

The following recommendations and “check off items” were discussed at the Houston Chapter AGC Hurricane Preparation Seminar on July 28, 1993:

1. Review contract terms and contract specifications and note unique owner requirements.
2. Review the project site conditions:
  - a. Distance from the coast
  - b. Location of 100 year flood plain and nearby bayous, rivers and lakes.
  - c. Accessibility of the site and egress during sever weather conditions
  - d. Conditions of surrounding properties and potential debris from adjacent structures
  - e. Building ground floor elevation, total height, basement?
  - f. Soil conditions, permeability?
3. Review the Builders Risk Insurance Policy – its coverages, exclusions and deductible amounts.
  - a. Obtain a complete copy of the owner’s builders risk or OCIP policies and have someone review them who is familiar with policy terms. Make sure your interests are protected by the policy purchased by the owner. How are deductibles distributed to subcontractors?
  - b. Make sure that the policy names the GC firm as an additional insured, it is not adequate to be covered under a general statement such as “all subcontractors.” It can be anticipated that the insurance company will subrogate its losses against a contractor or subcontractor who may have been negligent in preparations unless it is specifically named as an additional insured on the policy.
  - c. Look carefully for rising water exclusion. Flood and windstorm losses are separate items. Make sure your coverage levels are adequate for your project.
  - d. Look also for All Risk vs. Named Perils coverage. Contract terms may be clear about who is responsible but are often vague about what happens. Watch out for policies which use terms that coverage is for goods and services for which the owner has made payment. The pending requisition and progress since its submission may involve a significant investment in labor and materials.
  - e. Evaluate liability coverage for damages to others caused by loose materials or debris from the job site.
  - f. Examine whether insurance covers loss of equipment and tools, whether rented or owned, and what deductibles apply.
  - g. When hurricane season starts, it may be too late to obtain effective coverage. Even if insurance is obtained later in a project, policies will not be effective if they have a start date/time beyond a hurricane’s position time reported by the weather service.
  - h. Lending commitment dates are contingent on project completion by a specific date. Make sure hurricane coverage protects against a loss due to missing the completion date. One project in Miami lost three months due to Hurricane Andrew. What about losses to the owner due to lost anticipated income?
  - i. Make sure that your critical suppliers, who may be impacted by a hurricane or other natural disaster, are covered by the owner’s builders risk policy or by their own policies.
  - j. Cover both on-site and off-site facilities from losses.
  - k. Include coverage for Building Code Compliance value and increase the coverage amounts for existing facilities if a building is seriously damaged and must be upgraded to current codes when rebuilt.
4. Review equipment rental agreements to determine the basis of replacement cost for items lost. (Note: Some leases may require the full cost of a new unit plus lost rental income for replacement of older model unit which was rented and destroyed in a disaster. Our sign for a price of equipment delivered to the job site without noting “per terms of contract” on the receipt. If you look at the back of the receipt, the fine print is designed to protect the rental company from any loss.)

5. Take photographs of the project before and immediately after the storm. These should include overall views as well as details from several angles. Remember film is cheap compared to the task of documenting the status of the project in words.
6. Set up separate cost codes for all damage repairs and identify where the repairs are being performed.
7. Mitigate all losses where possible. However, do not proceed with full repairs without clearance by an insurance adjuster or agent.
8. Plan ahead. Think through your hurricane preparations and your response after the storm.
  - a. Get your job prepared early so you can let your workers take care of their own homes. Anticipate that the last two days before a hurricane comes ashore, only the project superintendent and project manager may show up for work.
  - b. Start your preparations at the beginning of the project and review again in June. Items to consider include the proper storage of materials to control access to the job.
  - c. Provide training of your employees in hurricane preparations, as OSHA standards require training in all tasks.
  - d. Review your plan of action with the tower crane rental company. Anticipate that they will push for the crane to be lowered to the ground early in the hurricane warning period. If not lowered, the tower crane must be allowed to weathervane.
  - e. Identify ONE weatherman you have confidence in and ride with his judgement in making decisions on what to do.
  - f. Make sure your job is prepared by Thursday evening for each weekend of the hurricane season.
  - g. Obtain pumps, generators, and plywood from a supplier under a preplanned procurement which is activated with the issuance of a hurricane warning.
  - h. Fill all vehicle fuel tanks, storage tanks and water jugs.
  - i. Secure swinging scaffold and remove all cables.
  - j. Bundle all drywall, plywood and concrete form materials.
  - k. Secure or remove all piles of gravel.
  - l. Remove all equipment from low areas.
  - m. Stop all shipments to the job site when a storm warning is issued.
  - n. Provide meals for all workers who are making last minute storm preparations, it boosts morale and keeps them focused on the task at hand.
  - o. Have the electrician terminate all temporary and permanent power to the job.
  - p. Take photographs of the project site following the completion of all preparations.