



**CITY OF
MOUNT
DORA**

**510 N. Baker St.
Mount Dora, FL 32757
Phone: (352) 735-7126**

DATE: May 16, 2017

TO: Honorable Mayor and City Council

FROM: Robin R. Hayes, City Manager *Robin R. Hayes*

RE: Resolution No. 2017-27, Marketing Agreement with Utility Service Partners Private Label, Inc., d/b/a Service Line Warranties of America

Introduction:

This is a request for City Council to approve Resolution No. 2017-27, authorizing a Marketing Agreement with Utility Service Partners Private Label, Inc., d/b/a Service Line Warranties of America (SLWA).

Discussion:

The National League of Cities (NLC) has entered into a partnership agreement with Utility Service Partners Private Label, Inc., a Delaware corporate entity whose headquarters is located in Canonsburg, Pennsylvania, d/b/a Service Line Warranties of America (SLWA), to offer the NLC Service Line Warranty Program to member cities and their citizens.

SLWA's service line warranty program provides an affordable home protection solution for City residents and utility system consumers to pay for unanticipated repairs to water and sewer service lines. The City is a member of the NLC and City staff has determined that the program will enhance the public good. City staff anticipates issues relating to the provision of water services to citizens and has concluded that participation in SLWA's service line warranty program by means of entering into a Marketing Agreement with SLWA offering the program to City residents will provide a benefit to the citizens of the City.

Budget Impact:

The Marketing Agreement with SLWA provides that the City shall receive payment of a license fee in the amount of \$0.50 per product for each month that a product is in force for a residential property owner (subject to payment being received by SLWA) which sum shall be aggregated and paid annually to the City. The City will authorize SLWA to use a City logo on letterhead, advertising, billing, and marketing materials and signature statement by a City official. The products that will be marketed to citizens/customers shall be as follows:

- a. External sewer line warranty (initially, \$7.75 per month; \$88.00 annually).
- b. External water line warranty (initially, \$5.75 per month; \$64.00 annually).
- c. In-home plumbing warranty (initially, \$9.99 per month; \$114.99 annually).

SLWA may adjust the foregoing product fees, but no adjustment may exceed \$.50 per year unless otherwise agreed by the City and SLWA in writing.

Strategic Impact:

Providing this resource to citizens/customers will enhance the strength of the City utility systems and will provide a service to the public at a reasonable cost.

Recommendation:

City Council approve Resolution 2017-27.

Prepared By: John Bruce, Purchasing Manager.
Reviewed By: Mike Sheppard, Finance Director

RESOLUTION NO. 2017-27

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOUNT DORA, FLORIDA AUTHORIZING ENTERING OF A MARKETING AGREEMENT BETWEEN THE CITY AND UTILITY SERVICE PARTNERS PRIVATE LABEL, INC., D/B/A SERVICE LINE WARRANTIES OF AMERICA PURSUANT TO THE NATIONAL LEAGUE OF CITIES SERVICE LINE WARRANTY PROGRAM; PROVIDING FOR LEGISLATIVE FINDINGS AND INTENT; AUTHORIZING THE MAYOR TO EXECUTE THE CONTRACT; PROVIDING FOR IMPLEMENTING ADMINISTRATIVE ACTIONS; AND PROVIDING FOR SCRIVENER'S ERRORS, CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the National League of Cities (NLC) has entered into a partnership agreement with Utility Service Partners Private Label, Inc., d/b/a Service Line Warranties of America (SLWA), to offer the NLC Service Line Warranty Program to member cities; and

WHEREAS, SLWA's service line warranty program provides an affordable home protection solution for residents to pay for unanticipated repairs to water and sewer service lines; and

WHEREAS, the City is a member of the NLC; and

WHEREAS, the City wishes to participate in SLWA's service line warranty program as presented in Exhibit #1, enter into a Marketing Agreement with SLWA to offer the program to City residents for the benefit and use.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOUNT DORA, FLORIDA, THAT:

SECTION 1: Legislative Findings and Intent. The City of Mount Dora has complied with all requirements and procedures of Florida law in processing this Resolution.

SECTION 2: Approval of Agreement. The City Council approves the Marketing Agreement with SLWA and hereby authorizes the Mayor to execute the Agreement.

SECTION 3: Implementing Administrative Actions. The City Manager is hereby granted authority and directed to take any and all actions deemed necessary, appropriate and to implement the provisions of this Resolution to include but not be limited to directing the City Clerk, as her employee, to attest to and approve such documents as may be presented by the City Manager as executed by the Mayor.

SECTION 4: Scrivener's Errors. Typographical errors and other matters of a similar nature that do not affect the intent of the Resolution, as determined by the City Clerk and City Attorney, may be corrected.

SECTION 5: Conflicts. All Resolutions or parts of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 6: Severability. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force or effect of any other Section or part of this Resolution.

SECTION 7: Effective Date. This Resolution shall become effective immediately upon its passage and adoption.

PASSED AND ADOPTED this 16th day of May, 2017.

NICK GIRONE
MAYOR of the City of Mount Dora, Florida

ATTEST:

GWEN KEOUGH-JOHNS, MMC
CITY CLERK

For the use and reliance of City of Mount Dora only
Approved as to form and legal sufficiency

William Colbert, City Attorney

EXHIBIT #1

MARKETING AGREEMENT

This MARKETING AGREEMENT ("Agreement") is entered into as of [_____, 20__] ("**Effective Date**"), by and between the City of Mount Dora, Florida ("**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".

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 ("**Residential Property Owner**"); and

WHEREAS, City desires to offer Residential Property Owners the opportunity, but not the obligation, to purchase a service line warranty 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 is the administrator of the National League of Cities Service Line Warranty Program and has agreed to make the Products available to Residential 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 Residential Property Owners subject to the terms and conditions herein.

2. **Grant of License.** City hereby grants to Company a non-exclusive license ("**License**") to use City's name and logo on letterhead, bills and marketing materials to be sent to Residential 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. City agrees that it will not extend a similar license to any competitor of Company during the Term and any Renewal Term of this Agreement.

3. **Term.** The term of this Agreement ("**Term**") shall be for three (3) years from the Effective Date. The Agreement will automatically renew for additional one (1) year terms ("**Renewal Term**") unless one of the Parties gives the other written notice at least ninety (90) days prior to end of the 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 or planned 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.

A. 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 first year of the Term. Succeeding License Fee payments shall be made on an annual basis throughout the Term and any Renewal Term, due and payable on January 30th of the succeeding year. 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. 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.

6. 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: Mayor Nick Girone
City of Mount Dora
PO Box 176
Mount Dora, FL 32756-0176
Phone: (352) 357-1991

To: Company:
ATTN: Chief Sales Officer
Utility Service Partners Private Label, Inc.
11 Grandview Circle, Suite 100
Canonsburg, PA 15317
Phone: (866) 974-4801

7. Modifications or Amendments/Entire Agreement. 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.

8. Assignment. This Agreement and the License granted herein may not be assigned by Company other than to an affiliate or an acquirer of all or substantially all of its assets, without the prior written consent of the City, such consent not to be unreasonably withheld.

9. 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 facsimile or e-mail 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.

10. Choice of Law/Attorney Fees. The governing law shall be the laws of the State of Florida. In the event that at any time during the Term or any Renewal Term either Party institutes any action or proceeding against the other relating to the provisions of this Agreement or any default hereunder, then the unsuccessful Party shall be responsible for the reasonable expenses of such action including reasonable attorney's fees, incurred therein by the successful Party.

11. 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 above.

CITY OF MOUNT DORA

Name:

Title:

UTILITY SERVICE PARTNERS PRIVATE LABEL, INC.

Name:

Title:

Name:

Title:

Exhibit A
NLC Service Line Warranty Program
City of Mount Dora
Term Sheet
February 7, 2017

I. Initial Term. Three years

II. License Fee. \$0.50 per Product for each month that a Product is in force for a Residential Property Owner (and for which payment is received by Company), aggregated and paid annually, for:

- a. City logo on letterhead, advertising, billing, and marketing materials
- b. Signature by City official

III. Products.

- a. External sewer line warranty (initially, \$7.75 per month; \$88.00 annually)
- b. External water line warranty (initially, \$5.75 per month; \$64.00 annually)
- c. In-home plumbing warranty (initially, \$9.99 per month; \$114.99 annually)

Company may adjust the foregoing Product fees; provided, that any such adjustment shall not exceed \$.50 per year unless otherwise agreed by the parties in writing.

IV. Scope of Coverage.

- a. External sewer line warranty: Scope is from the city main tap until line daylights inside home, which includes the service line under the concrete floor.
- b. External water line warranty: Scope is from the meter and/or curb box until it daylights inside home, which includes the service line under the concrete floor.
- c. In-home plumbing warranty: Scope covers residential 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 broken or leaking water, sewer, or drain lines that may be embedded under the slab or basement floor. Coverage also includes repair of clogged toilets.

V. Marketing Campaigns. Company shall have the right to conduct up to three campaigns per year, comprised of up to six mailings and such other channels as may be mutually agreed. Initially, Company anticipates offering the In-home plumbing warranty Product via in-bound channels only.