

COMMON EMERGENCY PLANNING GAPS AND HOW TO CORRECT THEM:

A Guide for Business Owners, Plant Managers and Facility Professionals

Major damage to your facility from an emergency can happen at any time, from a variety of causes, including:

- Fire damage
- Flood and water damage
- Frozen and leaking pipes
- Roof collapse due to heavy snow loads
- Weather damage—high winds and rain
- Vehicle damage to buildings and external structures
- Vandalism damage

The costs associated with facility damage start when there's a delay in recovery, which commonly happens when there is no response plan in place, or the existing plan is inadequate to meet the emergency.



PROBLEMS WITH IN-HOUSE EMERGENCY PLANS

Most companies and organizations have developed their own detailed plans, but many self-developed emergency plans can have shortcomings, including:

• Failure to assign meaningful decision-making authority:

When emergencies happen, they require fast, decisive action by an assigned on-site team leader who can take the immediate steps to start the recovery process. These steps include tasks to secure the site, coordinate with the local fire department or other emergency personnel, and make timely decisions to retain contractors for clean-up and remediation. In-house emergency plans can fail in a real-world situation when a decision-maker has not been assigned, resulting in delay and increased facility damages and costs.

Improper insurance company notification:

After an emergency, many insurers require immediate notification before authorizing recovery work. If the insurer is not notified, and recovery work begins without prior authorization, the insurance company may dispute or delay payments. In other cases where a business interruption policy is in place, immediate recovery work can begin without prior authorization. The emergency plan team leader should review the company's insurance policies to determine if or when prior notifications are required before authorizing contracting work.

• Failure to make early structural evaluations:

Major building or structural damage from events such as a fire or roof collapse requires immediate evaluation by qualified engineers to assess damage and determine the best recovery approach to make the building safe for occupancy. Delays to the recovery process will occur if an on-site engineering evaluation is not made as soon as possible.

Incomplete initial response checklist:

Some initial action steps are often missing from the emergency plan, such as failure to document all of the facility's main utility shutoff locations. Also missing can be contact information for key company personnel, cleaning and remediation services, contractors, and others who play a critical role in post-event recovery and repair.

WORKING WITH MULTIPLE CONTRACTORS INCREASES REBUILDING COSTS

Owners and company leadership may not have considered the downside business impact of dealing with multiple contractors in the aftermath of an emergency event.

- Time and money spent on repairs rather than operations:
 - In a typical emergency recovery and rebuild, your facility or maintenance manager may be tasked with locating and meeting with contractors, establishing job orders, and settling on many individual project costs. The extra time spent not only delays the process of repairs and renovation, but can prolong the downtime experienced by your company through lost operations and productivity. Most important, the many hours spent by your employees working with multiple contractors is time taken away from business operations, which is your team's primary focus.
- Starting emergency repairs without prior agreement on project rates:

 If the process of retaining contractors to begin repairs is rushed, you might enter into agreements with contractors not knowing or agreeing on the hourly rates or project costs. This could expose your business to higher expenses for work.

 Additionally, some contractors may not be accustomed to urgent timetables and immediate response required in emergency situations, which may affect the contractor's ability to perform on the project.

EMERGENCY PLANS MUST ALSO CONSIDER BUSINESS INTERRUPTION COSTS

In addition to immediate repair costs, facility owners may not consider the downside business interruption costs when key areas in the building cannot be occupied during the recovery process. For commercial businesses, this downtime can result in loss due to productivity reduction or work stoppage, no customer foot traffic, and other business interruption costs.

For healthcare providers, such as hospitals, medical office buildings and long-term care facilities, emergencies can be a life-or-death matter affecting patient care and introduce serious liability risks in the aftermath (see sidebar). Obviously, to avoid these problems it's critical to develop a recovery and rebuilding plan in the aftermath of the emergency to get your business operations back online as soon as possible.

THE BUSINESS COSTS OF DELAYS IN EMERGENCY EVENT RECOVERY

- Lost productivity;
- Lost sales due to decreased customer, client, or patient traffic;
- Increased project costs due to lack of established contractor rates;
- Added costs from working with multiple contractors.

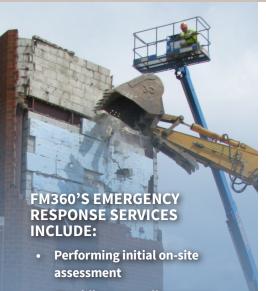


A ONE-CALL EMERGENCY PLANNING SOLUTION: EMERGENCY RESPONSE SERVICES FROM RUDOLPH LIBBE GROUP'S FM360

A SINGLE POINT OF CONTACT FOR ALL FACILITY EMERGENCY REPAIR AND REBUILDING SERVICES

With a single phone call to FM360's emergency response team, all of your company's emergency planning, response, and recovery needs are taken care of. The FM360 team provides:

- An initial, comprehensive on-site assessment, to evaluate your building's layout, structure, mechanical systems, and utilities
- A customized emergency response plan, detailing the plan of action required to rebuild and restore operations in the event of an emergency at your facility;
- A full range of emergency contracting services, with rates agreed upon in advance, to cover the entire scope of facility first response, remediation, and building repair services
- Guaranteed two-hour response to any emergency, to assess damage, determine structural building integrity, stabilize the site, and begin the recovery process.



- Providing one-call response, at pre-defined rates, to any emergency event
- Developing a plan of action to restore and rebuild your facility
- Managing your rebuilding project, providing full on-site coordination with engineers, tradespeople, and contractors;
- Providing annual reviews and updates to your emergency plan

BENEFITS OF ONE-CALL EMERGENCY RESPONSE

- **Immediate response:** In the event of an emergency, making one call to the FM360 emergency response team starts the process of recovery, minimizing losses due to facility downtime. Guaranteed two-hour response to any emergency means we get to your site fast, to secure your facility. Our experienced team will go to work to complete your project as soon as possible.
 - Unlike a self-managed response, for example, where it may be difficult to locate structural engineers to make an immediate building damage assessment, our inhouse engineering team gets involved immediately, to assess building damage and determine the next steps required to stabilize and rebuild the facility.
- **Established pricing:** From site assessment to stabilization, cleanup, and rebuilding, your FM360 emergency response services agreement gives you guaranteed access to the entire team of engineers, contractors, and building tradespeople, at rates which are agreed upon in advance to minimize costs and delays on your project.
 - With an FM360 emergency services agreement, you lock in agreed-upon rates for all building trades and services in advance, so you're assured of pre-determined hourly rates on all trade and contractor services.
- **Cuts rebuilding time and costs:** the FM360 team includes in-house construction and speciality trades to cover any type of rebuilding services required. Additionally, established contracts with our third-party contractor network provide further assurance that contractors are available to work on your project.
 - Working with pre-established rates and a team of contractors dedicated to your project keeps your rebuild costs under control, and you are assured of having seasoned contractors available when they're needed most. This not only minimizes costs and downtime on your project, but lets you focus on running your business rather than self-managing the project.

Emergency Planning Case Study: FRESENIUS MEDICAL CARE DIALYSIS CLINICS

FM360 provides emergency planning services for six Ohio-based clinic locations of Fresenius Medical Care, a global provider of kidney dialysis services. A string of 2017 hurricanes in Florida and Texas prompted Fresenius executives to develop emergency plans for their dialysis clinics, to insure fail-safe operation for this life-critical medical service.

The FM360 emergency services team performed a planning assessment at all six Fresenius locations in the Toledo and Findlay areas, gathering the information necessary to prepare each location's emergency response plan. Additionally, the team provided Fresenius with agreed-upon special account rates applying to emergency construction services for these locations.

The team focused on the special needs of the Fresenius clinics, to assure minimal disruption to each clinic's dialysis machines, water purification systems, and other lifecritical systems in the event of an emergency.



Lock-In of Priority Response Guaranteed: Most important, with a emergency services agreement in place, Fresenius has the assurance that the FM360 team will be on-site immediately in an emergency, receiving priority response to keep these vital life support services up and running.

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GETTING STARTED WITH FM360'S EMERGENCY SERVICES

An FM360 Emergency Services plan begins with an on-site assessment of your facility to review your site's physical layout and structure. (An assessment can be requested here.) During this process, we also review a set of drawings for your facility, which we keep on file in the event of an emergency. As part of this assessment, we also take note of special operational needs, such as your company's production and security requirements.

Your agreement locks in priority response in an emergency: Once your plan is established, the low annual cost gives your company service priority in the event of an emergency. Aside from an annual fee, there are no additional costs or obligations. If a building emergency occurs, our agreement locks in your guaranteed, two-hour response, rate schedule, and access to our team of engineers and tradespeople, as well as our established relationships with high-quality, third-party contractors.

We also perform an upgrade assessment at your facility each year, to document any changes made to structure, utilities, or business/plant operations.



FM360'S EMERGENCY RESPONSE SERVICES: SOLVING CRITICAL EMERGENCY PLANNING GAPS

EMERGENCY PLANNING GAP	FM360 SOLUTION
Failure to assign meaningful decision-making authority	Primary team leader contact, and any additional key contacts, established during assessment
Failure to make early structural evaluations	FM360 engineering staff on-site immediately after the event to make initial evaluations
Improper insurance company notification	Specific notification plans established; FM360 staff works with adjustors as needed
Incomplete initial response checklist	Comprehensive response checklist developed during assessment, including critical utility cutoff locations and procedures



FM360 EMERGENCY SERVICES: YOUR ASSURANCE OF MINIMIZED LOSSES FOLLOWING AN EMERGENCY

The best time to prepare for an emergency at your facility is now. Selecting the FM360 team as your site restoration and rebuilding partner is your assurance that, when an emergency happens, your operations and business will be restored, and your facility will be rebuilt, with minimal downtime or interruption to your business, and without unnecessary project delays or costs.

For more information or to talk with an emergency planning expert, contact: 866.720.2700 or solutions@gorudolphlibbe.com

