

Fire Damaged Mining Equipment



ILC Assignment:

- Site visit of a loss event in which various equipment was damaged as the result of a fire.
- Perform a visual inspection of damages to the equipment, including an inventory of all equipment in the facility, to determine full replacement costs for coinsurance purposes.
- Determine if the equipment appears to be a candidate for cleaning/repair, or if new replacements will be required.
- Review any submitted repair/ replacement estimate for equipment and validate scope.
- Acquire new replacement costs and estimate the actual cash value for items deemed destroyed.

ILC Analysis:

- Upon inspection, ILC discovered that most of the equipment was located in the portion of the building where the fire had originated.
- Inside the machine shop, ILC found various pieces of equipment, including manual lathes, mills, CNC machinery, and a forklift.
- The machinery inspected by ILC did not appear to be candidates for repair or restoration with a few exceptions. At the back of the facility, ILC documented an air compressor and air dryer that both were candidates for repair.

Summary:

- ILC determined the full replacement value of the machinery and equipment in the facility to be \$1,573,000.
- Upon our final review of the damaged equipment, ILC validated a total of \$720,989 for the full replacement and repair value of the damaged equipment.
- ILC determined the ACV of the fire damage equipment to be a total of \$325,376.