

**TO: MAYOR AND CITY COUNCIL**

**FROM: LANELL ENDRES, INTERIM CITY ADMIN/FINANCE DIRECTOR**

**SUBJECT: SERVICE LINE WARRANTY PROGRAM LETTERS**

**MEETING DATE: JUNE 5, 2018**

### **BACKGROUND**

In November, 2017, the City Council received information regarding a service line warranty program administered by Utility Service Partners, Inc., known as Service Line Warranties of America (SLWA) and is endorsed by the National League of Cities. The program would offer optional insurance coverages for homeowners that would cover service line issues for their water service, sewer service and interior plumbing. The insurance premiums would be charged directly to the homeowner by SLWA and there is no charge to the City. Participation in the program is completely voluntary and the homeowner would be able to decide which coverages they would like.

On April 17, 2018, the Council reviewed the proposed letters and indicated changes should be made in the letter. SLWA has amended the letter for your review. Again, the next step in the process is for the Council to review and approve the letters that would be sent to the homeowners. The samples are attached to this memo. One letter is the initial contact describing the program and the second is the follow-up reminder letter. If the Council approves the letters, you will be approving participation in the program and they will be sent to the homeowners.

### **REQUESTED COUNCIL ACTION**

Staff respectfully requests a motion to approve participation in the service line warranty program and the letters that will be mailed to the homeowners if you decide you want to move forward with the program.

Attachment(s):

Sample letters



PRSR STD  
U.S. POSTAGE  
**PAID**  
MAILED FROM  
ZIP CODE 33310  
PERMIT NO. 750



ow Size:  
1.5" high  
acement  
875"Left  
"Bottom

#10 Outer Envelope (4.125" h x 9.5")  
N18 OE Cannon Falls MN.indd 1  
Single Window: 4.5" w x 1.5" h  
Colors: 1; K

1/30/18 2:45 PM



## Important Information for Cannon Falls Homeowners



<<MR. SAMPLE A SAMPLE>>  
<<MAIL\_ADDRESS1>>  
<<MAIL\_ADDRESS2>>  
<<MAIL\_CITY, ST ZIP>>



**Please reply by:**  
**<<Month X, XXXX>>**

Dear <<Mr. Sample>>,

Did you know that repairs to the water service or sewer/septic line that runs between your home and the public utility connection that is damaged due to normal wear and tear are the responsibility of the homeowner? The exterior water service and sewer/septic lines, which run from your utility's point of maintenance to your home, are your responsibility. If you were unfortunate enough to suffer a leak, break or clog in these lines, it would be up to you to find a plumber and get the lines repaired.

The City of Cannon Falls has selected Service Line Warranties of America (SLWA) to help eligible homeowners be prepared and have the best possible service in the case of such an emergency. So you're invited to enroll in Exterior Water Service Line Coverage and Exterior Sewer/Septic Line Coverage from SLWA. Accept this *optional* coverage and you'll receive as many service calls as you need up to \$8,500 per call for covered water service or well line repairs, and as many service calls as you need up to \$8,500 per call for covered sewer/septic line repairs (30-day wait with a money-back guarantee for both) and no deductible. You will also have access to a 24/7, 365-day-a-year emergency repair service hotline. Once you have made your service call, SLWA will take care of your covered repair, dispatching a qualified plumber to your home and paying the bill directly. Peace of mind starting for as little as \$6.25 per month. Your emergency is dealt with and your water service or sewer/septic line is back to normal.

In the event of an emergency, these plans can save you a significant amount of money—a service line replacement may cost you thousands of dollars. They can also save you the time of finding a plumber, which can be difficult in the best of times, let alone in an emergency. Having these plans also helps eliminate worry, as you can be sure of a professional job completed by local, licensed and insured plumbers.

Please take the time to read the information on the back of this letter. If you would like to sign up for a plan, simply complete and return the enclosed form or call toll-free 1-844-257-8795. We certainly hope that you never have an exterior water service or sewer/septic line emergency, but if you should ever have a problem, you'll be glad you're covered. These programs are managed by SLWA, and no public funds were used for the mailing of this letter.

For fastest processing, please visit [www.slwofa.com](http://www.slwofa.com).

Sincerely,

The City of Cannon Falls

Utility Service Partners Private Label, Inc., known as Service Line Warranties of America ("SLWA"), with corporate offices located at 11 Grandview Circle, Suite 100, Canonsburg, PA 15317, is an *independent company separate from the City of Cannon Falls* and offers this optional service plan as an authorized representative of the service contract provider, North American Warranty, Inc., 175 West Jackson Blvd., Chicago, IL 60604. Your choice of whether to participate in this service plan will not affect the price, availability or terms of service you have with your local utility or municipality.

# Acceptance Form

Please confirm your name and address below and make any changes if necessary.

<<Sample A. Sample\_xxxxx>>  
 <<Serv\_Address1\_xxxxxxx>>  
 <<Serv\_Address2\_xxxxxxx>>  
 <<Serv\_City\_xx, ST Zip>>



By providing my e-mail address, I request that I be notified when my current and future service agreements and any related documents are available at www.slwofa.com, and I acknowledge that I can access these documents. I can change my preferences or request paper copies online or by calling SLWA.

E-mail Address \_\_\_\_\_

Phone #

## Choose Your Protection Plan(s)

For fastest processing, please visit [www.slwofa.com](http://www.slwofa.com).

### BEST VALUE

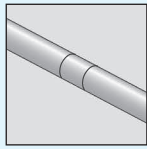
<b>Exterior Water Service Line Coverage and Exterior Sewer/Septic Line Coverage</b> <<Mailcode-xxxx>> <<Mailcode-xxxx>>	<b>FIRST-YEAR SAVINGS OF 10% OFF</b> when you select both plans	
	<input type="checkbox"/> <del>\$13.50</del> \$12.15	<input type="checkbox"/> <del>\$162.00</del> \$145.80
	<b>MONTHLY</b>	<b>YEARLY</b>
<b>Exterior Water Service Line Coverage</b> <<Mailcode-xxxx>>	<input type="checkbox"/> \$6.25	<input type="checkbox"/> \$75.00
<b>Exterior Sewer/Septic Line Coverage</b> <<Mailcode-xxxx>>	<input type="checkbox"/> \$7.25	<input type="checkbox"/> \$87.00

**Yes**, please sign me up for the protection plan(s) from SLWA I have selected above. By signing below, I agree to the terms on the reverse side of the letter, understand there are limitations and exclusions, and meet the eligibility requirements for this coverage. SLWA will invoice me based on my selection above and I will select a payment method on the invoice. I understand this optional coverage is based on an annual contract and will *automatically renew annually* on the same payment terms I selected at the then-current renewal price. I can always cancel at any time.

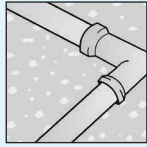
\_\_\_\_\_  
**Signature** (required)

# What would you do in an exterior line emergency?

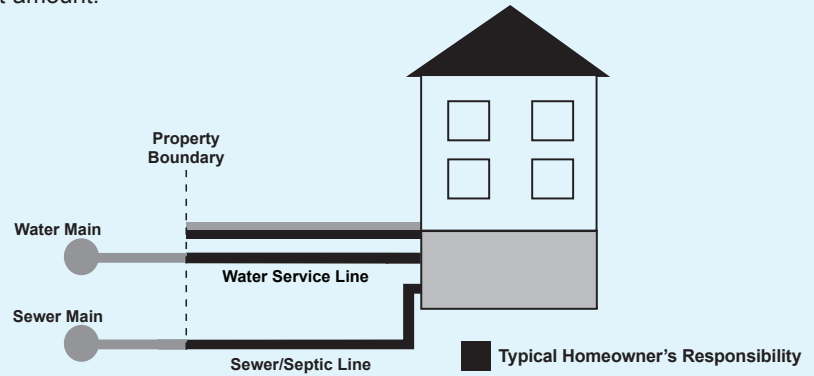
The illustration shows where things may go wrong with your exterior lines and how much a licensed and insured plumber would typically charge customers who don't have coverage. How would you cope if it happened to you? With coverage, it's not something to worry about; you'll have no bill to pay for covered repairs up to the benefit amount.



Replace water service line (26–100 ft.)  
**\$2,585**  
**Plan Members: No Charge\***



Replace sewer/septic line (26–75 ft.)  
**\$3,389**  
**Plan Members: No Charge\***



\*National average repair costs within the SLWA network as of March 2018.  
 No charge for covered repairs up to the benefit amount.

The water and sewer/septic lines beyond the property boundary may be an additional responsibility of the homeowner and are included in this coverage.  
 Septic tanks, leaching fields, pumps or grinders are not covered.

Take A Look At The Benefits You'll Receive	Exterior Water Service Line Coverage	Exterior Sewer/Septic Line Coverage
1. <b>Covered Repairs</b> – Guaranteed for one full year.	✓	✓
2. <b>24-Hour Emergency Repair Service Hotline</b> – Open 24 hours a day, 365 days a year.	✓	✓
3. <b>Our Promise to You</b> – If you are ever dissatisfied with your coverage, simply call SLWA toll-free at 1-844-257-8795, and it will be discontinued at your request.	✓	✓

**Visit [www.slwofa.com](http://www.slwofa.com) to protect your exterior lines**  
**Or call toll-free 1-844-257-8795 | Available: MON-FRI 8AM-8PM | SAT 10AM-4PM EST**

## Important Questions & Answers

### What am I responsible for?

As a homeowner, you are responsible for your exterior water service line and exterior sewer/septic line. If the service lines beyond the property boundary to the main connections are also the responsibility of the homeowner, then they will be covered up to the benefit amount.

### Does my homeowners insurance cover this?

Most basic homeowners insurance policies do not cover repair or replacement due to normal wear and tear of these lines.

### Does this coverage include well lines?

Yes, coverage provides for repair or replacement of either water service or well lines, as explained in the "What should I know about this coverage" section.

### Who is eligible for coverage?

An owner of both a residential home permanently secured to the ground and the land it is located on may be eligible for coverage. Recreational vehicles or homes on wheels and properties used for commercial purposes are not eligible for coverage. In GA, residential properties containing more than two dwelling units are not eligible. In IA, residential properties containing more than four dwelling units are not eligible. Your property is not eligible if you are aware of any pre-existing conditions, defects or deficiencies with your exterior water service or sewer/septic lines or have had any roots removed from your exterior sewer/septic line prior to enrollment. If you live in a development community with a condominium, co-op or homeowners association, your exterior water service line or exterior sewer/septic line may not be an individual homeowner's responsibility, so please check with your association before accepting this coverage. If you live in a multi-family structure and do not own the entire structure, it will be your responsibility to provide Service Line Warranties of America (SLWA) with a signed release from all other homeowners for any work which may affect their portion of the structure.

### What should I know about this coverage?

Coverage is for the following exterior lines, for which you have sole responsibility, that are damaged due to normal wear and tear, not accident or negligence. **Exterior Water Service Line Coverage:** Coverage provides, up to the benefit amount, for the covered cost to repair or replace a leaking, frozen, low pressure, or permanently blocked exterior water service line from your utility's responsibility or external wall of your well casing to the external wall of your home. **Exterior Sewer/Septic Line Coverage:** Coverage provides, up to the benefit amount, for the covered cost to repair or replace a leaking or permanently blocked sewer line that takes wastewater away from the exit point within your home up to your utility's responsibility, or septic line that takes wastewater away from the exit point within your home up to the point of connection to the septic tank on your property.

**Not covered:** Damage from accidents, negligence or otherwise caused by you, others or unusual circumstances and the product-specific exclusions below. **Exterior Water Service**

**Line Coverage:** Repair to any water line that branches off the main water service line, and any shared water line that provides service to multiple properties or secondary buildings. Additional exclusions apply. **Exterior Sewer/Septic Line Coverage:** Septic tanks; leach fields; grinder pumps; lift stations, or any non-conforming drain line, such as a basement or storm drain; repairs to any line that branches off the main line; and lines that provide service to multiple properties or secondary buildings. Additional exclusions apply. You agree to resolve disputes related to this plan by arbitration or in small claims court, without resort to class action or jury trial. To see full Terms and Conditions with complete coverage and exclusion details prior to enrolling call 1-844-257-8795 or go to [www.slwaterms.com](http://www.slwaterms.com).

### When can I make a service call?

Your plan(s) start the day your form is processed, and there is an initial 30-day waiting period before you can make a service call, giving you 11 months of coverage during the first year. Upon renewal/reactivation (if applicable), you will not be subject to a waiting period.

### What is the cancellation policy?

You may cancel either plan within 30 days of your start date for a full refund of the cancelled plan(s) (less any claims paid, where applicable). Cancellations after the first 30 days will be effective at the end of the then-current billing month, and you will be entitled to a prorata refund of the cancelled plan(s) less any claims paid (where applicable). You may also contact SLWA to cancel if you find your utility or municipality provides similar coverage to you at no charge, and you will receive a refund less any claims paid (where applicable).

### What is the term of my service agreement?

The plan is annual. For E-Z Pay/Direct Pay, credit card or debit card customers, unless you cancel, your plan automatically renews annually at the then-current renewal price with your same payment terms.

### What is E-Z Pay/Direct Pay?

E-Z Pay/Direct Pay is a paperless and stress-free way to pay for your coverage. Payments are automatically debited from the bank/checking account of your choice as your payment becomes due, at no additional cost.

### What quality of repair can I expect?

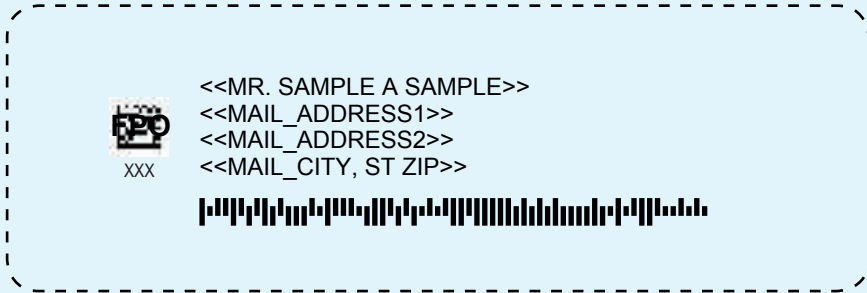
Local, licensed and insured plumbers perform all covered repairs, which are guaranteed against defects in materials and workmanship for one year.

### Who is SLWA?

SLWA is an independent company, separate from your city, local utility or municipality, providing emergency home repair services and protection solutions to homeowners across the U.S. If you would prefer not to receive solicitations from SLWA, please call 1-844-257-8795.



Reminder: Please Reply by <<Month X, 2018>>



Dear <<Mr. Sample>>,

Did you know that repairs to the water service or sewer/septic line that runs between your home and the public utility connection that is damaged due to normal wear and tear are the responsibility of the homeowner? The exterior water service and sewer/septic lines, which run from your utility's point of maintenance to your home, are your responsibility. If you were unfortunate enough to suffer a leak, break or clog in these lines, it would be up to you to find a plumber and get the lines repaired.

The City of Cannon Falls has selected Service Line Warranties of America (SLWA) to help eligible homeowners be prepared and have the best possible service in the case of such an emergency. So you're invited to enroll in Exterior Water Service Line Coverage and Exterior Sewer/Septic Line Coverage from SLWA. Accept this optional coverage and you'll receive as many service calls as you need up to \$8,500 per call for covered water service or well line repairs, and as many service calls as you need up to \$8,500 per call for covered sewer/septic line repairs (30-day wait with a money-back guarantee for both) and no deductible. You will also have access to a 24/7, 365-day-a-year emergency repair service hotline. Once you have made your service call, SLWA will take care of your covered repair, dispatching a qualified plumber to your home and paying the bill directly. Peace of mind starting for as little as \$6.25 per month. Your emergency is dealt with and your water service or sewer/septic line is back to normal.

In the event of an emergency, these plans can save you a significant amount of money—a service line replacement may cost you thousands of dollars. They can also save you the time of finding a plumber, which can be difficult in the best of times, let alone in an emergency. Having these plans also helps eliminate worry, as you can be sure of a professional job completed by local, licensed and insured plumbers.

Please take the time to read the information on the back of this letter. If you would like to sign up for a plan, simply complete and return the enclosed form or call toll-free 1-844-257-8795. We certainly hope that you never have an exterior water service or sewer/septic line emergency, but if you should ever have a problem, you'll be glad you're covered. These programs are managed by SLWA, and no public funds were used for the mailing of this letter.

For fastest processing, please visit [www.slwofa.com](http://www.slwofa.com).

Sincerely,

The City of Cannon Falls

Utility Service Partners Private Label, Inc., known as Service Line Warranties of America ("SLWA"), with corporate offices located at 11 Grandview Circle, Suite 100, Canonsburg, PA 15317, is an independent company separate from the City of Cannon Falls and offers this optional service plan as an authorized representative of the service contract provider, North American Warranty, Inc., 175 West Jackson Blvd., Chicago, IL 60604. Your choice of whether to participate in this service plan will not affect the price, availability or terms of service you have with your local utility or municipality.