

## Resolution No. 22-03

### A Resolution Amending the Persigo Sewer System's Policy Regarding Payments for Sewer Back-Ups

#### Recitals.

Section 1 (b) of the Regulations for the Joint Sewer System, "Process to Adopt Existing and New Regulations," provides that "... the manager may propose changes to the existing procedures, rules and policies which are legislative in nature."

Now, therefore, be it resolved by the City Council for the City of Grand Junction that :

**Section 6. Collection system operations and treatment service operations** is amended by the addition of a new Subsection (t) which shall read as follows:

The City will reimburse the costs of immediate, professional clean-up service up to \$750 (normally not to exceed \$750, unless approved by the Wastewater Superintendent).

Claims for damages beyond the emergency clean-up shall be forwarded to the City's Risk Manager. Once any adjustments for depreciation, prior conditions and cause are made, and if the owner of the property signs the waiver form, the City will pay one-half (1/2) of the actual cash value of the damage, up to a maximum City cost of \$2,500. Actual cash value is defined as replacement cost less depreciation.

Public Awareness:

This amended Policy shall be implemented with extensive public information to sewer customers that even in the best maintained sewage collection systems, blockages occur for many reasons; tree roots, grease, disposed items thrown into manholes which can cause blockages.

Because blockages may occur without anyone being "at fault", the City recommends:

- That every owner who is concerned about back-ups make sure their insurance policy covers sewer back-up damages; AND,
- That the owner pay to install an approved backflow device

The information shall be posted on the City's web site and provided through utility bill stuffers.

Adopted by the City Council this 5<sup>th</sup> day of March, 2003.

/s/ Cindy Enos-Martinez  
President of the Council

Attest: /s/ Stephanie Tuin  
City Clerk

# **SEWER BACK-UP POLICY**

## **Introduction**

The City of Grand Junction is an owner and operator of the Persigo Wastewater System. It operates and maintains over 350 miles of sewage collection lines, interceptors and lift stations. These systems are jetted and cleaned in a rotational basis every three years. However, even in the best maintained systems, there are instances where blockages occur. In order to assist its sewer customers in dealing with back-ups caused by blockages, the following Sewer Back-Up Policy is adopted.

## **Sewer Back-Up Policy**

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Claims for damages beyond the emergency clean-up shall be forwarded to the City's Risk Manager. Once any adjustments for depreciation, prior conditions and cause are made, and if the owner of the property signs the waiver form, the City will pay one-half (1/2) of the actual cash value of the damage, up to a maximum City cost of \$2,500. Actual cash value is defined as replacement cost less depreciation.

Public Awareness:

This amended Policy shall be implemented with extensive public information to sewer customers that even in the best maintained sewage collection systems, blockages occur for many reasons; tree roots, grease, disposed items thrown into manholes which can cause blockages.

Because blockages may occur without anyone being "at fault", the City recommends:

- That every owner who is concerned about back-ups make sure their insurance policy covers sewer back-up damages; AND,
- That the owner pay to install an approved backflow device

The information shall be posted on the City's web site and provided through utility bill stuffers.

**End of Policy**

## **SEWER BACK-UP PROCEDURE**

(This procedure is not part of the amended Sewer Back-Up Policy, but provides guidance to Persigo staff in implementing this Policy.)

**A.** Blockages in service laterals owned by the property owner. (The 4" pipe from the building to the sewer main).

After responding to a call of a sewer back up and determining that the cause of the back-up is in the property owner's service lateral, collection system maintenance staff will inform the resident/homeowner that the City is not responsible for damage or repair of privately owned lateral blockages. The resident/homeowner will be given a copy of the City's written policy. It is the policy of the City that homeowners, whenever possible, to call the City *first* in the case of a blockage so that it can be determined whether the blockage is in the main or the service lateral. This helps the property owner from having to call a private sewer service to make this determination.

**B.** Blockages in main sewer lines (the larger lines in alleys and streets owned by the City)

If the sewer back-up is caused by a blockage in the City's main sewer line, the collection system staff will clear the blockage. If sewage backed-up into a building or residence as a result of the blockage, the staff will inform the resident/owner that the City will reimburse the costs of immediate, professional clean-up service up to \$750 (normally not to exceed \$750, unless approved by the Wastewater Superintendent).

To be eligible for reimbursement, City staff must be able to inspect the home or property, take pictures of the damage. The on-site City staff will provide emergency clean-up claim forms and instructions for reimbursement of emergency clean-up costs. The City crews must notify their supervisor for an inspection of the damage

The Wastewater Superintendent or his Maintenance Supervisor must inspect the damaged property as soon as possible. The purpose of these procedures is to give the customer an immediate and single point of contact with the City, facilitate a speedy clean-up, and inform the customer about the City's policies on emergency clean-up and other damage claims.

Crews shall clear blockages and arrange for the main to be TV'd as soon as practicable, make a written report of the cause of the back-up, and any need for further maintenance or repair. City staff should be careful to provide evidence of cause.

Residents/owners shall be told that claims beyond emergency clean-up should be sent or forwarded to the City's Risk Manager. Once any adjustments for depreciation, prior conditions, cause, are made, and if the owner of the property signs the waiver form, the City will pay one –half (1/2) of the actual cash value (replacement cost less depreciation) of the damage, up to a maximum City cost of \$2,500. All claims for damage, however, will be evaluated.

## **Additional Background**

To date when back-ups occur, if the blockage is in the City main, the city staff cleans out the line, determines the cause, and informs the resident that the City will pay up to \$150 for emergency clean-up. If the owner claims additional damages, they are directed to make a claim with the City's Risk Manager. The emergency clean-up payment is "no-fault" and goes to pay for the clean-up contractor.

Between 1988 and 2001 there were 43 claims made for damage due to sewer back-up. In those 4 years the City paid a total of \$83,978; an average of \$1,952 per claim. The average includes 10 claims for which nothing was paid. The payments range from a low of \$57.50 to a high of \$16,940.

Based on national averages (according to EPA, ASCE) the City is on par regarding sewer line cleaning and maintenance being done once every three (3) years. The City's average is 38.7% of the system cleaned every year, thus 100% of the system is cleaned every 2.58 years. Before 1998 the standard was once every 6-years. The City employs three trucks and employees to clean at this rate.

In 2001, there were a total of 204 sewer back-ups from a variety of reasons. Of these, 37 (18%), could have resulted in clean-up and damages. Assuming an average payment of \$1,952, costs would have been \$72, 224. However, of the 43 claims paid by the City between 1988 and 2001, 33% of those were greater than \$2,000, with an average of \$5,217 each. If we paid this average to the 37 that could have sustained damages, the total cost to the system would have been \$193,029. If the City adopts a policy of paying for all sewer back-up claims, we could see annual costs nearing one million dollars.

Colorado's public policy, endorsed by the Colorado Governmental Immunity Act, limits the City's liability for sewer system failures. The public policy of accepting responsibility for back-ups when your maintenance procedures meet and exceed national standards is also an important question.

Most Colorado cities have some form of a "no-fault" emergency clean-up policy like the City of Grand Junction's. Our limit has remained at \$150 since the late 1980's. However, on occasion, the City has paid more after a supervisor reviewed the situation. "No fault" clean-up assistance have ranged from \$150 to \$500.

Most cities have debated the cost of paying for long-term damages versus facing customers with serious repair costs. The "mid-stream" approach seems to be a dollar cap (\$1,900 in St. Louis) or a cost-share (50% of the damage cost up to

\$2,500 in Champaign, Ill.). A middle approach such as ours, combined with extensive public information coupled with emphasis on sewer insurance & backflow preventers, seems the best approach.