

PREPAREDNESS SPOKANE

Emergency & Disaster Planning for Business & Industry

Sponsored by the Spokane City/County Emergency Management Planning -- Business & Industry Disaster Committee

2004, Issue 1

January 2004

A Message from the Business & Industry Committee!

John Ames

Chair – Business & Industry Disaster Committee

What would you do? Who would you call?

Since our last newsletter we have a few success stories to tell regarding the use of our Spokane Area Resource database and other available resources. A fire, severe weather and lost data resulted in the need to seek assistance for a few businesses since our last writing.

- When you're business experiences a fire situation – who would you call? A couple of our members dispatched our "After the Fire" documents to a local business to assist in dealing with a major fire.
- One of our local vendors was located via the Resource database and asked to assist in extracting 1200 gallons from three floors of a high rise building following a break in a sprinkler line.
- One of our local consultants, registered on Resource database, reported a couple of unsolicited contacts for assistance – one including a request to assist in resurrecting some lost data.

Continued on page 3

Business Contingency Planning & Insurance

The Role of Insurance in Business Disaster Planning and Recovery

A business that plans in advance makes better decisions because it has more time to analyze its critical financial needs and evaluate its options. It does not have to identify, evaluate and pursue potential funding sources while coping with the other personal and business effects of the disaster. And its options are not limited by post disaster conditions, which may reduce available funding and produce intense competition for the funding that is available.

Self-insurance is a commonly used term, but is somewhat of a misnomer. "Insurance" is generally understood to exist where, by contract, one party agrees to reimburse another party for losses caused by a covered peril. Self-insured losses, however, are borne by the party that suffered the loss, not by an insurer. The business "insures" itself. Many businesses use a combination of the two methods: self-insuring losses up to a level they can afford, and buying insurance for larger losses that would significantly disrupt their operations.

Businesses may self-insure their disaster loss exposures either intentionally or by default when they make no advance plans for other financing. This usually happens because a business fails to identify a hazard, believes it has no options for addressing the hazard, or erroneously believes that the government will cover all its post disaster needs. It can also happen when a small business owner operating from home erroneously believes that the homeowner's coverage for the premises will cover the business as well. Most homeowner's policies cover a very limited amount of business property and exclude liability arising from business activities on the premises. For businesses that are self-insured by default, the only option is to cover disaster losses using whatever internal resources are available.

Businesses may also intentionally self-insure all or part of their loss exposures. These businesses decide how much loss they can fund internally ("retain") without adversely affecting their operations, adopt a plan for funding those retained losses, and buy insurance to cover larger losses. The business often establishes internal financial reserves it can use to pay its self-insured losses. These reserves protect the business' operating funds, permitting it to continue financing its operations even if it must respond to a disaster.

Continued on page 3

INSIDE THIS ISSUE

- 1** Business & Industry Committee Update
- 1** Business Contingency Planning & Insurance
- 2** Winter Storm Warning or Watch?
- 2** How Clean is the Air You Breathe?
- 3** Calendar of Events
- 3** B & I Update cont.

Know What Winter Storm WATCHES and WARNINGS Mean

A winter storm WATCH means a winter storm is possible in your area.

A winter storm WARNING means a winter storm is headed for your area.

A blizzard WARNING means strong winds, blinding wind-driven snow, and dangerous wind chill are expected.

When a Winter Storm WATCH is Issued...

Listen to NOAA Weather Radio, local radio, and TV stations, or cable TV such as The Weather Channel for further updates.

Be alert to changing weather conditions.

Avoid unnecessary travel.

When a Winter Storm WARNING is Issued...

Stay indoors during the storm.

If you must go outside, several layers of lightweight clothing will keep you warmer than a single heavy coat. Gloves (or mittens) and a hat will prevent loss of body heat. Cover your mouth to protect your lungs.

Understand the hazards of wind chill, which combines the cooling effect of wind and cold temperatures on exposed skin.

As the wind increases, heat is carried away from a person's body at an accelerated rate, driving down the body temperature.

After the storm, if you shovel snow, be extremely careful. It is physically strenuous work, so take frequent breaks. Avoid overexertion.

Avoid traveling by car in a storm, but if you must...

Carry a Disaster Supplies Kit in your trunk

Keep your car's gas tank full for emergency use and to keep the fuel line from freezing.

Let someone know your destination, your route, and when you expect to arrive. If your car gets stuck along the way, help can be sent along your predetermined route.

If You Do Get Stuck...

Stay with your car. Do not try to walk to safety.

Tie a brightly colored cloth (preferably red) to the antenna for rescuers to see.

Start the car and use the heater for about 10 minutes every hour. Keep the exhaust pipe clear so fumes won't back up in the car.

Leave the overhead light on when the engine is running so that you can be seen.

As you sit, keep moving your arms and legs to keep blood circulating and to stay warm.

Keep one window away from the blowing wind slightly open to let in air.

How Clean is the Air You Breathe?

Do your employees or tenants complain of a high incidence of allergies or other respiratory problems? Sick Building Syndrome may be at fault.

The accumulation of dust, dirt, smoke and other pollutants in buildings is greater because modern buildings are better insulated than ever before. Better insulation helps cut energy costs, but also results in trapping harmful contaminants in the indoor environment. Standard fiberglass HVAC filters remove less than seven percent of these particles.

Moisture commonly found in HVAC systems provides an ideal breeding ground for bacteria, mold, fungi and other potentially harmful microbes. Sick Building Syndrome symptoms may include, but are not limited to, headaches, fatigue, congestion, runny nose, dizziness and nausea. The most obvious difference between these and other ailments is the symptoms will disappear or improve markedly when the sufferer leaves the location where poor air quality exists. Are clean air ducts the solution to all of these problems? No, not as a single solution. However, proper maintenance of the air system is vital to solving the problem. Make sure the HVAC system in your building is properly maintained by changing filters monthly and having a licensed HVAC contractor check the mechanical system.

Visit these informative web sites:

Servpro Industries, Inc.

www.servpro.com

A valuable resource for information on restorations and cleaning services for fire, water and smoke damages.

American Lung Association

www.lungusa.org

Gain valuable information regarding air quality including allergy information, local air quality ratings, and data/statistics related to air quality and other health issues.

Environmental Protection Agency

www.epa.gov

Go to the "Air" link on the home page to access information on air quality, pollution, monitoring and how this all affects our atmosphere. A great source of information!

Did You Know?

Proper Maintenance Saves Money

Estimates made by the World Health Organization say the poor indoor air quality costs \$60 billion in employee sick leave and lost production.

Part of your responsibility to the tenants, workers and students who work and play in your buildings includes proper maintenance and prompt response to any situation that can be causing illness or health concerns.

The Moldy Truth – Protection from Litigation

While molds are found naturally in the environment, as they begin to grow inside buildings some people can become ill. While experts disagree about the more controversial fine details of mold, they all agree that if you have mold growing inside a building, it needs to be removed.

As announced in October of last year, the Business & Industry DR Committee is pleased to offer to local area businesses an emergency resource database. You can use the information provided in the database for your pre-planning efforts or to determine what services and resources are available to you should you experience an emergency situation.

As previously noted, the information in the database is supplied by the vendors themselves and should not be considered to be an endorsement by the Committee or Spokane County. It is suggested you contact the vendors directly to inquire of their capabilities in order to gauge their ability to meet the needs of your organization.

To lookup a business by name and find out which resources the business provides, visit the [Vendor Lookup](#) page. Visit the [Service Lookup](#) page to find all the vendors that provide a particular service. To do a keyword search for a business name or for a business description, visit the [Emergency Search](#) page.

If your Business can provide a service, please fill out the [registration form](#).

CALENDAR OF EVENTS

SPOKANE CITY/COUNTY DISASTER COMMITTEE MEETING

PLACE: DEACONESS HEALTH & EDUCATION CENTER

TIME: 9:00 – 1ST TUESDAY OF EVERY MONTH

BUSINESS & INDUSTRY DR COMMITTEE PLANNING MEETING

PLACE: RED CROSS BUILDING ON WEST NORA

DATE: JANUARY 22ND

TIME: 3:00 -- 5:00PM

Self-insurance is most appropriate when the business can identify internal financial resources or other reliable sources of funding (line of credit, commitment to provide additional capital) for retained disaster losses.

Without secure funding sources, businesses that intentionally self-insure are in no better position after a disaster than businesses that self-insure by default. Both will be scrambling for funds after a disaster.

Watch for more information on the following types of Insurance in upcoming issues:

- Commercial Insurance
- Property Coverage
- Basic Business Income Interruption and Extra Expenses Coverage
- Pure Extra Expense Coverage
- Civil Authority Coverage
- Contingent Business Interruption Coverage
- Service Interruption and Off Premises Power Failure Coverage

Is Insurance All a Business needs?

No discussion of business disaster recovery is complete without acknowledgement of the crucial role of business contingency planning. Excellent resources are available to help businesses and other organizations with business contingency planning. Check the following web sites for additional information:

Institute for Business and Home Safety: www.ibhs.org

Nonprofit Risk Management Center: www.nonprofitrisk.org

Greater Cleveland Chapter of the American Red Cross: www.redcross-cleveland.org

The United States Small Business Administration: www.sba.gov

The National Association of Insurance Commissioners: www.naic.org

The Insurance Information Institute: www.iii.org

If you are interested in joining the Business & Industry Disaster Recovery Planning Committee please contact us.

To contact the Business & Industry Committee e-mail us at preparedness_spokane@hotmail.com or call John Ames at (509) 835-2130.