Mayor Shepherd called the meeting to order at 6:31 p.m.

DISCUSSION ON RESIDENTIAL SEWER CLEAN-UP ASSISTANCE PROGRAM

Rich Knapp, Administrative Services Director, explained the difficulty experienced by City staff in responding to claims and/or requests for assistance specific to sewer backup or flooding. He expressed his opinion the policy was a tough customer service response. He informed the Council that staff looked to other cities, locally and nationwide, to see how they addressed such requests. He introduced Caleb Jones, Management Intern, and reported he, along with Summer Palmer, Human Resource Manager, had drafted a proposed policy.

Mr. Knapp stated even though the City regularly maintained the main sewer lines within the City, sewer backups still occurred at no fault from the City or the property owner and explained the randomness associated with them. He pointed out very rarely was the sewer backup the result of negligence on behalf of the property owner and emphasized the proposed program would strictly be a “Good Will” gesture.
Mr. Knapp explained the current policy was to have the resident notify the homeowner’s insurance, which most often didn’t cover the sewage backup. Councilmember Jones announced he was aware of only two companies that covered this type of damage. Following the denial from the homeowner’s insurance, the City submitted the claim to its insurance which also denied the claim. Mr. Knapp reviewed the proposed policy with the Council and emphasized the following:

- The resident would have to fill out the form.
- Proof the resident’s homeowner’s insurance denied a claim.
- Photographs.
- Reporting the backup within 72 hours.
- This was not a “reimbursement” program but rather “clean-up” assistance to ensure health and safety.

Councilmember Bush pointed out the resident could potentially call a remediation company prior to notifying the City and expressed concern the resident in that instance wouldn’t be eligible for any assistance. Mr. Knapp responded the City’s preferred restoration company would be considerably cheaper and explained the City would pay the amount of funds that its preferred company would charge for the restoration. Summer Palmer, Human Resources Manager, added Public Works staff was generally one of the first responders in those type of circumstances and emphasized they would be prepared to provide all necessary paperwork which would include proper contact information and believed this would eliminate the resident from contacting a different restoration company other than the City’s preferred vendor.

Mayor Shepherd requested clarification why the City would want to even offer such a program. Mr. Knapp clarified the program would only benefit a resident if the sewer backup occurred in the City’s main sewer line and not in the lateral. Ms. Palmer believed insurance companies generally cover the resident if the blockage occurred within the lateral. Councilmember Young expressed his opinion the program made sense if the blockage occurred in the City’s main sewer line and there was no responsibility/fault to the resident.

Mr. Knapp directed the Council to the third paragraph in the letter which emphasized the program could only be utilized if the backup was caused by a problem located within the City’s lines or system. A discussion took place regarding the language in the letter and the Council made suggestions to the language for better clarification to the resident.

Mr. Knapp emphasized the main purpose for the program was to warrant good will or some sort of “group insurance” for residents and to ensure the sewage was cleaned up properly. A discussion also took place to whether the program would be applicable to apartment complexes/multi-family housing. Also discussed was what would happen in the case that a “responsible” party was identified and if there was an identified “limit”. Mr. Knapp commented a limit had not been established as each incident would be evaluated on a case by case basis.

JJ Allen, Assistant City Manager, expressed concern that an objective criteria had not been identified which would be used to determine the dollar amount for the assistance and a discussion took place. Mr. Knapp responded staff would be referring to internal procedures which identified the extent of the provided assistance. Mayor Shepherd stated he was personally
 aware of the costs associated with sewage clean up and indicated the costs for the clean up were outrageous and pointed out all the variables which could impact the remediation costs. Ms. Palmer responded that was the primary reason for not designating a limit.

Caleb Jones, Management Intern, reported the statistics he had obtained regarding other City’s policies specific to sewage remediation and believed the most the City would have to pay out for an incident would be $1,000. Mr. Allen suggested designating a cap per fiscal year and a discussion followed. Mayor Shepherd expressed concern the City’s program could be interpreted by an insurance company as some form of liability. He emphasized he didn’t disagree with the program; he just had some concerns. He suggested strong language should be used emphasizing the City wasn’t admitting liability and a discussion took place.

Brian Brower, City Attorney, suggested the City cap the amount per incident and designate a specific amount for each fiscal year. Mr. Knapp pointed out the City didn’t cap other claims/insurance.

Mayor Shepherd summarized that the Council directed staff to proceed with tightening the language and putting limits in place for claims. Councilmember Bush requested defining the term “property damage” better within the letter.

The meeting adjourned at 7:00 p.m.

APPROVED AND ADOPTED
This 25th day of August, 2015

/s/Mark R. Shepherd, Mayor

ATTEST:

/s/Nancy R. Dean, City Recorder

I hereby certify that the foregoing represents a true, accurate, and complete record of the Clearfield City Council meeting held Tuesday, July 28, 2015.

/s/Nancy R. Dean, City Recorder