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New NLC Program Reduces Service Line Repair Costs

by Denise Belser and Cathy Spain

Cities can now help their residents cope with the high cost of external water and sewer line repairs by participating in a new NLC Service Line Warranty Program.

Homeowners in participating cities are eligible to purchase these low-cost warranties, which provide repairs for broken or leaking utility lines up to \$4,000 for each occurrence. These repairs may range from \$1,200 to over \$3,500 and can create a significant financial hardship for the unprepared. Warranties provide peace of mind for homeowners by transferring the risk of costly repairs.

Many residents become frustrated when they are told that the city is not responsible for a service line repair. The homeowner must contract with a plumber and pay the repair costs if the damage occurs between the city's main pipe and the water meter or the connection to the home. Cities that participate in the warranty program can enhance the city's image by reducing the homeowner cost and making reputable plumbers readily available.

The service line repair work is performed by local, professional plumbers chosen by Utility Service Partners Inc., (USP), the company that administers the program. Once USP receives a call about a service line problem from a resident who has purchased a warranty, a plumber is assigned to the claim and is required to contact the customer

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within one hour of receiving the job assignment from USP. Typically, repairs are completed within 24 hours.

The national program is modeled after existing programs in Oklahoma and West Virginia and sponsored by the state municipal leagues. Cities in these states may continue to contact their state league or NLC for information about the program.

“This program has been available to Clarksburg’s residents for 18 months, and it is a real winner,” said James C. Hunt, councilmember, Clarksburg, W.Va., and NLC immediate past president. “Resident satisfaction is high and it’s a lot easier to tell citizens about this great new service rather than explain why they are on the hook for costly repairs.”

Starting up the program is easy and there is no cost for the city. Once the decision is made to move forward, the city agrees to co-brand the program by signing a one-page marketing service agreement with USP. This permits USP to use the city’s name and logo in mailings sent to residents and in advertising. Then the city approves a press release and a solicitation letter and sends the city logo artwork and

other information to USP for the letters that are mailed to residents promoting the program.

Several marketing campaigns are undertaken to promote the service in the city. The city has the right to prior review and approval of any materials prepared by USP. Participation increases with subsequent campaigns and word-of-mouth communications from trusted friends and neighbors.

NLC and USP will roll out the program over an 18-month period at six-month intervals as various state regulatory requirements are met and contractor networks are established and vetted by USP in the 48 contiguous states. (See the map to determine the program’s availability in your state.)

The benefits of this program are shared throughout the community. It is extremely affordable — between \$4 and \$6 for each warranty a month. Citizen frustration is reduced, city officials have fewer complaints to handle from residents, there is no cost to the city for this value-added program and the city even receives a share of the revenues collected. All repairs are performed to code and the money stays in the community because

local plumbers are engaged.

Furthermore, USP monitors contractor performance to ensure quality work and a customer repair hotline is available 24/7. The program also contributes to a city’s “green” initiatives. Leaking water pipes waste millions of gallons of treated water and leaking sewer lines pollute groundwater and land.

This NLC Service Line Warranty Program is a home protection solution for city residents arranged by NLC Enterprise Programs, an initiative bringing solutions and savings to cities. When cities participate in an NLC-endorsed program, they have the satisfaction of knowing that the NLC staff is working with the program administrator to offer superior service.

Details: For more information about this program, visit www.nlc.org/enterpriseprograms or contact Denise Belser, NLC program director, at belser@nlc.org or (202) 626-3028.

If you are attending the Congress of Cities in Denver, stop by the USP/NLC Service Line Warranty booth in the NLC Pavilion to begin the process of bringing this program to your city residents.