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Sewer Backup Liability

Few things are more unpleasant than a sewer backup, and no municipal official or employee wants their town's residents to have to experience one. PACIF coverage includes a sewer backup extension that is no-fault but not all-encompassing or unlimited. So when a backup occurs, municipal staff should speak to the affected resident calmly, factually, and in ways that won't create unrealistic expectations and risk disappointing them. Please be careful to say enough – and not too much.

PACIF Coverage

PACIF's municipal property/casualty coverage document defines a sewer backup as **either** the reverse flow of sewage from within any sanitary sewage facilities that the municipality owns and maintains **or** the escape of sewage from any fixed conduits that the municipality owns and maintains if the escape occurs away from real property that the municipality owns and maintains. Even so, **we encourage member municipalities to report all sewer-related claims.**

PACIF's Sewer Backup Extension coverage can help the municipality pay for property damage resulting from sewer backups, but it is only available after (is "excess over") the homeowner's property insurance and any other applicable insurance or coverage has been exhausted, and the municipality has an annual dollar limit.

- The homeowner must file a claim with their insurer.
- The homeowner's insurer and PACIF will investigate the claims independently.
- This PACIF coverage is subject to certain additional conditions and exemptions.
- When the Town's annual aggregate limit (specified in the Town's Declarations Page) has been exhausted, no more will be paid.

WHAT TO DO when a homeowner reports a sewer backup

DO tell the homeowner to file a claim with their insurance agent or company.

- Advise the homeowner to take video or photographs of the damage and prepare a list (inventory) of the damaged items and their value.

DO assure the homeowner that the Town will also file a claim with its insurance provider.

- VLCT will work diligently & efficiently and make contact with all parties involved.

- If the homeowner's insurance policy doesn't cover the damage completely, the homeowner will need to provide written proof of the partial or full denial.

DO say that the homeowner can use a company to professionally clean their property.

- Direct them to the Yellow Pages, under Fire & Water Damage, for local cleaning and restoration companies.
- DO let the homeowner make cleanup arrangements with a restoration company.

DO report the Town's claim to PACIF, ASAP.

- Use our online General Liability Loss Notice. At www.vlct.org, hover over Insurance and Report a PACIF Claim, then mouse right and down to select General Liability Loss Notice.
- Complete and submit the form.
- If you have questions, call 800-649-7915.
- PACIF will send you a confirmation email.
- DO let PACIF's Claims team do their job. They will keep the Town in the loop throughout the claim process.

WHAT NOT TO DO when a homeowner reports a sewer backup

Do NOT speculate about the cause of the backup or say anything that can be perceived as the Town accepting responsibility.

- The circumstances must be investigated and all coverages evaluated before final determinations can be made.
- Do not assume that the Town's insurance will pay. "No fault" does not mean all-encompassing or unlimited.

Do NOT be drawn into helping the homeowner.

- Good intentions can lead to further claims.
- **Do NOT** clean or repair private property.
- **Do NOT** enter a cleaning & restoration contract on behalf of any homeowner.

About Cleaning & Restoration Companies

The Town should not recommend one particular company, but it can name two or more reliable companies in your geographic area, so we suggest using the Yellow Pages. PACIF has had good experiences working with companies including but not limited to Servpro, G.W. Savage, PuroClean, and ServiceMaster.

Documents:

 [Sewer Backup information for municipal employees \(to print 2-sided and fold in thirds\)](#) [1]

Resource Category:

- Guidance

Links

[1] https://www.vlct.org/sites/default/files/documents/Resource/PACIF_SewerBackupGd.pdf