



TO: Honorable Mayor & Members
Fort Lauderdale City Commission

FROM: Lee Feldman, City Manager

DATE: September 5, 2012

TITLE: MARKETING AGREEMENT with Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America to provide utility service line warranties.

Recommendation

It is recommended that the City Commission approve a marketing agreement with Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America (SLWA) to provide utility service line warranties to consumers, including use of City Logo in marketing and authorize the City Manager to execute on behalf of the City.

Background

The National League of Cities and SLWA are introducing a new program available to homeowners. The service line warranty program provides low cost warranty protection for water and sewer lines.

Homeowners under this program would be eligible to purchase low-cost warranties, which provide repairs for broken or leaking utility lines up to \$4,000 for each occurrence. These warranties available to the homeowners would transfer the risk of costly repairs if the damage occurs between the city's water meter and the connection to the home. The service line repair work under this program is performed by local, professional plumbers chosen by SLWA the company that administers the program.

Under this marketing agreement SLWA will pay the City 10% of the revenue from SLWA warranty subscriptions collected from the residents during the calendar year. The City agrees to cooperate with SLWA in marketing SLWA's services to the City's neighbors. The City will grant SLWA use of the City's name and logos on letterhead and marketing materials to be sent to the residents from time to time and be used in advertising. The City will have the right to conduct and annual audit of SLWA's books and records pertaining to sales to the residents while this marketing agreement is in effect and for one year after termination of marketing agreement.

Resource Impact

There is a positive fiscal impact to the city in the amount of 10% of the revenue from SLWA warranty subscriptions collected from the neighbors during a calendar year.

Attachment

Exhibit 1 – SLWA Agreement

Prepared By: Prepared By: Julie Leonard, Deputy Public Works Director - Utilities
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