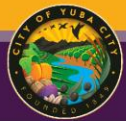




NLC Service Line Warranty Program



Diana Langley
Public Works Director



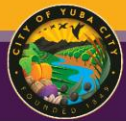
Background

- Per Title 6 (Public Works) of the Municipal Code, customers are responsible to maintain their water distribution service line and wastewater collection service lateral
- Repairs can be costly and unexpected
- National League of Cities endorsed Service Line Warranty Program by United Service Partners Private Label, Inc.
- Implemented in over 400 cities



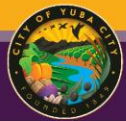
The Warranties

- Water Line Warranty
 - Covers the outside water service line from the meter to the house, at a cost of \$6.00 /month. Warranty provides coverage of up to \$8,500 per repair.
- Sewer Line Warranty
 - Covers the outside wastewater collection lateral from the City sewer main to the house, at a cost of \$9.00 /month. Warranty provides coverage of up to \$8,500 per repair.
- In-Home Plumbing Warranty
 - Covers residential in-home water and sewer plumbing, at a cost of \$9.49 /month. Warranty provides coverage of up to \$3,000 per repair.



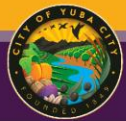
The Program

- Advertise three times per year with two mailers each time (City reviews first)
- Only local contractors and plumbers
- Customers may cancel at any time
- Only permitted to increase premiums by \$0.50 per month each 12-month period



The Marketing Agreement

- Three-year contract
- Automatic yearly extensions
- 90-day notice to cancel
- USP agrees to indemnify the City and maintain insurance to City requirements
- Non-exclusive license to utilize City logos in advertising
- USP required to obtain property owner data



Recommendation

Adopt a resolution authorizing the City Manager to execute a Non-Royalty Marketing Agreement with Utility Service Partners Private Label, Inc. of Delaware to provide residential property owners with the option to purchase water and wastewater service line warranties, with the finding that it is in the best interest of the City.