



Legislation Text

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231183

SUBSTITUTE 1

101142, 130307, 221970

ALD. STAMPER AND CHAMBERS

Substitute resolution authorizing the Department of Public Works to negotiate an agreement for the City's participation in the National League of Cities' Service Line Warranty Program administered and managed by HomeServe, Inc.

This resolution authorizes the Department of Public Works to negotiate an agreement with HomeServe, a division of Utility Service Partners, Inc., for the City to participate in the National League of Cities' Service Line Warranty Program. This program is designed to provide residents of the city with the opportunity to obtain a warranty that will cover repairs to their water and sewer service lines for a monthly fee, with no deductibles or service fees. The program may also provide water loss insurance for the Milwaukee Water Works.

Whereas, Most homeowner insurance 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, The National League of Cities launched a Service Line Warranty Program in November, 2010, created, administered and managed by Utility Service Partners, Inc. to benefit residents of participating cities by covering repairs to water and sewer service lines for a monthly fee with no deductibles or service fees; and

Whereas, The Service Line Warranty Program is now administered by HomeServe, a division of Utility Service Partners, Inc.; 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, HomeServe administers the program and is responsible for all aspects of the program, including marketing, billing, customer service, and performing all repairs in accordance with local codes; and

Whereas, HomeServe pays for all marketing materials and program administration; and

Whereas, HomeServe has stated an intention to contribute \$0.50 for every policy issued in Milwaukee to a Low-Income Assistance Fund to help offset the cost of participating in the program for qualified individuals; and

Whereas, The Low-Income Assistance fund will be retained and administered by HomeServe; 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 the monthly cost and total coverage to be determined through negotiation with HomeServe; and

Whereas, The Service Line Warranty Program may also provide lost water insurance to protect city residents from excess water bills caused by service leaks and to protect the Milwaukee Water Works from lost revenue; and

Whereas, The lost water insurance is funded by a charge on the each property owner's quarterly municipal services bill; and

Whereas, Property owners may opt out of lost water insurance coverage; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the Department of Public Works is authorized to negotiate an agreement with HomeServe, Inc. for the purpose of establishing participation in the National League of Cities' Service Line Warranty Program; and, be it

Further Resolved, That the Department of Public Works shall report the proposed terms of the Service Line Warranty Program to the Common Council within 60 days of the adoption of this resolution.

Kathleen Brengosz
11/27/2023
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