

Illinois law leaves Chicago area homeowner with big repair bills after flooding that wasn't her fault

CBS News

Many underground pipes that bring water into Illinois homes are getting old, which means more and more opportunities for the nightmare scenario faced by one Round Lake Beach homeowner.

Things are more cozy at Marnia Chapai's house, but it hasn't felt like home in a while after one big gush of water took out her basement flooring and furniture. Damage continued in the garage, where puddles formed inside her car.

"I can't do the little parties that we used to do here for the girls," Chapai said.

Contractors had been working on a pipe on Chapai's street. Then, a sudden leak sent water down her driveway and into her home.

"I was pissed," she said. "I was mad, and at the same time, I said, 'OK, accidents happen.'"

Quotes came in for repairs on top of the costs to clean up and replace her soggy furniture. Chapai thought she'd be reimbursed about \$40,000 because the flood clearly wasn't her fault.

But, Chapai's insurance provider denied her claim. The Village of Round Lake Beach did, too.

"I had a whole lot of cuss words coming out of my mouth," she said. "I mean, I'm not responsible for this. I didn't cut the concrete. I didn't put the machines down there."

A closer look at the village's denial might raise some eyebrows for homeowners across the state.

"In Illinois, a municipality has no liability unless it knew, or should've known, of the existence of a defect," the document read.

Chapai's attorney, Allan Milan, tried to explain the legal issue at play.

"Not this first time, and unfortunately, it will not be the last time," Milan said.

Something called "tort immunity" often prevents local governments from being sued by residents when a municipal project goes awry.

"Round Lake Beach is not exclusive in terms of using this protection," Milan said.

Even if there was negligence, Milan said Illinois' Tort Immunity Act says a village doesn't need to pay residents a dime.

So, why does such a law exist?

"You want your government to be taking actions to improve the community around you," Milan said.

Without the law to protect villages from expensive legal actions, "your taxes would be a lot higher than they are right now," Milan said.

After being flooded with bills, Chapai then asked that her damages be covered by the contractor Martam Construction, that company Round Lake Beach used for the water main repair.

The insurer for Martam Construction denied responsibility. The company's CEO told CBS 2 that the mistake that caused the flood was by Round Lake Beach employees. But, again, the village can wash its hands with tort immunity.

"It's just not fair," Chapai said.

So Chapai reached out to CBS 2. Why must she drain her savings for a problem she didn't create?

Just days after CBS 2 asked, a response came that Chapai had waited more than a year for. It was determined that she was to be compensated for the damage incurred.

Chapai was skeptical, but she received "a big relief about a week later." She learned the village and contractors agreed to cover her damages.

"I think we would still be getting the runaround if it wasn't for you," Chapai said to CBS 2.

A nearly 20-month chapter was closed with a new beginning for her basement.

So, how can other homeowners avoid a frustrating battle like Chapai's?

A spokesman for United Policyholders, a consumer advocacy organization, said to add sewer and drain backup coverage to insurance policies.

Then, a worrying revelation. United Policyholders is finding insurance carriers have been becoming "more aggressive" in limiting water damage claims. Make sure to check your coverage for any caps.