

City of Racine, Wisconsin Common Council

AGENDA BRIEFING MEMORANDUM

4	COMMITTEE: Finance and Personnel LEGISLATION ITEM #: 0016-23
5	AGENDA DATE: January 9, 2023
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7	DEPARTMENT: City Attorney's Office
8	Prepared By: Deputy City Attorney Marisa L. Roubik
10 11	SUBJECT: Communication sponsored by Alder Taft on behalf of the City Attorney's Office submitting the claim of Grace Lutheran Church for consideration for disallowance.
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EXECUTIVE SUMMARY:

Grace Lutheran Church claims reimbursement in the amount of \$50,000.00 for damages allegedly caused by water in its basement arising from a sewer backup that occurred during the record-setting rainfall on September 11-12, 2022. A.W. Oakes & Son, Inc. was performing a road repaving project in the vicinity of the Church, which the City and the Wastewater Utility believe caused a blockage of dirt, gravel, and debris in the sewer main just downstream of the Church's lateral, in conjunction with this historical storm. The City has notified West Bend Mutual Insurance Co., the insurer for A.W, Oakes & Son, Inc., of this claim, because it is believed that their insured may be liable, in whole or in part, for the alleged damages.

The City Attorney's Office recommends that this Committee disallow the claim of Grace Lutheran Church because the City and the Wastewater Utility cannot be held legally liable for, so-called, "acts of God," such as unprecedented rainfall events, over which the City and the Utility have no control. The Claimant may contact West Bend Mutual Insurance Co. to file a claim against A.W. Oakes & Son, Inc. for any liability that may exist for the construction project's contribution to this issue.

BACKGROUND & ANALYSIS:

The Claimant, Grace Lutheran Church of 3700 Washington Avenue, Racine, Wisconsin 53403, filed this claim for reimbursement in the amount of \$50,000.00 for damages allegedly caused by water in its basement arising from a sewer backup that occurred during the 200-year flood on September 11-12, 2022. The City and Wastewater Utility deny liability.

The record-setting rain event on September 11 and 12, 2022 lasted for over 18 hours and was of historic proportions with recorded rainfall totals ranging from 6.75" to 9.75" in the City of Racine. Statistically, this was considered a 200-year flood with a 0.5% chance of occurrence.

The Racine City sanitary sewers are cleaned on a 3-year cycle. The main that services this address was last cleaned on August 19, 2020. The main in question flows into a manhole at the intersection of Lawn Avenue and Washington Avenue. On the date in question, Lawn Avenue was under construction for a repaving project that was being performed by A.W. Oakes & Son, Inc. The City and the Wastewater Utility believe that this construction project, in conjunction with this historical storm, caused a blockage of dirt, gravel, and debris in the sewer main just downstream of the Church's lateral. Utility staff attempted to flush the line, but ultimately, a contractor was called in to cut and repair the section of the pipe to remove the blockage. After the section of the main had been repaired, Utility staff flushed the line again to remove any debris that remained from the construction.

The City has notified West Bend Mutual Insurance Co., the insurer for A.W, Oakes & Son, Inc., of this claim, because it is believed that their insured may be liable, in whole or in part, for the alleged damages. The Claimant may contact West Bend Mutual Insurance Co. to file a claim against A.W. Oakes & Son, Inc. for any liability that may exist for the construction project's contribution to this issue.

The unusual 200-year storm that occurred on September 11-12, 2022 is considered an "act of God," which is a natural event or disaster that cannot be reasonably foreseen or prevented. The City and the Utility cannot be held legally liable for such "acts of God," over which the City and the Utility have no control.

For the reasons set forth above, the City cannot be held legally liable for the alleged damages and this claim should be disallowed.

BUDGETARY IMPACT:

Assuming the recommendation to disallow this claim is adopted, this item would have a \$0.00 impact on the City's budget.

RECOMMENDED ACTION:

That the disallowance of this claim be recommended for approval.