



# City of Rialto

## Legislation Details (With Text)

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**Title:** Receive and File a Program Update on the Service Line Warranty Program.  
(RECEIVE AND FILE)  
**Sponsors:** Susanne Wilcox  
**Indexes:**  
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**Attachments:** 1. Attachment 1 - SLWA Winter 2019

Date	Ver.	Action By	Action	Result
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For Utilities Commission Meeting [January 15, 2019]

TO: Honorable Chairperson and Commission

APPROVAL: Thomas J. Crowley, P.E., Utilities Manager

FROM: Susanne Wilcox, Administrative Analyst

Receive and File a Program Update on the Service Line Warranty Program.  
**(RECEIVE AND FILE)**

### **BACKGROUND:**

Section 3.8 of the Concession Agreement requires Rialto Water Services (RWS) to offer utility customers the opportunity to purchase one or more water and sewer line protection programs.

At the April 17, 2018 Utilities Commission meeting staff presented a program offered by Utility Service Partners (USP) in partnership with the National League of Cities for consideration with a request to recommend the program for Council approval. The City Council approved participation in the program on April 24, 2018.

### **ANALYSIS/DISCUSSION:**

The following membership counts have been reported as of November 14, 2018.

- 176 residents enrolled in 335 policies,
  - 168 active external water line policies,
  - 154 active external sewer line policies, and
  - 13 active in-home plumbing and drainage policies.

USP is now launching the Winter 2019 campaign. Included as **Attachment 1** is a copy of the promotional mailers that will be sent out for the next campaign. Please note the following for the

mailer layout:

- Page 1 of the attachment is the outer envelope that all the letters are mailed in
- Pages 2-5 is the “Initial Offer Letter” (front and back) for residents that have not received any letters from us for the past 6 months, the acceptance form and an insert that will be included.
- Pages 6-9 is the initial offer letter (front and back) for residents that have received a letter from us within the last 6 months, acceptance form and insert.
- Pages 10-13 are the reminder offer letter (front and back) for all residents, acceptance form and insert.

As of December 13, 2018, the “Initial Offer Letter” (pages 2-5 of the attached) will be shipped to the Post Office on January 14 and the “Reminder Offer Letters” (pages 10-13 of the attached) will be shipped to the Post Office on January 28.

### **FINANCIAL IMPACT:**

#### Operating Budget Impact

According to the agreement, USP will provide a \$0.75 monthly royalty on the water, sewer or in-home plumbing. USP will pay this to the City per product sold/per month/per enrollee after the end of each year for water, sewer and/or in-home plumbing. This payment will be received by the RUA and processed through the waterfall according to the Concession Agreement.

#### Capital Improvement Budget Impact

There is no impact to the Capital Improvement Budget.

### **RECOMMENDATION:**

Receive and file a program update on the Service Line Warranty Program.