

# Loss Control Tips

## Excavation Contractors

The primary business of excavation contractors in the construction industry is land preparation. Their work often involves operating heavy machinery to dig, move and grade the earth for various construction projects. Such practices include digging the foundation to exacting dimensions, grading to provide a level surface, and trenching to accommodate water, sewage or utility pipelines. Excavation contractors may also clear land and perform some types of concrete work, such as pouring foundations for roads, houses or other buildings. Due to their wide variety of operations, these professionals are often exposed to various safety, liability and property risks. That's why it's vital to have effective loss control measures in place. This resource outlines common risks excavation contractors must address and offers helpful strategies to avoid possible claims.



## Inland Marine—Mobile Equipment

Excavation contractors face many inland marine exposures, especially since they often use their own excavation and construction equipment at job sites. Inadequate maintenance procedures and a lack of prevention protocols can result in equipment damage, which could lead to significant interruptions and costly repair or replacement expenses. Excavation contractors should consider these steps to limit risks:

- Keep a detailed list of machinery. Each item should include an identifying number, age, type and condition.
- Add nonremovable labels to mobile equipment to allow for easy and permanent identification.
- Implement an effective mobile equipment inspection and maintenance program to help keep equipment in good condition and prevent safety issues during operation. Clean equipment tracks at the end of each day to prevent any issues from arising.
- Implement security measures to prevent the unauthorized use of equipment left at job sites. These measures can include installing security cameras, locking equipment doors and hiring on-site security.
- Conduct daily operation checks on heavy equipment to make sure there are no issues with the machinery.



## Premises and Operations Liability

The nature of excavation and trenching operations poses various liability concerns. For example, third-party damage and injuries to bystanders can lead to costly liability claims. Therefore, it's important for excavation contractors to take the following measures to limit their premises and operations liability:

- Develop appropriate safety protocols for excavation operations. This includes implementing programs for soil classification and identification, excavation safety plans and the use of excavation protection systems.
- Make sure all operations are conducted in accordance with applicable OSHA regulations, including making sure trenching boxes are used for trenching activities when needed.
- Ensure all excavation contractors are appropriately licensed and experienced for the task at hand before beginning work.
- Require all contractors to utilize a detailed inspection checklist when conducting maintenance procedures.
- Use signage to signal there is open trenching.
- Develop and implement procedures for inspecting a job site before work begins. This includes determining where earth moving will occur, where spoil piles will be located and what areas are around the job site.
- Ensure site security measures—such as fences or security personnel—prevent the general public from trespassing on job sites. If working around high vehicle traffic areas, ensure signs and barricades are utilized to protect workers, vehicle traffic and pedestrians.



## Products—Completed Operations

Claims against excavation contractors tend to be more costly than they are frequent. Property damage—such as improperly settling backfill, soil erosion or damage to underground structures or lines—or injuries to a third party after contracted operations have been completed can result in serious and costly ramifications. To minimize completed operations exposures, excavation contractors should follow these protocols:

- Ensure all areas have been marked and identified for any underground utilities. In addition, surveys should be completed prior to the start of digging or working. There should be a program in place to make sure these steps are completed.
- Train operators on how to properly excavate or trench to prevent issues with soil compaction after the site excavation. Employees should also be trained to know the proper type of heavy equipment necessary for the job.
- Confirm that the proper environmental protection measures were completed before and after the excavation of a job site to prevent erosion issues.
- Conduct inspections of pipelines or utilities by a competent inspector, and consult necessary government officials to ensure all applicable state, federal and local ordinances were followed.



## Employee Safety

As with any employer, excavation contractors must protect their employees from illnesses and injuries on the job. In regards to excavation operations, safeguarding employees from occupational risks (e.g., trenching cave-ins, falls into open trenches, and caught-in or caught-between injuries) is vital to prevent potential incidents. With this in mind, these professionals should implement these employee safety measures:

- Establish a written training program that outlines excavation safety measures, including establishing a competent person for the job site, personal protective equipment (PPE) protocols, and inspection and training procedures for employees who work in trenches and around excavations.
- Perform a PPE survey to determine which types of PPE are needed for each work task. Provide all necessary PPE to employees and educate them on the proper use of this equipment.
- Ensure that a competent person is regularly inspecting trenching and excavations to ensure that the proper safety prevention techniques are being followed.
- Train employees on how to use equipment and how to properly dig trenches and perform excavations.
- Develop an effective workplace safety training program that requires all employees to participate in routine training. Doing so will allow new employees to prepare for their roles while refreshing experienced employees on important safety protocols.
- Make sure equipment is kept in working order and the safety mechanisms—such as alarms, seat belts and roll cages—are also operational.
- Create an incident investigation program that allows swift and thorough incident investigations to take place.

## Learn More

It's essential for excavation contractors to implement proper risk management precautions to limit costly insurance claims and lawsuits. Doing so can offer various benefits, such as greater customer satisfaction, bolstered employee safety, fewer liability concerns and a lowered potential for property damage.

Although this resource provides a range of loss control strategies, excavation contractors don't have to establish their risk management programs alone. Working with a qualified and experienced insurance professional can make all the difference. Contact us today to discuss insurance solutions and additional loss control techniques for excavation contractors.



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