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## **RISK MANAGEMENT BULLETIN**

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### **STOP LEAK DAMAGE BEFORE IT STARTS** **\$\$\$ For Your Insurance Company and You \$\$\$**

When water doesn't run where it's supposed to, resulting damages can be pretty high. So, if you are installing domestic, commercial, or industrial water control, treatment or handling devices, you are going to have one or more water leak claims in your business history. One of the most recent claims submitted to WaterColor Management for a liquid leak was valued at \$400,000 by the claimant. The leak occurred in a multi-story building. A connection made by our insured started leaking, and before long started gushing. An equipment room for the building was located on the floor below the leaking connection. The watery mixture flowed through the floor holes cut to accommodate plumbing pipes, and fell onto the electrical windings of large electrical motors on the floor below. The leak occurred in a separately enclosed boiler room. So, even a leak detector alone with local alarm in the boiler room would not have helped, because the house engineers didn't go into the boiler room on a regular basis.

So, all applications using water connections, whether they are for softeners, filters, meters, or pumps, domestic, commercial or industrial are subject to LEAKS !

Leak detection and shut off valve systems are very inexpensive, and could be added to the cost of the job. If the client rejects the installation, then the client should sign a hold harmless agreement for any damage caused by a leak. WCM staff has reviewed several domestic and light commercial devices ranging in cost from \$25 to \$100. Large commercial or industrial applications are also available. Here are some sources we've identified. Commercial industrial systems with remote read and alarm systems are also available at higher prices.

#### **Residential**

1. ProTekk, Vertex Water Products, 5138 Brooks Street, Ste A, Mountclair, CA. 91763 (909) 626-2100.
2. Leak Guardian System, 2275 Half Day Drive, Deerfield, Illinois 60015 (800) 436-1984
3. Leak Block Sensor, H.M. Digital, 2629 Manhattan Beach Blvd, Redondo Beach, CA 90278 (310) 410 – 3100

#### **Commercial/Industrial**

4. Trace Tek (for Commercial industrial) **Koetter Fire Protection, LLC**, 10351 Olympic Drive Dallas, Texas 75220, Phone: 214-358-3593 Fax: 214-350-9930
5. The Detection Group, 440 North Wolf Road, MS #124, Sunnyvale, CA 94085, Phone 650-215-7300

6. WaterLarm Leak Detection, 1945 West Copans Road, Pompano Beach, Florida 33064, PH 954 – 666-6222
7. Aquilar Leak Detection Solutions, Weights and Measures House, 20 Barttelot Road, Horsham, West Sussex, RH12 1DQ PH: 011-44-140-321-6100

WaterColor Management is not affiliated with any of the product manufacturers or distributors listed above, and doesn't guarantee or warrant their performance. However, we strongly recommend that each water treatment company explore the market for the most appropriate detection and shut off system for their activity, and implement a leak detection program. An example of a commercial leak detection application can be found at the link below:

<http://www.aquilar.co.uk/aquilar-releases-ecoleak-product-range-video/>

WaterColor management strongly recommends that all our insureds adopt a leak control program, and that leak detectors be installed on each job where water fittings are installed or modified in any way. WCM also strongly recommends that the type of leak detector be determined by the type of job done and whether anyone will be present to hear the sound of the detector alarm. If no one will be present to hear the alarm sound, then the alarm should be coupled with an automatic shut off valve.

We further recommend that If a client does not want a leak detection system installed, that the client sign a waiver releasing you, the installer or water treatment business from all liabilities arising from a leak,

Contact WaterColor Management if you would like more details on the waiver form for clients who reject the installation of a leak detection system.