



Risk Management Solutions

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

Summer 2011

When Mother Nature Strikes

Carrie Banks • Communications Director • Alabama League of Municipalities

On Wednesday, April 27th, a record-breaking 300+ tornadoes ravaged the South, obliterating homes, businesses and lifestyles; claiming hundreds of lives in six states; and becoming one of the deadliest tornado outbreaks in U.S. weather history. It was also the largest number of recorded tornadoes in a single 24-hour period, with multiple tornadoes confirmed in Alabama that affected more than 40 counties and took over 230 lives. In many municipalities, the devastation was beyond unprecedented; it was epic.

As of June 1, the National Weather Service had confirmed that 30 tornadoes struck the northern two-thirds of central Alabama resulting in widespread and catastrophic damage, including five EF-4 monsters and an EF-5 colossus with 200+ mile-per-hour winds that destroyed nearly all of the rural town of Hackleburg in Marion County.

Tuscaloosa, a city of 93,000 people, made international headlines for the unprecedented devastation caused by the EF-4 monster from the sky that pulverized a 5.9-mile long, 1.5-mile wide area, rendering thousands homeless, killing 41, injuring hundreds and destroying more than 5,000 structures. Not only were neighborhoods wiped from the map, Tuscaloosa took a tremendous hit to its municipal resources when the 345,000-square-foot Richard A. Curry facility that housed its EMA and Environmental Services division was leveled.

"We've got a huge logistical effort going on here which we've had to do with two hands tied behind our back because we've lost so much internal infrastructure," Mayor Walt Maddox said. "It's been very difficult because the tornado took out our Curry facility. We lost nearly every truck – 60 trucks: gone. We lost our main communication tower.



Outside the Richard A. Curry facility on April 28, 2011.



Aerial photograph of what's left of the Richard A. Curry facility on April 28, 2011.

We lost our east police precinct. We lost our Fire Station 4. Our sewage treatment/water treatment plant was damaged. We lost water pressure for the first 12 hours in East Tuscaloosa from two water tanks. What we faced was unbelievable. The extent of the damage was vast."

From Governor Robert Bentley and state leaders to neighbors and residents in the affected areas, recovery efforts began in minutes. Contributions of supplies, money and peoplepower poured in from throughout Alabama and beyond as vigorously and as quickly as the tornadoes that hurled livelihoods into oblivion. As many as a million people were without power following the multiple tornado outbreaks, prompting Gov. Bentley to immediately activate 2,000 National Guard troops to affected areas, and the state Emergency Management Agency began working nonstop coordinating relief efforts.

The Alabama Municipal Insurance Corporation (AMIC), founded by the League of Municipalities in 1989 to provide property and casualty insurance to municipal entities, is the carrier for the City of Tuscaloosa. Adjustors were in Tuscaloosa surveying and photographing the decimation to municipal buildings and equipment within 24 hours and the first \$1 million check was issued on May 4th so the city could begin rebuilding its EMA and environmental services building.

A total statewide dollar amount on the damage to structures insured through AMIC is yet to be determined, but it will no doubt be extremely high. According to AMIC President Steve Wells, a \$25 million tornado event is a 1-in-1,000-year occurrence and a \$50 million event is a 1-in-

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Remains of the entrance to the Richard A. Curry facility on May 6, 2011.

6,000-year occurrence. “Needless to say, AMIC’s looking at claims within a 1,000 and 6,000 year occurrence rate and will be working diligently to ensure structures are back to where they were before the tornadoes struck – hopefully providing some relief to our municipal members,” Wells said.

Statewide, AMIC received claims from 68 members following the devastating April 27th tornadoes. As of June 1, AMIC had distributed approximately \$14 million to its members in response to those claims.

“Tuscaloosa is 71 square miles and we had 6.5 square miles of catastrophic damage,” Maddox said. “Fifteen thousand people were in the path of the tornado and we were blessed to only have 41 fatalities. More than 5,000 homes and 600 business were destroyed or damaged. In five minutes, 7,000 people lost their jobs and our unemployment doubled.”

Within 10 days of the tornado, the city of Tuscaloosa contracted with the US Army Corps of Engineers to handle the massive undertaking of debris removal – a process Maddox likened to “throwing rocks at a battleship.” The Corps estimated nearly 2 million cubic yards (or six Bryant-Denny Football Stadiums worth) of debris would need to be removed throughout the city – a process that could take months.

“AMIC can’t erase the destruction from the April 27th tornadoes,” Wells said, “but we can make sure our members are able to rebuild their municipal facilities as soon as possible.”

And within 24 hours, AMIC representatives were doing exactly that. ■

Mayor Phil Seagraves Joins MWCF Board

Mayor Phil Seagraves of Guin joined the MWCF Board of Directors this past April following the resignation of Mayor Dan Williams of Athens who was elected to the Alabama House of Representatives. Mayor Seagraves is a member of the League’s Executive Committee and a graduate of the League’s CMO program.

AMIC Welcomes Two New Employees

Heidi Dean, Claims Adjuster, joins AMIC from State Farm Insurance. Both she and her husband grew up in Selma. Catherine Monson, Claims Clerk, was previously with the law firm of Ryals, Plummer, Donaldson, Agricola & Smith where she was a legal secretary. She lives in Wetumpka and is married with one child.

Loss Control Seminars Set for August 16, 17, 23 & 24

Each seminar will run from 9:00 a.m. until 3:00 p.m. and feature the following topics:

- **Health and Wellness in the Workplace**
Myra Forrest, Safety Consultant
- **Effective Safety Program**
Will Strength, Loss Control Representative
- **Sewer Backup Claim Response**
Richard Buttenshaw, Loss Control Representative
- **Controlling Property Loss Exposures**
Todd McCarley, Loss Control Representative

Dates and Locations:

August 16: Muscle Shoals City Hall, 2010 East Avalon Ave., Muscle Shoals

August 17: The Old Train Depot, 650 Mountain St., NW, Jacksonville

August 23: Jemison Municipal Complex, 14 Union Grove Road, Jemison

August 24: Daleville Convention Center, 750 South Daleville Ave., Daleville

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

Defining Moment

Additional Insured

An “additional insured” is a person or entity that is not the policy holder (the Named Insured) but is someone added to a policy by the named insured so that this additional person has the same coverage as if he/she were the policy holder. This can be a very useful but sometimes a dangerous tool in risk management. For example, imagine I own a fleet of buses and have an auto policy for them but I don’t want to operate them myself so I decide to contract out the actual operations of the vehicles to a third party who also has its own auto policy. Addressing how the insurance is to be handled in the contract needs to be done using the “additional insured” concept. This is where caution needs to be exercised to make sure you don’t end up insuring the other person by mistake. Remember, these are my buses and the other entity is bidding for my contract to become my operator.

As part of that contract, it is in my best interest to make them add me to their policy as an additional insured. That way, should an accident occur, even though they are my buses, their policy will respond first to cover not only them but also myself as I’m an additional insured on their policy. I must be careful that the contract isn’t written the other way around because it would mean I’m covering them and I’d be liable for their operations even though I have no control over them. And that’s definitely **not** what I want – especially since it may void my tort cap protection if I’m a municipality and they are not! The contract should be written so that, if they want my business, they have to carry the insurance and, therefore, the exposure.

Of course, *all* contracts need to be reviewed by your attorney prior to signing. An additional safety measure is to also have your insurance agent or carrier review the contract before signing as they will be looking at the contract from an insurance rather than legal perspective.

Heat Stress: Signs and Symptoms

Source: CDC website - www.cdc.gov/niosh/topics/heatstress/

Workers who are exposed to extreme heat or work in hot environments may be at risk of heat stress. Exposure to extreme heat can result in occupational illnesses and injuries. Heat stress can result in heat stroke, heat exhaustion, heat cramps or heat rashes. Heat can also increase the risk of injuries in workers as it may result in sweaty palms, fogged-up safety glasses and dizziness. Burns may also occur as a result of accidental contact with hot surfaces or steam. Workers at risk of heat stress include outdoor workers and workers in hot environments such as firefighters, bakery workers, farmers, construction workers, miners, boiler room workers, factory workers and others. Workers at greater risk of heat stress include those who are 65 years of age or older, are overweight, have heart disease or high blood pressure or take medications that may be affected by extreme heat. Prevention of heat stress in workers is important. Employers should provide training to workers so they understand what heat stress is; how it affects their health and safety; and how it can be prevented.

Types of Heat Stress

Heat stroke is the most serious heat-related disorder. It occurs when the body becomes unable to control its temperature: the body's temperature rises rapidly, the sweating mechanism fails and the body is unable to cool down. When heat stroke occurs, the body temperature can rise to 106 degrees Fahrenheit or higher within 10 to 15 minutes. Heat stroke can cause death or permanent disability if emergency treatment is not given. Symptoms include hot, dry skin (no sweating), hallucinations, chills, throbbing headache, high body temperature, confusion/dizziness and slurred speech. The following steps should be taken to treat a worker with heat stroke: call 911 and notify their supervisor and then move the sick worker to a cool shaded area. Cool the worker using methods such as soaking their clothes with water; spraying, sponging or showering them with water; and fanning their body.

Heat exhaustion is the body's response to an excessive loss of the water and salt, usually through excessive sweating. Workers most prone to heat exhaustion are those that are elderly, have high blood pressure and those working in a hot environment. Symptoms include heavy sweating, extreme weakness or fatigue, dizziness, confusion, nausea, clammy/moist skin, pale or flushed complexion, muscle cramps, slightly elevated body temperature and fast and shallow breathing. The following steps should be taken to treat a worker with heat exhaustion: have them rest in a cool, shaded or air-conditioned area. Have them drink plenty of water or other cool, nonalcoholic beverages. Have them take a cool shower, bath or sponge bath.

Heat syncope is a fainting (syncope) episode or dizziness that usually occurs with prolonged standing or sudden rising from a sitting or lying position. Factors that may contribute to heat syncope include dehydration and lack of acclimatization. Symptoms include light-headedness, dizziness and fainting. Workers with heat syncope should sit or lie down in a cool place when they begin to feel symptoms and slowly drink water, clear juice or a sports beverage.

Heat cramps usually affect workers who sweat a lot during strenuous activity. This sweating depletes the body's salt and moisture levels. Low salt levels in muscles causes painful cramps. Heat cramps may also be a symptom of heat exhaustion. Symptoms include muscle pain or spasms, usually in the abdomen, arms or legs. Workers with heat cramps should stop all activity and sit in a cool place; drink clear juice or a sports beverage; and not return to strenuous work for a few hours after the cramps subside because further exertion may lead to heat exhaustion or heat stroke. Seek medical attention if the worker has heart problems, is on a low-sodium diet or the cramps do not subside within one hour.

Heat rash is a skin irritation caused by excessive sweating during hot, humid weather. Symptoms of heat rash include a red cluster of pimples or small blisters that are more likely to occur on the neck and upper chest, in the groin, under the breasts and in elbow creases. Workers experiencing heat rash should try to work in a cooler, less humid environment when possible and keep the affected area dry. Dusting powder may be used to increase comfort. ■

Perry Roquemore Honored by AMIC and MWCF



League Executive Director Perry C. Roquemore, Jr., retired on May 31, 2011, after 37 years with ALM. He also served as Secretary/Treasurer for AMIC and General Manager for MWCF. Both boards honored Perry for his extensive service during their April board meetings. Pictured left AMIC board chairman, Mayor Billy Joe Driver of Clanton, presents Perry with a commemorative coin and pictured right MWCF board president, Mayor Leon Smith of Oxford, presents Perry with a special plaque.



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- 7.108 Protecting Your Feet: Learning Your ABC's
- 7.110 A Practical Approach to Ladder Safety
- 7.118 Safety Procedures for Lawn Mower Operators
- 7.119 Landscape Power Tool Safety
- 7.120 Hedge Trimmer Safety
- 7.121 Video Guide to Chainsaw Safety
- 7.122 String Trimmer Safety

**Call, FAX or e-mail your Video/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.

2011 SKIDCAR SCHEDULE

Date/location subject to change.

Auburn/Opelika	June 14 - 24	Jasper	Oct. 4 - 14
Tuscaloosa	July 12 - 22	Orange Beach/	
Thomasville	July 25 - 29	Gulf Shores	Nov. 8 - 18
Decatur	Aug. 16 - 26	Montgomery	Dec. 6 - 16
Muscle Shoals	Sep. 6 - 16		



*For more information, contact
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