

RESOLUTION NUMBER R- 311197

DATE OF FINAL PASSAGE JUN 21 2017

A RESOLUTION OF THE COUNCIL OF THE CITY OF
SAN DIEGO AUTHORIZING THE MAYOR TO ENTER INTO
A CORPORATE PARTNERSHIP PROGRAM AGREEMENT
WITH SERVICE LINE WARRANTIES OF AMERICA, INC. RE
UTILITY SERVICE LINE WARRANTY PROGRAM

WHEREAS, the City has established a Corporate Partnership and Development Program (CPD) to generate cash and in-kind resources for the City through marketing partnerships with the corporate community; and

WHEREAS, the City issued a Request for Sponsorship (RFS) for a corporate partner in the category of residential service line warranties; and

WHEREAS, residential service line warranties cover the underground water and/or sewer service lines from the point of connection to the city main line to the point of connection to the home and provide coverage for repair of the homeowner's service lines in the event of leaks or breakage; and

WHEREAS, Service Line Warranties of America, Inc. (SLWA) demonstrated an interest in the CPD by submitting a proposal in response to the RFS; and

WHEREAS, the City determined that SLWA's proposal meets the objectives of the CPD and is otherwise in the best interests of the City; and

WHEREAS, the proposed partnership will assist in educating residents and homeowners within the City of San Diego of their responsibility for the utility service lines on their property, will provide residents and homeowners with the opportunity to obtain warranty coverage for

their utility service lines at discounted rates from a reputable company and to save money on repair costs, and will facilitate timely repairs to water and sewer lines; and

WHEREAS, the proposed CPD Agreement (Agreement) between the City and SLWA sets forth the parties' desire to enter into a contractual relationship by which the City names SLWA its "Preferred Service Line Warranty Partner" and grants SLWA certain marketing rights and benefits, including the right to the limited use of the City's name and seal in a pre-approved letter to City residents and homeowners offering the Service Line Warranty Program, all in exchange for payment by SLWA to the City of a minimum annual marketing rights fee of \$56,250 for each of the five (5) years of the term of the Agreement (\$281,250), and a licensing fee of 12% of the total gross revenue collected from sales of sewer and water line warranties for properties within the City of San Diego; and

WHEREAS, SLWA will also pay a one-time upfront donation of \$150,000 to the City's H2O Program at the time of the announcement of the Program to support low-income residents with the increasing cost of water; and

WHEREAS, the proposed Agreement is for a term of five years on such other terms and conditions as set forth in the proposed Agreement; NOW, THEREFORE,

BE IT RESOLVED, by the Council of the City of San Diego, that the Mayor or his designee be and is hereby authorized and empowered to execute, for and on behalf of said City, an agreement with Service Line Warranties of America, Inc. for certain marketing rights and benefits in exchange for payment to the City of a marketing rights fee of \$281,250 and a

licensing fee of 12% of the total gross revenue collected from sales of sewer and water line warranties, for a term of five years, all on the terms and conditions as set forth in the proposed Agreement on file in the office of the City Clerk as Document No. RR- 311197.

APPROVED: MARA W. ELLIOTT, City Attorney

By Catherine Morrison
Catherine Morrison
Deputy City Attorney

CCM:jvg
05/30/2017
Or.Dept:Corporate Partnerships
Doc. No. 1513019

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of JUN 20 2017.

ELIZABETH S. MALAND
City Clerk

By Stacy Bracy
Deputy City Clerk
Kevin L. Faulconer
KEVIN L. FAULCONER, Mayor

Approved: 6/21/17
(date)

Vetoed: _____
(date)

KEVIN L. FAULCONER, Mayor

Passed by the Council of The City of San Diego on JUN 20 2017, by the following vote:

Councilmembers	Yeas	Nays	Not Present	Recused
Barbara Bry	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lorie Zapf	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Chris Ward	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Myrtle Cole	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mark Kersey	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Chris Cate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Scott Sherman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
David Alvarez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Georgette Gomez	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Date of final passage JUN 21 2017.

(Please note: When a resolution is approved by the Mayor, the date of final passage is the date the approved resolution was returned to the Office of the City Clerk.)

AUTHENTICATED BY:

KEVIN L. FAULCONER
Mayor of The City of San Diego, California.

(Seal)

ELIZABETH S. MALAND
City Clerk of The City of San Diego, California.

By Stacy Ready, Deputy

Office of the City Clerk, San Diego, California
Resolution Number R- 311197