



General Liability Coverage Tip...by Barbara Logan

Days later the fire is out. Luckily, no one was seriously injured, but over 5,000 acres of timber has burned. Four homes were damaged or destroyed along with a small store and part of a mature apple orchard.

Initial estimates indicate damages exceed \$1,000,000. Your machine started the fire and your maintenance practices are called into question. Insurers of the burned homes and businesses are calling, as well as the Workers Compensation carriers for several firefighters who were injured. You refer them to your insurance company.

One of your worst nightmares has only just begun. You receive a letter from your insurer telling you that, while they will continue to handle the claims for the injured firefighters, there is no coverage for the property damage claims. How can that be?

Most insurance companies include a standardized exclusion endorsement in their commercial general liability policies when they insure a logger.

That exclusion endorsement is short and to the point. It says:

“With respect to logging and lumbering operations by or for you, this insurance



does not apply to property damage due to fire, or to property damage, however caused, to any vehicle while being loaded or unloaded.” (ISO Form CG 22 54)

So it's excluding two things:

- Property damage due to fire (any kind of fire)

IMPACT — NPDES Permits for Forest Roads

Nonpoint Source Regulatory Exemption— Since 1976, EPA regulations have interpreted the Clean Water Act (CWA) to define forest management activities such as forest roads as “nonpoint” sources that do not require NPDES permits under the CWA. The U.S. Court of Appeals for the Ninth Circuit has now ruled that EPA’s definition is contrary to the CWA and that forest roads and their associated storm water runoff gathering systems are “point sources” subject to the National Pollution Discharge Elimination (NPDES) permit programs. The decision means that forest roads will require NPDES permits on some or all forest roads. EPA has shown no indication that it will defend its regulations any further. Statements to date suggest that

the agency did not support rehearing the original decision, which the court has now denied, and its statements to date suggest it is developing a nationwide implementation plan despite the ongoing judicial process. It appears that the EPA is inclined to abandon its prior 35 years of enforcement and apply the decision beyond the Ninth Circuit, if it becomes final.

You already know that Forestry activities in the US are conducted under the most comprehensive program of best management practices (BMPs) of any land use activity for protection of water quality. The content and use of BMPs are subject to both periodic review and continuous improvement. Studies have

- Property damage to any vehicle you load or unload

While you may be able to cover the cost of damages to a truck belonging to someone else if, say, a log is dropped on the cab while it is being loaded, can you cover the cost of the property damage in this fire scenario? Not many loggers could.

So what should you do before you find yourself in this kind of situation?

Check your policy to see if this form or a similar one is on your policy. If it is, you may wish to contact your agent and discuss your options.

If your insurer cannot give you the coverage you need, your agent or another agent may have access to insurance companies that can. There are insurers for loggers that provide this coverage automatically at no additional charge with the added bonus of providing property damage coverage for trucks you may damage during the loading process.

Barbara is a Senior Underwriting Specialist with Acadia in Westbrook, ME.

shown that state BMP’s are effective at controlling runoff. As such there is no reason to redefine forest roads as point source pollution. Currently there is both a legal and legislative process to fighting this redefinition of forest roads. Legislatively there is a bill, The Silviculture Regulatory Consistency Act, to reaffirm that forest management activities such as forest roads are “nonpoint” sources under the CWA. I am pleased to report that Congressman Michaud and Congresswoman Pingree are co-sponsors on HR 2541, the House version of the bill and Senator Snowe and Senator Collins are cosponsors on S. 1369, the Senate version of the bill. PLC will keep you abreast of the progress of these two bills.



LOGGER'S VOICE QUARTERLY

STANDING STRONG FOR LOGGERS

PLC Board Meets with Governor LePage

The Board recently met with Governor LePage to discuss concerns they have about the future of Maine’s logging industry. It was a great opportunity to reach out to Governor LePage, and provide him with a background of the logging business and the challenges and changes we have faced over past two decades. Highlighted was our concern for the future viability of logging contractor businesses and the negative impact of losing those businesses on the forest products industry.

This was the first Governor to consent to meet with PLC’s Board. The group discussed the ‘bonded labor issue’ and the factors contributing to overall capacity issues from the logger’s perspective. Other issues were covered from tax issues to stumpage bids, transportation and everywhere in between. We discussed these challenges and possible solutions, and how the administration can help your businesses.

The Board was encouraged with the Governor’s responses and they are optimistic on several areas where near-term efforts can be made, notably: 1) Treatment of loggers as agricultural producers with regard to sales tax issues, 2) Provisions for the establishment of a logger natural resources advocate, 3) Fairness regarding liability/hold harmless issue in trucking 4) Review of stumpage bid awarding procedures by the Bureau of Parks and Lands, 5) Review with the Department of Transportation for an improved, predictable process for posting roads and 6) Continued review of efforts to utilize biomass, wood chips, and wood pellets as an economic, predictable, alternative for industrial power users.

The Board and your PLC “staff” continue to work with the Administration on your behalf and will keep you posted on how you can help advocate at the State level. **Remember, it takes all of our individual efforts to move these issues to the forefront.**



Director's Update	2
HELP!— PLC Legislative Tour	2
Dancing with the Loggers 2012	3
National Park	4
Safety First	5
PLC Spotlight—Liability Tip	6
IMPACT — Forest Roads	6

Greetings from PLC of Maine!

I am sure you have all heard the news of the passage of legislation allowing 100,000 pound trucks back onto the interstates. This was an important achievement and Senator Collins is to be commended on getting this through the appropriations process into the final legislation. Congressman Michaud also is to be applauded for his work in the House to ensure the measure was not removed from the final bill, including working with leadership in his party as they tried to remove it in the final days. The result is that for a least the next twenty years, 100,000 pound trucks will have the use of Maine's Interstate system. To say thanks, we've enclosed Thank You cards for Senator Collins and Congressman Michaud, please take a moment to sign them, include a business card and perhaps a short personal note and drop them in the mail. Take time to get to know your State Senator and State Representative by giving

them the opportunity to know you and your business. Whether it's a larger tour type event, attending PLC's Legislative Breakfast or simply inviting your local Senator or Representative to visit your job site or office, it is about being pro-active. Ron Ridley recently did just that. He called his local State Representative Paul Gilbert. Ron was logging locally and invited Paul to join him at the site and talked to him about his business and some of the issues he faces. Contact the PLC office if you need help with reaching your Representative or Senator or if you would like help organizing an event.

SNAPSHOT 2012 - Mark the date for the **Legislative Breakfast**, February 2nd (7:30-9:00 am), at The Senator in Augusta. You will meet and greet legislators and impress them with all the fine work you do in the woods on behalf of their constituents! We're busy organizing our 2012 Spring Schedule, plan to attend our **Annual Meeting & Fundraiser** at Jeff's in Bangor, April 6th. Another round of **Safety Trainings** is on the way in April and May around the state, watch for details. As always, we'll keep you in the loop with any new legislative developments, training opportunities, and safety topics. We will keep you informed with updates on markets. To that end, I'd like to direct you to the insert letter written by Herman Marrow of New Great Northern Paper Company, LLC regarding wood yard operations at the mill in East Millinocket and the company's commitment to implement feedback on operations to improve turnaround times.

From all of us at the PLC of Maine, have a Merry Christmas and a Prosperous New Year.

Mike



Help! Call Your Legislator...

You're having chest pains, you scream, "Call a doctor"! The doctor examines you to determine what the best cure for your condition is. You've never spoken to him before and he doesn't know a thing about you.

Similarly, when you have a legislative issue and you scream at your legislator or town official, "that new ordinance will hurt my business" and it is the first time he/she has ever spoken to you, will they be able to determine what the best treatment is or will they just make a best guess?

Just like physical health, business health is based on preventative measures. As mentioned in previous articles, our goal is to be pro-active instead of re-active in the legislative arena. We are here to provide the tools, opportunities and ideas for you to do just that. Here are a few simple remedies: email your town selectmen/women, call your legislator and introduce

yourself, host a tour and attend the PLC Legislative Breakfast. Take a first step this month, call your representative or senator and invite them to your logging operation to meet the crew. It is that easy.

PLC member, Brian Souers and the Treeline team took those steps in October, hosting an "In the Woods" Legislative Tour. PLC's hope is that this is the first of many legislative tours for our members. As 2nd Vice President, Brian, has been very involved in our legislative outreach and recommended the tours during a board meeting. Brian suggested it would be a way for contractors to build relationships with legislators." PLC staff planned and organized the event for Treeline, from putting together the guest list to following up with legislators and everywhere in between. "It was simple hosting, the PLC staff did a great job planning and developing a format for our tour, they even created and mailed the invitations and had T-shirts printed for our guests. The goal was to provide a hands-on, "in the woods" experience, so legislators could see the unique perspective of a logging contractor and the role they play in a healthy forest products industry and we accomplished it," explained Brian. "Legislators are like anyone else, they migrate towards what

they are familiar with. But it's not difficult to get them familiar with our situations. Once we build relationships with legislators it is very possible to get their support when needed and having PLC to organize made hosting the tour duck soup!" Brian continued.

It's time to start thinking how you're legislator can get to know you better in 2012? "Contractors are not the mills and not the land owners. They are the ones who meet the hefty challenges of getting the wood from the stump to the mill. I believe healthy contractors that can meet the needs of the industry are vital to the forest products industry and to Maine and hosting these types of events and connecting with our representatives is good for business and our industry as a whole," Brian explained. It's about informed decisions this legislative session and having a thriving business for all components of our industry, which includes a contractor perspective. Let's not have our representatives guessing what will fix what ails us. Set goals for 2012 to reach out to your representative by calling, hosting a tour and/or attending the PLC Legislative Breakfast. See our link to Legislators on the PLC Home Page.



Safety First!

As we come to the close of 2011, it is time to assess

as we plan for 2012. We all know that planning is just being prudent and that diligent planning leads to plenty. Are you the owner of the company, the supervisor or the employee? Where safety is concerned, the title does not matter it is the ultimate goal that counts. As you start those year-end assessments, remember to consider your Safety Successes, Safety Programs and future Safety Goals.

Acadia Safety Dividend Plan - PLC Safety Group dividend for this year \$548,740. The dividend pool was distributed to members with qualifying loss ratios. **This final adjustment brings the total dividend for 2009 to \$1,194,071.**

With that said we can press on toward the goal, a safe work environment!

Consider How Goal Setting Can Improve Your Safety Plan

A safety plan is one way of ensuring that your safety efforts deliver improved safety. Here are some of the basics when setting goals for 2012:

Ergonomic Training... Did you know that companies that find ways to prevent repetitive motion disorders can avoid penalties and citations from OSHA? Plus you may enjoy a lower Workers Comp premium. The best way to start this low-cost change is to evaluate how workers perform their daily duties, then look for techniques to reduce strains and injury. Then add Ergo stretches to their daily routines. Focus on strain reduction techniques for backs, necks, hands and other joints. For easy Ergo Stretches visit www.maine.gov/nrsc/forms/stretchingprogram.pdf (ERGO Stretches will be part of the 2012 Spring Safety Trainings!)

Documentation....Did you know that good documentation is one of the best ways to avoid OSHA fines? When inspectors notice a gap in the 300 log (required with 10 or more employees),

they may implement a full safety audit. Also, documenting tail gate meetings and other safety training is key to safety management.

Goals... Did you know that by setting goals most people involved in safety at work will try and attain goals or targets, even if they are not explicitly aware of it? There are a few tips to set goals that might affect a successful conclusion. Create 90-day goals, weekly To-Do lists and daily task lists. Share your goals, discuss them, support them and reward them.

Positive feedback is important do it often. Be specific. Instead of saying "you did a good job today" say, "I like how you followed our lock-out/tag-out procedures. "

Reward and Highlight your "Safety Champions". Sometimes these individuals are too busy to generate "drama", managers sometimes disregard them while others take the spot light for poor production or constant complaining. Surprise employees. Hand them a gift card for dinner, put an article about them in the paper or nominate them for an award.

Specifically state your safety goals.

There's a huge difference between, "We want our workplace to be safer," and "We want employees to use lockout/tagout every time they service or maintain equipment." The first statement does little to help you decide where to focus your efforts. The second statement guides you to the decision to develop lockout/tagout procedures and provide lockout/tagout training.

10 Winter Driving Tips adapted BC Safety Council "RUMBLINGS"

1. Do your pre-trip – all of it. There are enough things that surprise you during the day without your truck being one. Know your equipment - intimately. Be confident it will perform as expected. Before winter is over, you will need each of those tires to give you 100% traction – no room for worn-out, mismatched or under-inflated tires. You'll need each your brakes working together. When it occurs, there is

no margin for "too tight", "too loose", or "not quite sure".

2. Get the pre-work information you need. Going on a new haul tomorrow? Talk to your supervisor and find out where you are headed, what sort of terrain it's in, what usual and unusual hazards you should expect to encounter. Are you going on the same haul as yesterday? What is likely to be different? New loader man? New rotation? Change in weather overnight?

3. Have a plan. Thinking your day all the way through - including your safe arrival back home – will help you do exactly that.

4. Pay attention to the weather. Check tomorrow's weather forecast the night before. Knowing what you are likely to encounter helps manage that stress.

5. Pay attention to your outside thermometer. Sure the traction is fine at +5 degrees and starts getting better below -5 degrees. But when temperatures hover a few degrees either side of zero, conditions get tricky.

6. Keep an eye on the glaze. With your headlights on, scan the road ahead of you and watch for that tell-tale shine in the tracks ahead – it's slippery out there! Can't quite see it in your lane? Briefly glance at the road in the headlights of on-coming traffic. If it looks slick in their lane, it's probably equally slick in your lane.

7. Set your eyes to scan. Scan ahead on the road as far as you can. Re-direct your gaze to the road immediately in front of you.

8. Have a backup plan. What's my escape route? That little Mazda coming over yonder hill looks a little skittish – what will I do if he gets out of control? That ditch on the right looks too deep to survive, so I had better slack off and make plans for a quick stop, if necessary. Think ahead – what will I do if....?

9. Use the buddy system. Rookie or seasoned veteran, we all appreciate knowing about a hazard before it becomes a surprise. If you see something that wasn't there yesterday, let your co-workers know. If you know there's a new driver on your haul, tell them about that nasty frost heave ahead.

10. Ditch the distractions. No cell phones, no texting, no way!