

Preventing Water Damage in Commercial Buildings

Water damage is a significant issue affecting commercial properties across Canada.

There are many manufacturers developing technology to identify and mitigate the risk of water damage as a result.

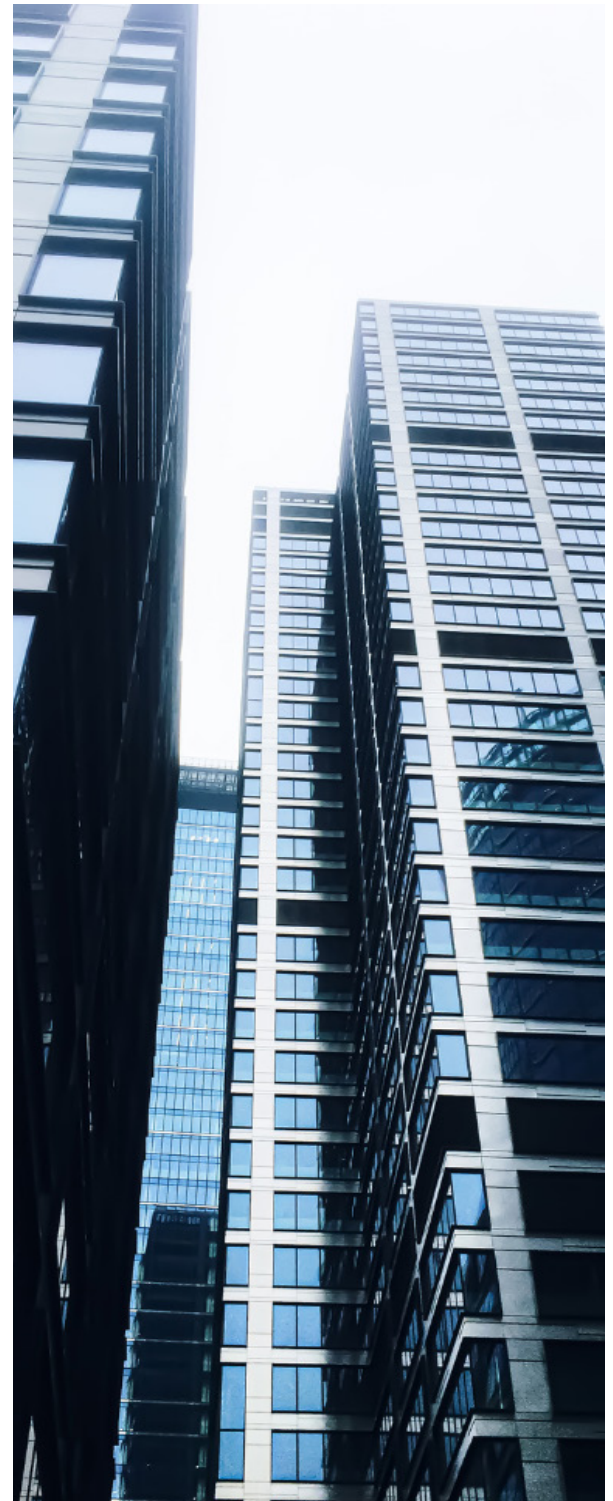
Not all water damage mitigation systems are designed the same. Benefits of water damage mitigation systems installed in buildings may include:

- Early identification of leaks
- Early shut-off of water to prevent high severity losses
- Water consumption information that could lead to operational savings (energy savings)
- Temperature, humidity, motion, or light monitoring which could provide operational insight to owners and managers
- Protection of critical building equipment such as elevators and mechanical equipment
- Reduced interruption with early identification of leaks

Key elements to consider for determining the ROI include types and number of components of a water mitigation system, number of floors, number of suites, number of risers, the cost of the equipment, installation cost and monthly monitoring costs. Benefits for investing in these systems to consider should include possible insurance savings from reduced number of claims as well as operational savings.

Based on insurance and property experience, the following areas should be considered for mitigation efforts and ROI analysis:

- Boiler rooms
- Sprinkler rooms
- Sump pumps



- Electrical Rooms
- Bathrooms
- Risers
- Cooling Towers
- Elevator pits
- Kitchens
- Laundry rooms

WATER DAMAGE MITIGATION SYSTEM ATTRIBUTES

There are many manufacturers, components, and systems available today. With the abundance of choices available, it is important to understand key components of water mitigation systems.

- **Leak detectors:** Leak detectors sense the presence of water and can either alert a person locally (beep/bell); or send a signal to alert a person remotely. (Examples: Probes, rope, “pucks”)
- **Flow Detection devices:** Flow detection devices measure or detect the flow of water. Flow detection devices may be installed “in-line” by a plumber, or they may be placed on a meter to measure flow.
- **Shut-off Device:** Shut-off devices are easily installed on top of existing valves by anyone or are installed “in-line” by a plumber.
- **Dashboards and Apps:** The combination of leak and flow detectors as well as shut off devices may be included in a network. The devices send data to the network and manufacturers provide information to users identifying details such as location of each device (leak detectors, flow detectors, shut offs) power level, consumption information, detection of leak status, alerts, temperature, humidity and more. This information may be specific to a single property or may include aggregate information for all properties where these devices are installed.
- **Communication equipment:** Network systems that allow for remote alerts require communication equipment. This allows the system to send signals via cellular, WiFi or ethernet connections in the building.

While these systems may include a variety of components, it is important to identify whether all components are required at a specific location to determine the needs for detection and/or shut-off throughout a building.

We have spoken with a variety of vendors and have put a list of attributes together that may assist you in determining a good fit for your purposes.

Lloyd Sadd Risk Services is available to discuss the nuances of these systems and provide guidance using our knowledge and experience with manufactures to assist you in your use case analysis.

If you have questions specific to your business, or would like additional information, please reach out to your Lloyd Sadd Advisor.

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