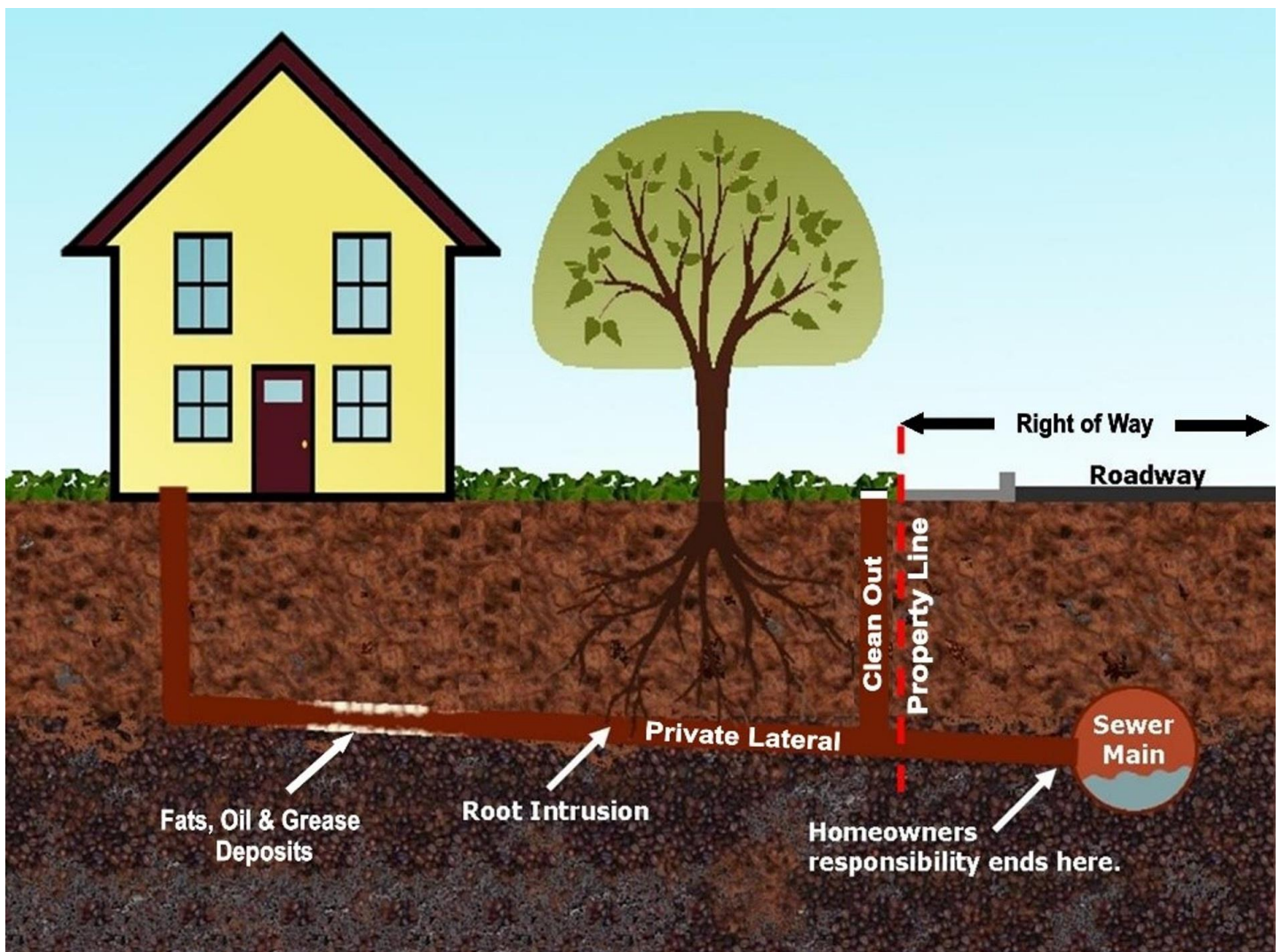




Customers in North Bend are receiving a solicitation from Service Line Warranties of America for an optional warranty program for underground sewer and water line replacement in case of emergency.



North Bend's wastewater utility infrastructure is vast! While they are not seen, there are approximately 57 miles of underground wastewater pipe running beneath North Bend streets; and those pipes connect to pump stations - there are 10 in the system -- and to our wastewater treatment plant adjacent to the airport. In addition to the City's 57 miles of pipe, there is an additional and equal amount of privately-owned and maintained pipes that connect the homes and businesses in our community to the City's collection system. Those privately-owned pipes are called private laterals or service lines.

Many homeowners do not know that damage to the private lateral that connects their household plumbing to North Bend's wastewater collection main is their responsibility to maintain and repair when necessary. In the event of a clog or failure in a private lateral, homeowners are responsible for obtaining the required professionals, scheduling the repair, and covering the associated repair or replacement costs. These repairs can be costly, and the unexpected expense of repairing a service line can be a blow to a homeowner's budget.

The City of North Bend has partnered with Service Line Warranties of America (SLWA) to offer protection for homeowners for the water service laterals/wastewater service laterals that connect their homes to the City's systems. Service Line Warranties offers services in all the states, in association with the parent company, HomeServe USA. The coverage is voluntary and available at affordable monthly or annual prices. Founded in 2003, SLWA has partnered with over 500 leading cities and municipalities in the U.S. to provide repair service plans that offer peace of mind and convenience. The City will not incur any expense related to this program, and the program's cost is borne entirely by SLWA. Property owners are encouraged to check with their homeowner insurance carrier to see if you are already covered, or if they offer similar or more affordable coverage.

SLWA has been recognized as the nation's largest and most trusted source of utility line plans endorsed by the National League of Cities (NLC) and the League of Oregon Cities (LOC). Recently, homeowners began to receive information in the mail about this new program. The information includes the City of North Bend logo demonstrating our support of the service for our customers. More information about the service plan programs from SLWA is available at www.slwofa.com.

Why does SLWA use the City of North Bend's logo in its marketing materials?

- SLWA's partnership agreement with the City of North Bend allows the company to use the logo in communications to indicate that there is a formal relationship in place and to let residents know that the offering is legitimate, it is for the residents' benefit, and it has the approval of the North Bend City Council.
- All of the mailings SLWA sends to North Bend residents are first reviewed and approved by the City of North Bend.
- SLWA is committed to transparency in all of its communications. All SLWA materials clearly state that the services the company offers are voluntary and that they are offered by SLWA, a private company that is separate from the City of North Bend.

What is the relationship between SLWA and the City of North Bend?

- Each agreement with a utility or municipality is a little different and is tailored to meet the needs of the community. The partnerships allow SLWA to offer customers the most competitive monthly fee on available services. Under all partnerships, the decision by residents to sign up for an SLWA service plan is completely optional.

How common are utility line breakages and what are the common repair costs?

- SLWA and its parent, HomeServe, performed tens of thousands of water and sewer service line repairs for customers nationwide in the last year.
- It is very difficult to determine when a pipe may fail, with key contributors being the type of piping material, age of the service pipe, soil conditions, and installation quality. The average lifespan of a lateral line system is between 15 to 20 years. With 60% of the homes in the City of North Bend built over 50 years ago – based on property tax records – many service pipes in the community are functioning on borrowed time.
- Water line repairs can be costly – a replacement averages \$2,500 nationally. With the modest cost of SLWA’s service plan, homeowners would still see financial benefit if the service line didn’t break for another few decades – versus saving the small monthly fee at current rates.

I read that SLWA’s parent, HomeServe, had Attorneys General settlements?

- In 2010, a few state attorneys general raised questions about certain marketing materials used by HomeServe, leading to six voluntary settlement agreements between 2010 and 2015. The agreements were for settlement purposes only and are not considered an admission of fault or wrongdoing.
- Shortly after the questions arose in 2010, HomeServe changed its marketing materials nationwide to address the concerns. Since then, HomeServe has undergone a successful marketing review with the Better Business Bureau as part of its accreditation process to ensure the company is in line with best practices regarding marketing transparency. Today, the company enjoys both BBB Accreditation and an A+ rating.
- Since 2010, HomeServe’s business has grown from 500,000 customers to more than 3 million - this is a six-fold increase demonstrating municipal and utility partner trust and consumer interest in the value of the company and of the service plans.
- In 2017, HomeServe asked Jack Conway, Kentucky’s attorney general when that state’s settlement was put in place in 2010, to review HomeServe’s compliance with that settlement. Conway concluded that “HomeServe is deeply committed to compliance with consumer protection laws in its marketing to potential customers.” Further, Conway noted that HomeServe’s “robust legal and compliance regiment...focuses on doing the right thing for its customers.”

I see there are complaints on the BBB site for SLWA/HomeServe?

- Service Line Warranties of America and its parent company, HomeServe, are proud of their A+ ratings with the BBB. The BBB notes that the relatively small number of complaints (300 over the last 3 years) for a company the size of SLWA/HomeServe (3 million customers with millions of interactions and 1.1 million repairs over the same 3 year period) is one of the positive factors contributing to the A+ rating. Service Line Warranties of America and HomeServe take each customer concern seriously and work to resolve the issues to the customer’s satisfaction.