



Legislation Text

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101142

SUBSTITUTE 2

..Sponsor

ALD. DAVIS AND WADE

Substitute resolution authorizing participation in the National League of Cities' Service Line Warranty Program administered and managed by Utility Service Partners, Inc.

This resolution makes the City of Milwaukee a participant in the National League of Cities' Service Line Warranty Program administered and managed by Utility Service Partners, Inc. (USP). This program is designed to provide residents of the city the opportunity to obtain a warranty that will provide repairs to their water and sewer service lines for a monthly fee, with no deductibles or service fees. The work is performed by licensed, local plumbers. The program requires the City to enter into a co-branded marketing services agreement with USP. The agreement provides for the use of the City name and logo, not including the City seal, on marketing materials sent to residents. The City is endorsing USP as the service provider for the warranty program.

Whereas, Poorly maintained sewer laterals contribute to the infiltration and inflow of storm water or groundwater into Milwaukee's dedicated sanitary sewer system, which can cause the system to overflow; and

Whereas, Leaks of water into sanitary sewers have increased since the district's deep tunnel system began operating in 1994, compromising the system's ability to store wastewater and prevent combined sewer overflows; and

Whereas, The discharge of sewer overflow into residential basements and surrounding waters negatively affects the environment and public health, and it also violates state and federal regulations; and

Whereas, As cities throughout the United States struggle to address problems of infiltration and inflow, municipal programs to encourage and assist residential private property owners in maintaining private sewer laterals are growing in popularity; and

Whereas, The average cost of repairing a broken water line or sewer line may range from \$1,200 to over \$4,000; and

Whereas, Most homeowner policies will pay to repair the damage created by failed utility lines but they generally do not pay to repair the actual broken pipes or lines; and

Whereas, After severe flooding and widespread basement backups on July 22, 2010, the Milwaukee Metropolitan Sewerage District has proposed spending \$150 million in the next 10 years to inspect

and help repair private laterals in the 28 communities served by the district; and

Whereas, The National League of Cities (“NLC”) launched a Utility Service Line Warranty Program in November, 2010, created, administered and managed by Utility Service Partners, Inc. (USP) to benefit residents of participating cities; and

Whereas, The national program, modeled after existing programs in Oklahoma and West Virginia, retains local, professional plumbers to perform all service line repair work; and

Whereas, USP administers the program and is responsible for all aspects of the program including marketing, billing, customer service, and performing all repairs to local codes; and

Whereas, USP pays for all marketing materials and program administration and will pay the city a 10% royalty for every resident that participates in the program; and

Whereas, The external service line warranty covers the underground service line from the point of connection to the city main line to the point of entry to the home, with a cost of \$10.50 per month providing coverage capped per occurrence at \$6,000 plus an additional \$4,000 for public street cutting, if necessary; and

Whereas, City residents will benefit through the City’s participation in the National League of Cities’ Service Line Warranty Program at no cost to the City; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Public Works is directed to enter into the attached marketing agreement with Utility Service Partners, Inc. (USP) for participation in the National League of Cities’ Service Line Warranty Program and to provide reasonable assistance as requested by the NLC and USP to initiate and maintain this participation for the benefit of city residents; and, be it

Further Resolved, That proceeds from the Service Line Warranty Program shall be returned to the General Fund.

LRB122427-3
Rich Watt
6/20/11