

ILCA "HELP"

HAZARD EVALUATION LOSS PREVENTION BULLETIN OF THE
INSURANCE LOSS CONTROL ASSOCIATION

Winter 2000

PRESIDENT'S MESSAGE

Every year, after every conference, I leave feeling it was time very well spent. This year was no exception. We all had the opportunity to learn and sharpen our skills. Once again, the bang for the buck cannot be equaled.

On behalf of the members, I wish to thank Rik McClave for the outstanding work he did as president in guiding the organization. Hats are also off to the conference committee for the great deal of time and effort put forth for another outstanding conference.

Susan Morgan, our NAMIC coordinator, should get kudos from everyone. She was new to NAMIC and working with ILCA and also had to do double back flips when

dealing with an inexperienced and young hotel conference staff and all our needs during the year. For those of you who did not attend the conference and get to say hello to Susan be sure to come to the 2000 Conference in Massachusetts, if for no other reason than to meet her.

There are changes about with the ILCA web site — it is being developed and just up and running presently. I believe it will be a valuable asset for the organization in not only spreading the word about ILCA and the benefits of membership but also as a valuable source of information and communication among the members, especially for distant members

outside the U.S. Its development is dependent on your needs so please let us know what would be helpful to you.

I would like to stress again that this organization is as good as the input it receives. Get involved, volunteer for a committee, submit an item for the newsletter, recruit a new member, give a suggestion, etc. Please contact any of the officers if you have any problems, questions or ideas.

I wish all of our members a happy New Year. May this significant year bring everyone health and contentment.

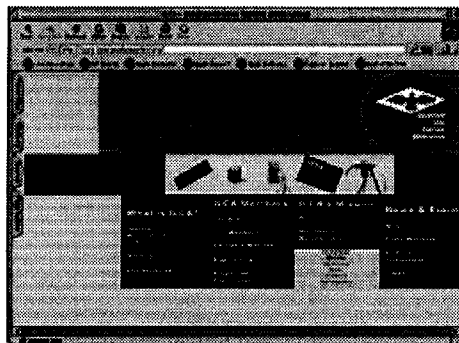
C. Ronald Frawley
The Harford Mutual Insurance Co.

INSURANCE LOSS CONTROL ASSOCIATION ONLINE

www.insurancelosscontrol.org

ILCA is now part of the Internet wave. We are online with our web page at www.insurancelosscontrol.org. The web page is new and is being built at this time. Additional pages will be added in the near future but the site now includes information about ILCA, membership information, an application for membership and the names, addresses, phone numbers and e-mail addresses of the association's officers.

Future plans for the web page will include the HELP Newsletter, a membership directory, job postings and member news. Any ideas that you may have for this web site would be appreciated. Please contact Bob Titter, ILCA Officer or Susan Morgan at NAMIC. Visit this site often and watch us grow.



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ANNUAL BUSINESS MEETING
October 19, 1999
Holiday Inn
New Cumberland, Pa. (Harrisburg)

The meeting was called to order by Rik McClave, President, at 11:32 a.m. More than 20 members were present, which constituted a quorum necessary for the official conducting of business.

A motion was made by Don Rucinski and seconded by C. Ronald Frawley to waive the reading of the minutes and accept the minutes as read for the annual business meeting held in Erlanger, Ky. (Cincinnati) dated October 20, 1998. The motion was approved.

Robert Titter, Financial Secretary, presented his report. A copy of the report was presented to the executive committee during the annual executive committee meeting held October 17, 1999. The audit committee, consisting of Tom Perry and Richard Saulen, reported that the books were found to be in order. A motion was made to accept the financial report as presented. This was seconded and approved. Balances as of October 15, 1999, checking account \$3815.60 and savings account \$4256.78 for a total of \$8072.38.

The membership report was presented by Robert Titter showing as of October 15, 1999, there were 347 members, with 34 life members. Of the total membership, 2 are from Kenya, 1 from Canada, and 1 from Puerto Rico. During this annual business meeting, 2 members (Richard Waters and Olin "Frosty" Junkin) are to be voted on for life membership.

The nominating committee (Terry McIntyre, Kevin Adolphson, Richard Saulen and Stig Ruxlow, presented the following slate of officers for the 1999-2000 term of office:

President

C. Ronald Frawley
Harford Mutual Insurance Co.

First Vice President

Tom Perry
Insurance Services Office, Inc.

Second Vice President

John Forsythe
Central Insurance Cos.

Secretary

Steve Laskoski
Charles E. Hock Associates

No other nominations had been received within the past 60 days and none were made from the floor this date. A motion was made to close the nominations, seconded and passed. The Secretary, John Forsythe, was asked to cast a single vote to elect the slate of officers as presented. The vote was made to accept all.

The nominating committee to present the slate of officers for the 2000-2001 term of office will consist of Rik McClave, Richard Saulen, John Forsythe and one additional member to be nominated and elected from the floor during this annual 1999 business meeting.

A motion was made from the floor for Patti Ashby, Central Insurance Companies, to serve as the member at large on the 2000-2001 nomination committee. The motion was seconded. Since there were no other nominations, Secretary, John Forsythe, was asked to cast a single vote to accept Patti Ashby to serve on the nomination committee. Vote was made to accept.

Old Business

No old business

New Business

Life membership: motion made by John Forsythe and seconded by Paul Bottiglieri to accept Richard Waters, Central Insurance Companies and Olin "Frosty" Junkin, Mutual Fire Insurance Association as life members. Vote taken by membership and passed.

The executive board appointed Robert Titter as financial secretary for the 1999-2000 term.

Liaison Robert Titter advised that the Agricultural Risk School held in Indianapolis, Indiana in July 1999 had approximately 70 attendees. NAMIC plans on holding this school again on July 18-20, 2000 in Dubuque, Iowa.

ILCA learned that the CPCU loss control section (alcm-associate in loss control management) will be discontinued. A motion was made by Paul Bottiglieri and seconded by Stig Ruxlow to have the secretary write a letter to the institute opposing the discontinuance of the program. Motion voted on and passed.

Motion made by Steve Laskoski and seconded by Dan Finn to research and possibly have ILCA sponsor the CPCU loss control section (alcm). Steve Laskoski will handle the research. Motion voted on and passed.

Conference site selection:

- 2000 — Boston, Mass.
- 2001 — Indianapolis, Indiana
- 2002 — Baltimore, Maryland
- 2003 — Dearborn, Michigan
- 2004 — TBD

Discussion held as to visiting site prior to 2000 meeting, local board members to visit site area prior to the 2000 conference.

Fee schedule & conference cost:

The 1999 conference fee schedule is \$219 for a member and \$239 for non-member. NAMIC will decide on 2000 conference when all the financial costs for the 1999 conference are available. Susan Morgan, Member Services Coordinator, will provide information during the spring 2000 conference call meeting.

Trade show:

Tom Perry mailed out letter to trade show vendors in the Harrisburg area for the 1999 ILCA Conference.

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Advised there was no response. Tom Perry and Richard Saulen will work together and send out to local businesses in the area of the 2000 ILCA Conference.

Internet web page:

The membership was advised that ILCA now has a web site. The executive committee made a motion to further fund the web site and e-mail address up to \$1500. And this will be paid to NAMIC for developing the site and another \$30.00 per month for the cost of the host site. The executive committee also authorized Robert Titter to work on this project. This project will be revisited during the coming year to review the costs.

PC modem:

The executive committee made a motion to purchase a 56k modem for the association laptop computer with maximum cost being \$150.00. Before it will be purchased, John Forsythe will see if Central Insurance Companies has an extra one in which they would donate.

Insurance:

Membership advised that the

general liability insurance policy for the ILCA association expired in 1997. A two million-limit liability policy was obtained from Cincinnati Insurance Company at a cost of \$179/year. The executive committee made a motion to authorize this expense. The executive committee also decided that no coverage would be obtained for the period of October 18, 1997 to October 18, 1999. Robert Titter will also look into obtaining D&O coverage with a two million dollar limit.

Conference fee's for officers:

In the past, officers did not have to pay registration fee for the conference. The executive committee made a motion and seconded it, for the record, officers would not have to pay registration fee for the conference. Motion passed.

Goals:

- Get more participation from the membership
- Get vendor participation at the 2000 conference
- Have a regional membership drive
- Have the web page up and running in 2000
- Call the 70 members who have not paid their dues (all officers to assist)

- To see at least 75 members at the 2000 conference

Planning committee:

In lieu of an on site meeting in the spring of 2000, a telephone conference call will be initiated. Any member willing to serve on the planning committee should give their name to an executive board member.

Rik McClave, out going president, said a few words before passing the gavel and copy of Robert's Rules of order to incoming President C. Ronald Frawley. Incoming President C. Ronald Frawley presented Rik McClave with a past president's plaque and thanked him for his leadership to the industry and to the ILCA membership. Mr. Frawley then spoke a few minutes about the future of the association and his goals.

With no further business to be conducted before the membership, a motion was made by C. Ronald Frawley and seconded by Frank Gant Sr. to adjourn the meeting at 11:56 a.m. Motion passed.

Respectfully submitted,

John Forsythe
Secretary

THE CHANGING REQUIREMENTS OF A LOSS CONTROL REPRESENTATIVE

By Gary Weinstein
Harleysville Mutual Insurance Co.

Like most modern professions, we in loss control have had to adapt to ever-increasing demands and responsibilities. Usually these new "goals" are without the benefit of increasing staff or funding, and many times more is required with even less than before.

Loss control positions have continued to dwindle with over 13,000 individuals in the '70s to less than 9,000 today. We have seen these cut backs repeated over and over again in the insurance industry. The company stockholders want more profits, operating costs and/or losses are high, policyholders change

companies for a few cents, and new customers are difficult to acquire. The figures are increasingly effected as many large organizations "self insure." The shrinking bottom line is increasingly more important than before and the regular cycles of business peaks and valleys now lack any peaks.

As in the past, even when loss control is performing at an above average level there is no apparent cash flow being generated and most times no one knows what losses were avoided. As such, many times in downsizing loss control it is one of the first departments effected.

The whole concept of loss control has change dramatically. In recent history, a survey was conducted, recommendations were given and then a compliance check on recommendations was made. Most representatives had little, real contact with the policyholder or his representative after the survey. This concept had changed not only from the demands of customers and tight market conditions but also from governmental requirements. Insurance company executives are aware that loss control representatives are the only staff that most policyholders have any direct

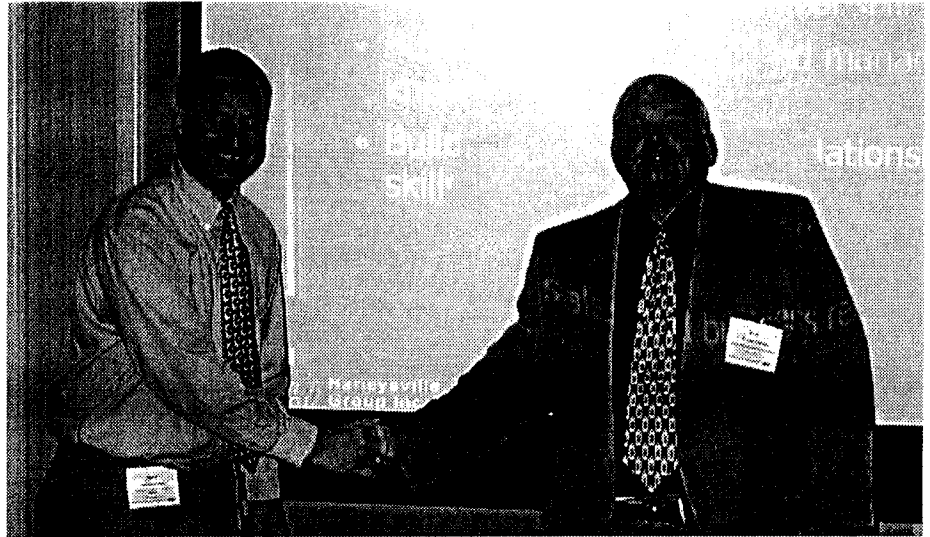
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contact with. These meetings can be vital in establishing a rapport with the policyholder and can be a stepping stone for other duties now being assigned to loss control.

Loss control representatives in many companies besides being required to be knowledgeable in the increasing codes, laws, standards, hazards, exposures, etc. must also be business and safety consultants. Increasingly we are being required to conduct, help establish, and/or supervise safety training meetings and/or committees; product liability reviews; general business assessments; human relations expertise in hiring practices, training, and promotions are also in the current menus. These are part of the value-added services that may attract and keep customers.

These are sources of help in areas needed, which they do not have to fully staff and costs them nothing more than the previous policy premium many times. Some companies defray some of these new costs, attract new customers and have more of a presence in the industry by selling these services to policyholders and non-policyholders. Even the recommendations have shifted to more non-adversely in nature with accommodations or modifications of requirements with a more goal oriented loss control program.

As the business has changed, we must adapt and increase our expertise in these new related fields having not only a loss control perspective but also being more risk management oriented. The attitude must also be changed from one of "do it or else" to one of "partner." The most important skills are our abilities to establish a rapport, to communicate effectively and to keep expanding our knowledge in today's business world needs.



Ron Frawley thanks Gary Weinstein of Harleysville Mutual Insurance Co. for his presentation to ILCA Conference attendees.

LOSS CONTROL REPORTING — PRODUCTS LIABILITY EXPOSURE

By John I. Strouse
Harleysville Mutual Insurance Company

John did an excellent job at reviewing products liability as it relates to the insurance loss control person. The major question, what is a product — the answer almost anything according to the definition provided — "that which is made as a result of work or growth." With this in mind, what is being insured out there, do we really know?

The review of the various product liability theories along with good clear-cut examples brought the point home. A producer of a product could be sued by anyone for almost any reason and with the court system today, has a very good chance of winning. But the producer of the same product does have some defensive points if they have preplanned their Products Liability Safety Program and have a firm commitment to safety.

What should we be looking for to help our underwriters understand what they have? Some of the most overlooked items are:

- Previously Owned Companies or Past Products
- Imported Products
- Product Use

- Aircraft Exposures
- Power Machinery
- Safety Control Devices
- Hoisting Devices
- Heating Equipment
- Drugs/Medicines
- Pressurized Products
- Rental Equipment
- Products made for others/Private Labels

What else should the underwriter know about? The following are some items:

- Governing Standards in place
- Quality Control Procedures
- Written Procedures/Records
- Product Identification
- Vendor Endorsements
- Product Recall/How
- Warning Labels — get copies
- Advertising/Literature — get copies

One last item, make sure that you tell your underwriter what they have and what your knowledge and feelings are about the risk and the products. This is one of the highest potentials for loss, as there is so much gray area when it comes to what can happen.

PLAYGROUND SAFETY CONSIDERATIONS

By Ron Frawley

The Harford Mutual Insurance Company

Playgrounds have been around in our society for many years. During our lifetime, most of us have used them and have pleasant memories of them. As those involved in loss control, our surveys of playgrounds were probably somewhat cursory. The items noted on the recommendations were for the most glaring problems. Many of us in the field are probably unaware of the hazards above the very obvious while conducting the surveys for playgrounds. The existence of any laws, guidelines or standards to use in the inspection was also not known. Playgrounds seem to have grown in popularity more recently than in the past 20 years. Restaurants, malls, shopping centers, movies, apartment and residential complexes and the ever expanding day care centers have added playgrounds to attract more customers and/or offer more amenities.

Individuals such as Jean Rousseau, Guts Muts, and Frederick Froebel started the concepts of playground in 18th and 19th centuries in Europe. The first playgrounds in the U.S. were located in Massachusetts in 1821 but were few and far between until the late 1880s, again centered in Massachusetts. At this time, playgrounds were only in schools and used only when schools were open. The early 1900s viewed playgrounds as community needs within the society. Community playgrounds not associated with schools were also being built. Playgrounds were seen as so important to the development of a child that by 1909 Massachusetts required towns of 10,000 or more to establish playgrounds. By 1935 over 35 cities, such as New York, Denver, Providence, Chicago, and Minneapolis opened recreational parks. The playgrounds were evolving to incorporate a more active form of play and games than previous designs and concepts such as Froebel. Even today you can see much of this equipment still in place

and in use.

The early playground equipment was substantially built of wood, iron, and steel. Durable surfaces such as concrete, perimeter fencing and large concrete pipes were added to playgrounds in the 1930-40s. The novelty era followed in the 1950-60s with new materials such as plastic and fiberglass were used. Fantasy play such as with the animal shaped swings and composite type structures (those having more than one play activity) were added to the playgrounds. The newest playground theories have led to the development and use of the usual equipment with more modern design and use of composite structures and equipment designed to develop motor and language skills, cognitive development, problem solving, imagination, etc.

Even by the user beware philosophy of the period, by the late 1920s accidents and deaths were being noted on the playgrounds. Equipment such as the "giant stride" was noted as dangerous and organizations such as the National Recreational Association petitioned for their removal. Unfortunately laws governing playground safety, as still today, are almost non existent, although there have been more states and communities finally taking needed actions. I would suspect that by 2010 most communities would have laws governing playgrounds.

It is somewhat of a puzzlement - many people and communities view children to be among their and society's individuals requiring most protection from harm. Yet recognized hazards such as those found in playgrounds have gone unregulated until recent history. Using conservative estimates, there is one child between the ages of 2 and 12 injured every 2 minutes on playgrounds. Some experts put the figure as one injury every 40 seconds. Child deaths range from 18 to 30 a year. These figures do not include the

younger or older children also injured.

The Federal government began to study playgrounds and safety related issues in the early 1980s and published a standard, which was used as the basis for playground equipment, and design standards. The latest version dates to January of 1998 being publication number 325 from the Consumer Products Safety Commission (CPSC). This publication is free by writing and requesting a copy or is available via the Internet. This publication is not intended to be used to access amusement park equipment, equipment normally intended for sports use, soft contained play equipment, equipment found in water play facilities, or home playground equipment. It is also not intended to apply to fitness trail exercise equipment intended for adult use, provided that these are not located on or adjacent to children's playgrounds. Nor does it apply to components intended solely for the disabled.

Another reference source to be used in conjunction with the publication is American Society for Testing and Materials (ASTM) publication F 1487-98. This covers public use playground equipment and closely follows the federal publication in almost all details but is more detailed in definitions and included requirement covered under the American with Disabilities Act. This publication is available for a small fee from this organization. Two related publications from them are F1148-95, which covers home playground equipment, and F1292, which set the testing standards for surfacing materials for playgrounds.

The first two publications noted above are strongly recommended for any loss control library in playground surveys. These are being used throughout the U.S. in setting laws, standards and guidelines for governments and related organizations. They are also being recognized

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in many courts as "the standard of care" required in playground installations. In the courts, the settlements in favor of the injured party have been averaging seven times the average where negligence can be shown, like not following accepted standards such as the CPSC's.

Organizations such as the National Recreation and Parks Association (NRPA), National Playground Safety Institute offering many publications in the field. They also offer a nationally recognized three-day school and exam, which can lead to a designation as a National Certified Safety Inspector valid for three years. Manufacturing organizations such as the International Play Equipment Manufacturers Association (IPEMA) also offer a certification on equipment submitted for approval that meets CPSC and ASTM guidelines.

To conduct an effective playground survey will require some equipment. The most complete package that is cost effective is from the NRPA. You can get a protrusion gage set, head and neck entrapment probes and a "fishprobe" for under \$100. I would think twice about the purchase of the accessibility probes as it is of lightweight plastic construction and breaks easily. I have substituted wood or metal dowels/rods available in any hardware store for certain sizing gauges. A tape measure and a pocket measurement angle gauge and spark plug gap gauge complete the package. Total cost for everything is approximately \$125.

When conducting a survey it is important to see more than just the equipment, you need to take in its environment in total. For example, those cooking grills next to the swings by the park table. Hot items and fire mixed with children can be deadly. Plants with poisonous leaves or berries are no good landscape ideas. Playgrounds located at the entrance to a parking lot or street is a poor design. A fence or relocation to areas away from traffic would be a smart move. Those old park benches and tables with the boards missing

and/or nails sticking up are accidents waiting to happen with kids around. Urban areas may require the playgrounds to be fully secured with fences and gates to keep the older kids out from vandalizing the equipment or to keep alcohol or drug abusers and their related dangerous trash left behind off the site. Cushioning material such as sand in cold weather can become rock hard and should be closed in the winter.

Some other points to remember when inspecting playgrounds are go to inspect it when children are using it. It helps to remind us why the guidelines are in place as kids don't follow rules or use equipment properly. When you see a child climb on top of the swings horizontal support and hang over and swing down you realize why there cannot be a protrusion, which can lead to clothing being caught and the child hanging themselves. Also, keep in mind that especially younger children are not as strong, agile or have the cognitive abilities to help themselves as older children when they get into trouble.

In my survey, the most common defects that are found at the majority of playground sites include the following:

- Playgrounds without sufficient cushioning materials. Asphalt and concrete are common. Grass is not acceptable and the depth of cushion material is determined on material used

and critical fall height. With 75% of all injuries resulting in falls, this is a major consideration. Rarely are the cushioning materials, even when the correct type is maintained, at proper levels.

- Damaged equipment requiring maintenance or improper repairs and using manufactured replacement parts. Many times, maintenance people have not been trained how to correctly repair or even know what is a problem. Open "S" hooks with gaps greater than 1/8" (credit card depth) and bolts put in upside down are very common. Injuries related to lack of maintenance is 36%.
- Improper clear open space from other equipment or playground cushioned boundaries-fall zones. The minimum rule of thumb is 6'.
- School age and tot equipment not separated.
- Protrusion and entanglement hazards and entrapment hazards. It only takes 3 minutes of pressure at a three pound force to strangle a child.
- Not recognized equipment.
- Lack of proper signage.
- Trip hazards such as matter used to keep cushioning material within space is sticking up above the surface.
- Lack of guard railing.



INCREASING YOUR VALUE TO YOUR EMPLOYER

By Douglas Emerick
Marshall & Swift

The presentation dealt with both building and contents cost data for commercial, industrial, institutional and agricultural buildings. Their greatest value to the insurance industry does not lie in any one single product, but in their collective wealth of information, knowledge and experience obtained over the last 62 years. This information, knowledge and experience is brought to the customer by assisting them in developing their own custom program. These programs will be revenue generating since approximately 80% of all commercial business property locations are underinsured and on an average 54% for personal property.

To get a better idea of the comprehensive cost databases maintained by Marshall and Swift, Mr. Emerick demonstrated several of the programs through a power point presentation. These programs are available in a printed format, stand-alone software program, or an online service.

Following Mr. Emerick's presentation, a question and answer period was conducted.

In addition to Mr. Emerick's presentation, sample computer CD demo software for the Commercial Estimator 6 (CE) and Commercial Estimator 6 (Commercial Contents and Inventory) were made available to individuals attending this workshop session. For any individual who could not attend this session, these demo software CDs are available by contacting John Forsythe, ILCA Officer.

Should anyone desire additional information about Marshall & Swift products and services they should look up their web site- www.marshallswift.com.

OSHA UPDATE

By Bob Fink

With OSHA now in its 29th year, there are 2200 field inspectors to cover 110-115 million workers with a budget of \$340 million annually. Employers must report to OSHA any death or occurrence with more than three employees who require hospitalization. The Harrisburg local office investigates 18-20 deaths per year of which approximately 50% involve construction accidents. This rate and ratio is about the same for all OSHA offices.

Mr. Fink indicates that, in general, construction sites are getting better. Approximately 80% of all complaint inspections are now handled by phone, with the remaining 20% handled in the field. 200 of the highest compensation losses in Maine were targeted for a cooperative effort to have inspection and take corrective actions without receiving a fine. The program has been so successful it is now available in five other states. Strategic planning for the next five years includes a 15% reduction in workplace illnesses and injuries. OSHA regulations are being rewritten, making them easier to understand. A short video was presented which showed the Colorado program of cooperation of steel erection industry and OSHA. Since the partnership began five years ago the cooperative effort has resulted in ZERO losses. The benefits have included better training, less loss time, improved safety and improved employee morale. OSHA currently has a web site, which has interactive sites, and up to date information. The site is <http://www.osha.gov>. While the site can provide a great deal of information, most local OSHA offices have additional materials as well as a safety video library, which is available for loan.

DIGITAL PHOTOGRAPHY

By Rik McClave
Insurance Services Office, Inc.

Insurance Services Office (ISO) has been using digital cameras in the field for the past five years. After extensive research, the Olympus D450Zoom camera was chosen. When looking for a camera, thought must be given to the field use as well as the file size of photos due to the electronic transmission of information through e-mail or other internal means of getting work from the field to the underwriter.

For clarity, a camera should have approximately 1.3 megapixel capture with multiple file formats. The Olympus camera selected uses Standard, High Quality and Super High Quality formats. File size varies from approximately 50,000

bytes per picture for Standard to 175-200,000 bytes for high quality and 1/2 meg for super high quality. ISO chose "standard" quality to be used for outside photos while "high quality" was chosen for interior photos. A camera should have zoom capabilities such as the D450zoom, which has 35-105mm telephoto. Older model cameras have a single ASA speed, usually in the 60-100 ASA range. Newer cameras, including the Olympus have multiple ASA speeds up to 620 ASA. Of course a flash should be built in and at least semi automatic functionality. Printing functions was discussed, but home and corporate printers must be carefully selected based on quality as well as pricing.

NFPA 30 — STORAGE AND HANDLING REQUIREMENTS

By Bud Slye
Loss Control Associates

WINDSTORM REPORT AND OTHER NATURAL DISASTERS

By Harvey Ryland
Institute for Business and
Home Safety (IBHS)

NFPA 30, the standard for storage of flammable and combustible liquids has been rewritten, making it easier to understand. The presentation addressed nine aspects of tank storage. What is in the tank, are MSDS available, is it an acid, base or solvent? What type of tank, its capacities etc? Where is the tank located? How are spills controlled? How are vents arranged? How are ignition sources controlled? What fire protection is provided, and how will an emergency be handled?

Identifying the most hazardous flammable liquids are Class 1A with a boiling point of <100, but fortunately there are only a few. Field representatives must be very careful in identifying tanks with steam heating coils which may raise class II chemical boiling point to a class I level. Cone roof tank is <25 feet in diameter, has a fixed roof which may also act as the emergency vent even if not designed for such. Vapor space is always present above the liquid and can be in the flammable range, rich or lean. Floating roof tanks involve a sealed roof, which floats up and down on the liquid in the tank. Around since the mid-1930s, they are considered one of the safest large storage tanks, if properly maintained. Bare steel single wall tanks meeting UL 142, A.S.T. for above ground usually will have its own built-in dyke surrounding or will have double wall-inner tank with outer shell to contain the contents in the event of a leak. Fire resistant tanks will have concrete exterior surrounding the tank to provide a protective barrier, which is also required to be bullet resistant. These new tanks are essentially experimental as research is being done to improve the use of above ground tanks. Geodesic dome tanks are used with thoughts that water must be kept out of products, but because of vapors it causes nuisance smell problems for surrounding areas. Because the roof is aluminum sitting on a Teflon pad and the tank

is steel bonding, cables must be in place connecting roof to wall. Tank location should include spacing, arrangement, exposures, above or below ground, in building or covered building, and all related equipment.

NFPA 30 has very strict spacing between tanks and property lines. Tanks must be accessible for maintenance and emergency operations. Storage tanks in basements must never be in basements or be in a compartment of 2 hour separation, can not trap occupants, must be 3 feet above tank to structure and ventilation for 25% LEL by mechanical means. When >1 foot below ground, there must be continuous ventilation or gas detection and an alarm to alert occupants. Drains and impoundment must be installed. Roofing shall not be used as emergency vent and openings must be liquid tight and valved to discharge outside the building if valve leaks. Water spray protection will reduce amount of venting required. Protection for indoor storage tanks must be determined by engineering survey based and based on criteria such as amounts, alarms, sprinkler, fire department response etc. Pumps, piping, and valves must be iron or steel, no brass or other materials can be used. Pumps should be located in separate area away from the tank, so if there is a fire in the pump, it will not expose the tank. Drainage and spill control is required. NFPA 30 does not recommend containment, but rather remote impounding which will allow the total contents of the largest tank within the area to discharge and be contained. As much piping as possible should be kept outside dike and impoundment areas. Tank vents should be properly sized, and be for normal breathing as well as emergency venting. A flame arrestor will not flame from coming back down; a UL detonator arrestor is required and is a new nomenclature.

Harvey did an excellent job presenting what would normally be a very dry topic (pun).

Did you know that 25 percent of flood losses in the U.S. are reported in a non-flood plane? Or, how about the fact that there are nearly \$2 billion in losses every year from hail damage, not counting crop losses? What does this have to do with windstorms, you ask, plenty.

Wind in itself does cause damage but it is normally associated with hurricanes, tornadoes or typhoons throughout the U.S., in the North and Northeast, in the tropics and other parts of the world. But the more damaging, costly effects are wind driven rain, floods, mudslides and hail damage along with the high winds which are associated with the storm.

Harvey presented what the IBHS has done in the past and what some of their future plans are to help educate the general public and businesses in Hazard Mitigation. There is nothing that can be done to prevent a hurricane or windstorm, although there is testing going on to limit the effects. But there are positive steps that can be taken to reduce the amount of loss to both the Homeowner and the Business Community. Some of these steps are outlined in materials available through the IBHS, free of charge — just by logging onto their web site at www.ibhs.org/.

The IBHS also maintains a current paid loss database that can provide valuable data to insurance carriers on types of losses that are broken down into many areas, such as regions, types of losses, occurrences, damages sustained, etc. They are also working on a program called "Fortified for Safer Living" which will hopefully be an approval of business and homes that are constructed to certain standards for mitigation of loss. Please visit their web site for further information.

GARAGES AND DEALERS POLICIES

By Stephen Laskowski
Charles E. Hock Associates, Inc.

A unique and challenging type of coverage for specialized occupancies; there is special need for loss control to

understand the basics of the garage policy. Usually covering not only property fire, it covers premises liability, operational exposures including products and completed operations, owned and non owned auto physical damage and liability and as well may include pollution coverage. Garagekeepers legal liability also provides all loss coverage for vehicles under the control of the policyholder. Businesses that may be included, but not be limited to sales, both wholesale and retail, towing, body and/or paint shops and not to forget mechanical repair shops which are broken into two categories - minor and major repairs. A complete description of operation is imperative and should be verified by what you actually see.

An example was given of a rural policyholder that claimed that he was involved only in minor repairs, and no used parts or heavy equipment repairs. In fact further survey of the property revealed a sign

"absolutely no returns on used parts," as well as later determining that a log truck in the yard was in for major mechanical, hydraulic and welding repairs. When doing the property portion of the survey, apply the entire COPE plus special hazards information. Include information about normal liability premises conditions, is their customer-waiting area with separation from work area? Don't forget exterior conditions such as walkways, parking lots and premises access. Life safety exposures include two means of egress, including work pits. Determine types of vehicles driven, condition, size, use, radius of operations, as well as driver selection, and training, if any. Is risk in an area subject to vandalism? Is there any indication of pollution from vapors, liquids or other materials? Completing his presentation, Mr. Laskowski showed the American Heat video about the multiple firefighter 1988 fatal fire in Hackensack, N.J. Lack of good on-scene communication and a failure of the bow truss roof killed five firefighters who were trapped in two interior areas.

DRY-VIT CONSTRUCTION

By Tom Perry
Insurance Services Office, Inc.

Exterior Insulating Finish Systems (EIFS) also k/a Synthetic Stucco, has been used on Commercial and Industrial buildings for over 30 years. Primary manufacturer in the USA is brand name Dry-Vit. EIFS is a non-load bearing exterior wall cladding of rigid-polystyrene thermal insulation with mesh reinforced coatings designed to be attached to wall sheathing with an adhesive or by mechanical fasteners.

On March 22, 1999, the NBC Dateline television program documented that new residential homes throughout the country built within the past 3 years using EIFS are experiencing crumbling substrate materials, rotted wood and rusted metal siding.

Dry-Vit responded to the charges by stating that moisture repair involving EIFS homes found only 3% to 5% of total wall area was affected on average. Dry-Vit claims that poor construction practices and shoddy workmanship by the installer were to blame for the moisture intrusion.

EIFS now have drainable configurations behind the rigid foam, which allows all trapped moisture to be channeled to the outside. This should alleviate future moisture problems.

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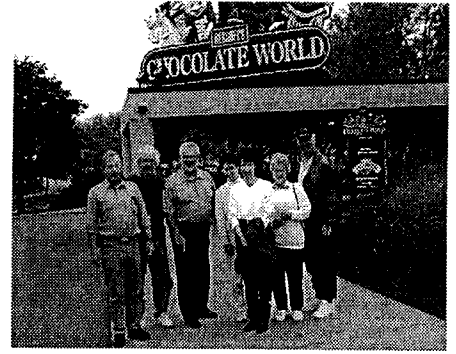
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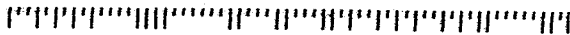
1999 ILCA Conference attendees enjoy a trip to Hershey's Chocolate World.

**Future meeting sites for the
ILCA Conference are:**

October 2000 — Boston/Peabody, Mass.

October 2001 — Indianapolis, Ind.

October 2002 — Baltimore, Md.



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