

City of Tempe

Service Line Protection Program (SLiPP)

PILOT PROGRAM

Terms and Conditions

What is SLiPP?

The Service Line Protection Program (“SLiPP”) is a voluntary pilot program now being offered by the City of Tempe (“City”). Through SLiPP, eligible Tempe homeowners may subscribe to a certain level of financial assistance that would be available to the homeowner when repair or replacement of the homeowner’s water or sewer line is required.

Many homeowners are unaware that they own and are responsible for both the main water line that runs from their home to the City’s water meter (the “Homeowner’s Water Line”) and for the main sewer line that runs from their home to the City’s sewer main (the “Homeowner’s Sewer Line.”) If these lines become clogged, collapse or otherwise fail to operate, the homeowner is responsible for any necessary repairs. These repairs can be costly.

SLiPP is a voluntary City of Tempe pilot program that offers financial assistance if the homeowner needs to repair the Homeowner’s Water Line or Homeowner’s Sewer Line. If a homeowner chooses to participate in SLiPP, a fee will be added to the homeowner’s Municipal Services Statement each month in exchange for the financial assistance described in these Terms and Conditions.

It is important to understand that participation in SLiPP does not change ownership or responsibility for the Homeowner’s Water Line or Homeowner’s Sewer Line. The homeowner continues to own and be responsible for the Homeowner’s Water Line and Homeowner’s Sewer Line. SLiPP financial assistance may be sufficient, in some cases, to fully cover the cost for necessary repairs, but this will not be true in all cases. Any expenses beyond those covered by SLiPP will be the responsibility of the homeowner. For example, SLiPP does not offer assistance for any repairs of interior plumbing issues, needed repairs under the foundation or for any damage that occurs to the home’s interior or contents.

SLiPP is a pilot program, and the City may choose to discontinue it at any time by providing at least 30-days written notice to SLiPP subscribers.

Who is eligible to subscribe to SLiPP?

Under this pilot program, SLiPP is available to the owners of owner-occupied single family residences within the Tempe City Limits for those Homeowner’s Water Lines and Homeowner’s Sewer Lines that connect directly to the City’s water and sewer systems.

How does SLiPP work?

When a SLiPP-subscribing homeowner has a non-functioning Homeowner's Water Line or Homeowner's Sewer Line, the homeowner will call the SLiPP phone number. A City crew will respond within one hour to assess and, if possible, correct the problem. If the assessment determines that the problem appears to be with the Homeowner's Water Line or Homeowner's Sewer Line and further repair is necessary, a SLiPP-approved plumbing contractor will be contacted. The plumbing contractor will contact the homeowner within an hour of the City crew's assessment and will make a reasonable effort to be on site within 24 more hours.

Upon inspection of the problem, the plumbing contractor will propose a course of corrective action and an estimate of the cost. If the City and the homeowner accept and sign off on the plumbing contractor's proposal and estimate, the plumbing contractor will undertake the proposed corrective action. SLiPP will pay for those costs described in these Terms and Conditions up to the financial limits also described in these Terms and Conditions. If the cost of the necessary repair or replacement is greater than the financial assistance available under SLiPP, the homeowner will be solely responsible to the SLiPP plumbing contractor for those excess costs.

If the homeowner does not accept the plumbing contractor's proposed corrective action and estimate, the homeowner may arrange for any repair or replacement the homeowner deems necessary; however, SLiPP financial assistance will not be available for any of those repairs. SLiPP financial assistance is available only if the homeowner accepts the SLiPP plumbing contractor's proposed corrective action and estimate and authorizes the SLiPP plumbing contractor to undertake the proposed corrective action.

If, at any point during the process, it is determined that the repair is a type for which SLiPP assistance is not available (for example, a plumbing problem inside the home), the homeowner will be responsible for all costs of the repair, and SLiPP financial assistance will not be available.

By subscribing to SLiPP, the homeowner agrees that the City and its agents may access the homeowner's property as necessary to undertake any repairs or replacements requested under SLiPP.

What financial assistance does SLiPP provide for a Homeowner's Water Line?

For a homeowner who subscribes to SLiPP, the Homeowner's Water Line is eligible for up to a maximum \$5000.00 of financial assistance for repairs or replacement during any 12-month period. The \$5000 maximum is reduced by all SLiPP assistance provided for that water line during the 12-month period, even if the assistance was provided to a previous owner of the home. The City will pay this assistance directly to a SLiPP plumbing contractor for any reasonable, customary and necessary costs for necessary repair or replacement of the Homeowner's Water Line and any necessary landscape restoration.

For the Homeowner's Water Line, \$5000 is the maximum amount of financial assistance available during any 12-month period, and this maximum includes all landscape restoration and other items described in these Terms and Conditions for which SLiPP financial assistance is available. Any repair or replacement costs for the Homeowner's Water Line in excess of \$5000 during a 12-month period or otherwise not eligible for financial assistance under these Terms and Conditions is solely the responsibility of the homeowner and is payable by the homeowner directly to the plumbing contractor.

For the purposes of these Terms and Conditions, "Homeowner's Water Line" means the main water line from the outlet side of the City's water meter to the exterior edge of the home.

What financial assistance does SLiPP provide for a Homeowner's Sewer Line?

For a homeowner who subscribes to SLiPP, the Homeowner's Sewer Line is eligible for up to a maximum \$5000.00 of financial assistance for repairs or replacement during any 12-month period. The \$5000 maximum is reduced by all SLiPP assistance provided for that sewer line during the 12-month period, even if the assistance was provided to a previous owner of the home. The City will pay this assistance directly to a SLiPP plumbing contractor for any reasonable, customary and necessary costs for necessary repair or replacement of the Homeowner's Sewer Line and any necessary landscape restoration.

For the Homeowner's Sewer Line, \$5000 is the maximum amount of financial assistance available during any 12-month period, and this maximum includes all landscape restoration and other items described in these Terms and Conditions for which SLiPP financial assistance is available. Any repair or replacement costs for the Homeowner's Sewer Line in excess of \$5000 during a 12-month period or otherwise not eligible for financial assistance under these Terms and Conditions is solely the responsibility of the homeowner and is payable by the homeowner directly to the plumbing contractor.

For the purposes of these Terms and Conditions, "Homeowner's Sewer Line" means the sewer line from the connection with the City's sewer main to the exterior edge of the home.

Does SLiPP provide any other benefits to the homeowner?

If the homeowner accepts the SLiPP plumbing contractor's proposed corrective action and estimate, any permits from the City necessary to do the work will be obtained by SLiPP and the plumbing contractor on behalf of the homeowner.

Can the homeowner subscribe to SLiPP for the Homeowner's Water Line, Homeowner's Sewer Line or both?

For one monthly fee, a homeowner who receives both water and sewer service from the City may subscribe to SLiPP assistance for both the Homeowner's Water Line and the Homeowner's Sewer Line. If, however, a homeowner receives only water service or only

wastewater service from the City, SLiPP will be available, at a reduced monthly rate, to that homeowner for the line which connects to the City's water or sewer service.

For what type of repair or replacement does SLiPP provide financial assistance?

SLiPP provides financial assistance for "necessary repair or replacement," which means repair or replacement required to restore service due to line blockage or failure caused by ordinary wear and tear, including tree roots and frozen water lines. "Necessary repair or replacement" includes reconnecting a repaired or replaced Homeowner's Water Line or Homeowner's Sewer Line to a pre-existing backflow prevention device, irrigation line, fire line, and other similar connection, but not for the purchase, installation or replacement of the connecting device or line itself. "Necessary repair or replacement" also includes any sewer tap fees payable to the City if required to restore sewer service to the Homeowner's home.

Does SLiPP's financial assistance extend to restoration of the landscape, if the landscape is damaged by the necessary repair or replacement?

SLiPP will pay for the landscape restoration associated with the repair or replacement within the SLiPP maximum (\$5000 during any 12-month period); however, financial assistance for restoration will be limited to the landscape as it existed prior to the line failure or malfunction and will not extend to enhancements, alterations or improvements of the landscape. There is no guarantee that replaced trees and shrubs will be the same size or maturity of the original specimens.

When does the SLiPP subscription become effective?

No SLiPP subscription will be effective before November 1, 2011.

The effective date of the SLiPP subscription is the first billing date, as stated on the homeowner's Municipal Services Statement, which occurs at least 20 days after the homeowner agrees to subscribe to SLiPP. If the homeowner purchases a new home, a new SLiPP subscription must be submitted for the new home and will be effective the first billing date which occurs at least 20 days after the submission of the new subscription. The SLiPP subscription does not automatically transfer with the homeowner.

Is there a minimum amount of time the homeowner must subscribe to SLiPP?

Upon initial subscription to SLiPP, the homeowner must continue to subscribe to SLiPP for 12 months. After 12 months, the homeowner may discontinue SLiPP participation by providing the City written notice of termination. The SLiPP subscription will terminate at midnight of the first payment due date, as stated on the homeowner's Municipal Services Statement, which occurs at least 20 days after the homeowner provides written notice of termination, and no further SLiPP subscription charges will be incurred after that payment due date.

In addition, if the homeowner receives financial assistance from the City under SLiPP for any repair or replacement, the homeowner must retain and pay for the SLiPP subscription for a minimum of 12 additional months following receipt of the financial assistance.

How will the SLiPP subscription be billed to the homeowner?

The SLiPP subscription fee will be included on the homeowner's Municipal Services Statement.

What happens if payment for the SLiPP subscription is not submitted on a timely basis?

SLiPP financial assistance is not available at any time the homeowner's Municipal Services Statement, including the SLiPP subscription fee, is in whole or in part past due. The SLiPP fee may not be submitted or paid apart from payment of the homeowner's Municipal Services Statement. Payments submitted by the homeowner will be applied first to any outstanding service fees, charges and taxes, and only after all service fees, charges and taxes are paid in full will payments submitted be applied to the SLiPP subscription fee. If SLiPP protection lapses because of cancellation or failure to pay timely any fees, charges or taxes, the effectiveness of the subscription will resume on the first billing date which occurs at least 20 days after the homeowner requests that the SLiPP subscription be restored **AND** pays all outstanding service charges, fees and taxes on the Municipal Services Statement.

What does SLiPP not cover?

SLiPP financial assistance will not be available if the repair or replacement is:

- For a problem that existed before the effective date of the homeowner's SLiPP subscription, that occurs or is discovered during any lapse in the SLiPP subscription or that occurs or is discovered following termination of the SLiPP subscription
- For a problem that occurs while the home is being constructed or renovated.
- Associated with any fraud or misrepresentation to the City.

What other repairs or replacement are not eligible for financial assistance under SLiPP?

SLiPP will pay or reimburse for any reasonable, customary and necessary costs for "necessary repair or replacement" of the Homeowner's Water Line or Homeowner's Sewer Line, but **SLiPP FINANCIAL ASSISTANCE WILL NOT BE AVAILABLE FOR:**

- Willful or negligent damage to the lines caused by the homeowner, vandals or other third parties
- Uncontrollable forces, such as earthquake, fire, or floods; however, frozen pipes are covered
- Repair, replacement or restoration, if the work to repair or replace the line began before the City was contacted and had an opportunity to inspect the problem

- Any situation in which the homeowner refuses the City or its agents access to property as needed to undertake necessary repair or replacement.
- Any situation in which asbestos or other hazardous materials are encountered.
- Any situation in which it would be dangerous to undertake the repair or replacement or to clear the site to allow for repair or replacement
- Except for landscape restoration as described in these Terms and Conditions, damages and costs caused by, as a consequence of or incidental to the line failure or malfunction, such as cost for lost water or damage to the structure, interior or furnishings of the home
- Any enhancement, improvement or facility other than that which is necessary to restore service following a “necessary repair or replacement”
- Any enhancement, improvement or facility other than that which is necessary to restore the landscape to the condition as it existed prior to the repair or replacement
- Any repair or replacement that is not a “necessary repair or replacement” or that is not otherwise described in these Terms and Conditions as being eligible for SLiPP financial assistance

What happens if the line being repaired or replaced does not meet current building or plumbing codes?

If the “necessary repair or replacement” is for lines or facilities that do not meet current building or plumbing code requirements, the SLiPP plumbing contractor will estimate the cost that would be incurred to address the failure or malfunction as if the lines or facilities did meet current codes. The amount of that estimate, up to the SLiPP maximum (\$5000 during any 12-month period), will be payable under SLiPP. The homeowner, however, must agree to all repairs or replacements necessary to meet all current building and plumbing codes even if the cost of the code-compliant repairs or replacements exceeds the amount of financial assistance available to the homeowner under SLiPP.

Are there special concerns if the Homeowner’s Sewer Line is bituminized fiber pipe (commonly known as “Orangeburg”)?

If a repair is required to a sewer line made of bituminized fiber pipe, the repair will require the replacement of the entirety of the Homeowner’s Sewer Line because of the high likelihood of repeated failures. SLiPP assistance will be available to the homeowner for the repair or replacement of a bituminized fiber pipe up to the SLiPP maximum (\$5000.00 during any 12-month period), but only if the homeowner agrees to the replacement of the entire length of the bituminized fiber pipe, regardless of the total cost.

What happens if the homeowner disagrees with SLiPP’s proposed course of action for repair or replacement?

The SLiPP plumbing contractor assigned to the homeowner’s repair will provide the homeowner a proposed course of corrective action and estimate of costs. The homeowner may choose to use a different plumbing contractor and to follow a different course of

corrective action; however, SLiPP financial assistance will not be available for such repairs. In addition, if in the City's opinion, the repair chosen by the homeowner is likely to result in similar or related problems in the future, the City may deny SLiPP assistance for those future repairs when they occur.

Are repairs or replacements made under SLiPP warranted?

For repairs, replacements and landscape restoration undertaken by SLiPP plumbing contractors and paid for directly by the City under SLiPP, the plumbing and hardscape work performed is warranted for one year. The City does not warrant any plants or vegetation planted, seeded or restored. The City will not pay for any incidental or consequential damages that result from a failed repair or replacement but will pay only to correct the repair or replacement. All other warranties, whether express or implied, are disclaimed. The City provides no warranty of any kind for repairs or replacements performed by a plumbing contractor or repair person not provided directly by SLiPP.

Can the City modify, alter or terminate SLiPP during a homeowner's subscription period?

The City reserves the right to modify, alter or terminate SLiPP and/or these Terms and Conditions at any time. SLiPP subscription rates may be modified at any time following the initial 12-month period after the effective date of SLiPP. At the City's complete discretion, the City may terminate an individual homeowner's SLiPP subscription at any time by providing at least 30-days written notice to the homeowner.

What are these Terms and Conditions?

The Terms and Conditions are the agreement between the City and the subscribing homeowner and govern the rights and responsibilities of both parties under SLiPP. By subscribing to SLiPP, the homeowner agrees to be bound by these Terms and Conditions. Therefore, **IT IS VERY IMPORTANT THAT THE HOMEOWNER READ AND UNDERSTAND THESE TERMS AND CONDITIONS.**

The Director of Public Works shall manage SLiPP on behalf of the City and shall administer these Terms and Conditions in a fair and equitable manner.