per 100 special structure (including vacant buildings and buildings under construction) fires per year between 1993 and 1997, compared to 1.9 injuries per fire at structure fires, in general.

Source: NFPA's *U.S. Fire Problem Overview Report: Leading Causes and Other Patterns and Trends*, Marty Ahrens, April 2001; *1999 Firefighter Fatality Report*, Rita F. Fahy and Paul LeBlanc, *NFPA Journal*, July/August 2000; November/December 2000; and NFPA's *Patterns of Firefighter Fireground Injuries*, Michael J. Karter, Jr., NFPA, February 2000.

Certified Law Enforcement Executive Program

The Certified Law Enforcement Executive Program (CLEEP) is open to all active full-time police chiefs in Alabama who are members in good standing in the Alabama Association of Chiefs of Police (AACOP). Participants should declare their intent to pursue certification in advance of starting the program. Also, CLEEP is available to all executive level administrators upon approval by the chief of their departments. They will be given a certificate of attendance but will not be certified until they become chiefs of police and members in good standing with AACOP. The 2007 schedule (88 total hours) is printed below.

- **January 18, 19** – New Chief's Development Seminar **OR** Understanding Human Relations
- **February 22** – Ethics and the Police Executive
- **April 12, 13** – Effective Public Communications and Effective Meetings and Presentations
- **May 24** – Internal Communications in a Police Environment
- **July 12, 13** – Dealing with Internal/External Environments and Developing Financial Resources
- **August 23** – Understanding/Developing Your Leadership Style
- **November 8, 9** – Effective Management and Supervisory Techniques

For more information, or to register, call 1-800-634-7199.

2007 Premium Discounts Available from MWCF

As medical care costs continue to rise, the Municipal Workers Comp Fund (MWCF) works to keep your premiums as low as possible. This past year, 60% of the 620 MWCF members received a full 10% off their premium by appointing a Safety Coordinator; signing a *Statement of Commitment*, *Post Accident Drug Testing Agreement*; and having an approved Medical Protocol in place.

2007 Statement of Commitment

The *Statement of Commitment*, a two-page document that must be renewed every year, is comprised of safety standards that each member endeavors to follow. It is updated annually and mailed to every MWCF member in November. If it is signed and returned by **December 1, 2006**, a 3% discount will be reflected on the 2007-2008 billing.

Post Accident Drug and Alcohol Testing Program

The Municipal Workers Comp Fund provides an additional 3% discount for those members that commit to a *Post Accident Drug and Alcohol Testing* program. In order to qualify, a member must sign a "Participating Commitment" (enclosed with the above mentioned document) and the program must be certified by their attorney that the member's drug and alcohol policy is Fourth Amendment compliant. Unlike the *Statement of Commitment*, this document does not have to be renewed each year.

Medical Protocol

Another 3% discount is available to those members who establish and implement a *Medical Protocol*. This program is a great benefit to both the member and the claims management team. A sample protocol is included in the mailout for those members that do not currently have one on file. For further information regarding this discount, call Tom Roper or Matt Graham at Millennium Risk Managers at 1-888-736-0210.

MWCF members who participate in all three programs will receive a bonus 1% discount giving those members a full 10% discount on their annual premium for 2007! All members are encouraged to watch for the *Statement of Commitment* information packet coming to you in November and return it promptly to take advantage of these benefits. The *Statement of Commitment* will also be available for downloading on our website by going to the MWCF page at www.alalm.org. ■

Additions to the AMIC/MWCF Safety Video Library

- 7.085 On The Road: The Lighter Side to Lifting (Back Safety)
- 7.086 Responsibility (Working Safely)
- 7.087 Safety Guidelines for Every Employee *
- 9.062 Incredible Montana Pursuit/Shootouts Caught on Tape *
- 9.063 WI Cops Stop Suicide Leaper / Save Baby *
- 9.064 A Cop's Life Saver: Passenger Side Approach *
- 9.065 CA Missed Patdown Horror Story *
- 9.066 What Dogs Tell Cops *
- 9.067 Updated Cincinnati White Castle Incident *
- 9.068 Hanahan SC Cop Run Over During Stop Attempt *
- 9.069 Courtroom Security / What Every Cop Should Know *
- 9.070 MO Cop's Street Smarts Nail Twin Killers *
- 9.071 Interrogation Techniques on the Street and at H.Q. *
- 9.072 Shreveport Officers Kill Cell Phone Wielder/Use of Force *
- 9.073 Groundfighting for Female / Smaller Officers *
- 9.074 What Every Law Enforcement Agency Should Know About Taser *
- 9.075 Officer Shot and Killed After Missing Weapon Patdown *
- 9.076 Weapon Retention Training *

* Available in DVD format only.

To check-out a safety VHS cassette or DVD, simply call, FAX or e-mail your request to Rachel Wagner at:
334-262-2566; rachelw@alalm.org;
or FAX at 334-263-0200.

Defining Moment

Immediately Dangerous to Life and Health (IDLH) – The maximum level at which an individual can be exposed to a chemical for more than thirty minutes without suffering irreversible health effects or impairing symptoms. Used as a level of concern.

EMPLOYMENT PRACTICES LAW HOTLINE

1-800-864-5324

Through a toll-free Employment Practices Law Hotline, members can be in direct contact with an attorney specializing in employment-related issues. When faced with a potential employment situation, the hotline provides a no-cost, 30 minute consultation.

2006 SKIDCAR SCHEDULE

- **Scottsboro** **October 10 – 20**
- **Orange Beach** **November 7 – 17**
- **Montgomery** **December 5 – 15**



**For more information, contact
Donna Wagner
at 334-262-2566.**



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334-262-2566.*



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