



City of San Antonio

Agenda Memorandum

File Number:16-2586

Agenda Item Number: 5.

Agenda Date: 4/13/2016

In Control: Transportation, Technology and Utilities Committee

DEPARTMENT: Finance

DEPARTMENT HEAD: Troy Elliott, Finance Director

COUNCIL DISTRICTS IMPACTED: City Wide

SUBJECT: Utility Service Line Warranty Program

SUMMARY:

This item will provide a briefing and update on the Utility Service Line Warranty Program.

BACKGROUND:

On March 18, 2015, the Infrastructure and Growth Committee was briefed on the potential for the City to participate in a program offered through the National League of Cities for Residential Water and Wastewater Service Line Warranties.

These programs provide utility service line warranties for water, sewer, and indoor plumbing that resides on the customer side of the meter or sewer main and would be the customers' responsibility should a failure occur. The San Antonio Water System is responsible for maintaining the water line from the main to the customer's water meter. The program provides education and awareness on the issue and provides low cost warranty coverage with a royalty or commission to the City for sponsoring the program.

ISSUE:

Residents sometimes experience unexpected and potentially costly water and sewer line repairs. The Utility Service Line Warranty Program would offer residents warranties that cover the cost of these repairs. The proposed Program would provide low cost utility service line warranties for water, sewer, and indoor plumbing that is on the customer side of the meter and provides education and awareness on the issue.

ALTERNATIVES:

The city could choose not to move forward with the Program at this time.

FISCAL IMPACT:

There is no cost for the City to participate in the program. The City would receive a share of the revenues collected in the form of a royalty, brand licensing fee or a minimum annual guarantee.

RECOMMENDATION:

Staff briefing on the Utility Service Line Warranty program.