Wessel: Resiliency can be interpreted many ways. What does it mean to you and how do you set up your organization to address it?

Shlossman: Individual preparedness is a critical factor in an organization’s ability to resume operations and ultimately, a community’s ability to recover post disaster. The Red Cross focuses much of its work on the “human factors” of resilience - individual and community preparedness, lifesaving skills in first aid/ CPR, and a stable blood supply.

Watters: It centers around being operational as soon as possible after an event. This includes looking at your internal processes and identifying what’s important in each one of those processes and what could be at risk after a disruption so that you have plans in place to be able to work around those issues.

Ashford: As a state, you start looking at the entire system. It’s not only the Port of Portland. It’s ODOT. It’s mobility after the event. And it’s our ability to get electric power or gas power. It’s about how we get that system in place that allows, in the end, our communities and businesses to bounce back.

Nicholson: Planning for emergencies and strengthening our resiliency is a core aspect to our business. We’ve made a concerted effort to activate our incident management team structure to support smaller events so we are practiced and prepared for larger-scale events. We are working more and more with counties, cities and the state. We’re building in redundancy in different areas of our system, especially when we’re able to build new infrastructure. We look at every power outage as an opportunity to learn where there may be vulnerabilities in our daily operations and then leverage that to ask the tougher what-if questions.

Getman: There’s a proactive and a reactive element to all of this. Lately we’re all talking about the Big One, but at the end of the day, in reacting to an earthquake a company has to have a fire or any other sort of loss. It’s about having that plan and being able to communicate it and execute it. Placing the insurance is a proactive element that helps you on the reactive side. But if you don’t have the plan with your team and your business to get up and running as quickly as possible, then your insurance will only take you so far. All the pieces to the puzzle have to come together.

Wessel: Dig into the process of putting the pieces together.

Nicholson: We start with our employees. If they’re spending the first couple of days running around worrying about food and water for their family, then they won’t be able to focus on safely restoring power to the community. So, we’ve been encouraging our employees to have their personal emergency preparedness plans in place. We want

FROM FLOOD TO FIRE TO “THE BIG ONE,” THE THREAT OF A NATURAL DISASTER IS ALWAYS PRESENT, WHICH MAKES PREPARING YOUR BUSINESS FOR THE UNEXPECTED MORE IMPORTANT THAN EVER. GOVERNMENTS, TOO, MUST HAVE EMERGENCY RESPONSE PLANS THAT KEEP PEOPLE SAFE AND CRITICAL SERVICES OPERATIONAL. THE FIRST STEP TO PREPAREDNESS IS IDENTIFYING VULNERABILITIES.

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AMY SHLOSSMAN
Chief Executive Officer of the American Red Cross Cascades Region
Amy came to Oregon from Washington, D.C. after more than 10 years in state and federal government, serving as Chief of Staff of the White House Office of Management and Budget and Department of Homeland Security. In these roles Amy led response efforts and crisis communications, working with the American Red Cross on major disasters including Hurricanes Katrina and Sandy, the Haiti earthquake, devastating wildfires, tornadoes and floods, as well as tragedies such as the Boston Marathon bombing.

JESSICA GETMAN
President of Brown & Brown NW Insurance
In addition to managing the Northwest region, including offices in Portland, Bend, Medford and Southwest Washington, Jessica provides service and consultation to many large, commercial clients. Jessica joined Brown & Brown in 2006 and moved to Oregon with her family in 2012, when she was asked to lead Fullerton & Company, a division of Brown & Brown. Jessica was one of the Portland Business Journal’s 2015 Forty Under 40 honorees, and she serves on the board of the Portland Children’s Museum.

SCOTT A. ASHFORD, PH.D.
Kearney Professor and Dean, OSU
Scott brings experience in both higher education and industry to his leadership role as dean of the College of Engineering at Oregon State University. After graduating from OSU with a degree in civil engineering, he worked in private industry before earning his Ph.D. from the University of California at Berkeley. Scott’s research focuses on enhancing public safety and reducing potential economic loss worldwide from earthquake and coastal hazards. He works to improve the resilience of the lifeline systems in the Pacific Northwest. Recently, he was appointed by Gov. Kate Brown and confirmed by the Oregon State Senate to serve a four-year term on the Governing Board of the Oregon Department of Geology and Mineral Industries.

STAN WATTERS
Director of Project and Technical Services, Port of Portland
Stan is responsible for the engineering, construction, project management, information technology, and navigation departments. Prior to joining the Port of Portland, Stan worked in the electric utility industry for 25 years where he held several executive-level positions in operations, resource planning, and energy trading. Stan holds a Bachelor of Science degree in civil engineering from Oregon State University and completed a Business Leadership Development Program at the Wharton School of Business. He currently serves as a Commissioner on the Oregon Seismic Safety Policy Advisory Commission.

BILL NICHOLSON
PGE, Senior Vice President
As senior vice president, Bill currently oversees Customer Service Operations, Strategy and Business Customer Development, and Transmission and Distribution Operations Services at PGE. Bill previously served as vice president of Distribution Operations and two years as vice president of Customers & Economic Development. Bill joined PGE in 1980 as an engineer at the Trojan Plant and has served in a variety of capacities in Distribution Operations and Generation Engineering. Bill has served on several community boards, including Associated Oregon Industries, Oregon BEST and the board of regents for the Museum at Warm Springs.

PGE IS READY TO RESPOND quickly and safely IF THE POWER GOES OUT. ARE YOU?

Find tips to help prepare your business at PortlandGeneral.com/Outage

American Red Cross

ENHANCED EMPLOYEE PREPAREDNESS TRAINING

The Red Cross offers an educational and engaging on-site opportunity for your employees. The session includes a “Prepare!” presentation, disaster-kit building and CPR fundamentals.

To schedule enhanced employee preparedness training, contact tristen.ross@redcross.org.
What variety of disasters should The Red Cross take an all-
recent geologic history. There will be
Subduction Zone events in our relatively
Ashford:
Wessel:
people in this region on a daily basis,
it. When we look at disasters that affect
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Shlossman:
Plan – because you can’t get resilient
important for the Port of Portland to be
infrastructure and identified what was
Ashford:

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an emergency kit every employee’s car,
their significant other’s vehicle, and their
kids’ vehicles if they’re driving. We want
our employees to be able to answer these
questions: If you can’t get ahold of your
family, what are you going to do? Where
are they going to go? Who are they going
to call?
Watters: We looked at our most critical
infrastructure and identified what was
important for the Port of Portland to be
operational after an event. And now slowly,
very similar to the Oregon Resilience
Plan – because you can’t get resilient
overnight, we’re incorporating what we’ve
learned from our seismic assessments
into our capital plans so that when we’re
touching those assets we can go in and
address their seismic vulnerability.
Wessel: What variety of disasters should
organizations be thinking about?
Shlossman: The Red Cross takes an all-
hazards approach to preparedness. Every
day single day businesses face disasters
of all shapes and sizes. It could be a flood
or a wildfire. It could be the power going
out. It could be a manmade incident like
an active shooter situation or an envelope
sent to the office with white powder in
it. When we look at disasters that affect
people in this region on a daily basis,
home fires are the most common local
disaster.
Wessel: The threats are varied, but
Cascadia stands alone, right?
Ashford: We have a record of 42 Cascadia
Subduction Zone events in our relatively
recent geologic history. There will be
another one, and it will likely have a
tsunami associated with it. For tsunamis,
you want to make sure that your critical
facilities are outside the inundation zone.
If you’re in the inundation zone, you want
to make sure that you have an evacuation
route to high ground. As you move in to
the valley, you start looking at the different
hazards — strong shaking, landslides,
liquefaction, and lateral spreading — and
start figuring out ways to mitigate that.
And fire is associated with earthquakes.
Wessel: Given this enormous threat, how
do you get everyone on the same page
and drive a resiliency plan through an
entire organization?
Watters: For the Port it started with
education at the highest level. The Port is
going to be awfully important during the
recovery phase, whether it’s our marine
facilities for bringing in supplies by ship, or
our airports for flying supplies in. There’s
a responsibility there. There’s a sense
of, are we doing what we need to do in
order to be a good business partner in the
community? The public agencies feel
that and the lifeline agencies feel that.
But it goes even beyond the lifelines. If we’re
going to have a resilient community and
a resilient state, it really takes everyone
looking at their own operations.
Getman: All of us around the table, we
have businesses or operations that have
to get up and running for our business and to
help get the community back on track. So
from Stan’s point, each business really has
to figure out what is it going to take to be up
and running, and who they are dependent
on. If your business relies heavily on
another business, well, what’s their plan?
Nicholson: We know in the pit of our
stomachs where our risks are. For
example, our core operations are in
southwest downtown Portland and a
backup facility in Southeast Portland – in
a similar liquefaction zone. We knew we had
a backup, but when we got realistic about
it, it was better for us to have a separate
facility in a different seismic zone. As a
result, we recently completed our new
Readiness Center in Clackamas County.
The 18,000-square-foot building stands
at the ready to serve as our command facility
if a major incident, such as an earthquake,
made our primary operational sites
unavailable.
Ashford: During this last legislative
session, about 20 bills dealing with
earthquake resilience were introduced.
Five of them passed. This is first time we
have been able to get bills actually signed
into law. The most important one for us
was designating a chief resilience officer
for the state, appointed by the governor,
reporting directly to the governor. I think
that was important, because we’re not
just talking about the doomsday scenario.
When you do that, it’s really easy for
businesses and the state to throw up our
hands and just say, “It’s too much.”
Shlossman: Really, the number one
objective is to begin talking about it and
start planning. It’s critical for families and
neighborhoods – and businesses – to have
the conversation about what they would
do, where they would meet, and who can
do what. Which of your neighbors has
a generator if needed to keep food and
medications viable? Who has medical
skills to assist when first responders can’t?
When we talk about business resilience
and the ability of organizations to re-open
after disasters, the number one factor
is employee preparedness. The security
and safety of their families will be your
employees’ number one priority.
Wessel: What’s a reasonable stockpile of
equipment for preparedness?
Nicholson: It was eye-opening to me
to learn you really need two weeks’ of
equipment supplies, not three days like
we’d always heard. OK, it’s a reality, but
what are you going to do now? We’ve
continued to press our people to do a
carport kit for their car. And then for our
planning assumptions, we settled on 10
days of food, water and other emergency
supplies that would allow our employees
to function at each site. We just purchased
those materials. We’re still getting water,
but we have food now at all of our facilities
for all of our employees. It’s a start.
Shlossman: Start from where you are
and test your preparedness supplies on a
regular basis. If you don’t have anything,
then building toward a 72-hour kit is a
good first step. For those who do have
72-hour-or-more kits, build toward that
two-week supply, both at home and within
organizations and businesses.
Wessel: What’s the thinking more directly
from a business perspective regarding a
catastrophic event?
Getman: In normal business impact
analysis, for something like a fire, you’re
trying to figure out how quickly you can
get back up and running. If it’s such a
catastrophic event, you’re going to be
down longer. So if you’re a manufacturer
in town, and you think you can get back
up and running in six months, or could
go to a temporary location, well, take that
and multiply it by several factors. Because
everybody you rely on will also be down.
Shlossman: Start now; there are simple,
basic things you can do to be ready. Make
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For a public entity like the port, bienniums—that’ll be $2 billion, enough to take care of retrofitting the schools. They passed it, but they never entirely funded it. But this last legislative session, they fully funded $200 million for this effort.

Wessel: Money can be hard to find.

Ashford: We need to work together and be creative. For instance, ODOT stepped up helped start the Cascadia Lifelines program. It’s a research consortium with PGE, Northwest Natural, EDA, Tualatin Valley Water District, Eugene Water and Electric Board and Port of Portland. Portland Water Bureau is engaged in the program. That’s a group of lifestyle providers that are pooling their resources, trying to find cost-effective ways to help prepare for this earthquake. It takes people stepping up like that, and then you can use those people to attract others.

Nicholson: We’re so interconnected. If we all just go to our silos, you’re going to discover you didn’t think of the roads, know the hazards. We have conversations with our electricity providers, about our service to their critical facilities.

Watters: We’re looking at the long-term horizon, in the Oregon Resilience Plan we’re looking at 50 years to be ready from a whole-system approach. If we start in this biennium, this year, we can probably do it. If the expectation is that we do everything this year — and that’s probably several billion dollars’ worth of investment — people would just say, “Well, let’s wait until the next biennium to start.”

Wessel: How prepared is Oregon at the state level?

Ashford: Looking at the long-term horizon, in the Oregon Resilience Plan, we’re looking at 50 years to be ready from a whole-system approach. If we start in this biennium, this year, we can probably do it. If the expectation is that we do everything this year — and that’s probably several billion dollars’ worth of investment — people would just say, “Well, let’s wait until the next biennium to start.”

Waters: In terms of insurance, what are the things it’s useful for when it comes to risk mitigation, and what are the things that it’s not?

Getman: It’s a misconception that insurance is unaffordable, from a business or personal perspective. The insurance industry took their medicine in 2011 when the quake in Japan happened. You had carriers that reassessed their portfolio and reassessed the rate they were charging. So now, the capacity is pretty vast. Unless you’re in the insurance business, most people don’t know that. And as it stands right now, the business community would definitely be underinsured or not have insurance. When it comes to risk mitigation and what insurance is useful for, it comes down to a business’ or individual’s coverage. Coverage can be vast and include things like business income. That’s why it’s so important to have the discussion with your broker and their risk management team.

Watters: For a public entity like the port, it’s kind of a combination of insurance plus adequate reserves. We need to make decisions with our insurance providers as to what is really important in our operation and fund insurance to a level so we can recover quickly. So we look at what are the critical assets at the airport that must be operational and cover those risks and have some reserves on hand to get those critical assets functioning as soon as possible.

Getman: From my perspective, all businesses should have insurance unless one of two things: they have enough money to self-insure, or they don’t plan on getting back up and running again.

Wessel: One of the challenges, I gather, is making the risk real for people versus theoretical.

Shlossman: We started an exercise two years ago called Camp Prepare designed to build on the love of the great outdoors here in Oregon and encourage people to test their preparedness kits in the comfort of their own backyards or one of our wonderful state parks. It’s a great, low pressure way to test the supplies in your preparedness kit, see what’s missing and replenish before disaster strikes.

Watters: There’s a big event coming up next year, Cascadia Rising. There’s a lot of people that have a desk at the emergency recovery center – Red Cross is there, we’re there, utilities are there, some of the other government agencies, county emergency managers, and they have just recently put together what that exercise scenario is going to look like. The exercise is going to happen on a very large regional basis.

Ashford: In the past year, even before the New Yorker article, you could see headway being made. We got a couple of grants for fire stations in Corvallis to get retrofitted. The university is starting to talk about how to prepare ourselves. We hired an emergency manager. The county commissioners are starting to talk with elements of the county to get prepared. It’s going to take all of us working together to make it happen, but we have some momentum going.