

THE POOL CUE

Volume XI, Issue 2 April 2005

MICHIGAN COUNTY ROAD COMMISSION SELF-INSURANCE POOL



MCRCSIP MISSION STATEMENT

“The Mission of the Michigan County Road Commission Self-Insurance Pool is to administer a self-insurance program and to assist members with risk management efforts.”

EMPLOYMENT PRACTICE LIABILITY

“MCRCSIP Training Programs”

In May of 2005, we will begin performing full-day workshops around the State to address **“Ten Danger Zones for Supervisors.”** See the enclosed flyer for dates and locations.



Another program being planned is **“Avoiding Litigation Landmines: A Survival Guide for Managers.”** Employers throughout the United States are faced with rapid and increasing changes and developments in the area of employment law. Currently, there are staggering numbers of employment-related claims being filed in state and federal courts and various administrative agencies. Such claims can often result in tremendous employer liability, as well as, substantial legal

expense, causing employers to settle cases that may seem almost frivolous in order to avoid the risk and expense of employment litigation. For the managers involved, such claims can be extremely upsetting and embarrassing.

Obviously, because of the litigious society in which employers must operate, it is virtually impossible for any employer to eliminate all potential employment litigation. Unfortunately, a number of companies increase the risk of employment related claims by committing mistakes that could easily have been prevented by training. We call them “Litigation Landmines”.

Continued on page 2....

INSIDE THE CUE

1. MCRCSIP Mission Statement
Employment Practice Liability
2. Vehicle/Equipment Fire Prevention
4. It's That Time of Year Again!
Annual Membership Meeting
5. Another Saved Truck
2005 Assessments
6. Directories
7. MCRCSIP Board Meeting Schedule
Word Search

- 1) Failure to document
- 2) Failure to train
- 3) Failure to keep evidence
- 4) Grade inflation
- 5) Failure to consult human resources
- 6) Inappropriate electronic messages
- 7) Inconsistent treatment
- 8) Inappropriate talk about ex-employees
- 9) Uncontrolled references

These “landmines” were identified by reviewing thousands of actual employment law cases and surveying over two hundred employment law attorneys. Repeatedly, the above “landmines” were singled out as conduct directly linked to problems identified through litigation.

Currently, one in five team leaders or front-line managers can expect to be named in some form of employment-related charge or litigation. Moreover, each landmine is also an opportunity for a positive management practice that would improve employee performance. This program provides an opportunity to become inoculated against those landmines and to become better prepared to meet the incredible and exciting challenges of the 21st century.

We encourage members to contact MCRC SIP Loss Control to schedule this in-house training session.

VEHICLE/EQUIPMENT FIRE PREVENTION

“Installation, Inspection and Maintenance of Hydraulic and Wiring Systems”

Mike Shultz
MCRC SIP Assistant Administrator
Loss Control/Training

In reviewing reported claims associated with vehicle fires, we have determined that the majority of vehicle fires are caused from either hydraulic or wiring deficiencies. To help address this concern, MCRC SIP Loss Control made contact with numerous fleet maintenance personnel to determine in-house installation, inspection and maintenance practices. We identified some rather creative approaches by some members.

We hope that the information provided in this article can be helpful to your fleet maintenance personnel. We do not purport the suggestions to be limited to those referenced in this article and would appreciate hearing other ideas/approaches used by your organization. If you have any questions, comments or concerns, feel free to contact Mike Shultz at 616-866-3168.

FIRE INCIDENT #1

A pickup truck burned due to an electrical fire in the engine compartment. A close investigation indicated faulty installation of wiring. Specifically, poor wire connection and not having an inline fuse or fuse link wire were determined to be the main contributing factors.

Continued on page 3.....

SUGGESTIONS

- ✓ Monitor to ensure all wiring is protected against chaffing by using a wiring loom and/or other wiring protection. Note: Several members use old 2 ½ inch fire department hose to protect wiring in potential wear areas. Check with your local fire department!
- ✓ Monitor to ensure wiring and connections are tight, sealed and protected against corrosion. Use products such as shrink tubing and/or liquid electrical tape whenever possible. Check these connection areas regularly.
- ✓ Consider installing inline fuses or fuse link wiring when connecting accessories into vehicle factory wiring harnesses.
- ✓ Ensure the wire rating is the correct size for the job. Wiring that is fire proof and resistant to abrasions is considered to be a good choice.
- ✓ Always use quality wiring, terminals and connectors. Whenever possible and appropriate, consider soldering wiring connections.
- ✓ As part of your routine inspection program, check wiring and connections for damage and replace/repair when noted. The extra time in a garage for an inspection can promote less down time for repairs.
- ✓ Keep your electrical installations separate from the manufacturer's by installing your own fuse blocks, etc.
- ✓ Do not accept sub-standard electrical wiring and component installations from in-house employees or from

vendors. A cheap or poor quality job is much more likely to fail you and cost you more in the end. If it is done poorly, send it back!

- ✓ Consider sending your maintenance personnel to classes or workshops on electrical wiring installation, maintenance and inspection. Note: We are exploring this idea for fall 2005.

FIRE INCIDENT #2

Several trucks have burned recently when a pressured hydraulic line in the engine compartment began to spray onto a hot engine and/or turbocharger.

SUGGESTIONS

- ✓ Ensure hydraulic lines are protected against chaffing by using a protective loom or other protective devices (i.e. fire hoses).
- ✓ If and when possible, route high pressure lines on the side opposite of the engine turbocharger.
- ✓ For trucks with automatic transmissions, consider using the "Hot Shift PTO System" where the hydraulic pump runs off the transmission. This cuts down on the number of hydraulic lines into the engine compartment and can be instrumental in getting the truck back to the garage when hydraulic problems occur.
- ✓ As part of a preventive maintenance program, routinely check hydraulic lines and line connection points to identify wear and tightness. If you find a problem on one truck, take the time to check others.
- ✓ Utilize hydraulic line shields or route the lines on the outside of the truck frame rail.

Continued on page 4.....

- ✓ Use quality lines that are reinforced and have a high resistance to wear.
- ✓ When routing hydraulic lines, use sufficient hydraulic line anchor supports.
- ✓ Do not accept sub-standard hydraulic component installations from in-house employees or from vendors. Similar to electrical work, a cheap or poor quality job is much more likely to fail you and cost you more in the end. If it is done poorly, send it back!
- ✓ Consider sending your maintenance personnel to classes or workshops on hydraulic system maintenance and inspection. Note: We are exploring this idea for fall 2005.

IT'S THAT TIME OF YEAR AGAIN!

Mark Jahnke
Specialty Claims Services, Inc.

Along with the change in seasons, comes a change in the types of maintenance activities that Road Commissions are performing on the roads. Rather than snow removal, the warm weather months bring about different operations, including “pulling” and grading shoulders along paved roadways.

Often times, a sweeper is the last vehicle in the shoulder operation, cleaning the remnants of gravel and dirt off the pavement and onto the shoulder. When this operation is performed during dry conditions, the sweeper often kicks up a thick cloud of dust, which can significantly

affect the visibility of motorists traveling on the roadway.

Numerous accidents have occurred over the past several years in which motorists have driven into a dust cloud created by the sweeper and collided with Road Commission equipment or other motorists traveling on the road. Serious injuries have resulted, both to motorists and to Road Commission employees, with significant damage caused to the equipment and vehicles involved.

If possible, we recommend that this type of operation not be performed under extremely dry conditions, which exacerbates the dust created. If you can “control” the amount of dust, either with equipment that wets the sweeper brush or by lightly dampening the shoulder material prior to sweeping, the hazard created by this activity can be considerably lessened. Additional warnings to motorists, in the form of temporary signing, “bumper” vehicles, etc., can also serve to reduce the potential hazards of this operation.

ANNUAL MEMBERSHIP MEETING

MCRCSIP'S Annual Membership Meeting will be held at the Soaring Eagle Conference Center in Mt. Pleasant on July 20-21, 2005.

“ANOTHER SAVED TRUCK”

Mike Shultz
MCRCSIP Assistant Administrator
Loss Control/Training



Recently, a MCRCSIP member reported that a truck electrical fire was subdued when the driver noticed smoke coming from the underside of the vehicle. The quick-thinking driver shut off the vehicle battery disconnect switch, helping to bring the fire under control. We believe his quick actions saved the truck and (most likely) the garage from extensive fire damage! It goes without saying that a special “Thank You” goes out to the truck driver, **Bill Barber – Emmet County Road Commission**

As mentioned from time to time, employees can possibly save our expensive trucks and equipment by turning off the battery disconnect switch if the fire is electrically related. With this in mind, it is important to convey that an employee should NEVER unreasonably endanger his/her life to protect road commission property. Always keep your individual safety in mind when you are attempting to exit or approach a vehicle or piece of equipment that might be burning.

2005 ASSESSMENT UPDATES

Michigan Catastrophic Claims Association (MCCA)

The MCCA board of directors announced an increase in their assessment to \$141.70 per vehicle. This increase will be reflected in your 2006/2007 premiums. Your MCCA assessment for April 1, 2005 – March 31, 2006 will be based on MCCA’s last year’s assessed amount of \$127.24 per vehicle.

Assigned Claims Facility Fee

Each year, the State of Michigan assesses the Pool (along with all other State “insurers”) an Assigned Claims Facility Fee. This fee (implemented to fund the management of personal protection claims arising from motor vehicle use) divides the Facility’s actual annual expenditures among the total number of motor vehicles and trailers registered in Michigan for that year. Because they use actual numbers, we get the final invoice in August of the year following the assessment year. Our members are invoiced for each year using their vehicle counts and multiplying by an estimated fee/vehicle amount-usually based on the prior year’s actual.

In the past, the difference between the final assessments amounts and the estimates was small enough to be included with our current year renewal estimates for the Assigned Claims Fee. However, in 2003, the assessment increased 26%. That is much higher than we expected, and we believe it may be better to show those costs separately on this year’s invoice.

Continued on page 6.....

For the April 2003 renewals, we estimated the amount of the assessment at \$6.77 per vehicle, and received the 2003 assessment invoice for \$8.54 per vehicle in late August 2004. The additional \$1.77 per vehicle has been invoiced to members on this year's (2005) renewal invoice as a separate line item. We thought this would be a better way to get the appropriate information to our members about these costs.

MCRCSIP ADMINISTRATIVE

DIRECTORY

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REMINDER!

We're Here For You – Guaranteed

We cover your liability. If you feel you have a problem, please call us.

1-800-842-4971

For additional copies of the "Pool Cue" please call or e.mail Janet Wise or Kay Newberry.

SPECIALTY CLAIMS SERVICES, INC.
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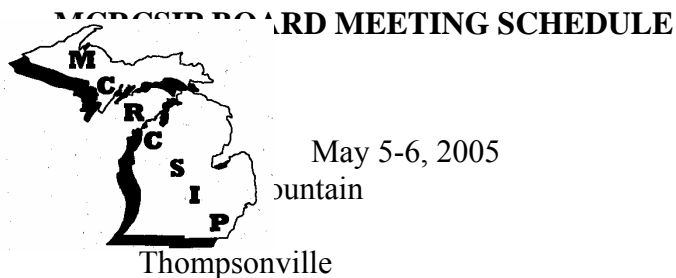
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Jim Kesek	Extension 103
Paul Palazzola	Extension 104
Paul Aubin	Extension 105

NOTICE!

Please call our **24-HOUR EMERGENCY PAGER NUMBER** to report serious accidents that need *immediate attention* after hours.

Call **1-800-209-8349** and a Specialty Claims Investigator will respond to your call ASAP.



June 23-24, 2005
 Bay Valley
 Bay City
 July 20-21, 2005
 Soaring Eagle Conference Center
Annual Meeting
 Mt. Pleasant

September 15-16, 2005
 Hamilton Inn Select
 Mackinaw City

Meetings are open to all members and are moved
 around the State in order to be
 as convenient and accessible as possible to those
 wishing to attend.

WORD SEARCH

Y	A	R	P	S	D	K	C	U	R	T	A	I	N
A	C	O	N	D	I	T	I	O	N	S	N	I	V
D	R	E	A	M	O	R	T	E	N	C	A	S	E
D	R	E	M	O	V	E	M	Q	O	R	L	H	H
R	E	P	E	L	W	S	P	U	I	A	O	O	I
L	A	O	W	H	S	P	A	I	S	P	G	U	C
A	T	O	A	A	P	A	Y	P	S	E	A	L	L
W	N	L	R	Z	L	S	M	M	I	R	E	D	E
S	P	A	O	A	O	S	E	E	M	E	A	E	A
U	H	N	T	R	W	P	N	N	M	C	N	R	D
I	E	I	U	D	D	I	T	T	O	T	O	T	E
T	L	I	N	S	U	R	A	N	C	E	D	A	R
M	U	I	D	E	T	E	R	M	I	N	E	R	S

Add	Day	Harassment
Name	Seal	Tar
Analog	Determine	Hazards
Payment	Scraper	Tedium
Anode	Ditto	Insurance
Plow	Shoulder	Term
Cedar	Dream	Lawsuit
Pool	Snow	Trespass
Commission	Drop	Leaders
Rain	Spa	Vehicle
Conditions	Eat	Miners
Remove	Spire	War
Coverage	Equipment	Mired
Road	Spray	Weather
Curtain	Erect	
Roar	Spud	Wet
Rotund	Sweeper	Zone

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