

**RESOLUTION BY THE BOARD OF DIRECTORS
OF THE NORTH WASHINGTON STREET WATER AND SANITATION DISTRICT**

**RESOLUTION CONCERNING CLEANUP OF RESIDENTIAL
SEWER BACKUPS**

WHEREAS, the North Washington Street Water and Sanitation District (the "District"), pursuant to Section 32-1-1001(1)(m), C.R.S., may adopt rules and regulations concerning the business and affairs of the District; and

WHEREAS, it is generally the position of both the District and its insurance carrier that the District is rarely legally liable for damages that may occur from a sewer backup. The reason why the District is generally not liable is that the District has a regular cleaning and maintenance program for its underground facilities, and as a result, is not negligent in the design, construction or maintenance of its lines. In addition, when problems are reported, the District responds as rapidly as possible to fix the problem. Under current Colorado law, negligent conduct by the District would be required before the District would be legally liable for the damages. However, the District desires to maintain good customer relations, and as a result is willing to provide limited voluntary assistance, as described herein, to residential property owners who suffer backups from District sewer facilities; and

WHEREAS, the District encourages all District customers to obtain insurance for water and sewer backup and damage claims; and

WHEREAS, the District has found and does hereby find that it is in the best interests of the District to set forth the limitations of, and procedures to be utilized by, the District in the cleanup of sewer backups into residential structures from sewer facilities owned by the District.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTH WASHINGTON STREET WATER AND SANITATION DISTRICT OF THE COUNTY OF ADAMS AND DENVER, COLORADO AS FOLLOWS:

1. Purpose of Resolution. Limit of Personnel Authority. The employees and agents of the District are authorized to provide a copy of this Resolution to any person who believes that he or she has suffered a backup of effluent into a residence from a sewer facility owned by the District. No director, employee, or agent of the District is authorized to make any statement, promise, or representation on behalf of the District beyond what is stated in this Resolution.
2. Application of the Resolution. This Resolution applies only to sewer backups originating from a facility owned by the District affecting a residential structure. Any other residential or commercial backup, such as a backup originating from the blockage of a customer's service line, is entirely the responsibility of the property owner or persons other than the District. Backups into commercial structures are outside the scope of this Resolution.
3. Immediate Response. Immediately upon receiving notice of a sewer backup which may have come from a District facility, the employee or agent receiving the notice is to notify the cleanup company designated by the Manager. The cleanup company is to commence cleaning up the backup as soon as possible.
4. Further Notifications. After making the notification to the cleanup company, the employee or agent shall notify the District General Manager and the Field Manager. The General Manager shall promptly notify the District's general liability insurance carrier.
5. Limited District Payment for Costs of Cleanup. The District shall pay for cleaning and sanitizing the floor and the inside exposed surface of the perimeter walls of a residential

building that suffers a sewer backup from a District facility, but the costs that are paid by the District shall not exceed \$5,000 per residence, unless a greater amount is approved by the Board of Directors of the District or the District's insurance provider.

6. Other Costs Not Paid by the District. Cleanup costs payable by the District do not include cleaning or sanitizing of any personal property or any wall other than the walls cleaned under Section 5 hereof. Cleaning costs, loss of personal property, inconvenience and loss of time, and damage to the structure or appliances over and above the basic cleaning and sanitizing provided by the District under Section 5 are the responsibility of the homeowner, a liable unknown party, or the homeowner's own insurance company, if such insurance company provides coverage.

7. Cashing District Check Includes Release. All District checks rendered directly to someone other than a cleanup company for cleanup of sewer backups shall include the following: "By signing this check, the owners of [property address] agree to release and fully discharge all claims that they now have or may have in the future against the North Washington Street Water and Sanitation District arising from the sewer backup occurring on [date]." It is the intention of the Board that the negotiation of the check will cause any claim against the District to be voluntarily and knowingly released and fully discharged, meaning that cashing the check will prevent the homeowner from bringing a legal action against the District concerning the back up in the future. The homeowner should be advised to consult legal counsel if the effect of cashing the check is unclear. If property owner accepts clean up service from the District's contractor such acceptance shall constitute a full and complete waiver of all claims against the District.

8. Liability for Payment. In the event that a cleanup contractor bills or attempts to bill the District for a costs that are the responsibility of a property owner, the District shall, pursuant to the applicable Rules and Regulations of the District, charge the property owner for the cost. Until paid, these charges shall constitute a first and perpetual lien on or against the property served and any such lien may be foreclosed in the manner provided by law.

9. No Admission of Liability. Nothing herein, and no statement by any director, employee, or agent of the District, shall be deemed to be an admission or denial of liability by the District.

10. Payment Subject to Board Approval. Nothing herein shall authorize the payment of any sum unless such payment is approved by the Board of Directors.

11. Effectiveness. This Resolution shall be effective immediately.

Approved and adopted this 7th day of July 2022

NORTH WASHINGTON STREET WATER AND SANITATION DISTRICT

ATTEST:

By 
President


Secretary

SUMMARY OF THE
NORTH WASHINGTON STREET WATER AND SANITATION DISTRICT
RESOLUTION CONCERNING CLEANUP OF RESIDENTIAL SEWER BACKUPS

THIS SUMMARY MUST BE EXECUTED BY PROPERTY OWNER OR AUTHORIZED REPRESENTATIVE PRIOR TO THE DISTRICT OR ITS CONTRACTOR PERFORMING ANY WORK ON THE PROPERTY.

This is a brief summary of the procedures that the District follows when a residential sewer backup is reported. **The entire Resolution must be consulted for details of the program.**

1. After receiving notice of a backup, District staff is to notify the District's cleanup company and the District's Field and General Managers. The cleanup company is to clean up the backup as soon as possible.

2. The District shall pay for cleaning and sanitizing the floor and the inside exposed surface of the perimeter walls of a residential building that suffers a sewer backup from a District facility, but the costs that are paid by the District shall not exceed \$5,000 per residence, unless a greater amount is approved by the Board of Directors.

3. Cleanup costs payable by the District do not include cleaning or sanitizing any personal property or any wall other than the walls cleaned under Section 2, above. Cleaning costs, losses of personal property, inconvenience and loss of time, and damage to the structure over and above the basic cleaning and sanitizing provided by the District under Section 2 are not paid by the District. The homeowner should contact the homeowner's own insurance company about coverage.

4. The homeowner's signing a check from the District for cleanup costs or acceptance of District's clean up contractor to perform work will cause any claim against the District to be released and fully discharged, meaning that cashing the check or accepting clean up from the District's contractor will prevent the homeowner from bringing a legal action against the District concerning the back up. The homeowner should consult his or her legal counsel if the effect of cashing the check or accepting service is unclear.

5. If a cleanup contractor bills the District for costs that are the responsibility of a property owner, then the District shall charge the property owner for the cost.

6. No District personnel are authorized to make any statement or promise on behalf of the District. No one can accept any liability on behalf of the District. Only the Board of Directors can approve any payment to be made by the District.

I, _____ as the owner or authorized representative of owner of the property located at _____ ("Property"), hereby accept and authorize the North Washington Street Water & Sanitation District ("District") to enter into the Property and perform limited clean up as described herein and waive any claim and release the District resulting from the work performed or the backup initiating the event.

Signature

Date

Authorized owner or owner's representative