



# Flood Emergency Response Plan Guidelines

## *Months ahead of flooding season*

Management writes and endorses a step-by-step flood emergency response plan for all potential flood scenarios, providing specific responses for each one. The plan details the educational goals of the training program for the emergency organization. It also provides procedures for:

- Prioritizing salvage and cleanup activities.
- Moving critical equipment to safe areas, i.e., higher ground.
- Deciding work hours and number of personnel needed to do the work?
- Accessing names, addresses, phone and fax numbers and e-mail addresses of vendors supplying business operations and salvage services.
- Obtaining supplies for pre-flood preparation and post-flood recovery: pumps, generators, sandbags, tarpaulins, cleaning supplies.
- Assigning security and surveillance.
- Monitoring weather forecasting.

**Training** includes instruction about all exposures and makes employees responsible for being completely familiar with the flood plan. They should be trained (with drills) to respond to all emergency scenarios identified in your plan. Training will enable them to:

- Recognize signs of deterioration on the property that could impact flooding.
- Know how to install flood doors, flood windows and essential barriers.
- Provide proper means to elevate property or move it to higher ground.

**Be aware of long-term weather predictions.** Will snowpack be heavier than usual this year? Have local land elevations changed?

Have you made any construction changes to the property that might have lowered any land elevations? If so, contact your Lockton to assist in the evaluation of potential flood exposures.

**Check temporary flood protection equipment** and make sure it operates properly. Stockpile supplies for building temporary dikes, levees or flood walls. Identify the need for protective coverings such as tarps.

**How will you respond to flood warnings?** Your flood emergency response plan should describe your company's response to flood warnings. Monitor early flood warnings and prepare equipment, supplies and personnel. As applicable, check river stages periodically with the government agency that has this information. In the United States, the Corps of Engineers will have the information.



## Flood loss mitigation strategies

Temporary protection and precautions:

- Install flood doors and windows and other temporary, flood-related protection equipment.
- Check all access roads. Which are most likely to flood? Are there alternate routes for employees? Can any roads on your property be built up to ensure access?

Temporary levees:

- Part of emergency response team training may include building a sandbag emergency levee.

## *During the flood*

**Activate emergency response.** Management coordinates outside assistance, repairs, salvage and business resumption plans. The emergency response team begins:

- Monitoring potential flood damage (no access to property, interrupted fire protection, utility outage, shutdown, etc.)
- Securing outside equipment.
- Checking utility backup and fire protection equipment.
- Organizing cleanup supplies.
- Setting up emergency communication equipment in event of total utility loss.
- Relocating critical equipment to temporary storage areas.

One business that successfully prevented water from entering the property used a three-phase response. Depending upon your circumstances, you can consider an action plan similar to this:

- At the 25-foot (7.6m) local flood stage:
  - Contact employees who will conduct emergency flood operations.
  - Contact flood emergency equipment suppliers.
  - Conduct maintenance checks of outside areas and supplies.
- At the 30-foot (9m) and higher local flood stage:
  - Begin sandbagging (including constructing a sandbag dike to protect the road).
  - Obtain trucks and tractors to move hazardous material drums to safe areas.
  - Plug storm sewer culverts.
  - Mark sprinkler water control valves with long poles for easy identification.
  - Fill tanks so they don't float away or damage other facility contents.
  - Prepare high-volume/low-head pumps to pump water from the facility.
  - When local flood waters reach property floor level or higher:
    - Move equipment identified in the plan as critical to higher ground.
    - Move stock and supplies to higher ground.
    - Provide barriers and seal door openings as needed.
    - Follow company policy for ensuring employee safety.

## *After the flood*

The faster you perform salvage operations, the sooner you'll be back in business. Personnel will be expected to restore all sprinkler control valves to make sure they are open, and if not, check for broken or disconnected piping before reopening. A salvage crew should act quickly to:

- Remove water.
- Clean and dry vital equipment.
- Dehumidify damp areas.
- Preserve equipment and materials that might otherwise be lost.

It is important to evaluate your losses/potential losses to determine how you can continue to operate your business until operations are back to normal. Preparing and maintaining records is crucial. **Information including, but not limited to, the following:**

- Prepare a list of the steps required to promptly resume operations on a full-time or even a part-time basis
- Separate damaged from undamaged property.
- Restore sprinklers, lights, power, alarms, etc.
- Provide security for property.
- Begin repairing critical equipment.
- Proceed with emergency measures to prevent continual or additional damage, i.e., cleaning and drying, etc.
- Obtain identification of all civil authorities involved, such as fire, police, health department, building inspector, EPA, or OSHA.
- Record any communications received regarding an order to evacuate. How did the business get the word? A written order? A verbal order? Someone heard it on the radio? Save any written orders or flyers received to document the claim.
- Identify any contributing or potential secondary cause of loss; this is very important for recovery against negligent third parties if such a circumstance exists.
- Take photographs of all damage prior to the removal of any debris.



The collection and retention of information is crucial to support the property loss claim.

- Invoices
- Purchase orders
- Repair quotations
- Cleanup costs
- Repair costs (temporary and permanent)
- Time and material invoices and expenditures
- Labor time sheets/cards
- Extra expenses incurred to continue operations
- Production records
- Sales journals
- Manufacturing cost statement
- Payroll journals
- Material usage reports
- General ledger
- Profit and loss statements
- Inventory records, quantities and values
- Other data as the situation dictates

Concerning the business interruption losses, you should be prepared to (if needed):

- Provide a copy of the most recent operating statement or income tax return, along with what sales records are available to the adjuster for calculating the loss. Subject to policy terms, conditions, limitations, and exclusions, business interruption insurance is specifically written to replace the net income the business would have received had operations not been interrupted, or the actual loss sustained. This is usually based on the business' financial history, as well as other local and economic factors.
- Close out the books as of the date of the loss and maintain an accurate separate record of the operating expenses that continue during this period. Remember that the insurance adjuster will probably want to verify these expenses as part of the claim process.
- If the electricity was interrupted, document, to the best of your knowledge, when it went off and when it was restored. If any written information was received regarding the power interruption, be sure to save it as documentation for the claim.

The carriers will require proof of loss statements including the following information:

- A statement about any other insurance that may apply.
- Confirmation of the total amount claimed.
- A summary or recap of the claimed loss by category.
- Supporting documentation, invoices, purchase orders, replacement costs, etc.
- The facts of each individual loss.

**The above mentioned items may or may not be relevant to your loss or your coverage terms or conditions in your policy. However, if you have any questions please contact Lockton.**

**Debrief post-flood.** Review with personnel what worked and what didn't. Revise the plan or retrain if needed. Restock emergency supplies. Prioritize improvements.



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