

No matter what the catastrophic event, the time immediately following it will be bad. Imagine how much worse it would be if you didn't have a plan.

# THE DAYS AFTER

DISASTERS CAN BE BOTH FAMILIAR AND UNIQUE. They're alike in many ways, bringing a predictable pattern of disruption and devastation, but they're also quite capable of surprising you. At no time was this more apparent to me than in 1995, when a storm ripped Florida's Gulf Coast.

After the deluge, I was part of a group that inspected Shoreline Towers Condominium, a beachfront high-rise and townhouse community in Destin, Florida, that I managed. The scene we found was awful. The storm had caused a tidal surge that had savaged the buildings. Glass, furniture, garbage, and other debris littered the beautiful white sand on the condominium's beach. I decided it would be best to replace the destroyed dune with a new dune protector by scraping the debris from the beach, pushing it into a pile, and covering it with good sand.

That's when the surprises began.

BY ROBERT FOWNER, CMCA, AMS, PCAM  
photo by James Henry/Getty Images

EDITOR'S NOTE: In September/October, we presented "Safe at Home," the first of two articles about community security. It addressed the nuts and bolts of crime prevention, emergency management, and counterterrorism. The second article, "The Days After," is about disaster recovery.

AN OFFICIAL FROM FLORIDA'S Division of Beaches and Shores told us that it was illegal to scrape the debris in this manner and ordered me to visit the state Department of Environmental Protection office in Pensacola for a personal chat on proper dune construction. When I returned, Destin's city engineer told me to scrape and sift the sand again and haul away the remaining debris, which was used to rebuild another dune further down the beach. The total cost to refurbish Shoreline Towers' beach and build a new dune protector was \$250,000—which was not covered by insurance.

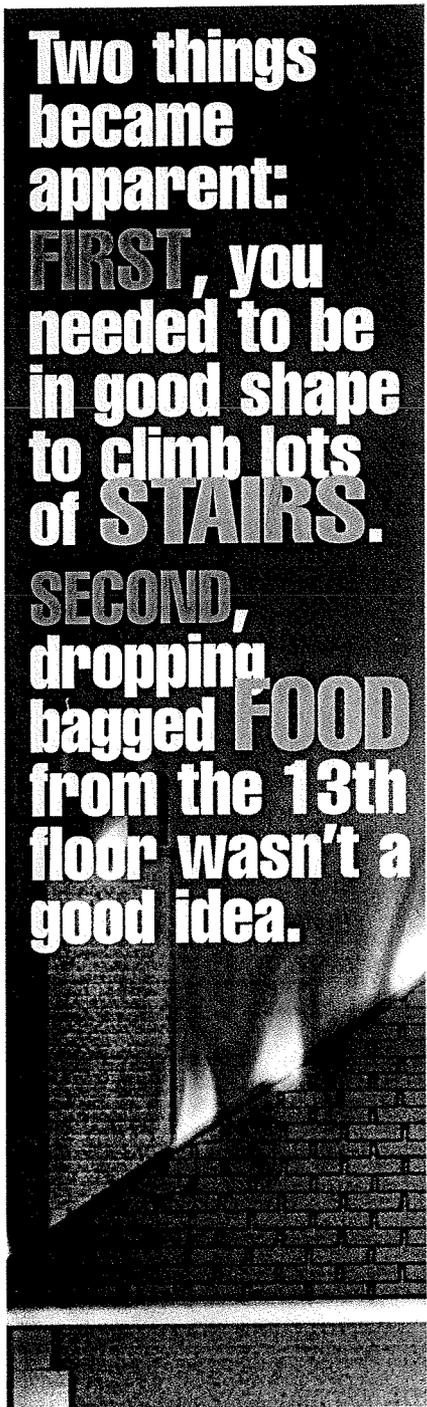
Talk about a disaster.

### BEFORE IT'S BAD

Many communities have developed emergency operational procedures to assist them in handling a catastrophic event such as a fire, earthquake, major storm, or, these days, even a terrorist attack. But the fact remains that most communities, their boards, and their managers have never actually experienced such an event—which is fortunate, obviously, but also unfortunate. In some ways only the actual experience of a disaster can help prepare you for one.

First, realize that despite your best-laid plans, the days immediately following a disaster will be awful—chaotic, heartbreaking, and deeply frustrating. That said, the first step for disaster management and recovery is to prepare.

Insurance. You know that insurance is essential, but as a board member or manager, do you understand the nuances of the different types of hazard insurance? For example, if your community is in a flood-prone area, is your coverage the same for fire, wind, and flood? If so, you have a problem. Flood insurance applies to the foundation and other items, so your coverage should be higher for a flood than it is for other hazards. It's important to get this squared away



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long before anything happens.

This is where it pays to have a good relationship with your insurance agent. Get things started on the right note with a proper appraisal, completed by a qualified appraiser. This will allow your agent to help you choose the best coverage and also will eliminate the possibility that you'll incur a co-insurance penalty, which usually kicks in when a prop-

erty is underinsured to its true value.

After a disaster, you'll likely face a deluge of independent insurance adjusters. It's extremely important that your association deal only with independent adjusters who have been properly certified and licensed by the state. Be sure to keep your agent up-to-date on all your dealings with adjusters.

Evacuation. Another pre-disaster concern is figuring out the best and safest way to evacuate your community. Evacuation brings its own unique pressures, especially when the entire general population is also expected to evacuate. Emphasize to your residents well in advance of a disaster that when an evacuation order is given, it must be heeded quickly and calmly, lest someone end up stranded on the road when a storm passes over. If you have a problem with residents who refuse to evacuate, ask them to sign a waiver that mentions injury or loss of life as possibilities. That should get their attention—as should the news that water, power, and gas are being shut off. There might still be a resident or two who refuse to budge. Usually the police won't forcibly remove them, but I will say that I've never seen such a holdout stick around for the next storm.

Your employees make up the other part of the evacuation equation. Until the time arrives, you probably won't know exactly which of your employees will remain until the property is secure, but canvass them ahead of time to get an inkling of who might be the last to leave.

Access. Also take the opportunity now to familiarize yourself with emergency-area access procedures. Many local, county, and regional emergency-management departments issue identification cards and grant access to damaged areas—including your own community—only to those people who absolutely need to be there. Such a card is what allowed me access to the skeleton of Shoreline

Towers and other barrier island properties as soon as the National Guard was in position in 1995. Most agencies require applicants to undergo a background check, meaning an ID card won't be issued overnight and must be preplanned. Check with your local authorities today.

**Contractors.** If your community is part of a disaster that happens across a large area, you might have problems finding qualified, licensed contractors to help you clean up and rebuild right away. If like me you live in a storm-prone part of the world, you would do well to solicit bids and put a contractor on retainer before anything happens. This way, the contractor is familiar with your community and has a sense of allegiance to it.

**Banks.** Unless your association is very well financed, with a large bank account, you'll probably need a cash infusion to begin immediate emergency repairs. Again, forethought is key. Banks will step up to support their communities right after a disaster, but still, you'll have a much easier time if you establish a line of credit—and place it on hold—well in advance.

**Records.** In planning for an emergency, one of the most important things to consider is how you'll safeguard your community's records. Store them in a fireproof, waterproof vault, keep duplicates somewhere else, or make other arrangements. Just be sure your records are protected, because you'll be lost if they're destroyed.

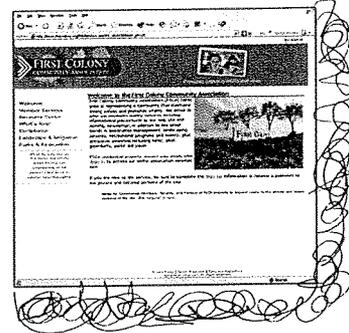
**Information.** Now is also the time to think about the lines of communication. If you've been through a disaster, you know that your residents—especially any absentee owners—will want immediate and frequent updates about damages and repairs. In the past, a phone tree or fliers posted on-site would be your only option, but these days you can post the latest news—including information about emergency meetings of the board—on your Web site, and update it instantly. Construct your site in such a way that

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### INTO THE BREACH

Ideally, your emergency plan will give you a framework around which to base your responses in the event of disaster, when the unexpected tends to overwhelm everything else. That was the experience I had during the terrible 1995 storm.

On site. Because I was one of the few civilians with an entry pass, I was issued a Humvee with a driver to take me to Shoreline Towers and other sites. Armed with their own ID cards, the other pre-approved members of my staff followed close behind. We were amazed at the devastation; the concrete shells of the buildings remained, but their "soft tissue" had been ripped out. Still, with no one else picking through the area, we were able

to catalog the observable damage quickly and record it on my laptop. The area was open only during daylight, so when the sun began to set, we left to post the information online. One of our association's Web sites registered 230 hits the first night after we put the information up, thus relieving our staff from having to answer individual phone calls and allowing us to proceed with the business of repair.

We certainly needed the extra time, because the following days offered some problems we never expected. For example, how would we empty the rotten food from all the refrigerators in a high-rise whose elevator system was knocked out? Two things became apparent: First, you needed to be in good shape to climb lots of stairs. Second, dropping bagged food from the 13th floor wasn't a good idea.

Estimates. Fortunately, we weren't on our own. Our prearranged general contractor's estimator and certified public adjuster showed up almost immediately. Both were well on their way to finishing their surveys of the damage when the adjusters from the association's and residents' insurance companies began arriving. Their efforts sped up the companies' initial issuance of repair checks.

In the meantime, associations were holding emergency meetings to discuss the extent of the damage, the plan of repair, the authorization to fund expenditures, and the approval to utilize their pre-approved lines of credit. The arrangements we made months and years in advance made these initial days after the storm bearable.

Money. Previously, Shoreline Towers had removed a requirement from its documents that a trust company disperse any funds received from the insurance company. The board and residents felt that the association's certified public accountant could monitor the payments made for the repairs without paying the cost of a trust. It wasn't too long after the

# 10 SPOT



When disaster strikes, it's critical that your board, residents, and manager react quickly. Here's a top-ten list for property damage insurance claims.

By Steve Slepcevic

1. Contact your insurance agent and file your claim promptly.
2. Protect the property from further damage, and document your loss through the use of video or photos.
3. Set up a team within your association or management company to deal with the loss. Make sure this team is made up of your most competent, trustworthy people.
4. Study your insurance policy. Don't let anyone else assume this responsibility—not your employees, not your broker, and certainly not the insurance adjuster.
5. Gain control of the situation. This is your loss, not the insurance company's loss. You must be proactive in the insurance claims process.
6. Retain experts to assist you in proving the loss.
7. Demand that the insurance company issue a large advance check upon the first visit of the adjuster.
8. Always be aware of the players and their positions in the game.
9. Keep in mind that adjusting a large property insurance claim is a very specialized field.
10. Consider retaining a claims consultant and disaster-recovery service with a team of experts. These consultants are licensed and qualified to handle your claim and act as your fiduciary.

Steve Slepcevic is president of Paramount Disaster Recovery Inc. Visit the company's Web site at [www.paramountinc.com](http://www.paramountinc.com).

storm that millions of dollars were being issued to the association. The bank recommended that the association place the money in a repurchase account that would accrue interest but keep the money accessible as needed. It was the first time that I wrote a check for "One Million Dollars and No Cents."

FEMA. Despite all our preparations, one thing for which neither I nor many managers who worked the 1995 storm were prepared was how to deal with the Federal Emergency Management Agency (FEMA). They are wonderful people, and helped tremendously with grants and low-cost loans, but they are a bureaucracy, and as such they demand that their requirements be specifically met. When you're winging it on a daily basis, running into a FEMA technician can be like hitting the wall at a NASCAR race. But if you need the services of FEMA—and there's a good chance you will—I promise that you will fill out the necessary forms.

Eventually, the repairs were completed. In almost every case, there were disagreements with the insurance companies. They wouldn't have been cleared up without the help of our invaluable, industry-knowledgeable attorneys, who probably made the final contributions to our disaster response. Our days of hell were over, until the next storm. 

*Robert Fowner is president of RDF Associates, in Ft. Walton Beach, Florida.*

#### RESOURCES

*Before Disaster Strikes: Developing an Emergency Procedures Manual.* Retail: \$100. CAI members: \$60.

Federal Emergency Management Agency.  
500 C Street, SW, Washington, DC,  
20472; (202) 566-1600; www.fema.gov.

*GAP Report 14—Disaster Management for Community Associations, Third Edition.*  
Retail: \$25. CAI members: \$15.

**TO ORDER** either of the publications listed above, visit CAI's online bookstore, at [www.caionline.org/bookstore.cfm](http://www.caionline.org/bookstore.cfm), or call CAI Direct, at (703) 548-8600.

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