



CITY OF DALWORTHINGTON GARDENS

**NOTICE OF A MEETING
CITY COUNCIL**

JULY 20, 2023

**WORK SESSION AT 6:00 P.M.
REGULAR SESSION AT 7:00 P.M.**

CITY HALL COUNCIL CHAMBERS, 2600 ROOSEVELT DRIVE, DALWORTHINGTON GARDENS, TEXAS

WORK SESSION– 6:00 P.M.

1. CALL TO ORDER

2. WORK SESSION

- a. Receipt, discussion, and action on a presentation from HomeServe USA on infrastructure warranty program for property owners in the City. **Any action taken would be deferred until the Regular Session.**
- b. Work Session on other listed agenda items, if time permits.

REGULAR SESSION – 7:00 P.M.

1. CALL TO ORDER

2. INVOCATION, AND PLEDGES OF ALLEGIANCE

3. PRESENTATIONS AND PROCLAMATIONS

- a. Proclamation for Randy Jordan recognizing his musical talents and contributions.

4. ITEMS OF COMMUNITY INTEREST

- a. Park Workday, Saturday, July 8
- b. Ice Cream Social and Playground Ribbon Cutting, Saturday, July 15
- c. Park Workday, Saturday, September 15
- d. Concert in the Park, Saturday, September 28
- e. National Night Out, Tuesday, October 3
- f. Annular Eclipse, Saturday, October 14
- g. Trunk-or-Treat, Saturday, October 21
- h. Movie Night in the Park, Saturday, November 4
- i. Park Workday, Saturday, November 11
- j. Pictures with Santa, Sunday, December 3

5. CITIZEN COMMENTS

Citizens who wish to speak to the City Council will be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the presentation is on the agenda, the City staff and City Council members are prevented from discussing the subject and may respond only with statements of factual information or existing policy.

6. MAYOR AND COUNCIL COMMENTS

Pursuant to Texas Government Code § 551.0415, City Council Members and City staff may make a report about items of community interest during a meeting of the governing body without having given notice of the subject of the report. Items of community interest include:

- Expressions of thanks, congratulations, or condolence;
- Information regarding holiday schedules;
- An honorary or salutory recognition of a public official, public employee, or other citizen, except that a discussion regarding a change in the status of a person's public office or public employment is not an honorary or salutory recognition for purposes of this subdivision;
- A reminder about an upcoming event organized or sponsored by the governing body;
- Information regarding a social, ceremonial, or community event organized or sponsored by an entity other than the governing body that was attended or is scheduled to be attended by a member of the governing body or an official or employee of the municipality; and
- Announcements involving an imminent threat to the public health and safety of people in the municipality that has arisen after the posting of the agenda.

7. DEPARTMENTAL REPORTS

Informational reports only; no action to be taken.

- a. DPS Report
- b. Financial Reports
- c. Quarterly Investment Report
- d. City Administrator Report
- e. Public Works Report

8. CONSENT AGENDA

- a. Approval of the June 15, 2023 Regular Meeting Minutes.
- b. Ratification of invoices over \$5,000 for various emergency infrastructure repairs.
- c. Approval of Resolution No. 2023-09 making changes to the City Fee Schedule to copy certain fees to a collective place in the City Fee Schedule.
- d. Approval to designate concert in Gardens Park taking place on September 28, 2023 as a bring your own beverage event which allows possession and consumption of beer and wine at said events, in accordance with Section 1.09.079, City of Dalworthington Gardens Code of Ordinances.
- e. Approval of Resolution No. 2023-10 denying Oncor Electric Delivery Company LLC's application to amend its distribution cost recovery factor and update generation riders to increase distribution rates, and authorizing participation with the Steering Committee of Cities Served by Oncor.
- f. Approval of Resolution No. 2023-11 approving changes to the City Strategic Plan.

9. REGULAR AGENDA

- a. Discussion and possible action to approve a contract with Community Waste Disposal for garbage, recycling, and household hazardous waste services; and to approve any associated cost increases to customers for said services.
- b. Discussion and possible action to select a contractor for Project #2023-02 Corzine Drive Drainage Improvements.
- c. Discussion and possible action regarding the calculation and billing method of water and sewer utilities.
- d. Discussion and possible action on City platting processes and requirements.
- e. Discussion and possible action regarding HB 1750 and its effects on City ordinances relating to agricultural operations.
- f. Discussion and possible action to approve an over-hire full-time dispatcher.

- g. Discussion and possible action to approve a quote from Prime Landscape to haul off stock piles of dirt and asphalt from the Roosevelt Dr phase II project in the amount of \$10,800.00.
- h. Discussion and possible action on planning and item inclusion for the FY 2023-2024 Budget, if needed.
- i. Discussion and possible action regarding amendments to the FY 2022-2023 budget in amounts not to exceed \$10,000.00.
- j. Discussion and possible action regarding relocating an original DWG house on city property and possible use of said house.

10. TABLED ITEMS

- a. Discussion and possible action regarding consideration of bond requirements for oil and gas drilling.
- b. Discussion and possible action to direct staff regarding correctly indicating when special exceptions are authorized in accordance with Section 14.02.321 of city ordinances, to include but not limited to special exceptions for private stables as allowed in Section 14.02.172 “SF” residential district uses.

11. EXECUTIVE SESSION

- a. Recess into Executive Session for the following:
 - i. Pursuant to Texas Government Code, Section 551.071, Attorney Consultation, to discuss the effects and impacts of utility regulations.
 - ii. Pursuant to Texas Government Code, Section 551.071, Attorney Consultation, to discuss currently permitted zoning uses in the B-3 district.
 - iii. Pursuant to Texas Government Code, Section 551.074, Personnel Matters, to wit: public works crew leader.
- b. Reconvene into Regular Session for the following:
 - i. The effects and impacts of utility regulations
 - ii. Currently permitted zoning uses in the B-3 district.
 - iii. Incentives for public works maintenance workers.

12. FUTURE AGENDA ITEMS

In compliance with the Texas Open Meetings Act, Council Members may request that matters of public concern be placed on a future agenda. Council Members may not discuss non-agenda items among themselves. In compliance with the Texas Open Meetings Act, city staff members may respond to questions from Council members only with statements of factual information or existing city policy.

13. ADJOURN

The City Council reserves the right to adjourn into closed session at any time during the course of this meeting to discuss any of the matters listed above, as authorized by Texas Government Code Section 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Gifts and Donations), 551.074 (Personnel Matters), 551.076 (Deliberations about Security Devices), and 551.087 (Economic Development Negotiations).

Pursuant to Texas Government Code, Section 551.127, on a regular, non-emergency basis, members may attend and participate in the meeting remotely by video conference. Should that occur, a quorum of the members will be physically present at the location noted above on this agenda.

CERTIFICATION

This is to certify that a copy of the **July 20, 2023** City Council Agenda was posted on the City Hall bulletin board, a place convenient and readily accessible to the general public at all times, and to the City’s website, www.cityofdwg.net, in compliance with Chapter 551, Texas Government Code.

DATE OF POSTING: _____ TIME OF POSTING: _____ TAKEN DOWN: _____

Lola Smith, City Administrator

**City Council
Staff Agenda Report**

Agenda Item: 2a.

Agenda Subject: Receipt, discussion, and action on a presentation from HomeServe USA on infrastructure warranty program for property owners in the City. **Any action taken would be deferred until the Regular Session.**

<p>Meeting Date:</p> <p>July 20, 2023</p>	<p>Financial Considerations:</p> <p>Budgeted:</p> <p><input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A</p>	<p>Strategic Vision Pillar:</p> <p><input type="checkbox"/> Financial Stability</p> <p><input checked="" type="checkbox"/> Appearance of City</p> <p><input type="checkbox"/> Operations Excellence</p> <p><input type="checkbox"/> Infrastructure Improvements/Upgrade</p> <p><input type="checkbox"/> Building Positive Image</p> <p><input type="checkbox"/> Economic Development</p> <p><input type="checkbox"/> Educational Excellence</p>
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Background Information: A Home Serve USA representative will be present to provide a presentation to City Council. Home Serve has provided program information as well as pricing and a proposed agreement. The agreement has been sent to the city attorney but not in time to review prior to the council meeting. Any approval should be subject to city attorney approval of agreement.

Recommended Action/Motion: Motion to authorize the Mayor to enter into an agreement with Service Line Warranties of America (SLWA), a subsidiary of HomeServe USA Corp., for an initial term of three (3) years, with additional (1) year renewals, subject to City of Dalworthington Gardens attorney review and approval of said agreement.

**Attachments: Background
Presentation
Proposal
Agreement**

BACKGROUND: The National League of Cities (NLC) Service Line Warranty Program offered by HomeServe USA, was conceived in partnership with the National League of Cities to help educate and raise awareness for property owners, about their service line responsibilities and to help residents avoid the out-of-pocket expense for unanticipated repair/replacement costs. When bundled with the HomeServe Leak Adjustment Program (ServLine), these programs offer a comprehensive solution for homeowners; protecting them from the high cost of repairs, as well as from the unexpected high-water bill caused by a water leakage. The Service Line Protection program is the only one of its kind endorsed by the NLC, and over 1200 municipalities across the US currently offer it to their homeowners.

The benefits of these programs to City of Dalworthington Gardens include:

- Provides homeowners affordable protection against potentially significant and unexpected costs to repair or replace leaking/broken/ clogged water lines, sewer lines, and in-home plumbing lines.
- Contracting only with local plumbers, HomeServe ensures the delivery of timely, high-quality repair services in adherence to all applicable local codes.
- Provides an exemplary and *optional* service that reflects positively on the City of Dalworthington Gardens
- The program generates an ongoing, sustainable source of revenue for participating municipalities and stimulates the local economy by using fully vetted local contractors to complete the repairs. (The City of Dalworthington Gardens will receive a royalty of 10% per product, per month for the duration of the program.)
- The ServLine Leak Adjustment Program (High Bill Protection), is the only insurance-backed program that has been vetted by and partnered with the National Rural Water Association, and dozens of state water associations. The program pays 100% of high-water bill claims that have met the city's high bill adjustment guidelines.
- Both programs are optional for City of Dalworthington Gardens homeowners.
- Through the ServLine Program, partners are able to recover lost revenue from high bill adjustments/bad debt.
- Staff workload for in-house leak adjustment programs is significantly reduced/eliminated and becomes simplified and consistent.

COVERAGE: NLC Service Line Warranty Program offers three complete and separate optional programs. There is never a service fee/deductible, or annual or lifetime limit. Residents can enroll in or cancel the service at any time.

Exterior Water Service Line: Coverage includes service to locate, excavate and repair/replace a leaking exterior water service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages, root intrusion, and other types of damage (such as from freezing) that impair or limit the intended function of the system. Includes thawing of frozen water lines. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces. If concrete cutting is necessary to repair the exterior water line, the resulting trench will be filled with gravel and covered with asphalt, cement, or concrete, as appropriate. Debris will be removed from the restoration area.

Exterior Sewer Service Line: Coverage Includes service to locate, excavate and repair/replace a compromised exterior sewer service line. Covered repairs include, but are not limited to leaks, breaks, corrosion, blockages (due to fats, oils and grease), root intrusion, and other types of damage (such as from freezing) that impair or limit the intended function of the system. Includes restoration of ground surface features after excavation for service line repair, including filling, raking, reseeding, reinstallation of existing soft landscaping and shrubbery, and patching of paved surfaces. If concrete cutting is necessary to repair

the exterior sewer line, the resulting trench will be filled with gravel and covered with asphalt, cement, or concrete, as appropriate. Debris will be removed from the restoration area.

Internal Plumbing and Drainage: Homeowner repair protection for in-home water supply lines and in-home sewer lines and all drain lines connected to the main sewer stack that are broken or leaking inside the home after the point of entry. Coverage includes the repairing or replacing of interior water, sewer, and drainage pipe materials, valves and other plumbing-related material, including unblocking, repair and replacement, as well as the repair of clogged toilets.

Product	Monthly	Annual Coverage Limit	Annual Service Calls/Per Call Coverage	Royalty for the City
External Water Line	\$5.75*	Unlimited	Unlimited Calls \$8,500 Per Call	10% per contract per month
External Sewer Line	\$7.75*	Unlimited	Unlimited Calls \$8,500 Per Call	10% per contract per month
In-Home Plumbing	\$9.99*	Unlimited	Unlimited Calls \$3,000 Per Call	10% per contract per month

*Royalty Pricing. \$0.50 consumer discount per product if royalty is declined by The City.

IMPLEMENTATION: The NLC Service Line Program will utilize the City of Dalworthington Gardens logo to brand the materials used to educate city residents/customers about the repair service plans. Program marketing literature will clearly disclose that the Program and the City of Dalworthington Gardens are separate entities and that the program is voluntary for residents. The NLC Service Line Warranty Program will create all marketing materials in collaboration with City of Dalworthington Gardens and will submit all marketing/communications materials to the City for final approval before distribution.

For the **ServLine** program, use of City of Dalworthington Gardens brand/logo is not required, and typically only one mailing is sent to homeowners prior to the launching of the program. This initial mailing informs the homeowner of the leak adjustment program, the monthly cost, how to file a high-bill claim, etc., and provides them with the opportunity to “opt-out” of participating in the program.

The Utility chooses limit of coverage for all customers: **\$500, \$1,000, or \$2,500**

Typically covers 1 leak every 12 months up to the limit of coverage.

Requires homeowner to repair leak before making adjustment.

No deductibles, hidden fees or service charges

HomeServe has paid 100% of Utility claims that meet leak adjustment criteria.

MONTHLY FEE AND COVERAGE LIMITS:

HIGH WATER BILL PROTECTION

Limit of Protection	Residential Rate	Commercial Rate Single-Occupancy	Commercial Rate Multiple-Occupancy
\$500 (Per Occurrence)	\$1.75	\$4.70	\$9.40
\$1,000 (Per Occurrence)	\$2.00	\$5.60	\$11.20
\$2,500 (Per Occurrence)	\$2.35	\$6.50	\$13.00

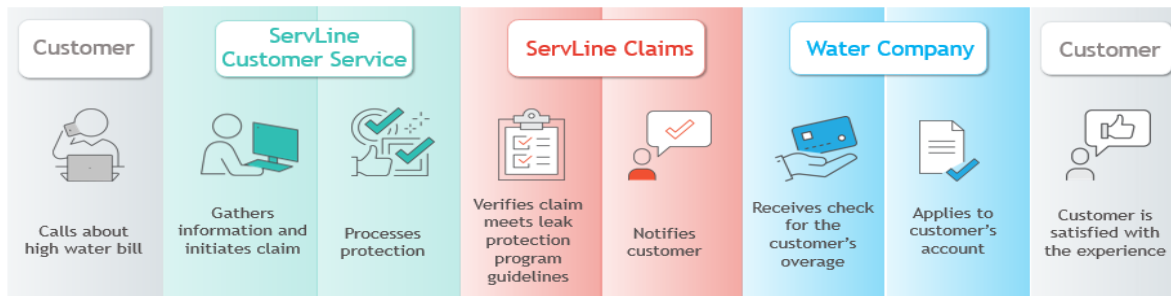
ENROLLMENT AND BILLING: The NLC Service Line Program offers residents simple options if they choose to enroll either via mail, phone, or web. HomeServe handles all customer billing and residents can choose annual, quarterly, or monthly billing and may pay by check, direct debit/ACH, or credit card. Once HomeServe receives the enrollment application, customers are sent a welcome letter which includes their service agreement terms and conditions, their payment details, a description of their policy coverage, and a toll-free customer service number. Customers also receive a welcome call from a HomeServe customer service agent as an additional, personalized confirmation of the program. HomeServe handles all customer billing, inquiries, claims handling, contractor dispatch, and a homeowner can enroll or cancel at any time.

For the **ServLine** program (which is typically launched sometime after the rollout of the Service Line Protection program), participation for homeowners is also optional, and the monthly fee would be added as a separate line item on the monthly water bill. (See accompanying proposal for a list of the monthly fee, designated by the coverage amount.

In the event of a qualifying leak adjustment, the customer will be responsible for paying their average bill. The average bill will be calculated using the previous twelve (12) months' bills, excluding the high bills pertaining to the qualifying leak. The leak adjustment amount will be reimbursed up to City of Dalworthington Gardens' chosen protection limit less the customer's average bill.

FINANCIAL IMPACT: No cost to the City of Dalworthington Gardens to participate and the City would receive 10% per product per month royalty (or a reduction in price for homeowners should the City opt out of the royalty).

ServLine Customer Journey



NLC Service Line Warranty Program

by



Presentation to:



July 2023



NLC Service Line Warranty Program by HomeServe



Offering services for over 20 years



4.8 out of 5 stars customer satisfaction



Program endorsed since 2010

“The National League of Cities is proud to partner with this highly reputable and reliable program. Their exemplary record of customer service and transparency is what has driven the success of this partnership over the years.”

*Clarence Anthony, Executive Director
National League of Cities*



HomeServe Key Statistics*

- Over **4.8 million** customers
- Over **8.5 million** policies
- Over **1,200** municipal and utility partnerships
- Job serviced **every 34 seconds**
- Customer savings to date: **over \$2 Billion**

* As of January 2023



HomeServe in Texas



Partners include:

Key Statistics



50

Municipal & Utility partners



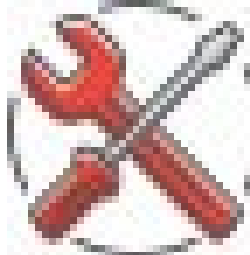
500K+

customers with 900K+ protection plans



134K

Repairs performed over the past seven years



\$80mil

Texas homeowners saved over \$80 million in out-of-pocket repair costs

- Anna
- El Paso Water
- Lewisville
- Rowlett
- Anthony
- Forest Hill
- Marshall
- San Angelo
- Arlington
- Forney
- Mercedes
- San Juan
- Bryan
- Hondo
- Midland
- Sweetwater
- Crandall
- Hurst
- Navasota
- Temple
- Commerce
- Hutchins
- Odessa
- Texarkana
- Corinth
- Kaufman
- Penitas
- Uvalde
- Corrigan
- Kennedale
- Pilot Point
- Waco
- Dayton
- Killeen
- Poteet
- Waxahachie
- Decatur
- Kyle
- Princeton
- Wilmer
- Denison
- La Marque
- Roanoke
- Denton County Fresh Water Supply District 1
- Denver City
- Lancaster
- Rockport
- CenterPoint Energy
- Diboll

NLC Service Line Warranty Program Summary

The NLC Service Line Warranty Program helps residents understand their lateral line responsibilities *before* they have an unexpected issue and allows them to **choose** how they wish to prepare for these potentially expensive incidents.

Our program enhances the quality of life within your community by helping residents at a vulnerable time; by providing an affordable solution to those homeowners that can least afford the financial burden of a service line repair/replacement.



Factors for Municipalities to Consider

Aging Infrastructure

- ✓ Homeowners are often unaware of their private-side service line responsibilities-- education is needed
- ✓ Infrastructure upgrades in the U.S. over the next 20 years are estimated at \$1 trillion for drinking water, and \$271 billion for wastewater

Financial Shock

- ✓ Majority of population experiences unexpected expense or loss of income each year
- ✓ Majority of homeowners have had a home repair emergency in last 12 months
- ✓ Homeowners don't have sufficient savings to address unexpected home repairs

Vulnerable Populations

- ✓ **Seniors** - many desire to "age in place" - home repairs are an important factor
- ✓ **Millennials** - 63% regret purchasing a home due to unforeseen costs
- ✓ **Low- and middle-income homeowners** - particularly at-risk from an unexpected repair expense

Homeowners are unprepared for emergencies and expect solutions from the city/utility



78% of homeowners believe the utility provider should educate them on repairs and preventative measures. (Ipsos Public Affairs/HomeServe 2019)



56% of Americans can't cover a \$1,000 emergency expense with savings. (Bankrate 2022)



60% of homeowners with annual household incomes under \$50,000 a year reported having \$500 or less or no money set aside for a home repair emergency. (Harris Poll/HomeServe 2021)

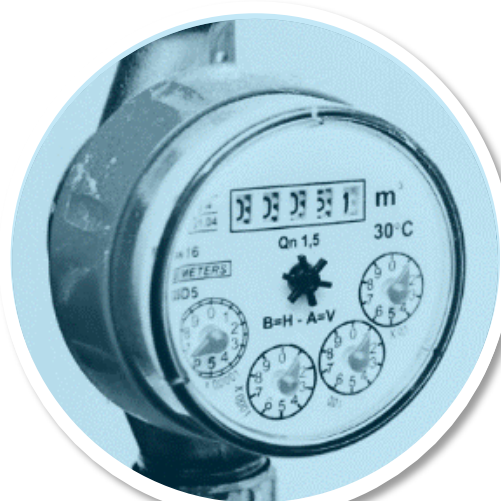


We Deliver Peace of Mind



SEWER LATERAL COVERAGE

Up to \$8,500 coverage per incident to repair/replace broken, cracked or clogged exterior lines



WATER LINE COVERAGE

Up to \$8,500 coverage per incident to repair/replace broken, cracked or clogged exterior lines



IN-HOME PLUMBING COVERAGE

Up to \$3,000 coverage per incident on all interior water, sewer and drain lines inside the home after point of entry



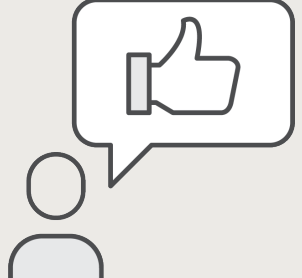
Toll-free emergency number available 24 hours a day, 365 days a year



Guaranteed repairs



Locally based, fully licensed and vetted contractors



Quality control to ensure exceptional customer experience

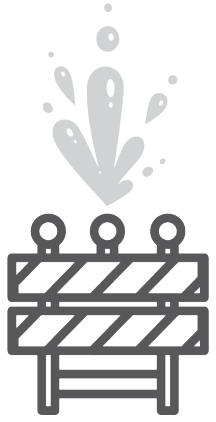


No annual or lifetime limits, deductibles, service fees, forms or paperwork



No pre-inspection required

Solution for Residents and Municipalities



Residents

Optional low-cost protection against potentially expensive water, sewer, plumbing repairs



Educates residents about their responsibility for exterior lines



Municipalities



Reduces calls to the City



Timely repairs reduce water loss from line breaks - use of local contractors infuses money into the local economy



Turnkey program - provides marketing, billing, claims, customer service



No cost for the City to participate, optional non-tax 10% revenue share per product, per month

Total Solution for Water Leaks

NLC Service Line Warranty Program and ServLine Leak Protection Program

Line Protection



**NLC Service Line
Warranty Program**
by
HomeServe

+

Leak Protection (High Bill Adjustment)




SERVLINE
by HomeServe®

=



Leaks are Painful for Utilities/Municipalities and Homeowners

Unexpected financial burden on homeowner for repairs and lost water



Utility/city costs related to adjustments



Significant utility staff time to administer adjustments



Stressful calls to the city/utility from homeowners



Homeowners are unaware of their responsibility for private service lines



ServLine Leak Adjustment Program

A Win-Win Solution that Lowers Costs While Improving Customer Satisfaction

Utility benefits



Recapture of lost revenue from adjustments and bad debt



Reduction of staff workload dedicated to leak adjustments

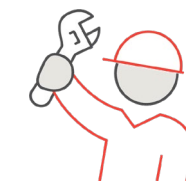


Increased customer satisfaction

Customer benefits



Up to \$2,500 in protection from excess water bill with no deductible



Seamless and simple claims process



Peace of mind that unexpected expense is covered



Affiliate partner of



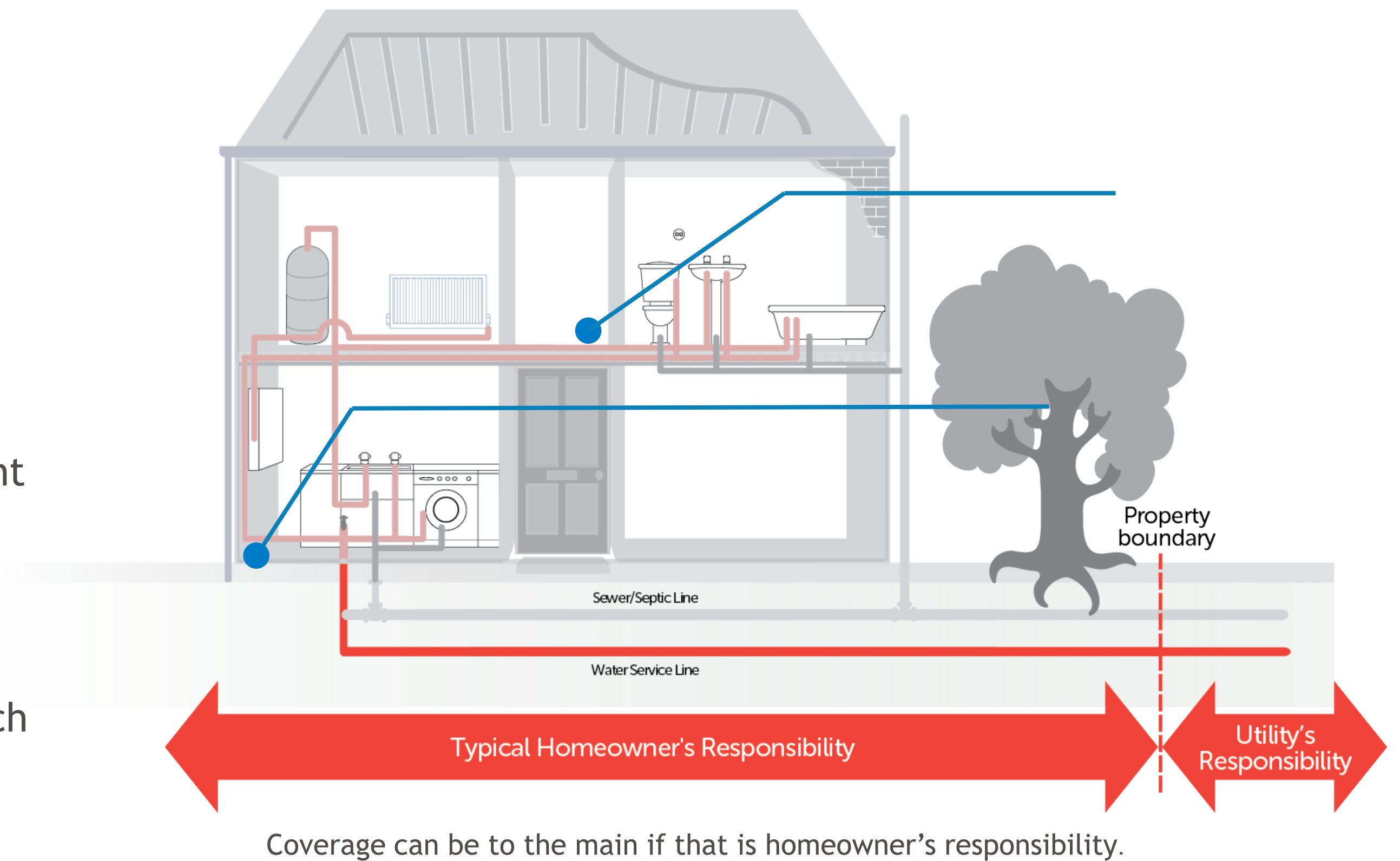


Leak Adjustment Protection

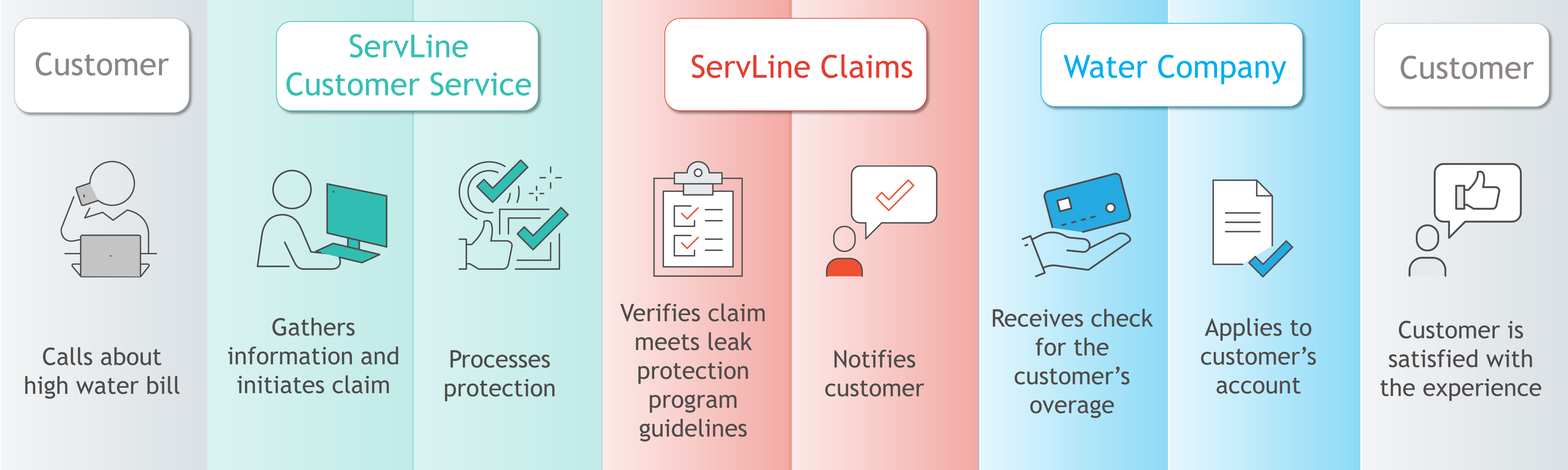
Coverage for all customers from a high-water bill due to a leak

Program:

- Added as a separate line item on the bill or,
- Can be included in utility's/city's base rate structure
- Participation is optional - 97% amongst current partners
- Enhances utility's current leak policy
- Utility chooses \$500, \$1,000, or \$2,500 coverage limit
- Covers 1 leak every 12 months up to coverage limit
- Qualifier is 2 times average bill (past 12 months)
- Homeowner required to repair leak before bill adjustment
- No deductibles, hidden fees or service charges
- Program has paid 100% of utility claims that meet leak adjustment criteria
- Brochures sent to the customer 1-2 months prior to launch of program (typically 1 month)
- Only one mailing is sent for the entirety of the program



Leak Protection Customer Journey



Our Promise:

We will be a trusted steward
of your brand and reputation.

Questions?

For more information contact:

Larry Byrne
Senior Director, Business Development
Larry.Byrne@homeserveusa.com
281-733-0599





PROPOSAL

SERVLINE UTILITIES PROTECTION

We pay for high water bills caused by customer leaks

HOMESERVE USA
7134 Lee Highway, Chattanooga, TN 37421
1 (866) 974-4801, info@servline.com, www.servline.com

Prepared For

CITY OF DALWORTHINGTON GARDENS

2600 Roosevelt Drive
Dalworthington Gardens, TX 76016

Proposal Issued: May 23, 2023

Proposal Valid:
30 Days from Issue Date

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company. Insurance for the ServLine program is issued to utilities and placed through HomeServe Insurance Agency Corp., a licensed Insurance agency. ServLine is a registered trademark.

EXECUTIVE SUMMARY – UTILITY & COMMUNITY PROTECTION

CITY OF DALWORTHINGTON GARDENS

We understand that you are tirelessly working to improve and supply the best overall product while also often thanklessly striving to offer excellent customer service.

DESPITE ALL YOUR EFFORT – CUSTOMER LEAKS STILL CAUSE

- Financial Strain
 - Administrative *and* Customer Burden
 - Issues to Undermine Public Perception
-

MEET SERVLIN BY HOMESERVE

ServLine is a full-service customer leak solution. We pay for high water bills caused by customer leaks by insuring the Utility. More specifically, by insuring the Leak Protection Program and then administering it on your behalf.

- Financial Assistance
- Administrative Support & Customer Relief
- Public Relations Credibility



PROGRAM COMPARISON SIDE BY SIDE – LAP & LPP

COMPARISON TERMS

- LAP: Leak Adjustment Policy
- LPP: Leak Protection Program
- Frequency: Determined by the number of times an adjustment can be filed in a given time
- Qualifications: Determined by whether or not there is a limit that must be met prior to allowing for an adjustment
- Benefits are reflective of your current Leak Adjustment Policy & data
- Benefits are determined by how customer leaks are being adjusted. Unprovided benefits will not be covered

CITY OF DALWORTHINGTON GARDENS - CURRENT LAP

BENEFIT FREQUENCY

1 Occurrence/12-month
No billing cycle frequency allowance stated

BENEFIT QUALIFIER

2X Average Bill

ADDITIONAL COVERED BENEFITS

No Benefit Exceptions

SERVLIN LEAK PROTECTION PROGRAM (LPP)

BENEFIT FREQUENCY

1 Occurrence/ 12-month
2 Consecutive billing cycles allowed per occurrence
Ex. 1 billing cycle (month bill), 2 billing cycles (months)

BENEFIT QUALIFIER

2X Average Bill

ADDITIONAL COVERED BENEFITS

Dripping/ Leaking Faucets
Running Toilets/ Commodes
Water Heaters



PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY (LPP)

CITY OF DALWORTHINGTON GARDENS

PROPOSED SAMPLE LEAK PROTECTION PROGRAM POLICY

City of Dalworthington Gardens is changing our Leak Adjustment Policy effective DATE 1, 2023. The following are qualifications for leak adjustments for the City of Dalworthington Gardens:

1. It is the customer's responsibility to keep his plumbing system in good working order.
2. No customer shall receive more than one (1) leak adjustment that could incorporate a maximum of two (2) billing cycles during any twelve (12) month period.
3. To qualify for a leak adjustment, the eligible plumbing leak must generate a minimum additional charge of at least two (2) times the average of the past twelve (12) months' bills.
4. Adjustments on water bills will NOT be made on the following:
 - a. Residential Customers who do not have their own water meter.
 - b. *Commercial or Industrial Customers. (OPTIONAL)*
 - c. Premises left or abandoned without reasonable care for the plumbing system.
 - d. Leaks on irrigation systems or irrigation lines, leaks in water features such as fountains, etc., leaks on any water lines coming off the primary water service line, plumbing leaks in any structure other than the primary residence.
 - e. Negligent acts such as leaving water running.
 - f. Excess water charges not directly resulting from a qualifying plumbing leak.
 - g. Filling of swimming pools or leaks in swimming pools.
 - h. Watering of lawns or gardens.
 - i. *Master-metered multi-habitational accounts. (OPTIONAL)*
5. In the event of a qualifying leak adjustment, the customer will be responsible for paying their average bill. The average bill will be calculated using the previous twelve (12) months' bills, excluding the high bills pertaining to the qualifying leak. The leak adjustment amount will be reimbursed up to City of Dalworthington Gardens' chosen protection limit less the customer's average bill.
6. The City of Dalworthington Gardens shall not be obligated to make adjustments of any bills not submitted for adjustment within ninety (90) days from the billing date.
7. Customers must present proof that a leak has been repaired before an adjustment will be made. (i.e. copy of invoice for materials or bill from plumber)
8. In any case where a customer might incur a leak before there is three (3) months of average usage, an adjustment will not be made until they have established three (3) months of average usage.
9. Any enrolled customer may decline to participate in our ServLine Leak Protection Program by calling Phone Number. Any customer declining to participate in the program will be responsible for the full amount of their water bill with no adjustments being made. Our new City of Dalworthington Gardens ServLine Program is the only way qualifying leak adjustments will be made for leaks occurring after DATE 1, 2023.





LEAK PROTECTION PROGRAM

Imagine what you could do if you were paid for every customer's high water bill – and no longer had to manage their frustration over having to pay for it.



WATER LEAK PROTECTION

Limit of Protection	Residential Rate	Commercial Rate Single-Occupancy	Commercial Rate Multiple-Occupancy
\$500 (Per Occurrence)	\$1.75	\$4.70	\$9.40
\$1,000 (Per Occurrence)	\$2.00	\$5.60	\$11.20
\$2,500 (Per Occurrence)	\$2.35	\$6.50	\$13.00

Deductible
Reporting Conditions
Reporting & Adjustment Period

Waived
Customer Schedule
Monthly

Special Terms and Conditions

- Coverage will be designed to reflect City of Dalworthington Gardens' Leak Protection Guidelines and eligibility established with ServLine.
- Master Metered Habitational (Residential Only) \$2.50 per unit
 - Limit Applies to Property Only and does not apply to units directly.
- Charges will be applied to the customers' utility bill.
- Limit of protection to be selected by the Utility.

Note: 10% Discount on rates if the above coverages are offered by electing to include in your base rate rather than on the utility bill.





APPENDIX



LEAK PROTECTION PROGRAM DEFINITIONS

- **Water Leak Protection**
Water Leak Protection covers excess water bills caused by a qualifying leak on the customer's side of the meter/point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.
- **Sewer Leak Protection**
Sewer Leak Protection covers excess sewer bills in the event of a qualifying leak at the customer's point of responsibility. Developed in cooperation with ServLine and set according to the Utility's newly established Leak Protection Guidelines.
- **Residential**
Residential is defined as 2" meters or less with a single residential unit occupied as a residency. A qualifying unit must have a single meter to which it can be accounted for independently.
- **Commercial**
Commercial is defined as 2" meters or less with business or agricultural occupancy excluding master-metered habitational. A qualifying unit must have a single meter to which it can be accounted for independently.
Single Occupancy - Building has one business occupying space.
Multiple Occupancy - Building has more than one business occupying space.
- **Master-Metered Habitational**
Multi-Unit residential property with a master-meter measuring usage for all units.
- **Farms**
Residential Farm: Any farm that is a hobby or that does not derive additional income. There is no Agriculture meter or separate metered structures on the property and meets residential definition of the insurance company.
Commercial Farm: Any Farm that has an Agriculture meter/meter that services barns, cattle troughs, or other structures. Any Farm who derives income from the activities of the farm.
- **Rates w/ Data**
The rates furnished in this Proposal are determined by the data you have provided. It is mutually understood that the data produced, along with your explanation of how to interpret what is included in your data is done so in good faith and is complete and true to the best of your knowledge. All other factors have been determined in partnership with ServLine.
- **Leak Protection Program**
The ServLine Leak Protection Program enhances your current Leak Adjustment Policy and acts as a superseding document which will overlay your existing policy with the given enhancements. All qualifying customer leaks would adhere first to your ServLine Leak Protection Program and then would be addressed by your existing Leak Adjustment Policy. As a recommendation - Your Leak Adjustment Policy would be updated to address unqualifying leaks rather than qualifying customers who choose to decline protection.



SUMMARY FOR LEAK PROTECTION PROGRAM

BILLING

Agency Monthly Reporting

PROJECT SCOPE & PROCESS

- Approval of ServLine
- Program Implementation
- Utility Staff Training
- Announcement Materials
- Setup and Integration
- ServLine Administers Leak Protection Program
- ServLine Handles Claims, Payments and Customer Service

TERMS AND CONDITIONS

Terms and conditions outlined in the quote may differ from the specifications submitted; please review the specific coverage part for details on coverage and exclusions.

Average claims payment is between 10 - 20 Days.
Claims volume is due to change with seasons or other unforeseen events.
Pricing does not include taxes.

Reports & Premium due by the 15th of the month following a reporting period.
Example: Participating customers for month of January would be due no later than February 15th.
Premium payments include all participating customers and are not dependent on customer payment to the utility nor pending claims payments.

*This quote is valid for thirty (30) days from the date of this letter.
All rates are per participating customer per month.*

THANK YOU

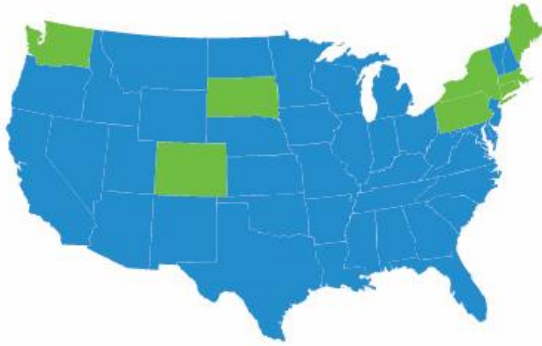
Thank you for your interest in becoming a valuable client of ServLine. We exist to make your Utility stronger and help you achieve your goals. One of our chief goals is to serve you and to earn the privilege of being one of your favorite service providers. The ServLine team is always looking to establish long-term meaningful relationships with the opportunity to serve your Utility and your customers with integrity and excellence.

DISCLAIMER

This proposal shows the premiums for the general coverage described, but in no way changes or affects any terms, conditions or exclusions of policies as actually issued. Premiums shown are based on information furnished to the company.



CLIENTS & PARTNERS

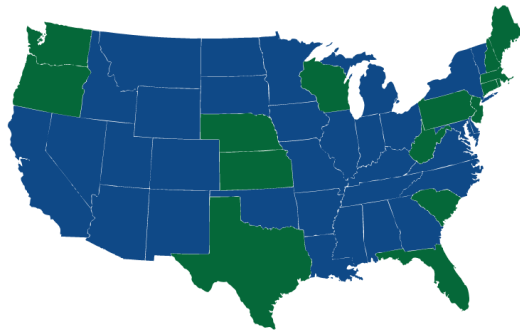


● Active & Interested Utilities

ASSOCIATION PARTNERS INCLUDE

National Rural Water Association (NRWA), Tennessee Association of Utility Districts (TAUD), Georgia Rural Water Association (GRWA), North Carolina Rural Water Association (NCRWA), Alabama Rural Water Association (ARWA), Alliance of Indiana Rural Water Association (AIRWA), Illinois Rural Water Association (IRWA), Iowa Rural Water Association (IRWA), Rural Water Association of Arizona (RWAA), Arkansas Rural Water Association (ARWA), California Rural Water Association (CRWA), Michigan Rural Water Association (MRWA), Delaware Rural Water Association (DRWA), Kentucky Rural Water Association (KRWA), Maryland Rural Water Association (MRWA), New Mexico Rural Water Association (NMRWA), Mississippi Rural Water Association (MRWA), Ohio Rural Water Association (ORWA), Virginia Rural Water Association (VRWA), Rural Water Association of Utah (RWAU), Idaho Rural Water Association (IRWA), New York Rural Water Association (NYRWA), (Nevada Rural Water Association (NvRWA), Montana Rural Water Systems (MRWS), Louisiana Rural Water Association (LRWA).

● Active Rural Water Association Partner



INSURANCE PROVIDERS INCLUDE

Hanover Insurance Company, Virginia Surety Company, Inc.



THANK YOU



MARKETING AGREEMENT

This MARKETING AGREEMENT (“**Agreement**”) is entered into by and between the City of Dalworthington Gardens, Texas (“**City**”), and Utility Service Partners Private Label, Inc. d/b/a Service Line Warranties of America (“**Company**”), herein collectively referred to singularly as “**Party**” and collectively as the “**Parties**”. This Agreement shall be effective on the last signature date set forth below (“**Effective Date**”).

RECITALS:

WHEREAS, sewer and water line laterals between the mainlines and the connection on residential private property are owned by individual residential property owners residing in the City (“**Property Owner**”); and

WHEREAS, City desires to offer Property Owners the opportunity, but not the obligation, to purchase a service plan and other similar products set forth in Exhibit A or as otherwise agreed in writing from time-to-time by the Parties (each, a “**Product**” and collectively, the “**Products**”); and

WHEREAS, Company, a subsidiary of HomeServe USA Corp., is the administrator of the National League of Cities Service Line Warranty Program and has agreed to make the Products available to Property Owners subject to the terms and conditions contained herein; and

NOW, THEREFORE, in consideration of the foregoing recitals, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and with the intent to be legally bound hereby, the Parties agree as follows:

1. **Purpose.** City hereby grants to Company the right to offer and market the Products to Property Owners subject to the terms and conditions herein.
2. **City Obligations.** Grant of License. City hereby grants to Company a non-exclusive license (“**License**”) to use City's branding (“**Marks**”), on marketing materials in accordance with Exhibit A to be sent to Property Owners from time to time, and to be used in advertising (including on the Company’s website), all at Company's sole cost and expense and subject to City's prior review and approval, which will not be unreasonably conditioned, delayed, or withheld. Company's use of the Marks in accordance with this Agreement will not infringe any other party's rights. In the event that City extends a similar license to a competitor of Company during the Term and any Renewal Term of this Agreement, the City shall provide thirty (30) days’ notice prior to such grant of license and Company may immediately terminate this Agreement.

3. **Term.** The term of this Agreement (“**Initial Term**”) shall be for three (3) years from the Effective Date. The Agreement will automatically renew for additional one (1) year terms (each a “**Renewal Term**”, and collectively with the Initial Term, the “**Term**”) unless one of the Parties gives the other written notice at least ninety (90) days prior to end of the Initial Term or of a Renewal Term that the Party does not intend to renew this Agreement. In the event that Company is in material breach of this Agreement, the City may terminate this Agreement thirty (30) days after giving written notice to Company of such breach, if said breach is not cured during said thirty (30) day period. Company will be permitted to complete any marketing initiative initiated prior to termination of this Agreement after which time, neither Party will have any further obligations to the other and this Agreement will terminate.

4. **Consideration.** As consideration for such license, Company will pay to City a License Fee of as set forth in Exhibit A (“**License Fee**”) during the Term of this Agreement. The first payment shall be due by January 30th of the year following the conclusion of the first year of the Term. Succeeding License Fee payments shall be made on an annual basis throughout the Term, due and payable on January 30th of the succeeding year. City agrees to provide a completed Form W-9 to Company in order to facilitate proper payment of the License Fee. City will have the right, at its sole expense, to conduct an audit, upon reasonable notice and during normal business hours, of Company's books and records pertaining to any fees due under this Agreement while this Agreement is in effect and for one (1) year after any termination of this Agreement.

5. **Confidentiality.** Each party will treat all non-public, confidential and trade secret information received from the other party as confidential, and such party shall not disclose or use such information in a manner contrary to the purposes of this Agreement. Notwithstanding the foregoing, the City shall not be liable for any disclosure of confidential information that is required to be disclosed under any applicable public records act or under court order. City shall provide notice to Company prior to any such disclosure.

6. **Code Change.** The Parties understand that the pricing of the Products and compensation provided for in this Agreement are based upon the currently applicable City, municipal or similar codes. In the event Company discovers a code change, Company shall have the ability to reassess the pricing of this Agreement.

7. **Indemnification.** Company hereby agrees to protect, indemnify, and hold the City, its elected officials, officers, employees and agents (collectively or individually, “**Indemnitee**”) harmless from and against any and all third party claims, damages, losses, expenses, suits, actions, decrees, judgments, awards, reasonable attorneys' fees and court costs (individually or collectively, “**Claim**”), which an Indemnitee may suffer or which may be sought against or are recovered or obtainable from an Indemnitee, as a result of or arising out of any breach of this Agreement by the Company, or any negligent or fraudulent act or omission of the Company or its officers, employees, contractors, subcontractors, or agents in the performance of services under the Products; provided that the applicable Indemnitee notifies Company of any such Claim within a time that does not prejudice the ability of Company to defend against such Claim. Any Indemnitee hereunder may participate in its, his, or her own defense, but will be responsible for

all costs incurred, including reasonable attorneys' fees, in connection with such participation in such defense.

8. **Notice.** Any notice required to be given hereunder shall be deemed to have been given when notice is (i) received by the Party to whom it is directed by personal service, (ii) sent by electronic mail (provided confirmation of receipt is provided by the receiving Party), or (iii) deposited as registered or certified mail, return receipt requested, with the United States Postal Service, addressed as follows:

To: City:
ATTN: Lola Smith
City of Dalworthington Gardens
2600 Roosevelt Drive
Dalworthington Gardens, TX 76016
Email: lsmith@cityofdwg.net
Phone: (682) 330-7418

To: Company:
ATTN: Chief Growth Officer
Utility Service Partners Private Label, Inc.
601 Merritt 7, 6th Floor
Norwalk, CT 06851
Phone: (866) 974-4801

9. **Modifications or Amendments/Entire Agreement.** Except for the list of available Products under the Agreement, which may be amended from time to time by the Parties in writing and without signature, any and all of the representations and obligations of the Parties are contained herein, and no modification, waiver or amendment of this Agreement or of any of its conditions or provisions shall be binding upon a Party unless in writing signed by that Party.

10. **Assignment.** Neither Party may assign its rights or delegate its duties under this Agreement without the prior written consent of the other Party unless such assignment or delegation is to an affiliate or to an acquirer of all or substantially all of the assets of the transferor.

11. **Counterparts/Electronic Delivery; No Third Party Beneficiary.** This Agreement may be executed in counterparts, all such counterparts will constitute the same contract and the signature of any Party to any counterpart will be deemed a signature to, and may be appended to, any other counterpart. Executed copies hereof may be delivered by email and upon receipt will be deemed originals and binding upon the Parties hereto, regardless of whether originals are delivered thereafter. Nothing expressed or implied in this Agreement is intended, or should be construed, to confer upon or give any person or entity not a party to this agreement any third-party beneficiary rights, interests, or remedies under or by reason of any term, provision, condition, undertaking, warranty, representation, or agreement contained in this Agreement.

12. **Choice of Law/Attorney Fees.** The Parties shall maintain compliance with all Applicable Laws with respect to its obligations under this Agreement. The governing law shall be the laws of the State of Texas, without regard to the choice of law principles of the forum state. THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE ANY RIGHT THAT MAY EXIST TO HAVE A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED UPON OR ARISING OUT OF, UNDER, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT.

13. **Incorporation of Recitals and Exhibits.** The above Recitals and Exhibit A attached hereto are incorporated by this reference and expressly made part of this Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day and year first written below.

CITY OF DALWORTHINGTON GARDENS

Name:

Title:

Date:

UTILITY SERVICE PARTNERS PRIVATE LABEL, INC.

Name: Michael Backus

Title: Chief Growth Officer

Date:

Exhibit A
NLC Service Line Warranty Program
City of Dalworthington Gardens
Term Sheet
May 23, 2023

- I. Initial Term. Three Years.
- II. License Fee. During the Term, Company will pay City ten percent (10%) of the payments of plan fees actually received from members during the Term under any plans sold hereunder, net of any discount, rebates, refunds, chargebacks, credits, and sales or similar taxes incurred or paid by Company in connection with such plans for:
 - A. Use of City logo and name on letterhead, advertising, signature line, and marketing materials.
- III. Products.
 - A. External water service line plan (initially, \$5.75 per month)
 - B. External sewer/septic line plan (initially, \$7.75 per month)
 - C. Interior plumbing and drainage plan (initially, \$9.99 per month)

Pricing does not include taxes. Company may adjust the foregoing Product fees; provided, that any such monthly fee adjustment shall not exceed \$0.50 in any 12-month period. If such adjustment shall exceed \$0.50, both Parties must agree in writing.
- IV. Scope of Coverage.
 - A. External water service line plan:
 - i. Covers Property Owner responsibility: From the meter to the external wall of the home.
 - ii. Covers well service lines if applicable.
 - B. External sewer/septic line plan:
 - i. Covers Property Owner responsibility: From the external wall of the home to the sewer main.
 - ii. Covers septic lines if applicable.
 - C. Interior plumbing and drainage plan:
 - i. Covers water supply pipes and drainage pipes within the interior of the home.
- V. Marketing Campaigns. Company shall have the right to conduct up to three campaigns per year (each campaign consists of two mailings) and such other channels as may be mutually agreed. Initially, Company anticipates offering the interior plumbing and drainage plan Product via in-bound phone or web only.