



Risk Management Solutions

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

Fall 2010

Preventing Sewer Backups: A Checklist for Public Works Managers

A municipality's efficient management of storm water runoff demonstrates to citizens that concerns over property damage from storm water, sewer backups and overflows are important issues to municipal officials. Nevertheless, storm water problems and sewer backups continue to occur. While some of these events result from atypically excessive runoff during heavy storms, a number of them occur because some sewer systems are outdated and suffer from inadequate maintenance.

In some municipalities, these sewer backups have caused significant property damage and have led citizens to take legal action against the municipality. In some cases, where sewer backups and flooding problems were traceable to negligent system operation, the courts have denied governmental immunity and required municipalities to pay damages.

To defend against such claims, it is important that municipalities have written plans in place for maintaining storm water systems. In most communities, this is the responsibility of the public works department, which must assure proper drainage through monitoring and maintenance.

To reduce the risk of litigation, municipalities should develop a formal sewer cleaning and inspection program that documents planned inspection routes and completion dates. Such a program should include:

- A routine maintenance program that addresses sources of infiltration and inflow for every area in the community and that looks at problem areas more frequently;
- Visually monitoring sewer lines with cameras on a regular basis;
- A process for documenting and tracking reported incidents to assure problems receive prompt correction;
- For systems with infiltration and inflow problems, a process for monitoring and gauging rainfall should be established so pump stations

and basins have adequate staffing and monitoring during periods of heavy rainfall;

- Requiring all restaurants and laundry facilities to install grease traps (this requirement should apply to all newly repaired connections as well);
- A requirement that wastewater employees meet all state and federal qualifications for licensing and receive regular, updated training.

The greatest operational challenge to wastewater treatment is assuring collection pipes carry the water to the treatment plant without flowing into natural waters or causing sewer backups on private property. A municipality receiving complaints of sewer backups should investigate them promptly and fully to determine the cause.

An overloaded sanitary sewer needs relief or the addition of other lines to increase capacity and eliminate discharges. If a sewer system leaks, accepts too much groundwater infiltration or too much storm water runoff, it may need extensive repairs or upgrades. If the system suffers from deterioration, it may need total replacement. Regular maintenance is necessary to preserve the stability of the sewer system. This upkeep includes cleaning, testing connections, making repairs where necessary and preventing system damage from tree roots and other vegetation.

Finally, a policy statement should be written covering how the municipality will deal with storms of varying magnitudes, the levels of protection it will provide and how it will address storm water quality. In addition, the policy should state the municipality's commitment to reducing potential environmental problems through pollution and erosion control. ■

NOTE: This document is not intended to be legal advice. It does not identify all the issues surrounding the particular topic. Public agencies are encouraged to review their procedures with an expert or an attorney who is knowledgeable about the topic. Reliance on this information is at the sole risk of the user.



HOT TOPIC!

Fire Prevention Week Oct. 3-9

www.firepreventionweek.org

“Smoke Alarms: A Sound You Can Live With!” is the National Fire Protection Association’s (NFPA) official theme for Fire Prevention Week (FPW), October 3-9. This year’s campaign is designed to educate people about the importance of smoke alarms and encourages everyone to take the steps necessary to update and maintain their home smoke alarm protection.

Fire Prevention Week was established to commemorate the Great Chicago Fire, the tragic 1871 conflagration that killed more than 250 people, left 100,000 homeless, destroyed more than 17,400 structures and burned more than 2,000 acres. The fire began on October 8, but continued into and did most of its damage on October 9, 1871. While the Great Chicago Fire was the best-known blaze to start during this fiery two-day stretch, it wasn’t the biggest. That distinction goes to the Peshtigo Fire, the most devastating forest fire in American history. The fire, which also occurred on October 8th, 1871, roared through Northeast Wisconsin, burning down 16 towns, killing 1,152 people, and scorching 1.2 million acres before it ended.

To learn more about FPW, and to download logos and other materials for this year’s Smoke Alarm campaign, visit NFPA’s website at www.firepreventionweek.org.



Fire Prevention Week • October 2010

**BEEP!
BEEPI!
BEEPI!**

**Smoke Alarms:
A sound you
can live with**

firepreventionweek.org 

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More Loss Control Resources

OSHA: The safety and health resources on the Occupational Safety and Health Administration (OSHA) website www.osha.gov are reliable sources of information for developing your public entity’s best practices for loss control. This site has a great search function along with an A to Z index for researching safety and health topics. Additional valuable information is located within the online OSHA Fact Sheet publications and Data and Statistics. For a link to the OSHA website, please visit the AMIC website at www.amicentral.org under More Loss Control Resources.

For a complete listing of the loss control resources available to AMIC and MWCF members, visit www.alalm.org. Inside the Programs tab, you will find links to the MWCF, Loss Control and AMIC loss control resource pages. Resources include references on various topics; current and past issues of Risk Management Solutions; information on the SkidCar and FATS programs; and the AMIC/MWCF Video Library listings. Additionally, the AMIC website includes a Reference Search function for all loss control resources including loss control references, power point presentations, and newsletters.

Defining Moment

Non-Waiver Agreement

Certainly no one wants to file an insurance claim. Occasionally, however, a claim just can’t be avoided. When that happens, here’s what you can expect:

Very shortly after you file the claim you will be contacted by a Claims Adjuster whose job it is to collect the facts about the claim and then determine, in a fair manner, the insurance carrier’s obligations under the policy so the claim can be settled in a timely manner. Most claims are relatively straight forward and can be resolved quickly. However, every now and again during the investigation and fact gathering, the question as to whether there is any coverage under the policy for a claim arises. When this does happen the Adjuster will ask you as the insured to sign what is called a “Non-Waiver Agreement”. Often insureds are wary of signing this form thinking they may be relinquishing some of their rights. This is not true.

The Non-Waiver Agreement is a document informing you that a coverage question exists and further investigation will be needed to resolve the coverage issue before any discussion of settlement can even begin. There may be no coverage and, therefore, no obligation to pay the claim at all. Of course, if it is determined that there is coverage, the claims process continues as normal. This form is designed solely to protect the rights of the insurance carrier to investigate further before committing to there even being coverage – and helps avoid any misunderstanding that you thought the claim was covered even though the Adjuster is still completing the investigation.

In some instances, rather than the Non-Waiver Agreement, the insured may receive a “Reservation of Rights Letter”. This is a very similar document that is mailed to the insured informing him or her of a coverage question. The only real difference between a Non-Waiver Agreement and a Reservation of Rights Letter is that the Non-Waiver is signed by the insured whereas the Reservation of Rights letter is simply received via the mail and doesn’t require a signature.

In summary, don’t fear that you are giving up any of your rights if you are confronted by these documents. Just be aware that the insurance carrier is informing you that a coverage issue exists and that there is no guarantee (at that time) that the claim will be paid.

Workers Comp Insurance Premiums for 2011

As medical care costs continue to rise, the Municipal Workers Comp Fund (MWCF) works to keep your premiums as low as possible. In 2010, 49% of the 633 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.

2011 Statement of Commitment

The *Statement of Commitment* is a two-page document comprised of safety standards that each member endeavors to follow. It is updated annually and mailed to every MWCF member during November. **If it is signed and returned by December 1, 2010, a 3% discount will be reflected on the 2011-2012 billing.** This two-page document must be renewed each year.

Post Accident Drug and Alcohol Testing Program

The MWCF 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" (which will be enclosed with the above mentioned document) and have

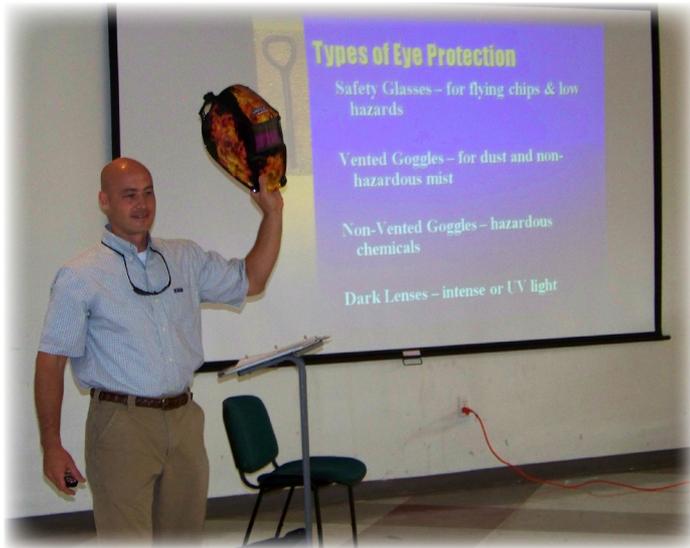
such program certified by their attorney that the member's drug and alcohol policy is Fourth Amendment compliant. Unlike the *Statement of Commitment*, this document does not have to be renewed each year.

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 will be included in the November mail out for those members that do not yet have one on file. For further information regarding this discount, call 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 – earning those members a full 10% discount on their annual premium for 2011! **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.** It will also be available for downloading on our website by going to the MWCF page at www.alalm.org. ■

Summer Loss Control Seminars Popular with Members



This past August, the League's Loss Control Reps held seminars in Athens, Calera, Brewton and Valley. The seminars, which were very well attended, covered the following topics: Heat Stress and Other Seasonal Hazards; Personal Protective Equipment; Special Events Planning; and Seat Belts: Have They Really Made a Difference?. Pictured left are Loss Control Representatives Will Strength (top) and Richard Buttenshaw (bottom) addressing attendees at the summer seminars.



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Popular Safety DVDs

- 4.014 Disaster Safety: Aftermath and Cleanup
- 5.061 Road Rage: Highway Havoc
- 7.079 Tree Trimming Safety
- 7.080 Chainsaw Safety
- 7.083 Inspecting Playgrounds for Safety
- 7.087 Safety Guidelines for Every Employee
- 7.091 An Extra Effort for Safety Sake
- 7.108 Protecting Your Feet: Learning Your ABC's
- 7.110 A Practical Approach to Ladder Safety
- 7.111 Back Injury Prevention for Public Entities
- 7.112 Workplace Bloodborne Pathogens
- 7.113 Workplace Fire Safety
- 7.114 Personal Protective Equipment
- 7.115 First Aid: Prepared to Help
- 7.116 CPR & AED: The Chain of Survival

**Call, FAX or e-mail your DVD request to Rachel Wagner at:
 334-262-2566; rachelw@alalm.org; or FAX at 334-263-0200.**

ATTENTION!

**For step-by-step instructions on filing
 work comp claims, visit:**

www.alalm.org/MWCF/claimreporting.html

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.

2010 SKIDCAR SCHEDULE

Date/location subject to change.

Calera – Oct. 12-22

Orange Beach – Nov. 9-19

Montgomery – Dec. 7-17



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

