

Ordinance No. 331-2025

**By Council Members Kazy and Griffin
(by departmental request)**

AN EMERGENCY ORDINANCE

Authorizing the Director of Public Utilities to employ one or more professionals to develop, market, implement, and manage the residential service contract and protection plan program for the Divisions of Water and Water Pollution Control, for a period of four years, with two one-year options to renew, exercisable through additional legislative authority; and to extend Contract No. PS 2020-265 with HomeServe USA Corp. for a period or periods not to exceed a total of one year.

WHEREAS, under Ordinance No. 500-08, passed June 2, 2008, as amended by Ordinance No. 988-14, passed November 17, 2014, the City of Cleveland created a Water and Sewer Service Line Residential Service Contract and Protection Plan and the Water Heater Repair and Replacement Plan as optional protection plans and service contracts to water and sewer residential customers; and

WHEREAS, this ordinance constitutes an emergency measure providing for the usual daily operation of a municipal department; now, therefore,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF CLEVELAND:

Section 1. That the Director of Public Utilities is authorized to employ by contract or contracts one or more professionals or one or more firms of professionals for the purpose of supplementing the regularly employed staff of the several departments of the City of Cleveland in order to provide services necessary to develop, market, implement, and manage the residential service contract and protection plans which include emergency repairs to the customers' water service lines, sewer service lines, internal plumbing and water heaters, on behalf of the Divisions of Water and Water Pollution Control (the "Program Service Provider"), for a period of four years, with two one-year options to renew, exercisable through additional legislative authority.

The selection of the consultant or consultants for the services shall be made by the Board of Control on the nomination of the Director of Public Utilities from a list of qualified consultants available for employment as may be determined after a full and complete canvass by the Director of Utilities for the purpose of compiling a list. The compensation to be paid for the services shall be fixed by the Board of Control. The contract or contracts authorized shall be prepared by the Director of Law, approved by the Director of Utilities, and certified by the Director of Finance.

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Section 2. That the Director of Public Utilities may establish and collect premiums for each plan offered to Program participants and also establish and collect administrative surcharges added to each plan. Both the premiums and the administrative surcharge (collectively, the “Plan Rates”) shall be approved by the Board of Control and shall be published in the City Record when changed.

Section 3. That under Section 108(b) of the Charter, the services authorized by this ordinance may be made through cooperative arrangements with other governmental agencies. The Director of Utilities may sign all documents that are necessary to obtain such services, and may enter into one or more contracts with the consultants selected through that cooperative process.

Section 4. That the Director of Public Utilities is authorized to collect the Plan Rates, subsequently remit the premiums to the Program Service Provider, and retain the City’s administrative surcharge. The Director of Public Utilities shall deposit the Plan Rates collected under this ordinance into the fund or funds designated by the Director of Finance. In addition, the surcharges collected are appropriated to the Department of Public Utilities for costs associated with administering the Program.

Section 5. That the contract or contacts shall provide that there will be no additional cost to the City of Cleveland for services performed by the Program Service Provider other than the remittance payments made to them by the City.

Section 6. That the Director of Public Utilities is authorized to extend Contract No. PS 2020-265 with HomeServe USA Corp. with the same terms and conditions for a period or periods not to exceed a total of one year, for a residential plumbing protection program.

Section 7. That this ordinance is declared to be an emergency measure and, provided it receives the affirmative vote of two-thirds of all the members elected to Council, it shall take effect and be in force immediately upon its passage and approval by the Mayor; otherwise it shall take effect and be in force from and after the earliest period allowed by law.

LH:uo
3-18-2025
FOR: Director Keane

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READ FIRST TIME on MARCH 18, 2025
and referred to DIRECTORS of Public Utilities, Finance, Law;
COMMITTEES on Utilities, Finance Diversity Equity and Inclusion

REPORTS

CITY CLERK

READ SECOND TIME

CITY CLERK

READ THIRD TIME

PRESIDENT

CITY CLERK

APPROVED

MAYOR

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REPORT
after second Reading

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PASSAGE RECOMMENDED BY
COMMITTEE ON
UTILITIES

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PASSAGE RECOMMENDED BY
COMMITTEE ON
FINANCE, DIVERSITY, EQUITY
and INCLUSION