COVID-19 CORONAVIRUS RISK BULLETIN FOR

RISK BULLETIN FOR MANUFACTURING AND INDUSTRIAL REAL ESTATE PREPARING TO RESUME OPERATIONS FOLLOWING COVID-19

This bulletin addresses a number of critical aspects of managing risks related to resuming operations specifically for manufacturing and industrial real estate following being shut-down or having reduced periods of occupancy based on shelter in place orders related to the COVID-19 pandemic. The following represent best practices that support an effective risk management approach to resuming operations.

RESUME OPERATIONS PLANNING

It is important to recognize that during early stages of the COVID-19 pandemic, manufacturers or industrial real estate operators may have gone into shut-down mode or some form of partial occupancy under strained or hurried conditions, which is less than ideal. In some instances, operations may have halted rather abruptly or been discontinued in ways that the operator had never experienced before. There may have been equipment or processes that used to run continuously, now requiring a restart. There may be conditions of deferred maintenance due to limited staffing availability that now requires focus and follow-up. It could be that warehouse operations were asked to store a different finished product or excess of raw materials that completely changed the adequacy of fire protection features.

During the period of time for resuming operations, operators are performing a variety of start-up procedures that they may not be familiar with due to changes in staffing and social distance requirements. The combination of restart conditions, changed staffing

requirements and the economic pressure to resume quickly all lead to conditions where things may not go according to plan, and would benefit from an organized and planned approach.

Such conditions require a thoughtful and well-structured planned approach to address newly developing loss prevention challenges that present risk of loss.

Prior to initiating a re-start or resuming operations, structure the approach in a comprehensive safety review and planning session. Some areas of focus for such a planning session could be as follows:

- Identify operational parameters that have changed and those that have remained the same;
- Identify any planned changes in operations following the period of dormancy;
- Sketch out a process flow diagram that identifies raw materials storage and handling; key pieces of equipment or components of the manufacturing process;

- Identify points of friction or points of critical transition;
- Identify critical equipment that requires regularly scheduled maintenance;
- identify equipment whose dormancy may have led to particulate matter settling out of suspension or changing physical/chemical characteristics in other ways;
- Identify finished product storage configuration and protection;
- Identify routine maintenance that may have been forgone during the temporary operational pause;
- Identify operational parameters associated with energizing equipment, conveyance mechanisms or process medium (air/gas, liquid, particulate materials, filtration);
- Review the effectiveness of the business continuity plan and revise as needed based on planning or changes identified;
- Develop a list of actions required and individuals responsible for each.

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PROPERTY-ORIENTED ASPECTS OF WHICH TO BE MINDFUL

Property Inspection
- Perform a thorough self-inspection of the entire site, including all buildings (internal and external), machinery and process equipment and external storage areas to detect and correct any unsafe or undesirable conditions such as damage, maintenance issues, improper housekeeping or storage, signs of vandalism, etc.
- Perform roof inspection when safe to do so. During periods of shut-down or partial occupancy, weather conditions may have impacted roof vents, exhaust ducting or air handling equipment. Water drainage mechanisms (drains) may become blocked or inhibited due to wind, hail, tree limbs, leaves, debris, paper/cardboard, etc.
- Complete and reinstate any inspection, testing and maintenance procedures that may have lapsed during the period of shut-down or reduced occupancy.

Fire protection systems
- Plan ahead to ensure fire protection systems are functioning and will be in service and will perform as intended when operations commence.
- Equipment may have been shut down resulting in impairment to the fire suppression system. All equipment needs to be returned to service in the appropriate manner and order.
- During shut-down conditions, testing and inspection of fire protection equipment may have been discontinued due to lack of availability of certified service contractors or lack of facility maintenance personnel on site. Fire protection equipment that has been idle or unsupervised during shut-down conditions may have sustained damage due to power surge and may not function as intended. Implement a protective plan for reinitiating testing and inspection of these critical items of equipment.

Risk Mitigation Programs
- Operational staff returning after weeks or months to a facility following a period of shelter in place need to be refreshed on all aspects of the operations, including those that would seem more obvious were it not for a break in operations. When the workforce is out of a normal routine, it becomes that much more critical to review safety programs and risk control measures and behaviors.
- Risk mitigation programs should be reviewed in detail; hot-work permits, fire protection impairments, forklift safe operations, flammable liquids handling, and lock-out / tag-out procedures.
- Reassess emergency response plans and team member responsibilities. Finalize a refreshed plan and communicate throughout the organization and regularly at safety meetings.
- Re-evaluate the business continuity plan in light of the COVID-19 pandemic shut-down period. Finalize after making appropriate adjustments.
- Preparation of staff mindset and risk awareness is a critical human element to resuming operations.

Machinery and Process Equipment
- Follow all standard operating procedures (SOPs) and manufacturer's guidelines before restarting any shutdown equipment or process. Reinstate normal maintenance procedures for all equipment. Extreme care should be taken when restarting large, dangerous equipment (e.g. special atmospheric ovens or melting furnaces) or equipment that creates hazardous conditions.
- Develop a startup plan for machinery or process equipment requiring a sequence or multi-stage restart.
- Machinery or process equipment may have become damaged (power surge, improper shut-down) or otherwise rendered sub-optimal; coordinate inspection and testing of all machinery and process equipment before energizing the system.
- Industrial liquids may need to be tested or changed out (old fuel removed). Paint, coatings and other industrial liquids may have changed in chemical structure or had suspended solids drop out of suspension either in equipment or storage drums/containers.
- Do not attempt to energize or restart electrical or gas-fired equipment until inspected and approved by a qualified licensed technician or qualified personnel.
- Machine guarding is in place on all equipment as required and appropriate.
- Safety controls (presence-sensing devices, two-hand trips, etc.) are in proper operating condition.

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EMPLOYEES AND SAFE WORKPLACES

The Center for Disease Control (CDC) recommends the following:

- It is strongly recommended that a business owner or operator appoint a "Workplace Coordinator." This person will be responsible for COVID-19 issues and their impact in the workplace.
- Resuming Business Operations requires an operator and staff to ensure the following considerations are taken into account:
  - Confirm that flexible sick leave and supportive policies and practices are instituted.
  - Ensure that the policies are consistent with public health guidance, employees have been properly trained on such and there is clear understanding of such.
  - Ensure consistent approach with **Department of Labor** and the **Equal Employment Opportunity Commission's** websites.
  - Make certain employees are connected with any Employee Assistance Program (as applicable) in addition to similar community resources. Be mindful that employees may need additional social, behavioral, and other services (e.g. coping with the death of a loved one).

Essential functions

Identify and evaluate essential functions and the reliance that others and the community have on services or products.

- Be prepared to change your business practices if needed to maintain critical operations (e.g., identify alternative suppliers, prioritize existing customers, or temporarily suspend some of your operations if needed).
- Identify alternate supply chains for critical goods and services. Some goods and services may be in higher demand or unavailable.
- Talk with companies that provide your business with contract or temporary employees about the importance of sick employees staying home and encourage them to develop non-punitive leave policies.

- Talk with business partners about COVID-19-specific response plans. Share best practices with other businesses in your communities (especially those in your supply chain), chambers of commerce, and associations to improve community response efforts.

Access to Personal Protective Equipment (PPE)

- Once restrictions are lifted, there may be some PPE that will be in short supply (e.g. face masks, respirator cartridges, face shields, protective gloves).
- Until these items can be secured at scale, the jobs requiring specific PPE should be delayed until "Best Work Practices" can be established.
- Provide training for appropriate use of PPE.
- Short-cuts in the process of resuming operations should not be tolerated.

Employee Safety

- Employees who appear to have **symptoms** (e.g., fever, cough, or shortness of breath) upon arrival at work or who become sick during the day should immediately be separated from other employees, customers and visitors, and sent home.
- If an employee is confirmed to have COVID-19 infection, employers should inform fellow employees of their possible exposure to COVID-19 in the workplace but maintain confidentiality as required by the Americans with Disabilities Act (ADA). The employer should instruct fellow employees about how to proceed based on the CDC **Public Health Recommendations for Community-Related Exposure**.

Social Distancing Policies

Social distancing policies should be established in accordance with state and local health authority guidance. Social distancing means avoiding **large gatherings** and maintaining distance (approximately 6 feet) from others when possible (e.g., breakrooms and cafeterias). Strategies that businesses can use include:

- Implementing flexible worksites (e.g., telework)
- Implementing flexible work hours (e.g., staggered shifts)
- Increasing physical space between employees at the worksite
- Increasing physical space between employees and customers (e.g., drive through, partitions)
- Implementing flexible meeting and travel options (e.g., postpone non-essential meetings or events)
- Delivering services remotely (e.g. phone, video, or web)
- Delivering products through curbside pick-up or delivery

Employers with more than one business location

Employers with more than one business location are encouraged to provide local managers with the authority to take appropriate actions outlined in their COVID-19 response plan based on local conditions.

Consider improving the engineering controls using the building ventilation system. Per the CDC and maintaining a healthy work environment, consider the following:[1]

- Increase ventilation rates;
- Increase the percentage of outdoor air that circulates into the system.

Hygiene for employees, customers and workplace visitors

Support respiratory etiquette and hand hygiene for employees, customers, and worksite visitors:

- Provide tissues and no-touch disposal receptacles.
- Provide soap and water in the workplace. If soap and water are not readily available, use alcohol-based hand sanitizer that is at least 60% alcohol. If hands are visibly dirty, soap and water should be chosen over hand sanitizer. Ensure that adequate supplies are maintained.
- Place hand sanitizers in multiple locations to encourage hand hygiene.

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- Place posters that encourage **hand hygiene** to **help stop the spread** at the entrance to your workplace and in other workplace areas where they are likely to be seen.
- Discontinue physical contact – use other noncontact methods of greeting and social graces.
- Direct employees to visit the **coughing and sneezing etiquette** and **clean hands webpage** for more information.
- Encourage the use of masks or face coverings (i.e., constructed to completely cover the nose and mouth without gaping, and secured to the head by ties or ear loops) for employees and customers in situations where physical distancing cannot be maintained.[2]

Environmental Cleaning and Disinfecting
Perform routine environmental cleaning and disinfection:
- Routinely clean and disinfect all frequently touched surfaces in the workplace, such as workstations, keyboards, telephones, handrails, and doorknobs.
  - If surfaces are dirty, they should be cleaned using a detergent or soap and water prior to disinfection.
  - For disinfection, most common EPA-registered household disinfectants should be effective. A list of products that are EPA-approved for use against the virus that causes COVID-19 is available **here**.[3] Follow the manufacturer's instructions for all cleaning and disinfection products (e.g., concentration, application method and contact time, etc.).

- Use only **approved hard-surface disinfectants** that have a Drug Identification Number (DIN). A DIN is an 8-digit number given by Health Canada that confirms the disinfectant product is approved for use in **Canada**.
- Discourage workers from using other workers' phones, desks, offices, or other work tools and equipment, when possible. If necessary, clean and disinfect them before and after use.
- Provide disposable wipes so that commonly used surfaces (for example, doorknobs, keyboards, remote controls, desks, other work tools and equipment) can be wiped down by employees before each use. To disinfect, consider using products that meet EPA's criteria against this pandemic.[4]

Additional Considerations for Employers
- Employers should work with their local and state health departments to ensure appropriate local protocols and guidelines, such as updated/additional guidance for cleaning and disinfection, are followed, including for identification of new potential cases of COVID-19.
- Employers should develop policies for worker protection and provide training to all cleaning staff on site prior to providing cleaning tasks. Training should include when to use PPE, what PPE is necessary, how to properly don (put on), use, and doff (take off) PPE, and how to properly dispose of PPE.[5]
- Employers must ensure workers are trained on the hazards of the

cleaning chemicals used in the workplace in accordance with OSHA's Hazard Communication standard (**29 CFR 1910.1200**).
- Employers must comply with OSHA's standards on Bloodborne Pathogens (**29 CFR 1910.1030**),[6] including proper disposal of regulated waste, and PPE (**29 CFR 1910.132**)[7].

LOSS PREVENTION MEASURES
All of the recommendations are technical advisory in nature from a risk management perspective and may not apply to your specific operations. Please review recommendations carefully and determine how they can best apply to your specific needs prior to implementation. Any queries relating to insurance cover should be made with your local contact in underwriting, agent and/or broker.

Other ARC coronavirus risk bulletins
https://www.agcs.allianz.com/news-and-insights/expert-risk-articles/coronavirus-restarting-operations.html

QUESTIONS OR COMMENTS?

PLEASE CONTACT

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2 Canada Public Health Services preventing the spread of COVID-19 in workplaces
3 List N: Disinfectants for Use Against SARS-CoV-2
4 CDC Coronavirus 2019 Community Guidance Business Response
5 CDC Additional considerations for employers
6 OSHA Bloodborne Pathogens
7 OSHA Personal Protective Equipment

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