



NLC-RISC RISK INFORMATION  
SHARING CONSORTIUM



# Restoring Hope through Crisis Preparation, Response, and Resiliency

Wednesday, October 19<sup>th</sup> | 10:15 AM

# Town of Malden's Story on September 7, 2020

## A year after fire destroyed Malden, a grieving town slowly rebuilds

Sep. 5, 2021 at 6:00 am



July 13, 2021

Fellow Whitman County Mayors:

As a Whitman County mayor, I am reaching out to my peers across the county to share some of the things we have learned in the aftermath of the Babb Road fire (and steps the town's government should have taken prior to this disastrous event). I also cannot stress enough the importance of providing immediate and on-going mental healthcare for residents and members of town government after a catastrophic event. If even one of the items listed in the attached document helps another community avoid some of the difficulties we have encountered in the last year, my time spent writing them down will have been well worth it.

I also want to encourage you to take one more step toward ensuring the safety of your town, especially given the current situation (drought conditions, record-breaking heatwaves, early onset of fire season, frequent wind storms, and not enough trained firefighting personnel in most areas). Ask the landowners at the edge of your town limits to consider plowing a wide fire break around the community *now*, and commit to keeping it clear of vegetation from June through September. The Babb Road fire moved with such speed from the time it started until it roared through Malden and Pine City, there was no time to effectively do anything defend the towns. This may spare you and your townspeople the terror experienced by the residents of Malden and Pine City on September 7, 2020, and the physical, mental, emotional, and financial struggles they have repeatedly endured on a weekly, if not daily basis, since.

As we approach the one year anniversary of the destruction of Malden and Pine City, it is my hope that by sharing some of our lessons learned, we can in some way help other communities.

Respectfully,

Dan Harwood, Mayor  
Town of Malden

# The work you do is invaluable

- Before an incident - Prevention and risk management
- During - Crisis management and business continuity
- After - Claims adjudication

# Disaster Readiness: Training, Safety and Preparedness Resources

## **FEMA Training:**

- Introduction to FEMA Incident Command System (ICS) and National Incident Management System (NIMS) Trainings
- Identifying Staff for FEMA Training
- Accessing FEMA Coursework

## **Worker Safety:**

- Personal Protective Equipment
- Employer Required Training/Controls
- Emergency Response Readiness



# Disaster Readiness: Training, Safety and Preparedness Resources

## Preparedness Resources:

- Emergency/Continuity of Operation Plans
- Disaster Readiness Resources
  - CIS Disaster Recovery Kit
  - Resource Library
  - Resource Handbook for Disaster Survivors by Sean M. Scott
- Claims Team Readiness
- Ready.gov, Be 2-Weeks Ready
- Community Emergency Response Teams (CERT)
- Team Rubicon





# Effective Claim Crisis Management

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Making Crisis Resolution an Area of Organizational Strength

Mike Wagner, Claims Manager

# CIRSA's Story: The Early Years

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- **Large property losses had been few and far between, and we needed to learn some lessons the hard way**
  - In our first 15 or so years, we'd managed to deal with large catastrophic losses through "beginner's luck"
  - Claim Representatives were generalists and not specialized in first party property claims
    - Claim Rep territories
    - Property coverage
    - Construction
    - Claim process
  - Communication issues
  - We didn't have effective relationships with excess carriers, independent appraiser or vendors
    - We ended up in the middle of multi-sided coverage litigation from a 2000 roof collapse – member was mad at us, we were mad at excess carrier, excess carrier was mad at us, everyone sued everyone else
    - Although we eventually won, we spent a LOT of money to recover what we/our member were owed
  - We didn't understand our members' pain-points
    - Catastrophic first-party property losses cause huge stress, especially for smaller staffs
    - They were easy targets for public adjusters
  - We'd begun some self-reflection after the 2000 loss, but then a citizen with a bulldozer leveled most of a member town in 2004...





# Consequences of our inexperience:

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With this huge loss, we realized that we needed to beef up our property coverage-related services, or we were at serious risk of:

- Destroying relationships with members
- Tarnishing reputation with non-involved members and others
- Coverage disagreements with excess carriers and ensuing litigation
- Damaging relationships with vendors



# Competence and Communication (it's all about people)

- The person handling the loss has to be knowledgeable
  - How can you explain something you don't fully understand yourself
- The person handling the loss needs to be a good communicator
  - Credibility and transparency are paramount
- The person handling the loss needs to be a good listener
  - Your member's priorities might be different than what you think
- The person handling the loss needs to be (and to be viewed as) an active part of the member's team



# How the Bulldozer Drove Change at CIRSA:

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- **Property Claim Specialist**
  - **Communication (coverage and claims process)**
    - Advocate for member during coverage disputes
    - Communication early and often with excess carriers, to reduce questions/disputes
  - **Relationship building with excess claim representatives and vendors**
    - Why is this important?
- **We identified our members' biggest pain point and came up with a solution**
  - Outside claim consultant to help quantify the loss and assist with rebuilding effort, eliminating the perceived need for a public adjuster
- **We became proactive in identifying potential losses (pre-claim submittal)**
- **Pre-loss measures to reduce future loss**
  - Asphalt roofing rebate and pre-fire inspection
  - New member property inspections by Property Claims Specialist
- **Claims became active in identifying changes to coverage**
  - Is the coverage being offered making losses more difficult



# So how is CIRSA doing now?

- Resolving large property losses is now an area of strength
  - \$80M in catastrophe losses paid since 2007
  - No members have left the pool because of perceptions about claim service
  - No complaints
- Good relationship with excess carriers, no need for coverage litigation
- Good relationship with vendors

# Beyond risk management

- Consider cross collaboration with other pools or services
  - Mental health
  - Worker safety during and after an event – your own Pool staff as well as member staff