



## EAST BAY MUNICIPAL UTILITY DISTRICT

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DATE: June 26, 2025

MEMO TO: Board of Directors

THROUGH: Clifford C. Chan, General Manager 

FROM: Andrew L. Lee, Director of Customer and Community Services 

SUBJECT: Private Water Service Line Repair Plan Follow-up

At the June 24, 2025 Finance/Administration Committee meeting, the Committee supported staff's recommendation to select HomeServe as the Private Water Service Line Repair Plan (Plan) provider. HomeServe would pay the District a flat fee of \$600,000 annually for use of the District's logo and branding to market their Plan to our customers. The Board will consider approving an agreement with HomeServe at its July 8, 2025 meeting.

The information below responds to Committee questions about the Plan.

### **What is HomeServe's average claim/cost of a private water service line repair and replacement?**

During the past six years, HomeServe performed over 30,000 private water service line repairs in the Bay Area and reported the average claim/cost for these repairs is \$715. While HomeServe is not able to immediately provide full line replacement cost for Bay Area claims, their national average for full line replacement is approximately \$3,000 per claim. Given the cost of living in the Bay Area, the cost of a full line replacement is expected to be higher than the national average.

### **What coverages are offered in the Plan and what does the warranty cover?**

Customers will be offered comprehensive coverage, which includes unlimited claims and up to \$12,000 per claim for the cost of \$2.99 per month for the first year and \$3.49 per month in subsequent years. The Plan covers the cost of the investigation, repair, or replacement of the customer's private exterior water service line and appurtenances from the outlet end of the District's water meter to the homeowner's residential structure. The coverage also includes basic restoration work such as backfilling and hardscape replacement but does not cover decorative landscape replacements.

All repairs are accompanied with a one-year warranty that covers parts and labor on the work that was conducted. If another piece of line is broken or leaking, it would be covered by the core policy if the customer is still enrolled in a Plan.

**What is the turnaround time to dispatch a contractor out to a home for repair?**

For a claim involving a total loss of service (i.e., no water), the contractor is required to be on-site, initiating repairs within three hours. In the event there is no water, and repairs are not completed within 24 hours, HomeServe will provide a hotel benefit for customers. For all other repairs, the contractor is required to contact the homeowner within three hours and schedule a time that is convenient for the homeowner. The average time to complete a job is two days, which include jobs that require permitting and traffic control.

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