

## Legislation Text

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Authorizing City Council's Committee on Transportation and Public Utilities to hold hearings to examine the status of the claims filed as a result of the July 22nd, 2012 water main break at 21st and Bainbridge and to investigate possible measures to ensure that victims of this instance, and of future water main breaks, are fully compensated for their losses.

WHEREAS, On July 22, 2012 a break occurred in a forty-eight inch water main along 21st Street, creating a sinkhole encompassing the entire intersection of 21st and Bainbridge Streets, flooding residences, damaging houses, destroying possessions, and forcing at least one hundred people to evacuate their homes; and

WHEREAS, This water main break severely damaged upwards of one hundred residential households resulting in homeowners suffering losses of up to tens of thousands of dollars; and

WHEREAS, The Political Subdivision Tort Claims Act limits the damages recoverable from the City of Philadelphia to \$500,000, but the total claim amount filed by affected parties amounts to approximately \$1.9 million; and

WHEREAS, \$500,000 is insufficient to appropriately compensate victims for their losses considering the total losses amount to \$1.9 million; and

WHEREAS, Claims filed by two major utilities, PECO and Verizon, make up almost half of the total claim amount; and

WHEREAS, These large companies are in a better position to absorb their losses than residents who have sustained significant damage to their homes; and

WHEREAS, Residents must file official documents with the Court of Common Pleas if they wish to receive any compensation for their losses, and the cost of retaining legal representation for the purpose of filing claims with the Court of Common Pleas will likely significantly cut into homeowners' potential recovery. Residents fear that they will only receive compensation for a small fraction of their losses; and

WHEREAS, The City of Philadelphia should ensure that residents receive adequate compensation for their losses by allocating additional funds for compensation and by taking steps to educate residents regarding their legal rights and obligations related to the legal proceeding currently unfolding in the Court of Common Pleas; and

WHEREAS, The average water pipe in Philadelphia is seventy-eight years old, and the risk of water main breaks increases as the City's water infrastructure continues to age, so the City must explore ways to ensure that residents receive adequate compensation for damages caused by failures in Philadelphia's water infrastructure system; and

WHEREAS, The City of Philadelphia should explore the possibility of establishing an emergency

compensation fund for residential property owners who have sustained damages from water main breaks; and

WHEREAS, The City of Philadelphia has an obligation to ensure the quality and reliability of its water infrastructure, and to adequately compensate victims of water main breaks; now, therefore, be it

RESOLVED, BY THE COUNCIL OF THE CITY OF PHILADELPHIA, That City Council's Committee on Transportation and Public Utilities is hereby authorized to hold hearings to examine the status of the claims filed as a result of the July 22nd, 2012 water main break at 21st and Bainbridge and to investigate possible measures to ensure that victims of this instance, and of future water main breaks, are fully compensated for their losses.