

# FLOOR PLAN INSURANCE PROGRAM

## FLOOD AVOIDANCE AND INVENTORY EVACUATION

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### INTRODUCTION

Flooding is a major cause of loss in relation to the storage of vehicles on an automobile dealer's lot, which can often lead not only to directly damaged vehicles, but interruption to the dealer's business and possibly reputational damage, as well. Therefore Allianz offers the following advice about creating a plan to relocate vehicle inventory from flood prone locations prior to any expected flood event.

### CREATE A TEAM

The Team should include owner(s) and/or executive management who are authorized to implement the Plan and to call for inventory evacuation when conditions warrant.

The Team should have enough members of management so at least one is on duty at the dealership or in the immediate area during evenings and weekends.

The Team should also include enough employees to move the inventory if it becomes necessary.



### DETERMINE YOUR EXPOSURE

Evaluate the flooding potential of your inventory storage lot(s). **The fact that a property 'has never flooded before' does not negate the need for an appropriate evaluation.** Whether or not you are located in the United States, a free and easy to use reference guide is available from the US Government's Federal Emergency Management Agency (FEMA) entitled, 'Using National Web Service with Google Earth' at the following link: <https://hazards.fema.gov/femaportal/wps/portal/NFHLWMSkmzdownload>.

If a flood hazard determination is not available from this source, consult with Allianz Risk Consultants and/or your broker for a further determination.

If only a portion of the lot is subject to flooding, can parking in that area be avoided? If so, paint lines or otherwise mark the area and instruct employees not to park inventory within the flood area. Parking within 200' of a flood boundary is not recommended, as flood zone determination is not an exact science and other factors may influence flooding levels: a safety margin should be provided.

Make certain that the storm drains, gutters, culverts, etc. on the lot are clear of debris and obstructions. Check them on a regular basis and clear them as needed.

## IDENTIFY "SAFE ZONES"

### ONSITE

Make a map of your lot(s) showing the area(s) subject to flooding and the area(s), including buildings, where inventory can be parked safely.

### OFFSITE

Make advance arrangements with the owner of a nearby property that is not subject to flooding where inventory can be moved. An agreement and some compensation may be necessary, but a minimal investment can produce significant deductible and expense savings in the event of a flood. Also, exclusive rights to the property can simplify vehicle security measures. Make a map of the offsite location and mark how vehicles should be parked. Leave ample access paths to avoid collisions.

Determine the quickest and safest route to the offsite location. Make sure the route is not also subject to flooding. Expect heavy traffic and try to avoid uncontrolled left turns if possible. Will you need someone to control traffic as your drivers leave your lot? Is help or approval from the police required?

Include security from theft and vandalism at the offsite location in your plan.

## DOCUMENT THE PLAN

Put the plan in writing, and be specific. Include the following:

- Provide names and telephone numbers (home and cell) of team members and their assignments.
- Attach maps of onsite and offsite parking.
- Indicate what vehicles are to be moved and the location where they are to be moved (i.e., high valued vehicles in buildings).
- Include specific directions for the route to any offsite locations.
- Decide which team management will be responsible to monitor the weather conditions including tides and flood stages.
- Decide which team members will move the vehicles and who will be the shuttle driver(s) to bring the vehicles back to the dealership from the offsite location.

- Determine which team member(s) will be responsible to put keys in vehicles to be moved and which team member(s) will be responsible to collect the keys and secure the vehicles at the offsite location. Keys to vehicles need to be properly secured/locked when not in use.
- Inform the team members of their assignments in advance and give them a copy of the plan.

## MONITOR CONDITIONS

If you are in the United States, monitor the National Weather Service (NWS), local media, or local government meteorological sties in your area for latest flood gauge and monitoring services upstream from your location. NWS flood gauges for your area can be found at [http://weather.gov/rivers\\_tab.php](http://weather.gov/rivers_tab.php).

Consult with your local town or county Emergency Management Agency (EMA) director, who may be a good source of information and resources.

Place a post in the low-lying area of your lot and monitor the water level. If the dealership is closed during a Flood Warning, have an employee stay at the dealership to check the water level every half hour. When the water reaches a predetermined height on the post, it is time to implement the plan and move the inventory.

## SUPERVISING THE EVACUATION

Team management must direct and control all aspects of the evacuation, including:

1. Safe driving
2. Organized parking
3. Traffic control
4. Vehicle security



## RETURNING INVENTORY TO THE DEALERSHIP

Consider the short term weather forecast before returning the inventory to the dealership. Recognize that ground saturation can lead to further flooding from relatively small amounts of rain. Team management must direct and control the return of inventory in the same manner as the evacuation.

## CONTACT

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