

2015 Atlantic Seasonal Hurricane Forecast



The official 2015 hurricane season began on June 1st and will run until November 30th. As we reported last season the following is a summary of the “Extended Range Forecast of Atlantic Seasonal Hurricane Activity and Landfall Strike Probability” report released by Dr. Philip J. Klotzbach, Research Scientist and Dr. William M. Gray, Professor Emeritus of Atmospheric Science, both of Colorado State University’s Department of Atmospheric Science.

Dr. Phil Klotzbach is currently lead author on the seasonal forecasts. He has worked with Dr. Gray on these forecasts since he joined the Department of Atmospheric Science at Colorado State University in 2000. During this time, he has also authored over two dozen peer-reviewed journal articles on various aspects of hurricanes as well as climate change. Dr. Klotzbach received his Ph.D. from CSU in 2007.

Dr. William Gray has worked in the observational and theoretical aspects of tropical meteorological research for more than 50 years. Most of this effort has gone to the investigation of meso-scale tropical weather phenomena. He has specialized in the global aspects of tropical cyclones for his entire professional career. Dr. Gray received his Ph.D. from the University of Chicago, Department of Geophysical Sciences in 1964. He has been with Colorado State University’s Department of Atmospheric Science since 1961, and has been a professor since 1974.

The report, released on June 1st, indicates that they continue to foresee a well below-average 2015 Atlantic hurricane season. A strong El Niño event now appears likely. Conditions in the tropical Atlantic remain unfavorable for hurricane formation. They continue to call for a below-average probability of United States and Caribbean major hurricane landfall.

El Nino was first officially declared by NOAA as winter wound down. As of this late May forecast, El Niño, a periodic warming of the equatorial Pacific waters, has been given an 80 percent chance of persisting the rest of 2015, according to NOAA’s Climate Prediction Center.

There is a body of scientific evidence linking the occurrence of El Niño with increased wind shear in the tropical Atlantic Basin, which is one factor, along with dry air, that limits the development and strengthening of tropical cyclones.

Drs. Klotzbach and Gray most recent predictions are as follows:

ATLANTIC BASIN SEASONAL HURRICANE FORECAST FOR 2015		
FORECAST PARAMETER AND 1981-2010 Median (in Parentheses)	Issue Date 9 April 2015	Issue Date 1 June 2015
NAMED STORMS (NS) (12.0)	7	8*
NAMED STORM DAYS (NSD) (60.1)	30	30
HURRICANES (H) (6.5)	3	3
HURRICANE DAYS (HD) (21.3)	10	10
MAJOR HURRICANES (MH) (2.0)	1	1
MAJOR HURRICANE DAYS (MHD) (3.9)	0.5	0.5
ACCUMULATED CYCLONE ENERGY (ACE) (92)	40	40
NET TROPICAL CYCLONE ACTIVITY (NTC) (103%)	45	45

*The forecast has been increased from 7 to 8 named storms due to the formation of Tropical Storm Ana in May.

PROBABILITIES FOR AT LEAST ONE MAJOR (CATEGORY 3-4-5) HURRICANE LANDFALL ON EACH OF THE FOLLOWING COASTAL AREAS:

1. Entire U.S. Coastline – 28% (average for the last century is 52%)
2. U.S. East Coast including the Florida Peninsula – 15% (average for the last century is 31%)
3. Gulf Coast from the Florida Panhandle westward to Brownsville – 15% (average for the last century is 30%)

PROBABILITY FOR AT LEAST ONE MAJOR (CATEGORY 3-4-5) HURRICANE TRACKING INTO THE CARIBBEAN (10-20°N, 60-88°W):

1. 22% (average for the last century is 42%)

2015 STATE IMPACT PROBABILITIES (NUMBERS IN PARENTHESES ARE LONG-PERIOD AVERAGES)

State	Hurricane	Major Hurricane
TEXAS	16% (33%)	5% (12%)
LOUISIANA	15% (30%)	5% (12%)
MISSISSIPPI	5% (11%)	2% (4%)
ALABAMA	7% (16%)	1% (3%)
FLORIDA	27% (51%)	10% (21%)
GEORGIA	5% (11%)	1% (1%)
SOUTH CAROLINA	8% (17%)	2% (4%)
NORTH CAROLINA	14% (28%)	3% (8%)
VIRGINIA	3% (6%)	<1% (1%)
MARYLAND	1% (1%)	<1% (<1%)
DELAWARE	1% (1%)	<1% (<1%)
NEW JERSEY	1% (1%)	<1% (<1%)
NEW YORK	3% (8%)	1% (3%)
CONNECTICUT	3% (7%)	1% (2%)
RHODE ISLAND	3% (6%)	1% (3%)
MASSACHUSETTS	3% (7%)	1% (2%)
NEW HAMPSHIRE	1% (1%)	<1% (<1%)
MAINE	2% (4%)	<1% (<1%)
WHOLE US	57% (84%)	28% (52%)

Visit the Landfalling Probability Webpage at <http://www.e-transit.org/hurricane> for more information on landfall probabilities for 11 U.S. coastal regions and 205 coastal and near-coastal counties from Brownsville, Texas to Eastport, Maine. In addition, probabilities of named storms, hurricanes and major hurricanes tracking within 50 and 100 miles of various islands and landmasses in the Caribbean and Central America. We suggest that all of our coastal clients visit this site to determine their probability of risk.

It is important to note that fewer storms do not necessarily mean a less destructive season. The 2014 season featured the fewest number of named storms in 17 years (8 storms), but also featured the strongest landfalling hurricane in the mainland U.S. in 6 years (Hurricane Arthur), and featured

two back-to-back hurricane hits on the tiny archipelago of Bermuda (Fay, then Gonzalo). Furthermore, 6 of the 8 storms became hurricanes, and Gonzalo was the strongest Atlantic hurricane since Igor in 2010.

Adversely, the 2010 season featured 12 hurricanes and 19 named storms, which tied 1995 for the third most named storms in any Atlantic season at the time. But not a single hurricane and only one tropical storm made landfall.

In other words, regardless of what the probability may indicate all coastal clients should fully prepare for hurricane season. A season can deliver many storms, but have little impact, or deliver few storms and have one or more hitting the U.S. coast with major impact. Therefore, we encourage all clients to develop a solid preparation plan in the event disaster strikes. The best protections against the dangers of a hurricane are your plan and knowing what actions to take when the situation occurs.

Saffir-Simpson Hurricane Wind Scale

Category	Sustained Winds	Types of Damage Due to Hurricane Winds
1	74-95 mph 64-82 kt 119-153 km/h	Very dangerous winds will produce some damage: Well-constructed frame homes could have damage to roof, shingles and vinyl siding and gutters. Large branches of trees will snap and shallowly rooted trees may be toppled. Extensive damage to power lines and poles likely will result in power outages that could last a few to several days.
2	96-110 mph 83-95 kt 154-177 km/h	Extremely dangerous winds will cause extensive damage: Well-constructed frame homes could sustain major roof and siding damage. Many shallowly rooted trees will be snapped or uprooted and block numerous roads. Near-total power loss is expected with outages that could last from several days to weeks.
3 (MAJOR)	111-129 mph 96-112 kt 178-208 km/h	Devastating damage will occur: Well-built framed homes may incur major damage or removal of roof decking and gable ends. Many trees will be snapped or uprooted, blocking numerous roads. Electricity and water will be unavailable for several days to weeks after the storm passes.
4 (MAJOR)	130-156 mph 113-136 kt 209-251 km/h	Catastrophic damage will occur: Well-built framed homes can sustain severe damage with loss of most of the roof structure and/or some exterior walls. Most trees will be snapped or uprooted and power poles downed. Fallen trees and power poles will isolate residential areas. Power outages will last weeks to possibly months. Most of the area will be uninhabitable for weeks or months.
5 (MAJOR)	157 mph or higher 137 kt or higher 252 km/h or higher	Catastrophic damage will occur: A high percentage of framed homes will be destroyed, with total roof failure and wall collapse. Fallen trees and power poles will isolate residential areas. Power outages will last for weeks to possibly months. Most of the area will be uninhabitable for weeks or months.

Steps to Take During a Hurricane Watch

Know what to do before a hurricane

A Hurricane Watch means that hurricane conditions are likely within 48 hours. Have your hurricane plans in place and be ready to act in case a warning is issued. At this stage, it is important to stay abreast of the storm's development and path.

Essential staff members should report to the property as soon as a Hurricane Watch has been announced. Watch letters should be distributed and signs should be posted on the front and rear doors of offices as well as in common areas. Other important steps to take at this time include:

- Forward phone lines, as applicable, to an alternate or corporate location
- Communicate official emergency evacuation routes are known by employees
- Call your bottled water supplier and trash company
- Contact your predetermined security company and review the security procedures you have contracted for—both pre- and post-storm
- Call your vendors for priority post-hurricane assistance
- Ensure that your phone lists have been updated and redistribute them to employees
- Determine which employees need to call to report in
- Replace any disaster supplies that have expired or are not in stock
- Contact any tenants, if applicable, who might need evacuation assistance
- Raise equipment, product and stock off of the floor to help prevent water damage

Steps to Take During a Hurricane Warning

Preparation pays off!

A Hurricane Warning means that hurricane conditions are expected within 36 hours. Complete your storm preparations and leave the area if directed to do so by authorities. Your storm preparations at this time should include:

- Secure all windows with plywood
- Reinforce the office, shop, boiler room and storage doors
- Check the exterior of each building to ensure loose items are secured
- Secure elevator cabs on the top floor and disable them
- Ensure all roof drains are clear and free of obstruction
- Post prepared signs advising that the elevators are out of service
- Secure important files plastic bags and place them large trash cans and seal with tape

- Relocate keys, key codes and any money or securities to a designated alternate location
- Assemble a petty cash supply that can be used in an emergency after the storm
- Lock all file cabinets and seal with tape
- Relocate any paper files not secured in plastic from lower drawers to a higher level in the event of flooding
- Back up computers and cover them with plastic bags, sealed with tape. Be sure computers are powered off prior to covering them
- Fill the gas tanks of all vehicles and equipment
- Unplug all electrical items, and turn off circuit breakers and gas lines
- Document all work in progress
- Communicate how company management will stay in contact with employees during and after the storm
- Recommend that employees obtain cash for personal use after storms
- Communicate with key external parties to ensure they can contact you during and subsequent to the storm
- Determine and communicate post-event damage assessment strategy

Tips for Claims Filing

Pre-Storm Tips

If a large storm is headed your way and you know that if it continues on this path that damage to your business could be substantial, an insurance claim involving your business and your location(s) is likely. We will presume you have adequately protected your property and employees. Before taking shelter, to expedite the claims process, gather and store these items in a secure area:

- A separate financial report with accounting code to capture all associated expenses. Separate to identify potential FEMA expenses (if eligible)
- A spreadsheet with the statement of values and percentage deductible per location or building
- A copy of the policy with language to show how the deductible is applied (i.e., per building or location)
- Copies of important sub-limits (i.e., debris removal, code upgrades, increased cost of construction, etc.)
- A single document that lists carrier contact information for each layer of excess insurance

If you are at risk of experiencing a Business Interruption Claim, you will likely need to produce:

- Documentation showing pre-loss sales/revenue
- Tax returns or profit and loss statements
- A copy of your lease agreement
- Payroll summaries

Post-Storm Tips

Whether the storm causes minor damage or results in a major disaster, both outcomes share a common trait; business as usual is interrupted and action is needed to restore normal conditions. More than 40 percent of businesses close permanently following a significant loss, so it is important to file claims as soon as possible. The following guidelines can assist in claims filing:

- Report your claim immediately
 - Establish and maintain internal and external communications with appropriate parties, to include:
 - » Personnel on-site — for guidance and direction
 - » Corporate management — to provide periodic updates on conditions and progress
 - » Insurance broker — for claims support and updates
 - » Displaced personnel — to deliver updates via website, text messages or phone messages
 - » Insurance adjuster — always end meetings and conversations with “next steps” discussion and schedule subsequent meetings
 - As soon as possible, inventory all damage by performing a unit-by-unit inspection
 - Photograph all damage identified and copy to a disc for the adjuster
 - Complete necessary temporary repairs to prevent further damage
- Retain receipts for all repairs, as well as any additional expenses incurred as a result of the storm
 - When contacted by the adjuster, request that you meet with the assigned appraiser on-site:
 - » Include your contractor, if you have selected one
 - » Discuss future repairs/replacement and seek a preliminary damage assessment value
 - » Determine what the adjuster needs from you to expedite the process
 - » Discuss a timeline for obtaining an initial advance
 - » Determine when the adjuster will be providing an initial report to the carrier
 - » Schedule a follow-up meeting or get a commitment on a time frame for a follow-up call
 - Respond to all requested documentation as soon as possible
 - Provide documents in the requested format
 - Send complete copies of requested documents versus the portions you feel applicable, e.g., copy of complete tax returns

Hurricane season has begun quietly, take the time now to develop and review policies and guidelines for management and employees to implement in the event of a storm that will disrupt your business. Proper planning and procedures will help your organization to recover quickly from a storm and resume business as usual.

The material provided in this document is for informational purposes only. Readers are encouraged to seek the advice of a Gallagher Loss Control specialist regarding their specific property. For assistance in this matter contact your Arthur J. Gallagher & Co. broker. Additional information regarding weather events can be found on our Disaster & Emergency Preparedness Knowledge Center website at: <http://www.ajg.com/knowledge-center/disaster-emergency-preparedness/>

