



SANITARY SEWER SERVICE LATERAL MAINTENANCE

DS-18-089

October 23, 2018

Background

2

- At the last meeting we discussed alternative solutions for the following issue:
 - City of Killeen practice requires that a property owner is responsible for repairs to the sewer service lateral line from the public main to the structure.
 - Repairs within the public ROW, particularly under the street can be expensive.

Alternatives

3

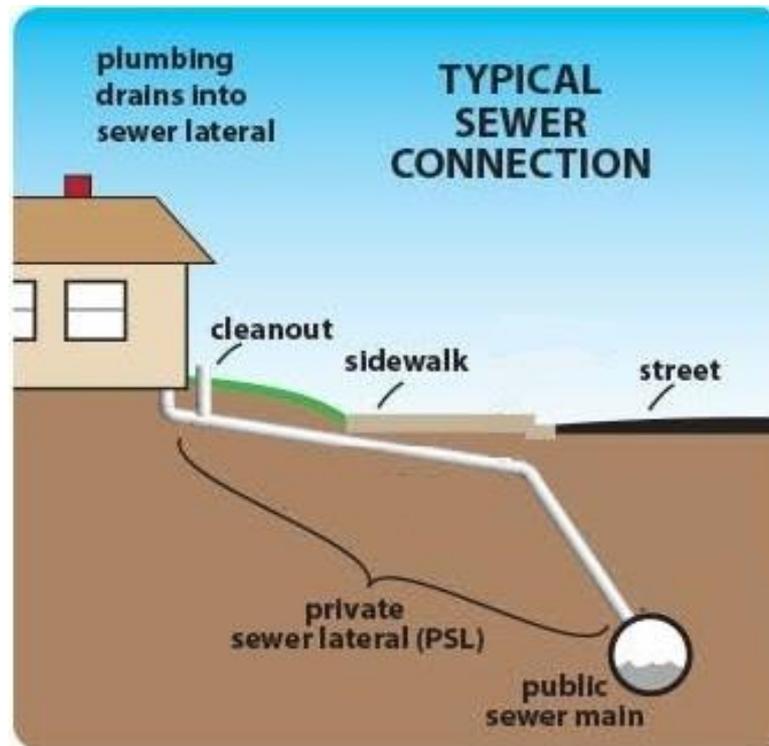
- 1A – Keep the current practice and partner with USP for an optional warranty program (no rate increase, optional increase for those who desire coverage).
- 1B – Keep the current practice and prepare a list of pre-approved service providers (no rate increase).
- 2A – City takes ownership of the lateral line within the public ROW, and partner with USP for a mandatory warranty program (\$0.50 per month per customer).
- 2B – City takes ownership of the lateral line within the public ROW, and city maintains the line with city staff (\$0.75-\$1.80 per month per customer, 3-7 additional FTEs).
- 3 – City takes ownership of the lateral line from the main to the structure, and city maintains said line (\$4.70 per month per customer, 18.5 FTEs).

Questions

4

- Option 2A – How often can the premium for the insurance plan increase?
 - ▣ The premium will be guaranteed for the initial term of the agreement. The average agreement length for USP is 5 years. USP indicates rate increase have been rare since the start of the program.
- Options 1A/2A – Is \$8,500 per incident coverage a reasonable maximum coverage? Is USP the only provider?
 - ▣ USP has indicated that in their experience \$8,500 covers most incidents of this nature up to and including lateral line repairs beneath the street.
 - ▣ While there are other providers that offer some similar coverage, USP is the only provider that offers comprehensive coverage, is endorsed by the National League of Cities, and partners directly with municipalities.

City Manager Comments



Next Steps

6

- Address any additional questions.
- Further discussion and potential motion of direction.