

SOUTHWEST METROPOLITAN WATER & SANITATION DISTRICT

Tort Claim Settlement Policy

Date:

July 27, 2018

Purpose:

The purpose of this policy is to designate authority and limitations for the settlement of property damage claims received by Southwest Metropolitan Water and Sanitation District.

Policy:

It is the policy of the District to designate responsibility and monetary limitation for settling property damage claims asserted against the District as described below in Sections 1 through 4.

Section 1. Except as provided in Section 2 below, each tort claim that is filed or otherwise asserted against the District in accordance with the provisions of Section 24-10-112 C.R.S. shall be compromised or settled only by the District's Board of Directors or by an insurance carrier that has accepted the claim and that is authorized to settle or compromise the claim pursuant to a valid and enforceable contract of insurance.

Section 2. With respect to 1) property damage claims including, but not limited to, landscape damage claims that arise out of water line breaks, fire hydrant maintenance or flushing operations, sanitary sewer back-ups, or an excavation or other activity relating to the repair and/or replacement of District facilities, or 2) property damage claims that arise out of or that are related to any water and/or sanitary sewer function performed by the District, the District's Manager shall, in addition to the Board of Directors, have authority to settle or compromise such claims if the Manager determines that there is a factual basis for the claim, the loss is verifiable and the claim can be settled for \$2,500 or less.

Section 3. In all cases where a claim against the District is settled or compromised, the party or parties that experienced the loss and to whom compensation is being paid shall execute a full written release of all claims satisfactory to the District's legal counsel and which releases the District, its officers, agents and employees and its insurers of all liability and damage of whatsoever kind or nature that arises out of or is in any way related to the claim being settled.

Section 4. Nothing contained in this policy shall be deemed to release or waive in any way the immunities, defenses, limitations or other protections afforded the District pursuant to the Colorado Governmental Immunity Act, Section 24-10-101 et. seq.

Background:

Southwest Metropolitan Water and Sanitation District owns, operates and maintains public potable water transmission and distribution and sanitary sewer collection and transmission facilities. During its operations and activities, the District is from time to time subject to tort claims filed by third parties alleging damages arising out of the provision of services by the District or operation and maintenance of its facilities. Preservation of public health and safety and protection of public and private property occasionally requires that claims be settled in an expeditious manner. In those instances, it is necessary for the District manager to have limited authority to settle claims as long as the claimant executes a Release of All Claims in a manner and form acceptable to the District legal counsel. Therefore, the Board of Directors establishes this policy to set forth the limitation on the amount and conditions under which the District manager is authorized to settle tort claims.