



SLWA SEWER WARRANTY

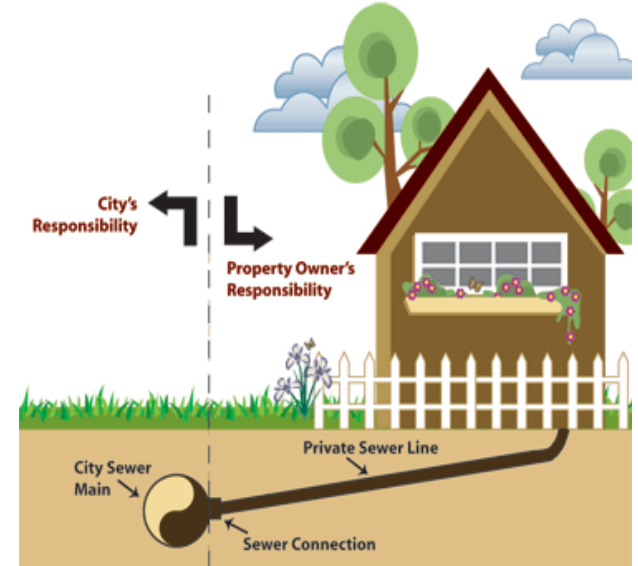
RS-25-142

September 2, 2025

Background

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- ❑ Prior to May 1, 2019, Chapter 30 Water, Sewers, and Sewage Disposal, of the official code of ordinances stated in part:
 - ▣ The sewer service line connecting a private property to the City owned sewer main is owned and maintained by the property owner.



Background Cont.

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- ❑ On June 5, 2018, City Council requested a discussion item regarding Sanitary Sewer Service Repairs in public Right-of-Way (ROW), as repairs within the public ROW, particularly under the street, can be very expensive.
- ❑ Discussions included:
 - ▣ Absorbing the cost of all repairs between the property line and the sanitary sewer main line.
 - ▣ Installing cleanout at all property lines; staff would maintain lines from cleanout to sewer main.
 - ▣ Warranty Program

Background Cont.

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- On March 19, 2019, City Council approved for the city to enter into an agreement with Utility Service Partners Private Label, Inc. (USP) to provide maintenance of certain sewer service lines within the public ROW and partner with USP to outsource maintenance.
- City Council also approved the amendment of Chapter 30 of the City's Code of Ordinances to add a section that clarifies maintenance responsibilities and adjust rates.
 - ▣ Cost of \$.50/month for single family, two family, three-unit, and four-unit residential properties.
 - Warranty is not available for commercial services

Outcome

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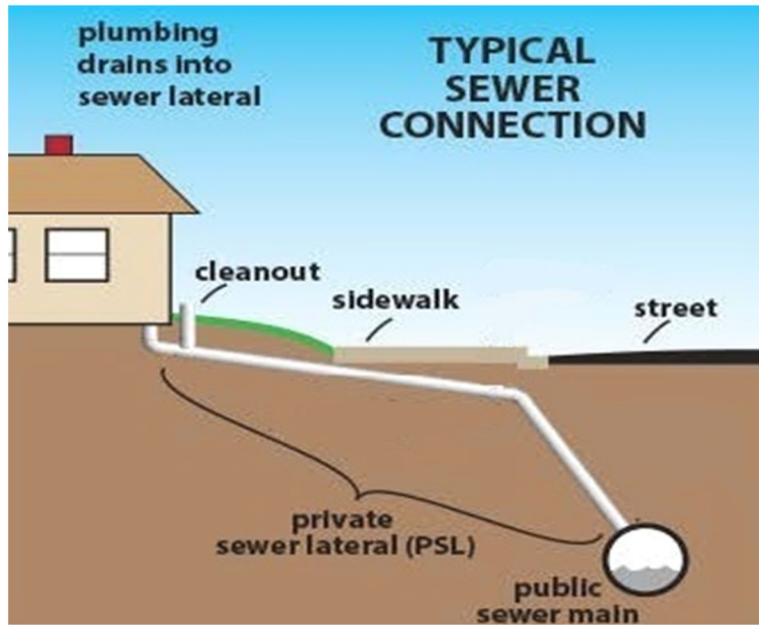
- ❑ A flat rate of \$0.50 was added to the monthly water bill.
- ❑ Chapter 30 of the Code of Ordinances was updated to explain the responsibilities of the homeowner and the city considering the ROW sewer service line.
- ❑ Homeowners are able to obtain optional warranty coverage for service line maintenance outside of the ROW.

Rate	Claims	Total Amount	Average # of Claims Per Year	Average Cost Per Claim	Homeowner Cost Per Year
\$0.50	1,032	\$4,281,040	172	\$4,148.30	\$6.00

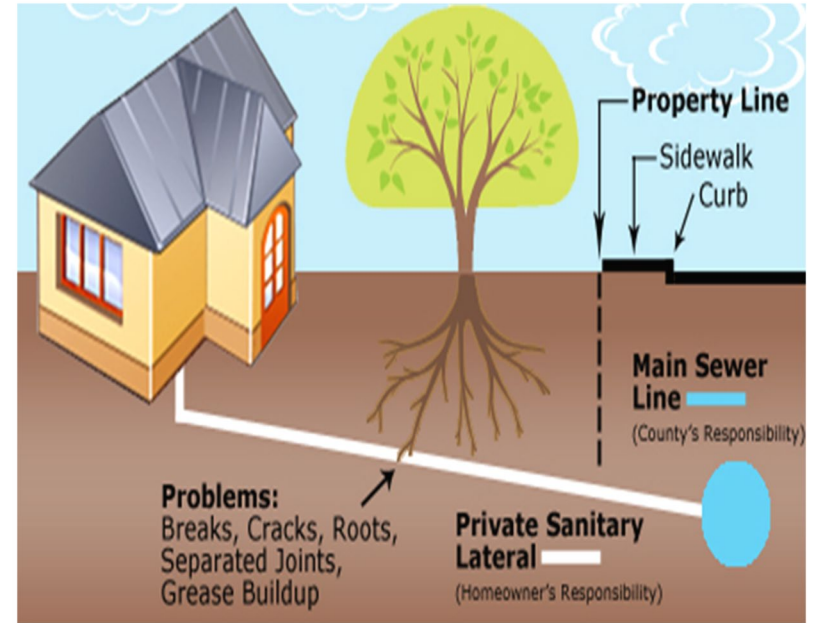
Outcome Cont.

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Before Sewer Line Warranty



After Sewer Line Warranty



Updates

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- ❑ A new Outsourcing Agreement has been proposed
 - ▣ Increase the monthly amount to \$1.33 per month per homeowner.
 - single family, two family, three-unit, and four-unit residential properties
 - ▣ Initial five (5) year agreement includes annual increase, up to 4%.

Rate FY 2026	Rate FY 2027	Rate FY 2028	Rate FY 2029	Rate FY 2030
\$1.33	\$1.38	\$1.44	\$1.50	\$1.56
Residential Investment Over 5 Years			\$86.44	
Average Cost Per Claim			\$4,148.30	

SLWA Texas Cities (45)

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El Paso Water	City of Kennedale	City of Rowlett	City of Texarkana	City of Penitas
City of Anna	City of Kyle	City of San Angelo	City of Commerce	City of Pilot Point
City of Arlington	City of Lancaster	City of Temple	City of Corrigan	City of Poteet
City of Bryan	City of Lewisville	City of Waxahachie	City of Dayton	City of Sweetwater
City of Corinth	City of Madisonville	City of Crandall	City of Decatur	City of Hutchins
City of Denison	City of Mercedes	City of Rockdale	City of Denver City	Town of Anthony
City of Forest Hill	City of Navasota	City of Marshall	City of Diboll	Southwest Water Company
City of Forney	City of Odessa	City of Uvalde	City of Hondo	City of La Marque
City of Hurst	City Of Princeton	City of Rockport	City of Kaufman	City of Roanoke

Recommendation

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- Authorize the City Manager, or designee, to enter into an agreement with USP/Homeserve for maintenance of the sewer service lines within the public right-of-way for an initial term of five (5) years and authorize the City Manager, or designee, to approve any and all change orders as allowed by state and local law.