



Ottawa Hunt #5 West.

Insurance

ARE YOU COVERED?

By Chris Lecour, Sr. Sales Representative, BASF.

The following article would not have been possible without the contributions of Eric Ruhs, Superintendent, Ottawa Hunt and Golf Club and Jason Winter, Superintendent, Walter Gretzky Golf Course.

Managing golf courses presents daily challenges, particularly for those located in flood-prone areas. Jason Winter, then superintendent at Deer Ridge GC in Kitchener faced one of these challenges on June 24, 2017. The club which is situated within a 6,800 square-kilometer watershed in Southern Ontario experienced unprecedented flooding after an upstream storm dumped nearly two months' worth of rain in just four hours. Although the intense rainfall did not directly hit the course, it led to the largest volume of water since the 1960s in nearby tributaries, resulting in severe damage. On that June day in 2017, fifteen of the eighteen holes were affected, with 13 of the 21 greens covered in silt, 43 of 78 bunkers losing over 600 tons of sand and damage to retaining walls and electrical components, and course hardware being washed away. The extensive damage necessitated a significant restoration effort and prompted the club to file an insurance claim, establishing a new standard for mitigating future impacts from the Grand River.

Following the flooding, once the damage to the course could be assessed, Winter began the process of creating an action plan of recovery that was broken down into three parts:

1. Complete on-course cleanup, tracking hours for staff by area as debris was collected, silt washed from playing surfaces, and the collection of items from around the property.
2. Determine the scope of work that would have to be completed by contractors (feature reconstruction and replacement volumes for materials such as sand, mulch, etc. that was lost).
3. The on-going time and cost involved for the future cultural practices required to mitigate any future effects from the flooding and potential layering within the turfgrass profile.

Winter shares how the club's management and board of directors worked with the insurance company and an independent investigator to make the claims process move as smoothly as possible. "Certain members of the Board of Directors were appointed to work with the insurer and submit the documentation for the claim with my assistance. A third-party professional was appointed by the insurer to inspect the property and verify that all claims were legitimate. The insurance industry associate that was on-site reviewing the damage



Ottawa Hunt between #1 West & Practice Facility.



Ottawa Hunt log staging area - south parking lot.

claim looked closely at the overall scope, loss of components, the reconstruction work involved and on-going cultural practices that would be required to ensure the performance of the course was not compromised by the flood. With the verification that the proposed restoration work was justified and not exaggerated, the claim moved through without a significant delay.” This attention to detail and extensive documentation ensured the claims process from submission to payout was relatively smooth.

Reflecting upon the recovery efforts, Winter offers the following advice to other superintendents in preparation for such an event:

FIVE STEPS FOR PREPARATION

1. Understand your insurance coverage and limitations
2. Have an Emergency Action Plan ready with assigned roles for staff and an updated contact list
3. Quickly and effectively document every details – pictures, video, notes
4. Establish regular communication and updates with stakeholders
5. Develop quick action plans for future events – remove irrigation satellite components, waterproof electrical connections, remove high value course furniture and accessories, etc.

On May 21st, 2022, a derecho caused significant and widespread damage in Central Canada, the path of destruction stretching from Southwestern Ontario through to Eastern Quebec. A derecho is a severe windstorm associated with fast-moving thunderstorms, featuring straight-line high winds. They are most common in late spring and summer and these storms can cause extensive damage. Wind gusts were estimated to have reached 190km/h and multiple tornadoes were reported along the storms path.

While the storms path stretched up to 1000km, the Ottawa Hunt and GC received a good deal of media attention not only for the amount of damage inflicted on the club that day but also because the club was scheduled to host the CP Women’s Open in late August that year. Eric Ruhs, Superintendent at the Ottawa Hunt and Golf Club since 1987 reported that 1100 trees came down in just 15 minutes. Pine trees that reached 80 to 100 feet either snapped partway up the tree or were uprooted by the high winds. And while the club was in a good position to clean up and rebuild from an insurance perspective, the psychological toll of facing such a daunting task was not something their team had really been prepared for.

The club was able to successfully recover from the damage and host another successful CP Open (its fourth time hosting the event since 1994). Ruhs shared his experiences navigating the claims process, saying the process was “ongoing for over a year as it took that long to submit all the claims and establish accurate costs to remove all tree debris and repair some infrastructure. Initially it required clarity as to whether we were actually covered for the claim of tree removal – it was determined that we were covered which constituted the lions share of the claim.”The claim included lost revenue from being closed 16 days

ESTABLISH AN INSURANCE POLICY

WHEN ESTABLISHING AN INSURANCE POLICY, OWNERS SHOULD CAREFULLY EVALUATE SEVERAL FACTORS TO ENSURE COMPREHENSIVE COVERAGE AND PROTECTION:

Coverage Types: It is important to determine the types of coverage needed, which may include property insurance for the clubhouse, greens, tees and fairways, and other facilities such as cart storage barns, the maintenance facility, and pump houses, as well as liability insurance to protect against accidents that could occur during adverse weather conditions.

Flood and Storm Specificity: Not all insurance policies automatically cover flood damage. Owners should ensure that their policy specifically includes coverage for flooding and storm-related damages, as these can be significant in Ontario.

Valuation of Property: Accurate valuation of the property and its assets is crucial. Owners should have a clear understanding of the replacement cost for buildings, equipment, and landscaping to ensure they have adequate coverage in the event of damage. An accurate assessment of the value of property should be updated on a regular basis.

Deductibles: Understanding the deductibles associated with different types of coverage is important. A higher deductible may lower premiums but could result in significant out-of-pocket expenses in the event of a claim.

Exclusions and Limitations: Owners should carefully review policy exclusions and limitations. Some policies may have specific conditions that could affect claims, such as maintenance requirements or geographical restrictions.

Local Climate Considerations: Given Ontario's unique weather patterns, owners should consult with local experts to understand the risks specific to their area, which can help in tailoring coverage effectively.

Risk Mitigation Strategies: Insurers often look favourably on properties that have risk mitigation strategies in place, such as proper drainage systems or flood barriers. These can sometimes lower premiums and improve coverage terms.

Review and Update Regularly: Insurance needs can change over time due to renovations, new equipment, or changes in local regulations. Regularly reviewing and updating the policy is essential to ensure continued adequate protection.



Deer Ridge #12 bunker washed out.



Deer Ridge rushing water in front of #3 green.

following the storm, damage to railings, fences and cart paths as well as repairs to get the irrigation pumphouse up and running again, all of which he says were related to fallen tree damage. Two club members, both retired insurance agents, completed a full summary of damages which helped the claim, along with the adjuster who provided guidance during the process and was indispensable at ensuring timely payments to claims once he was able to witness the damage first hand. Ruhs also credits the insurance company with providing guidance during the process and support from the administration team at the club. "My department just tracked expenses relative to the cleanup and in turn provided this detail upstream."

Considering the unpredictable nature of weather and the risk of severe events, securing adequate insurance coverage is crucial to safeguarding an owner's investment in the golf course.

Ruhs also offers some commonsense advice on how to prepare for and deal with property damage and the ensuing insurance claim journey. "Be sure you know what you are covered for now – don't wait and be disappointed or take a sigh of relief because you were lucky and had coverage. You may decide not to obtain coverage and decide to self insure but at least you know in advance – In our case I think there was serious uncertainty immediately after the storm. When the adjuster finally came out there was a 'wow' moment on both sides. The insurance did not cover replacement costs. We basically hit the ceiling in coverage and have incurred continued expenses for the last two and a half years on continued clean up as the weakened trees are now dying which is prompting ongoing removals."

When a large storm system hits a region and property damage occurs on a golf course or any type of property for that matter, once the storm has passed property owners and managers can often be left wondering: are we covered? While not every situation and extreme event can be anticipated and planned for, there should be some clear understanding about what should and should not be covered by insurance. And though it can take what seems like an eternity to wade through investigations, audits, and damage claims, ideally all parties involved should be able to take a breath and have a strong sense of assurance that all reasonable precautions and policies were put into place to minimize the financial and emotional struggle of rebuilding. ■