CRESTLINE SANITATION DISTRICT

MEMORANDUM

DATE: FEBRUARY 9, 2023

TO: BOARD OF DIRECTORS

Crestline Sanitation District

FROM: RON SCRIVEN

General Manager

SUBJECT: Marketing Agreement with Utility Service Partners, Inc

A. RECOMMENDATION

I recommend the Board review the agreement between the Utility Service concerning the National League of Cities Service Line Warranty Program and possibly approve it.

B REASON FOR RECOMMENDATION

This warranty service would be for the owner's lateral, not the District sewer main. It will offer the customer to purchase a warranty in the case of a stoppage or break on their side. Crestline Village Water District has partnered with the company.

C. OTHER INFORMATION

The District will not be involved with the process between the customer and the company.

D. FISCAL INFORMATION

The District will not incur any fees or costs.

E. ATTACHMENTS

Information provided by Utility Service Partners

RECOMMENDATION: It is recommended that Crestline Sanitation District authorize Administration, or their designee, to enter into a Marketing agreement with Utility Service Partners, Inc. (USP) for an initial term of five (5) years, subject to Attorney review.

BACKGROUND: The NLC Service Line Program, offered by Utility Service Partners, a HomeServe Company, was conceived to educate property owners about their service line responsibilities and to help customers avoid the out-of-pocket expense for unanticipated and potentially costly service line repairs and replacements. This program, the only one of its kind, will help Crestline Sanitation achieve its goals by:

- Providing homeowners affordable protection against significant and unexpected costs to remedy leaking/broken/ clogged water lines, sewer lines, and in-home plumbing lines
- Ensuring the delivery of timely, high-quality repair services in adherence to all applicable codes
- Providing exemplary service that reflects positively
- The program stimulates the local economy by using fully vetted local contractors to complete the repairs.

COVERAGE: The NLC Service Line Program offers three complete and separate voluntary programs. There is never a service fee/deductible or no annual or lifetime limits on the water line and sewer line coverage. Customers can cancel the insurance at any time.

Exterior Water Service Line: Includes service to locate, excavate and repair/replace a leaking exterior water service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages, root intrusion, and other types of damage (such as from freezing) that impair or limit the intended function of the system. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces.

Exterior Sewer Service Line: Includes services to locate, excavate and repair/replace a leaking exterior sewer service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages (due to fats, oils and grease), root intrusion, and other types of damage (such as from freezing) that impair or limit the intended function of the system. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces.

Internal Plumbing and Drainage: Coverage includes the emergency breakdown costs of repairing or replacing interior water, sewer, and drainage pipe materials, valves and other plumbing-related material, including unblocking, repair and replacement. Repair of clogged toilets.

Product	Monthly	Annual Coverage Limit	Annual Service Calls/Per Call Coverage
External Water Line	\$6.00	Unlimited	Unlimited Calls/\$8,500 Per Call
External Sewer Line	\$9.00	Unlimited	Unlimited Calls/\$8,500 Per Call
In-Home Plumbing	\$9.49	Unlimited	Unlimited Calls/\$3,000 Per Call

IMPLEMENTATION: The NLC Service Line Program will utilize the District logo to brand the materials used to educate District customers about our repair service plans. Program marketing literature clearly discloses that the Program and the District are separate entities and that the

program is voluntary for residents. HomeServe will create all marketing materials with input from CSD and will submit all marketing/communications materials to the District for final approval.

ENROLLMENT AND BILLING: The NLC Service Line Program offers homeowners simple options if they choose to enroll either via mail, phone, or web. We handle all customer billing and customers can choose annual, quarterly, or monthly billing and may pay by check, direct debit/ACH, or credit card. Once we receive the enrollment application, customers receive a welcome letter which includes their service agreement terms and conditions, their payment details, a reiteration of their policy coverage, and our toll-free customer service number. Customers also receive a welcome call from customer service as an additional, personalized confirmation of the program. We handle all customer billing, and a homeowner can enroll or cancel at any time.

FINANCIAL IMPACT: No cost to the District to participate and no financial impact.



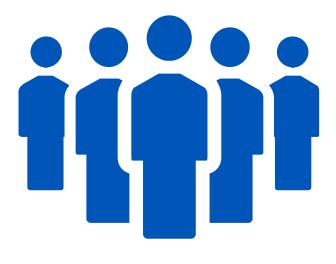
NLC Service Line Warranty Program Presentation For Crestline Sanitation



WHY CHOOSE UTILITY SERVICE PARTNERS?















This award underscores one of the primary reasons the National League of Cities selected USP as a partner and extended our agreement for another five years. The organization's exemplary record of customer service and transparency is what has driven the success of this partnership over the years.

— Clarence Anthony, Executive Director National League of Cities







NLC SERVICE LINE WARRANTY PROGRAM BENEFITS



- Only Service Line Program Endorsed by the National League of Cities
- No cost for the District to participate turnkey including all customer service, billing, claims and contractor management
- Educates homeowners about their lateral line responsibilities
- Free Public Awareness Campaign for District
- Peace of Mind with one toll-free call a reputable plumber is dispatched
- All repairs performed to code by local licensed contractors
- Contractors undergo rigorous vetting process to ensure quality service





NLC SERVICE LINE WARRANTY PROGRAM AND WHAT IT COVERS



SEWER/SEPTIC LATERAL COVERAGE



WATER/WELL LINE COVERAGE

Homeowner repair protection for leaking, clogged or broken water/well and sewer/septic lines from the point of utility connection to the home exterior

Coverage includes:

- Educating homeowners about their service line responsibilities
- Up to \$8,500 coverage per repair incident
- Includes coverage for thawing of frozen external water lines
- No annual or lifetime limits, deductibles, service fees, forms, or paperwork
- 24/7/365 availability
- Repairs made only by licensed, local contractors
- Affordable monthly rates and no pre inspection required





NLC SERVICE LINE WARRANTY PROGRAM AND WHAT IT COVERS



INTERIOR PLUMBING AND DRAINAGE Homeowner repair protection for in-home water supply lines and in-home sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry

Coverage includes:

- Up to \$3,000 coverage per repair incident.
- Repair of clogged toilets
- Includes coverage for broken or leaking water, sewer, or drain lines under the slab or basement floor
- No annual or lifetime limits, deductibles, service fees, forms, or paperwork
- 24/7/365 availability
- Repairs made only by licensed, local contractors
- Affordable monthly rates and can cancel anytime





MARKETING APPROACH

- No Public Funds are used in marketing, distribution, or administration of the program.
- Only market by direct mail, no telemarketing
- Would never mail without your review and approval of marketing material before each and every campaign
- Limited mailing campaigns per year
- Consumer friendly marketing
- Always voluntary for the homeowner
- Consumers can enroll one of three ways:
 - Calling into our toll-free number that is provided on the mailing;
 - Returning the bottom of the letter to us in the self addressed stamped envelope provided
 - Visiting our consumer website www.slwofa.com at any time





SOLUTIONS FOR MUNICIPALITIES AND THEIR HOMEOWNERS



- More than 1,100 municipal and utility partnerships
- Currently serving over 4.6 million customers with 8 million service contracts
- 1.7 million jobs in the last three years and \$638 million in repair savings
- Consistent customer satisfaction rating of 98%
- 9 of every 10 customers surveyed have recommended the program to friends, family and neighbors

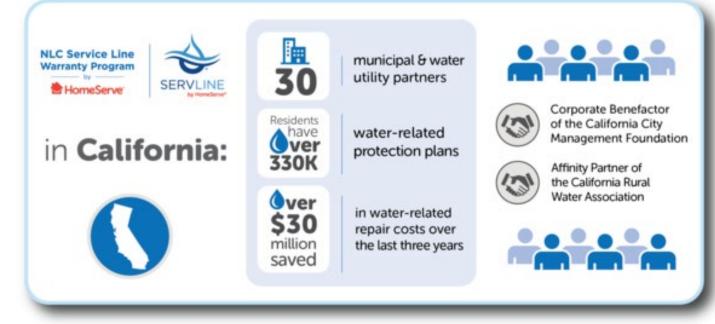




CURRENT CALIFORNIA PARTICIPANTS (33)

City of Chula Vista City of Claremont City of Culver City City of Daly City City of Duarte City of Fillmore City of Gustine City of Imperial Beach City of Laguna Beach City of La Habra City of Lemon Grove City of Los Angeles City of Oceanside City of Port Hueneme City of Rialto City of San Diego City of Santa Paula City of Stockton City of Vallejo City of West Covina

Town of Yountville
City of Yuba City
Alameda County Water District
California Water Service Company
Contra Costa Water District
Crestline Village WD
Diablo Water District
Golden State Water Company
Great Oaks Water Company
Liberty Utilities Park Water, Apple Valley
San Bernardino MWD
San Jose Water Company
Woodlands MWD











FOR MORE INFORMATION CONTACT:

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Visit www.NLC.org/serviceline or www.servline.com