

The Municipal RISK MANAGER

SUMMER 2017

A Publication of the Maine Municipal Association

Property & Casualty Pool Achieves Milestone



MMA Risk Management Services achieves another milestone by celebrating the 30th anniversary of the Property & Casualty Pool. The Property & Casualty Pool was established on March 1, 1987 by a group of 14 founding members who came together to form a partnership which now pro-

ducts over 460 municipalities and governmental entities throughout Maine. The goal of the Pool is to provide stability, specialized coverage tailored specifically to the needs of Maine governmental entities and unparalleled risk management services. The members are the owners of the Property & Casualty Pool and we are proud to partner with you. Since the Pool is a nonprofit we return any savings directly back to the Membership through our dividend program. The **Pool has awarded over \$16,000,000 in dividends** to members of the Pool since 1997. The Pool has numerous value added services such as:

- Personalized Underwriting Specializing in Maine Governmental Entities

- Professional & Compassionate Claims Administration

- Dedicated Loss Control Representatives

The Risk Management Services Team would like to take this moment to thank you all for your continued support and commitment. The efforts of the municipalities, districts and quasi-governmental entities that are the Property & Casualty Pool are a great example of Maine local governmental cooperation. We sincerely appreciate all of our Members and hope that you will join us as we celebrate the 30th anniversary of the Property & Casualty Pool. 🏠

SERVING MAINE COMMUNITIES IS WHAT WE DO AND ALL WE DO. 🏠

Stand & Be Recognized



In an effort to show our appreciation to the municipalities and entities that are partnering together in the MMA Property & Casualty Pool and the MMA Workers Compensation Fund, *Risk Management Services* along with the members of the Executive Committee are sponsoring regional

recognition celebrations. Municipal and District official were recognized for their dedication to each program and presented with an award plaque on June 1st.

Planning for the Fall Recognition Celebrations are underway and we look

forward to meeting with you to show our appreciation for your continued membership. Attendees of the celebrations will also be entered into a door prize drawing for a complimentary registration for this year's MMA Convention. 🏠

Dedication and Public Service Equals David Cole



Please join MMA Risk Management Services as we thank David Cole for his commitment to public service, local government and to the Maine Municipal Association. For the past 22 years David has proudly served as the Manager for the Town of Gorham and prior to that he was the Manager in the City of Old Town and the Town of Lincoln. David is a past President of the Maine Town, City and County Management Association and a recipient of the Linc Stackpole Manager of the Year Award. David volunteered and served on MMA's Executive Committee, Advisory Committee, Nominating Committee, Intergovernmental Task Force and multiple terms on the Legislative Policy Committee. MMA Risk Management Services would like to personally thank David

for his years of service on the Property & Casualty Pool Board of Directors from 1999 through 2017. Over the years David has dedicated himself to the advancement of local government and the Maine people. Thank you David for all of your efforts, commitment, understanding and friendship. We wish you all the best in your retirement. ■■

Time out for Training at the 26th Annual Highway Congress

Risk Management Services Loss Control Department continued their support of the Annual Highway Congress held June 1st at the Skowhegan Fairgrounds. The "Time Out for Training" booth is a fixture at the Highway Congress and provides our loss control staff an opportunity to discuss various safety issue with many of our members and interact with vendors in a casual setting. This year's safety focus was centered on backing safety and blind spot awareness.

We would like to thank all of the attendees that visited our booth. ■■



Do You Need Money For Safety?

If your entity is in need of money for safety equipment or education we are here to help. The Maine Municipal Association Workers Compensation Fund offers their members two programs to assist with their safety efforts: the Ed MacDonald Safety Enhancement Grant and Scholarship Grant Programs. These programs offer financial incentives to members of the Fund by supporting their purchase of safety equipment or safety services that will assist in reducing the frequency and/or severity of workplace injuries.

The Maine Municipal Association has been proudly awarding safety grants to Members of their Workers Compensation Fund since 1999. The Ed MacDonald Grant programs continue to support municipalities and has bestowed over **\$ 4.1 Million** of safety enhancement grants and scholarship grants. The May grant period witnesses a record amount of grant requests and we are happy to announce we were able to award **120 grants for a total of \$161,657.**

For more information about any of the Maine Municipal Association Risk Management Service programs, including the Ed MacDonald Safety Enhancement Grants eligibility and applications, please visit our website at www.memun.org and click on the Risk Management Services link, or call us at 1-800-590-5583. ■■



The Municipal Risk Manager

The Municipal Risk Manager is published seasonally to inform you of developments in municipal risk management which may be of interest to you in your daily business activities. The information in these articles is general in nature and should not be considered advice for any specific risk management or legal question; you should consult with legal counsel or other qualified professional of your own choice.

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After The Storm: Equipment Breakdown

Importance of contingency planning

The large number of severe storms across the country causing catastrophic property damage has reinforced the importance of contingency planning and post disaster actions and events. Mechanical and electrical equipment used to support a business is just as vulnerable to damage as any other part of the property. Many times equipment is out of sight and out of mind until the heat goes off, the lights go out or the product stops being produced. In order to minimize damage and downtime, it's imperative to identify key equipment and document plans to protect and restore when disaster strikes.

Key equipment

Key equipment has a high dollar value and is usually critical to business operations. It can include, but is not limited to:

- Boilers and pressure vessels
- Electrical equipment
 - Transformers, switchgear, cable, bus, motors
- Air conditioning and refrigeration
- Information and communications systems
 - Computers and telephone systems
- Mechanical equipment
 - Gear sets, engines, compressors, fans, turbines

Once key equipment is identified and its impact on the business quantified, a plan can be designed to address the breakdown of that equipment. Items to consider may include:

- Consulting with equipment manufacturers and expert contractors

- Relocating to a safer area or adding protection in place
- Determining availability of total replacement and spare parts
- Determining availability and feasibility of rental equipment
- Preplanning with contractors
- Outsourcing to competitors, over-time, inventory of raw materials and finished goods
- Including reciprocal agreements with competitors

Action to take if equipment is threatened or damaged by water infiltration

Water is the most common cause of damage to equipment from a natural disaster. Special precautions must be taken when any equipment is threatened by water infiltration. First and foremost is to shut down the equipment while it is still in good working order.

- Boilers should be shut down far enough in advance so that they are cool
- Pressure vessels should be anchored securely so that they are not able to float and break away from piping
- Electrical equipment should be de-energized individually and the disconnect from the utility should be open
- Computers and telecommunications systems should be moved to a safe area and backups of all data created

Getting your business up and running after your equipment has been damaged by water requires time and patience. This is when the planning pays off. The safety of those who are working in the area that was impacted must be top priority. The area may contain hazardous chemicals and bacteria that require safety and cleanup procedures before restoration begins.

After the area has been tested and confirmed safe to work in:

- Work in conjunction with equipment manufacturers and expert contractors
- Verify all utilities are shut off to each piece of equipment
- Conduct careful visual inspection of all equipment and document the findings

Boilers:

- Waterlogged insulation on piping and boiler should be removed by qualified contractors in case of hazardous materials
- Verify condition of boiler setting, foundation and piping supports
- Verify integrity of refractory and dry out or replace
- Inspect and clean all support systems (fuel, chemical, feedwater, condensate, etc.) of contaminants
- Inspect, test, clean, repair or replace all controls and safety devices before use (safety valves, operating controls, fuel and flame safeguards, etc.)
- Verify combustion air supply and chimneys and vents are clean and open

Pressure Vessels:

- Waterlogged insulation on pressure vessel and piping should be removed by qualified contractors in case of hazardous materials
- Verify condition of pressure vessel, foundation and piping supports
- Inspect, test, clean, repair or replace all controls and safety devices before use (safety valves, pressure controls, temperature controls, level controls, etc.)

Electrical Equipment (including data and telecommunication systems):

- All wiring, cables and bus should be disconnected and tested for grounds and short circuits
- Switchgear, motors, controllers, computers should be cleaned dried and tested prior to energizing

Air Conditioning and Refrigeration Systems:

- Waterlogged insulation on pressure vessel and piping should be removed by qualified contractors in case of hazardous materials
- Verify condition of foundation and piping supports
- Inspect, test, clean, repair or replace all controls and safety devices before use (safety valves, pressure controls, temperature controls, flow controls, etc.)
- Verify condition of lube oil in the

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Welcome New Members

Property & Casualty Pool

Town of Osborn
Town of Eagle Lake

Workers Compensation Fund

Town of Osborn

Unemployment Compensation Fund

Town of Holden
Town of Stockholm

After The Storm: Equipment Breakdown *(cont'd)*

compressor, gear box, coupling, etc.

- Verify condition of electric motor and power system. Clean, dry, repair or replace.

Mechanical Equipment:

- Verify condition of foundations and hold down bolts
- Test lubricating oil for contaminants
- Disassemble, clean and dry

Following the manufacturer’s recommended practices and consulting with qualified contractors during the planning and then the restoration period will result in:

- Less damage to equipment
- Less downtime
- Reduced cost

Catastrophic events do occur that

are uncontrollable. What can be controlled is the amount of damage to your property and business through proper planning.

Resources

For more information, go to: <http://www.fema.gov/>

NEW FREE SERVICE for Property & Casualty Pool Members

EPL Assist™ Answers to Your Questions

Employers today face a dizzying array of employment laws, regulations and ongoing employment issues. Whether it involves employee discipline or termination, wage and hour, disability accommodation, or even the new frontier of social media, failure to comply with the ever-changing legal requirements can have a devastating impact on employee morale and the company’s bottom line. MMA Risk Management Services recognizes the unique burdens faced by Municipalities and Governmental Entities in today’s employment arena, and we are pleased to announce that we have partnered with the nation’s foremost employment and labor law firm, Littler Mendelson (Littler).

Through **EPL Assist™**, MMA Property & Casualty Pool members have an unlimited ability to seek out expert advice and counsel as a benefit of the program. **EPL Assist™** is a cutting edge risk management program providing members with a wide variety of legal content, forms and analysis, combined with the ability to interface directly with Littler lawyers dedicated to assisting you in navigating what has become an employment law minefield.

Members are provided:

- **Free Hotline and online access to legal experts at 1-888-244-3844 (prior registration required)**
- **Employment law updates, newsletters and related publications**
- **A compendium of online employment law resources through a secure website, including unlimited access to such content as:**
 - ❖ Employment policies and practices
 - ❖ Human Resources forms library
 - ❖ Sample employee handbooks
 - ❖ State and national employment law summaries and reference materials
 - ❖ Free harassment training webinars for up to 10 supervisors or managers and complimentary registrations to Littler’s nationwide breakfast briefing series
 - ❖ Complimentary access to Littler’s webinars and podcasts



For further information regarding this program, please contact Marcus Ballou RMS Member Services at: **1-800-590-5583 or Email mballou@memun.org**

Serving Maine Communities Is What We Do And All We Do