

City of Santa Fe, New Mexico

memo

DATE: February 11, 2014

TO: Finance Committee

FROM: Robert Rodarte, Purchasing Officer 
Purchasing Division

VIA: Marcos A. Tapia, Finance Director 
Finance Department

ISSUE: Award of Request for Proposal # '14/12/P
Water and Waste Water Service Line Protection Program

SUMMARY:

On December 5, 2013, one proposal was received for the above referenced service as follows:

	Written Score
Utility Service Partners, Inc., PA	850

The evaluation criteria consisted of management summary (20%); business plan (20%); financial plan (20%); experience and references (20%); and key personnel (20%). The proposal was reviewed and evaluated by Nick Schiavo and Laurie Trevizo, Water.

The using department has reviewed the proposals and recommends award to Utility Service Partners, Inc., PA.

There is no fee to the City Utility Service Partners will provide the service.

ACTION:

It is requested that this recommendation of award to Utility Service Partners, Inc., PA be reviewed, approved and submitted to the City Council for its consideration.

Attachment(s):

1. Memo of recommendation from the using department.
2. A copy of the professional service agreement.
3. A copy of tabulation score sheet

EVALUATION SCORES

'14/12/P

WATER AND WASTE WATER SERVICE LINE PROTECTION PROGRAM

Written Evaluation

Evaluation Committee	Utility Service Partners, Inc.
Nick Shciavo	410
Laurie Trevizo	440
Total Score	850

ACTION SHEET
PUBLIC UTILITES COMMITTEE MEETING OF 2/5/14

ISSUE NO. 11

Request approval of the professional services agreement with Service Line Warranties of America for sewer and water line warranties for the residents and homeowners of the City of Santa Fe under RFP No. '14/12/P. There is no cost to the City for this agreement. (Nick Schiavo)

Public Utilities Committee – 2/5/14
 Finance Committee – 2/17/14
 City Council – 2/26/14

PUBLIC UTILITES COMMITTEE ACTION : Approved to forward to 2/17/14 Finance Committee.

SPECIAL CONDITIONS OR AMENDMENTS:

STAFF FOLLOW UP:

VOTE:	FOR	AGAINST	ABSTAIN
COUNCILOR CALVERT, CHAIR	x		
COUNCILOR TRUJILLO	x		
COUNCILOR DOMINGUEZ	x		
COUNCILOR DIMAS	x		
COUNCILOR RIVERA	x		

City of Santa Fe, New Mexico

memo

Date: January 27, 2014
To: Public Utility/ Finance Committee
From: Nicholas Schiavo, Public Utilities Department and Water Division Director ^{NSA}
RE: Water and Wastewater Service Line Protection Program, RFP '14/12/P

ITEM AND ISSUE:

The Public Utilities Division requests award of professional services agreement for a water and wastewater service line protection program.

BACKGROUND AND SUMMARY:

Homeowners within the City of Santa Fe are responsible for the maintenance of water and wastewater service lines from their home to the connection in the City Right-of-way. The failure of water or wastewater service lines can cost a homeowner thousands of dollars in repairs. The protection program provides the opportunity for homeowners to purchase insurance for both their water and wastewater service lines and avoid a costly future repair.

A Request for Proposals was issued in November 2013. Only one service provider, Utility Service Partners, Inc submitted a proposal. After review by the Purchasing Division and the internal selection committee, the proposal was deemed responsive.

As per the requirements of the RFP, there is no cost to the City of Santa Fe for Utility Service Partners, Inc. to administer the service line warranty program. The program, which is voluntary, allows residents to choose insurance coverage for either their water line, wastewater line or both for periods of one year at a time. Coverage, which begins 30 days after enrollment, will cost the homeowners \$49.00 for water lines and \$73.00 for sewer lines for the first year. After the first year a pricing analysis will be performed, and the need for any increase will be documented and provided to the City for approval. This will be done on a yearly basis.

RECOMMENDATION:

The Water Division recommends:

- Review and approval of award of agreement with Utility Service Partners, Inc. to administer a water and wastewater service line protection program for homeowners in the City of Santa Fe under RFP '14/12/P.

- Forwarding and recommendation of approval of the award and agreement to the Governing Body.

cc:

CITY OF SANTA FE
PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Santa Fe (the "City") and Service Line Warranties of America, Inc. (SLWA "). The date of this Agreement shall be the date when it is executed by the City and SLWA, whichever occurs last.

1. SCOPE OF SERVICES:

SLWA agrees to offering its external sewer and external water line warranties (the "Warranties") at a 10% discount from its standard rates to the Residents (as defined below), with the City's cooperation regarding the marketing of SLWA's services to City's residents and homeowners (the "Residents") as described below:

A. For the term of this Agreement, the City grants a non-exclusive license to SLWA to use City's name and logos on marketing materials to be sent to the Residents from time to time, and to be used in advertising, all at SLWA's sole cost and expense and subject to City's prior review and approval of all marketing materials and use of the City's logos. The City logo shall not be used on any bills sent from SLWA to Residents.

B. SLWA will be responsible for executing the warranty program. They will be solely responsible for marketing the program to Residents and will field any inquiries regarding the warranty program or the claims process. SLWA will be responsible for selecting qualified local contractors to perform warranty calls, restoration activities and ensuring repairs are completed.

C. In addition, SLWA shall:

CITY OF SANTA FE
PROFESSIONAL SERVICES AGREEMENT

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1. SCOPE OF SERVICES:

SLWA agrees to offering its external sewer and external water line warranties (the "Warranties") at a 10% discount from its standard rates to the Residents (as defined below), with the City's cooperation regarding the marketing of SLWA's services to City's residents and homeowners (the "Residents") as described below:

A. For the term of this Agreement, the City grants a non-exclusive license to SLWA to use City's name and logos on marketing materials to be sent to the Residents from time to time, and to be used in advertising, all at SLWA's sole cost and expense and subject to City's prior review and approval of all marketing materials and use of the City's logos. The City logo shall not be used on any bills sent from SLWA to Residents.

B. SLWA will be responsible for executing the warranty program. They will be solely responsible for marketing the program to Residents and will field any inquiries regarding the warranty program or the claims process. SLWA will be responsible for selecting qualified local contractors to perform warranty calls, restoration activities and ensuring repairs are completed.

C. In addition, SLWA shall:

- i) Provide customer service on a continual basis: 24 hours a day, seven (7) days a week;
- ii) Provide a means for customers to submit comments or complaints regarding the local contractors;
- iii) Will enter into agreements with Residents, in the form attached as Exhibit A, and monthly invoice Residents who sign the agreement. Residents shall pay SLWA directly without the City being responsible for billing, collection or any other obligations under these agreements. If Exhibit A changes at any time, this Agreement shall be amended to attach a new Exhibit A;
- iv) Compensate the City for the use of the City's logo by marketing the program to Residents and by providing discounted warranty rates to the Residents;
- v) Provide a response time window for the qualified local contractor to respond to customer;
- vi) Not exceed a claim denial rate of 5% per year of all claims filed by Residents that enter into agreements with SLWA;
- vii) Ensure that the basic restoration activities such as backfilling, raking and mulching, restore the Residents' landscaping to original state as close as possible using native plants, native or low water use grasses; and
- viii) Ensure that all local contractors that are qualified to perform warranty calls or restoration work are included on its list of available contractors by sending a letter to all local plumbing and landscaping contractors requesting that they apply to be on the list of available contractors.

2. STANDARD OF PERFORMANCE; LICENSES

A. SLWA represents that it possesses the experience and knowledge necessary to perform the services described under this Agreement.

B. SLWA agrees to obtain and maintain throughout the term of this Agreement, all applicable professional and business licenses required by law, for itself, its employees, agents, representatives and subcontractors.

3. COMPENSATION

A. SLWA shall only receive compensation from Residents that enter into agreements with SLWA agrees to offering its external sewer and external water line warranties (the "Warranties") at a 10% discount from its standard rates to the Residents

(as defined below), with the City's cooperation regarding the marketing of SLWA's services to Residents.

B. SLWA shall be responsible for payment of gross receipts taxes levied by the State of New Mexico on the sums paid under this Agreement, if applicable.

4. APPROPRIATIONS

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the City for the performance of this Agreement. If sufficient appropriations and authorization are not made by the City, this Agreement shall terminate upon written notice being given by the City to SLWA. The City's decision as to whether sufficient appropriations are available shall be accepted by SLWA and shall be final.

5. TERM AND EFFECTIVE DATE

The term of this agreement will be for three (3) years from the date of the execution of the acknowledgement below and this agreement and may be renewed for an additional one (1) year term upon written notice by the City to SLWA at least 30 days prior that it intends to renew this Agreement. SLWA will be permitted to complete any marketing initiative initiated prior to the effective date of any termination of this marketing agreement after which time, neither party will have any further obligations to the other and the non-exclusive license described in this Agreement shall terminate on the termination date of this Agreement.

6. TERMINATION

This Agreement may be terminated by the City upon 30 days written

notice to the SLWA. SLWA shall render a final report of the services performed up to the date of termination.

7. STATUS OF SLWA; RESPONSIBILITY FOR PAYMENT OF EMPLOYEES AND SUBCONTRACTORS

A. SLWA and its agents and employees are independent SLWAs and are not employees of the City. SLWA, and its agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City as a result of this Agreement.

8. CONFLICT OF INTEREST

SLWA warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. SLWA further agrees that in the performance of this Agreement no persons having any such interests shall be employed.

9. ASSIGNMENT; SUBCONTRACTING

SLWA shall not assign or transfer any rights, privileges, obligations or other interest under this Agreement, including any claims for money due, without the prior written consent of the City. SLWA shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City.

10. RELEASE

SLWA, upon termination of this Agreement, will release the City, its officers and employees, from all liabilities, claims and obligations whatsoever arising from or under this Agreement. SLWA agrees not to purport to bind the City to any obligation not

assumed herein by the City unless the SLWA has express written authority to do so, and then only within the strict limits of that authority.

11. INSURANCE

A. SLWA, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement, comprehensive general liability insurance covering bodily injury and property damage liability, in a form and with an insurance company acceptable to the City, with limits of coverage in the maximum amount which the City could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the City is named as an additional insured and that the City is notified no less than 30 days in advance of cancellation for any reason. SLWA shall furnish the City with a copy of a Certificate of Insurance as a condition prior to performing services under this Agreement.

B. If applicable, SLWA shall also obtain and maintain Workers' Compensation insurance, required by law, to provide coverage for SLWA's employees throughout the term of this Agreement.

C. SLWA shall maintain professional liability insurance throughout the term of this Agreement providing a minimum coverage in the amount required under the New Mexico Tort Claims Act. The SLWA shall furnish the City with proof of insurance of SLWA's compliance with the provisions of this section as a condition prior to performing services under this Agreement.

12. INDEMNIFICATION

SLWA shall indemnify, hold harmless and defend the City from all losses,

damages, claims or judgments, including payments of all attorneys' fees and costs on account of any suit, judgment, execution, claim, action or demand whatsoever arising from SLWA's performance under this Agreement as well as the performance of SLWA's employees, agents, representatives and subcontractors.

13. NEW MEXICO TORT CLAIMS ACT

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

14. THIRD PARTY BENEFICIARIES

By entering into this Agreement, the parties do not intend to create any right, title or interest in or for the benefit of any person other than the City and SLWA. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary of this Agreement.

15. RECORDS AND AUDIT

The Contractor shall maintain, throughout the term of this Agreement and for a period of three years thereafter, detailed records that indicate the date, time and nature of services rendered. These records shall be subject to inspection by the City, the Department of Finance and Administration, and the State Auditor. The City shall have the right to audit the billing both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments.

16. APPLICABLE LAW; CHOICE OF LAW; VENUE

SLWA shall abide by all applicable federal and state laws and regulations, and all ordinances, rules and regulations of the City of Santa Fe. In any action, suit or legal dispute arising from this Agreement, SLWA agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

17. AMENDMENT

This Agreement shall not be altered, changed or modified except by an amendment in writing executed by the parties hereto.

18. SCOPE OF AGREEMENT

This Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the services to be performed hereunder, and all such agreements, covenants and understandings have been merged into this Agreement. This Agreement expresses the entire Agreement and understanding between the parties with respect to said services. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

19. NON-DISCRIMINATION

During the term of this Agreement, SLWA shall not discriminate against any employee or applicant for an employment position to be used in the performance of services by SLWA hereunder, on the basis of ethnicity, race, age,

religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

20. SEVERABILITY

In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

21. NOTICES

Any notices required to be given under this Agreement shall be in writing and served by personal delivery or by mail, postage prepaid, to the parties at the following addresses:

City of Santa Fe
Water Division
P.O Box 909
Santa Fe, NM 87504

Service Line Warranties of America
Brian Davis
BDavis@utilitysp.net
(214) 476-3430

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth below.

CITY OF SANTA FE:

SLWA:
Service Line Warranties of America, Inc.

MAYOR

PHILIP E. RILEY, JR.
PRESIDENT & CEO

DATE: _____

DATE: _____

BRAD H. CARMICHAEL
VICE PRESIDENT

DATE: _____

CRS # _____
City of Santa Fe Business
Registration # _____

ATTEST:

YOLANDA Y. VIGIL, CITY CLERK

APPROVED AS TO FORM:



KELLEY A. BRENNAN, INTERIM CITY ATTORNEY 1/28/14

APPROVED:

MARCOS A. TAPIA, FINANCE DEPARTMENT

Business Unit Line Item



HOME SERVICE CONTRACT COVER PAGE
OUTSIDE SANITARY SEWER LINE

CONTRACT HOLDER:

[Name]
[Address line]
[City, ST ZIP]

PROVIDER:

Service Line Warranties of America, Inc.
("SLWA")
11 Grandview Circle, Suite 100
Canonsburg, PA 15317-9840
Website: www.slwofa.com
Phone: 866-922-9006

Account No.: To be assigned
Confirmation No.: To be assigned

**THIS IS A COPY OF THE OFFICIAL TERMS & CONDITIONS
FOR YOUR REVIEW AND DOES NOT REFLECT A
CONFIRMATION OF ENROLLMENT.**

SERVICE ADDRESS:

[Name]
[Address line]
[City, ST ZIP]

Dear [Name],

Thank you for enrolling in the Service Line Warranties of America Outside *Sanitary Sewer* Line Service Program. This Home Service Contract is for your Outside Sanitary Sewer Line only and is subject to the enclosed "TERMS & CONDITIONS".

In addition to our enclosed standard Terms & Conditions, the following additions are required by State Law or negotiated on your behalf by your city. These additions supersede any provisions to the contrary in the Terms and Conditions;

Obligations of SLWA under this Home Service Contract are backed by the full faith and credit of SLWA and are not guaranteed by a service contract reimbursement insurance policy. THIS IS NOT A CONTRACT OF INSURANCE.

This contract begins at noon local time, thirty (30) calendar days after the enrollment date, unless otherwise noted or disclosed, and continues thereafter so long as you make timely payments. There is no deductible or service fee per occurrence.

Should you need to file a claim, please contact our emergency hot line at 1-866-922-9006. Representatives are available to take your call 24 hours a day, seven days a week, including holidays.

We hope that you never experience an emergency, but if you do, we are here to service your needs.

Thank you again for your business.

Sincerely,

Service Line Warranties of America

Please retain these documents for your reference.
Enclosed: NM 3.0 Outside SANITARY SEWER Line Terms & Conditions

**TERMS AND CONDITIONS OF THE
SERVICE LINE WARRANTIES OF AMERICA ("SLWA")
OUTSIDE SANITARY SEWER LINE PROGRAM ("SERVICE PROGRAM")**

This Home Service Contract covers the **primary sanitary sewer** line from the point of entry at your home (including a primary sanitary sewer line which may be buried or embedded in a concrete slab under your single-family home) to the point of public or municipal sewer responsibility (typically the main service line) and provides service or repair to restore flow to the primary sanitary sewer line serving your residential home *where the flow of the line is impeded due to normal wear and tear or tree roots*. This Home Service Contract is limited to \$4,000 per line repair occurrence. If public street or public sidewalk cutting is required to repair the line, an additional allowance is provided; up to \$4,000 for public street repair and up to \$500 for public sidewalk repair. Determination of how a covered sanitary sewer line claim is to be serviced, repaired or replaced is entirely within the discretion of SLWA based on its professional judgment. **Please note that this Home Service Contract does not cover repairs that might be needed to meet local regulatory requirements or utility directives for matters unrelated to the ability of the line to maintain an unimpeded flow, such as failed smoke or dye tests, or ground or storm water infiltration.**

By enrolling, you represent that your outside sanitary sewer line is in good working order.

This Home Service Contract covers only the home listed on the cover page. You may not assign or transfer this Home Service Contract to another person or to another home or property.

To initiate a service call under this Service Program, you must call SLWA, toll free at 866-922-9006 (assistance is available 24 hours per day, 7 days a week) before any work is performed. All work must be performed by an authorized SLWA contractor. Any exceptions to this are at the sole discretion of SLWA and in no event will SLWA's liability for reimbursement on work performed by a non-SLWA contractor exceed \$500. If a permit or line location is required, proper permitting will be secured before work will commence; any repair will conform to applicable plumbing/excavating codes. *Please note that our approved contractors must have safe and clear access to, and safe working conditions at and around the work area.*

This Home Service Contract starts thirty (30) days after the enrollment date noted on the cover page, unless otherwise noted or disclosed, and continues thereafter so long as you make timely payments. This Home Service Contract may be canceled for nonpayment. Your account must be in good, current standing to receive any service or repair under this program.

This Home Service Contract **DOES NOT COVER:**

- a) updating and/or moving lines where the flow of sewage is not impeded, in order to meet code, law, or ordinances or to satisfy directives of the sewer utility company or others, including inflow and infiltration issues (failed smoke or dye tests, ground water infiltration into the line);
- b) mandated separation of storm and sanitary drain lines;
- c) any shared sewer line that provides service to multiple properties, detached houses, secondary buildings or branch lines, whether known or unknown; commercial properties, mobile homes, primary sanitary lines that are over 6 inches in diameter, lift stations or lift pumps, sump, trash or grinder pumps or storm sewer lines;
- d) damage to a sewer line that is caused directly or indirectly by you, a third party, natural disasters, acts of God, or by any insurable causes;
- e) Any damage/cleanup to the inside of the home, including personal property, or replacement or "matching" of any floor covering or affected area (e.g. carpet, hard wood, marble, ceramic tile, dry wall, paint, plaster or wallpaper, etc.). Restoration does not include landscaping services, such as replacing trees, sod or shrubs or repairing private paved and/or concrete surfaces, walkways leading to the home, or structures on your property.

After a sewer line is repaired, SLWA will provide basic site restoration service to the affected area limited to filling trenches, mounding (to allow for settling), raking and seeding (weather permitting) excluding sod. If slab cutting within the foundation walls is necessary to repair a broken sewer line, the resulting trench will be filled with gravel and covered with concrete. Debris will be removed from the work area.

You have thirty (30) days from the date you enroll in the Service Program to cancel and receive a full refund of any payment you have made. After 30 days, you may cancel the Service Program at any time, and you will be reimbursed the pro rata share of any amount you paid, less 1) any costs paid towards a claim filed on your account, and 2) a \$6.00 processing fee. SLWA will not pay any refund which is less than \$6.00, unless requested by you.

SLWA may modify the Service Program by giving you thirty (30) days' written notice and may terminate the Service Program for nonpayment within thirty (30) days of the payment due date and with ninety (90) days' written notice for any other reason. If SLWA cancels the program for reasons other than nonpayment, you will be reimbursed the pro rata share of any amount you paid for any portion of the Service Program period subject to cancellation.

IMPORTANT: Please retain this document for your records. The cover letter and these Terms and Conditions are the official copy of your Home Service Contract.

SERVICE LINE WARRANTIES OF AMERICA, INC.

11 Grandview Circle, Suite 100
Canonsburg, PA 15317-9840
Phone: 866-922-9006
Web Site: www.slwofa.com



HOME SERVICE CONTRACT COVER PAGE
OUTSIDE WATER SERVICE LINE

CONTRACT HOLDER:

[Name]
[Address line]
[City, ST ZIP]

PROVIDER:

Service Line Warranties of America, Inc.
("SLWA")
11 Grandview Circle, Suite 100
Canonsburg, PA 15317-9840
Website: www.slwofa.com
Phone: 866-922-9006

Account No.: To be assigned
Confirmation No.: To be assigned

**THIS IS A COPY OF THE OFFICIAL TERMS & CONDITIONS
FOR YOUR REVIEW AND DOES NOT REFLECT A
CONFIRMATION OF ENROLLMENT.**

SERVICE ADDRESS:

[Name]
[Address line]
[City, ST ZIP]

Dear [Name],

Thank you for enrolling in the Service Line Warranties of America Outside *Water* Line Service Program. This Home Service Contract is for your Outside Water Line only and is subject to the enclosed "TERMS & CONDITIONS".

In addition to our enclosed standard Terms & Conditions, the following additions are required by State Law or negotiated on your behalf by your city. These additions supersede any provision to the contrary in the Terms and Conditions;

Obligations of SLWA under this Home Service Contract are backed by the full faith and credit of SLWA and are not guaranteed by a service contract reimbursement insurance policy. **THIS IS NOT A CONTRACT OF INSURANCE.**

This contract begins at noon local time, thirty (30) calendar days after the enrollment date, unless otherwise noted or disclosed, and continues thereafter so long as you make timely payments. There is no deductible or service fee per occurrence.

Should you need to file a claim, please contact our emergency hot line at 1-866-922-9006. Representatives are available to take your call 24 hours a day, seven days a week, including holidays.

We hope that you never experience an emergency, but if you do, we are here to service your needs.

Thank you again for your business.

Sincerely,

Service Line Warranties of America

Please retain these documents for your reference.
Enclosed: NM 3.0 Outside WATER Line Terms & Conditions

**TERMS AND CONDITIONS OF THE
SERVICE LINE WARRANTIES OF AMERICA ("SLWA")
OUTSIDE WATER SERVICE LINE PROGRAM ("SERVICE PROGRAM")**

This Home Service Contract covers the consumer-owned portion of the **primary water service line** from a public or municipal water system up to the internal point of entry to your single-family home, (including a primary water line which may be buried or embedded in a concrete slab under your home) and provides service or repair for the broken or leaking **primary water line** serving your residential home *where the flow of the line is interrupted due to normal wear and tear*. This Home Service Contract is limited to \$4,000 per line repair occurrence. If public street or public sidewalk cutting is required to repair the line, an additional allowance is provided; up to \$4,000 for public street repair and up to \$500 for public sidewalk repair. Determination of how a covered water line is to be serviced, repaired or replaced is entirely within the discretion of SLWA based on its professional judgment.

By enrolling, you represent that your water line is in good working order.

This Home Service Contract covers only the home listed on the cover page. You may not assign or transfer this Home Service Contract to another person or to another home or property.

To initiate a service call under this Service Program, you must call SLWA, toll free at 866-922-9006 (assistance is available 24 hours per day, 7 days a week) before any work is performed. All work must be performed by an authorized SLWA contractor. Any exceptions to this are at the sole discretion of SLWA and in no event will SLWA's liability for reimbursement on work performed by a non-SLWA contractor exceed \$500. If a permit or line location is required, we will secure proper permitting before work will commence; any repair will conform to applicable plumbing/excavating codes.

Please note that our approved contractors must have safe and clear access to, and safe working conditions at and around the work area.

This Home Service Contract starts thirty (30) days after the enrollment date noted on the cover page, unless otherwise noted or disclosed, and continues thereafter so long as you make timely payments. This Home Service Contract may be canceled for nonpayment. Your account must be in good, current standing to receive any service or repair under this program.

This Home Service Contract **DOES NOT COVER:**

- a) any shared water line that provides service to multiple properties, detached houses, secondary buildings or branch lines including water systems for sprinklers, pools, hot tubs, and/or other outdoor systems, whether known or unknown; repair of meters, meter vaults, repair or replacement of curb valves or curb boxes;
- b) service lines owned by any utility or connected to a commercial facility or a mobile home, or the cost of repairing or replacing a meter(s) that is not being relocated as a means of repairing or replacing your water supply line;
- c) updating and/or moving lines where the flow of water is not disrupted, in order to meet code, law, or ordinances or to satisfy directives of the water utility company or others;
- d) damage to a water line that is caused directly or indirectly by you, a third party, natural disasters, acts of God, or by any insurable causes;
- e) Any damage/cleanup to the inside of the home, including personal property, or replacement or "matching" of any floor covering or affected area (e.g. carpet, hard wood, marble, ceramic tile, dry wall, paint, plaster or wallpaper, etc.). Restoration does not include landscaping services, such as replacing trees, sod or shrubs or repairing private paved and/or concrete surfaces, walkways leading to the home, or structures on your property.

After a water line is repaired, SLWA will provide basic site restoration service to the affected area limited to filling trenches, mounding (to allow for settling), raking and seeding (weather permitting) excluding sod. If slab cutting within the foundation walls is necessary to repair a broken water line, the resulting trench will be filled with gravel and covered with asphalt or cement as appropriate. Debris will be removed from the work area.

You have thirty (30) days from the date you enroll in the Service Program to cancel and receive a full refund of any payment you have made. After 30 days, you may cancel the Service Program at any time, and you will be reimbursed the pro rata share of any amount you paid, less 1) any costs paid towards a claim filed on your account, and 2) a \$6.00 processing fee. SLWA will not pay any refund which is less than \$6.00, unless requested by you.

SLWA may modify the Service Program by giving you thirty (30) days' written notice and may terminate the Service Program for nonpayment within thirty (30) days of the payment due date and with ninety (90) days' written notice for any other reason. If SLWA cancels the program for reasons other than nonpayment, you will be reimbursed the pro rata share of any amount you paid for any portion of the Service Program period subject to cancellation.

IMPORTANT: Please retain this document for your records. The cover letter and these Terms and Conditions are the official copy of your Home Service Contract.

SERVICE LINE WARRANTIES OF AMERICA, INC.

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Canonsburg, PA 15317-9840
Phone: 866-922-9006
Web Site: www.slwofa.com