

WEST SLOPE WATER DISTRICT
Special Board of Commissioners Meeting
April 23, 2024
Meeting Summary

CALL TO ORDER

Present: Chair Susan Meamber; Commissioners Ramesh Krishnamurthy, Paul Schuler, and Andy Smith

Management Staff: Michael Grimm, General Manager; Wendy Irwin, Finance Manager

Absent: Commissioner Chris Eppler

Public: None

1.0 – CALL TO ORDER

Chair Meamber called to order the special meeting of the West Slope Water District Board of Commissioners at 12:36 P.M., Tuesday, April 23, 2024. The meeting was held as a virtual meeting only through Zoom virtual meeting technology. The public was made aware of the meeting through the District’s website (the meeting agenda and Zoom meeting link were posted on the website).

2.0 – REQUEST TO THE BOARD TO AUTHORIZE A SETTLEMENT PAYMENT

Mr. Grimm provided a brief summary of the series of events on Thursday, February 15 leading up to the decision to offer a settlement to the Sievertsen family (see Agenda 2.1 from the April 23, 2024 special meeting). Mr. Grimm pointed out the failure of the District’s water main on SW Canyon Drive was not the result of negligence on the part of the District. The District has not had any previous water main repairs on this section of water main, and upon visual inspection of the pipe during the repair, the exterior surface of the water main was in excellent condition. Clearly, the cause of the main break was the root system from the Douglas Fir tree that was allowed to be planted directly over the District’s water main well within the County’s right-of-way.

Commissioner Schuler asked if the District inquired with the District’s legal counsel on whether the District has any legal liability in this situation. Mr. Grimm responded that he did not inquire with legal counsel in this case but typically a utility is only going to be held liable for damage if it can be shown the utility was negligent in its duty to maintain the pipe (not applicable) or negligent in the timeliness of the repair causing excessive amounts of water flowing from the area of the break (District crew throttled down flow through that section of pipe within minutes of arriving on site). Commissioner Schuler asked can the District get the customer to sign a release from further claims and future accusations of liability, and Mr. Grimm stated that we can indeed have the customer sign such a release form.

Commissioner Krishnamurthy asked if the customers had any homeowner's insurance that would cover the cost to rebuild the rock wall. Mr. Grimm responded that the customer's homeowner's insurance carrier (The Travelers Group) denied their claim. Commissioner Krishnamurthy asked if the District has any insurance that would cover this expense. Mr. Grimm replied that the District's insurance company has been contacted but no claim has been filed by the District. Commissioner Krishnamurthy stated he agreed with Commissioner Schuler on a settlement being the right thing to do for the customer coupled with release from liability agreement with the customer, but he believes it is in the best interest of the District to file a claim with the District's insurance company. Commissioner Krishnamurthy was also concerned about making sure the customer did not accept a settlement payment from the District while also getting a claim from the customer's homeowners insurance carrier.

Chair Member asked if this damage is something that District crews could repair without the aid of a private contractor. Mr. Grimm stated that if this issue were a simple clean-up task, the District would indeed perform the work. But since this situation is more of a repair task, it is better to the District to not be directly involved in the repair work. Chair Member agreed making the settlement payment to the customer in this case is a responsible action for the District.

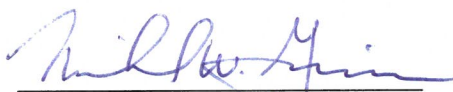
Commissioner Smith joined the virtual meeting.

Chair Member asked if it were possible to pay a settlement to a customer and then make a claim to the District's insurance company (Note: An inquiry to WHA following this meeting found the District could not make a settlement payment prior filing a claim with the District's insurance provider. The adjuster for SDIS / SDAO would have to complete their work PRIOR to any settlement payment). Chair Member asked if another option would be to offer a settlement equal to a percentage of the costs. Mr. Grimm stated determining a viable percentage will be harder than arriving at a "mid-range" wall replacement cost like the District is offering. Commissioner Schuler stated he believes the best approach is to see if the District's insurance carrier will reimburse the District for the settlement payment but to also proceed with making a \$23k settlement payment to the customers. Commissioner Smith agreed and reminded the Board that there is a customer relations component to this issue for the District. The consensus of the Board was to proceed with approach suggested by Commissioner Schuler.

3.0 – ADJOURNMENT

There being no further business to discuss, Commissioner Smith made a motion to adjourn the meeting. Commissioner Schuler seconded the motion, and the motion was approved unanimously (4-0). Chair Member adjourned the April 23, 2024 Board of Commissioners special meeting at 1:12 PM.

Respectfully Submitted,



Michael W. Grimm, P.E.
Acting Secretary

Approved:

