



CONSENT AGENDA ITEM NO. 8.Q.

FOR COUNCIL: May 13, 2024

WARD IMPACTED: City-Wide Impact

SUBJECT: Consideration and Action to (1) Amend the Effective Dates of the HomeServe USA Corp. Water Line and Sewer Lateral Protection and ServLine Leak Protection Programs, (2) Approve a Revised ServLine Insurance Renewal Application, and (3) Approve an Ordinance Amending the City of Bloomington Leak Adjustment Policy, as requested by the Finance Department and the Water Department.

RECOMMENDED MOTION: The proposed Amendments, Renewal Application, and Ordinance be approved.

STRATEGIC PLAN LINK:

Goal 1. Financially Sound City Providing Quality Basic Services

STRATEGIC PLAN SIGNIFICANCE:

Objective 1d. City services delivered in the most cost-effective, efficient manner

BACKGROUND: On April 8, 2024 the City approved an agreement with HomeServe USA Corp. for Water Line and Sewer Lateral Protection, an Insurance Renewal Application for the Servline Leak Protection Program, and an Ordinance Amending the City of Bloomington Water Leak Adjustment Policy; with an effective date of May 31, 2024. Due to various operational needs, City staff and the vendors recommend changing the effective date to July 1, 2024. This will allow time to fully transfer data to the vendor and adequately notify all City residents.

A summary recap of the program changes approved on April 8, 2024 are as follows:

Renewal for Leak Protection Program effective 07/01/2024:

- Leak Limit: \$2,500 (increased from \$500)
- Leak Rate: \$.85 (decreased from \$1.05) (includes 10% administration fee)
- Leak Occurrence: 1 leak adjustment per 12 months over 2 billing cycles
- Qualifier: 2x's the average bill

Please note: Residents currently enrolled in Leak Protection will be automatically enrolled in this new program unless they opt out. More information will be provided prior to the renewal date for those residents wishing to enroll.

New off-billing Service Contract Program for Line Repair / Replacement effective 07/01/2024:

- Repair limit: \$8,500.00 per occurrence. No limit of the number of occurrences.
- Network of vetted plumbers scheduled by HomeServe.
- Directly Billed and contracted with the customer.

- Customer's payment to the plumber included in their monthly rate.
- Covers thawing of water lines
- ***Does not provide coverage for "wild cat" lines. The sewer line repair service contract does not cover the shared line. It will provide coverage for the customers' non-shared portion of the sewer line.**
- External Water Service Line Plan: \$5.25 per month
- External Sewer Service Line Plan: \$7.25 per month

Please note: Residents currently enrolled in Line Repair / Replacement coverage will receive information on how to enroll directly with the insurance carrier.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: N/A

FINANCIAL IMPACT: N/A

AMERICAN RESCUE PLAN FUNDING IMPACT: N/A

COMMUNITY DEVELOPMENT IMPACT: This request meets the following goals and objectives of the Bloomington Comprehensive Plan 2035: N/A

Respectfully submitted for consideration.

Prepared by: Scott Rathbun, Finance Director

ATTACHMENTS:

[FIN 2B Renewal Application](#)

[FIN 2C Ordinance](#)