

# Ordinance No. 1005-2019

Council Members Keane and Kelley  
(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 three years, with two options to renew for additional one-year periods, the first of which requires additional legislative authority.

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WHEREAS, under Ordinance No. 500-08, passed June 2, 2008, as amended by Ordinance No. 988-14, passed November 15, 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 three years, with two options to renew for additional one-year periods. The first of the one-year options to renew may not be exercised without additional legislative authority. If such additional legislative authority is granted and the first of the one-year options to renew is exercised, then the second of the one-year options to renew may be exercised at the option of the Director of Public Utilities, without the necessity of obtaining additional authority of this Council.

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The selection of the Program Service Provider 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 professionals available for employment as may be determined after a full and complete canvass by the Director of Public Utilities for the purpose of compiling a list. The contract or contracts authorized shall be prepared by the Director of Law, approved by the Director of Public Utilities, and certified by the Director of Finance.

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 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 4. 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 5. 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.

LW:nl  
8-21-19  
FOR: Director Davis

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**REPORT**

after second Reading

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**READ FIRST TIME on AUGUST 21, 2019**

**REPORTS**

and referred to **DIRECTORS** of Public Utilities, Finance, Law;  
**COMMITTEES** on Utilities, Finance

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CITY CLERK

**READ SECOND TIME**

by the council

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CITY CLERK

**READ THIRD TIME**

by the council

\_\_\_\_\_  
PRESIDENT

\_\_\_\_\_  
CITY CLERK

**APPROVED**

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MAYOR

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