



Risk Management Solutions

A QUARTERLY NEWSLETTER OF THE ALABAMA MUNICIPAL INSURANCE CORPORATION
AND THE MUNICIPAL WORKERS COMPENSATION FUND, INC.

FALL 2004

AMIC and MWCF Welcome New Board Members



Mayor Charles H. Murphy of Robertsdale replaced retiring Mayor Sue Glidewell of Rainbow City on the Board of Directors for the Alabama Municipal Insurance Corporation. He was born September 10, 1950 and graduated from Bossier High School in Bossier City, Louisiana and Troy State University in 1982 with an Accounting Degree. He is married to Lynn Holley and they have three children and two grandchildren. He was a member of the Robertsdale Zoning Board of Adjustments from 1982 until 1988. He was elected to the Robertsdale City Council in 1988 and elected as mayor in 1992. Mayor Murphy is the past chair of the Baldwin County Mayors' Association and has served as an executive board member on the Baldwin County Economic Development Alliance. He has served on the Homeless Coalition for Baldwin County and on the county's Public Transportation Committee. He was a Trustee for Robertsdale High School from 1992 until 1998. He is a deacon and Sunday School teacher at Robertsdale First Baptist Church, a Rotarian and U.S. Navy veteran. Mayor Murphy has completed both the League's basic and advanced Certified Municipal Training programs. In addition, he serves as chair of the League's FAIR Committee.



Mayor David H. Bradford of Muscle Shoals replaced Mayor Wayne Tuggle of Graysville on the Board of Directors for the Alabama Municipal Insurance Corporation. Mayor Bradford was born and raised in Colbert County and was educated in the local school system. He attended the University of North Alabama majoring in Criminal Justice and Political Science. He is married to the former Jenny Dill and has two children. Prior to becoming mayor in 2000, he served as the Assistant Chief of Police. Mayor Bradford is a 27-year veteran of the Police Department and received an appointment and graduated from the FBI National Academy. He was the recipient of three commendations and one Governors Life Saving Commendation during his career. He recently received the University of North Alabama Political Service Award and the Shoals Chamber of Commerce Leadership Award in 2002. Mayor Bradford completed the 40 hours of credit necessary to receive the League's Basic Certified Municipal Official (CMO) designation in 2002. He currently serves on the League's Public Safety and Transportation Committee as well as the Transportation Committee for the National League of Cities. He's a member of the North Alabama Mayor's Association and is Chair of the Northwest Alabama Council of Local Governments.



Mayor Dan Williams of Athens replaced retiring Mayor Austin Caldwell of Demopolis on the Municipal Workers Compensation Fund, Inc. Board of Directors. Mayor Williams was born June 6, 1942. He graduated from Athens High School in 1960 and from Auburn University in 1967 where he earned a degree in Business Administration. He married Kay Cottrell in August 1967 and they have four children and five grandchildren. He was a member of the Athens City Board of Education from 1979 until 1984 and served on the Athens City Council from 1984 until 1992. In 1992 he was elected Mayor of Athens. Mayor Williams has served as secretary, vice president and president of the North Alabama Mayors' Association. He is an active member of the Alabama League of Municipalities, serving on the League's Executive Committee. He was elected League Vice President in 2002 and League President in 2003. He completed the 40 hours of credit necessary to receive the League's Basic Certified Municipal Official (CMO) designation in 1996 and received his Advanced CMO designation in 2001. He has also served on the League's Legislative Committee as well as the Committee on Transportation, Public Safety and Communications.

Flammable and Combustible Liquid Controls

Compiled by: Myra Forrest, Safety Consultant, AMIC and MWCF

The daily operations of municipalities of every size as well as other public entities involves the handling and storage of flammable and combustible liquids. Operations such as vehicle and equipment maintenance, buildings and grounds maintenance, fueling operations and public utilities are exposed to a broad array of flammable and combustible hazards that can cause extensive bodily injury and property damage. Safe handling and storage of these hazardous liquids is essential to good loss control practices for all departments within any public entity.

NFPA 30

The National Fire Protection Association standard for flammable and combustible liquids is NFPA 30. The definitions according to the code are as follows:

- **Flammable or Class I liquids** are those having flash points below 100 degrees F. and a vapor pressure not exceeding 40 psia at 100 degrees F.

- **Combustible liquids** are those having a flash point at or above 100 degrees F.

Class I flammable as well as combustible liquids are further subdivided according to flash point ranges. The flash point is the temperature at which sufficient vapor is given off to form an ignitable mixture with air near the surface of the liquid. The flammable vapors, not the liquids themselves, can combine with the air and form a mixture that presents the danger of fire and explosion. The three key safety features with these liquids are:

- Isolation from ignition sources
- Adequate ventilation
- Use of approved/listed containers

Common sources of ignition include open flames, hot surfaces, smoking materials, operation of electrical equipment, sparks from welding or cutting and static electricity.

Storage and Handling Requirements

Flammable and combustible liquids that public entity operations typically use include solvents, oils, cleaning fluids and fuels. Gasoline is the most widely used and great care should be taken when handling both small and large quantities.

Storage of small quantities of flammable liquids such as gasoline should be stored in safety containers specifically constructed to withstand moderate mechanical shock and to provide fire safety features such as vapor control, emergency venting, leak-tight self-closing covers and flame arrester protected pour spouts. Approved or listed standard safety containers will have the listing or approval mark of a nationally recognized testing laboratory such as Underwriters Laboratory. Damaged or defective safety cans should be replaced. *Never* store flammable liquids in open containers.

Small quantities of flammable or combustible liquids should be stored in an approved or listed storage cabinet. Detailed construction features of approved storage cabinets are defined by NFPA 30. Key safety features include double-wall construction, self-closing door mechanism, leak proof seal and labeled "Flammable – Keep Fire Away."

Inside storage of large quantities of flammable and combustible liquids in containers such as drums, portable tanks and small containers should be maintained in an inside storage room. The room should incorporate the following features in accordance with NFPA 30:

- Fire resistive construction
- Self closing, UL Listed, Class B fire door
- Liquid tight door sill or ramp at least four inches high
- Electrical installation conforming to Class 1, Div. 2
- Appropriate ventilation system

Larger quantities of flammable or combustible liquids can be stored outside in above-ground or underground storage tanks. Tank controls are addressed in NFPA 30. Minimal loss control measures that should be initiated in these areas include:

- Fuel pump protection such as NO SMOKING enforcement and installation of protective barriers around pumps or above ground tanks.
- Recommended location of tanks is in outside yard areas at least 50 feet from structures, buildings, ordinary combustible storage or property lines.
- Location of fire extinguishers within 50 feet of tanks.
- Spillage containment provisions should be in accordance with EPA standards.

Loss Control Measures for Municipal Departments

General

- Never use a flammable liquid to clean parts. Non-flammable alternatives are available and should be used.
- Clean up spills of oil, gas and other fuels immediately.
- Store all flammable and combustible liquids and cleaning rags in closed, approved metal containers, in an area away from possible sources of ignition such as welding or repair operations.

Police Departments

Flammable liquids or solids should not be in the firearms and ammunition storage areas.

Fire Departments

- Investigate the extent of flammable liquids usage and storage in a fire house. Eliminate such storage if possible.
- Separate oxygen cylinders by at least 20 feet from flammable gases and secure all cylinders in an upright position.
- Store flammable liquids and gases away from the building's exit.

Garbage or Refuse Collection

Good housekeeping is essential in these areas due to the fuel supplies, solvents as well as unknown flammable and combustible substances hidden in the waste collected.

Civic Centers, Museums and Other Buildings with Public Access

House paints and other flammable liquids should be inventoried and stored in a building separate from the structure if possible. If not, storage should not be in areas of potential ignition sources.

Grounds Maintenance

- Storage of small quantities of gasoline is common. Storage should be in approved containers.
- Store flammable liquids in a separate, well maintained area. Good housekeeping practices are essential.
- Never refuel an engine that is hot or still running as this may cause a fire or explosion. NO SMOKING rules should be enforced in fueling areas and smoking prohibited during refueling operations.

Previous issues of *Risk Management Solutions* can be found by visiting www.AMICentral.org or www.alalm.org and clicking on the MWCF link.

EMPLOYMENT PRACTICES LAW HOTLINE 1-800-864-5324



Through a toll-free Employment Practices Law Hotline, members can be in direct contact with an attorney specializing in employment-related issues. When faced with a potential employment situation, the hotline provides a no-cost, 30 minute consultation.

The High Cost of Being Average

The Bureau of Labor Statistics reports an injury frequency of 8/100 employees.

Four of the injuries are **LOST TIME INJURIES**.

This is the composite record of all industries.

The National Safety Council reports a cost of \$28,000 for lost time injury and \$5,000 for a non lost time injury.

Therefore, an “average” company with 100 employees will incur \$112,000 in lost time injuries and \$20,000 in non lost time injuries for a total injury cost of \$132,000 a year. Such a loss requires \$1,600,000 in sales to pay for a company making 8 percent net profit.

There is also a cost for workers comp insurance premiums in terms of savings that would accrue if the company became better than average. **Safety officials and others are paying the price for being average!**

HOT TOPIC!



Smoke detectors are one of those amazing inventions that, because of mass production, cost practically nothing. You can purchase a smoke detector for as little as \$7. And while they cost very little, smoke detectors save thousands of lives each year. In fact, it is recommended that *every* home have one smoke detector *per floor*. All smoke detectors consist of two basic parts: a sensor to sense the smoke and a very loud electronic horn to wake people up and alert them to the threat of fire. Smoke detectors can run off of a 9-volt battery or 120-volt house current. They are low maintenance and generally only require regular battery changes.

2005 Workers Comp Premium Discounts Available

As medical care costs continue to rise, the Municipal Workers Comp Fund (MWCF) works to keep premiums as low as possible. There is a program available that gives a full 10% discount on the annual premium for those members who appoint a Safety Coordinator and have signed a **Statement of Commitment, Post Accident Drug Testing Agreement** and have an approved Medical Protocol in place.

The **Statement of Commitment** is updated annually and mailed out to each member of MWCF during the month of November. If it is signed and returned by **December 1st**, a 3% discount will be reflected on the 2005-2006 billing which will be mailed in December. Fifty-six percent of the members of the MWCF signed a **Statement of Commitment** for 2004.

In addition to the **Statement of Commitment**, the Municipal Workers Comp Fund provides an additional 3% discount for those members that commit to a Post Accident Drug and Alcohol Testing program. In order to qualify, a member must sign a “Participating Commitment” which will be enclosed with the above mentioned document and have such program certified by their attorney that the member’s drug and alcohol policy is Fourth Amendment compliant. Unlike the **Statement of Commitment**, this document does not have to be renewed each year. Currently, 57 % of MWCF members have a Post Accident Drug and Alcohol Testing program in place.

Another 3% discount is available to those members who establish and implement a Medical Protocol. This program is a great benefit to both the member and the claims management team. Forty-one percent of MWCF members have taken advantage of this program. For further information regarding this discount, call Tom Roper or Matt Graham at Millennium Risk Managers at 1-888-736-0210.

All members who have signed a **2005 Statement of Commitment, Post Accident Drug Testing Agreement** and have a Medical Protocol in place will receive a bonus 1% discount giving those members a full 10% discount on their annual premium for 2005! All members are encouraged to watch for the **2005 Statement of Commitment** information coming to you in November and return it promptly to take advantage of these benefits. It will also be available for downloading on our website by going to the MWCF page at www.alalm.org.

SkidCar Schedule

- Citronelle
- Montgomery

November 9 - 19, 2004

December 7 - 17, 2004



For additional information, contact the Loss Control Division at 334-262-2566.

Defining Moment

Un-named property not excluded – As an additional benefit to its insureds, AMIC provides liability coverage to properties that may not be listed on your property policy. All properties that are not explicitly excluded but may or may not be listed on the property policy are covered. Please see page 2 of 28 (A. Coverage 2. Property Not Covered) in your policy for the property not included in this valuable addition to your coverage.

New Safety Videos Now Available

- 7.072: It's Up to Me (to follow safety procedures)
- 9.041: Police Liability Training: Use of Force
- 9.042: Police Liability Training: Pursuit and Emergency Response
- 13.006: I Could have Saved a Life That Day (Workplace Violence)
- 5.049: Driving Distractions of the Professional Driver
- 5.050: Backing and Parking
- 5.051: Trucks, Vans and Other Delivery Vehicles
- 7.065: Safety Awareness: Real Accident, Real Stories, Part 2

To check-out a safety video, simply call, FAX, or e-mail your request to Rachel Wagner at:
334-262-2566; rachelw@alalm.org; or FAX at 334-263-0200.

LOSS CONTROL SEMINARS

Overview of Risk Management Practices for Public Entities

February 9, 2005 Montgomery
February 10, 2005 Bay Minette
February 17, 2005 Decatur

Time: 9:00a.m. to 3:30 p.m.

Agenda

- Intro and Principles of Risk Management & Safety Programs
- Hazard Identification for Public Entities
- Developing an Accident Investigation Program
- Understanding Your Workers Compensation Program

For more information, contact Donna Wagner at 334-262-2566.



*For more information, call:
334-262-2566.*



Please share this publication with your staff and coworkers!

Presorted Std.
U.S. POSTAGE
PAID
Montgomery, AL
PERMIT NO. 340

CHANGE SERVICE REQUESTED

ALABAMA LEAGUE OF MUNICIPALITIES
P.O. Box 1270 • 535 ADAMS AVE.
MONTGOMERY, AL 36102

