

ORDINANCE NO. 0-07-19

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AN ORDINANCE AMENDING CHAPTER 27, ARTICLE 1, SECTION 27-7 OF THE CODE OF ORDINANCES OF GAINESVILLE, FLORIDA RELATING TO DEPOSIT REQUIREMENTS FOR RESIDENTIAL AND NONRESIDENTIAL SERVICE; AMENDING CHAPTER 27, ARTICLE 1, SECTION 27-14 OF THE CODE OF ORDINANCES OF GAINESVILLE, FLORIDA RELATING TO THE DATE PAYABLE FOR COMBINED STATEMENTS, LATE FEE PENALTIES, AND THE DELINQUENT ELIGIBILITY DATE AND SERVICE RECONNECTION POLICIES; AMENDING APPENDIX A, UTILITIES SECTION (7), SUBSECTION a RELATING TO DEPOSITS FOR RESIDENTIAL SERVICE; AND AMENDING APPENDIX A, UTILITIES SECTION (7), SUBSECTION b(4)(i) SERVICE CHARGES BY INCREASING CERTAIN ADDITIONAL CHARGES FOR SAME DAY OR AFTER HOURS RECONNECTION OF SERVICE FOR DELINQUENT DISCONNECTIONS; PROVIDING A REPEALING CLAUSE; PROVIDING DIRECTIONS TO THE CODIFIER; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, at least ten (10) days notice has been given of the public hearings once by publication in a newspaper of general circulation notifying the public of this proposed ordinance and of the public hearings in the City Commission meeting room, first floor, City Hall, City of Gainesville; and

WHEREAS, the public hearings were held pursuant to the published notices described above at which hearings the parties with interest and all others had an opportunity to be and were, in fact, heard.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA:

1 **Section 1.** Section 27-7 of the Code of Ordinances of Gainesville, Florida, is hereby
2 amended to read as follows:

3 (a) Applicability. Prior to initiating utility service, the city shall, except as otherwise
4 provided herein, require a deposit from all utility service consumers as determined
5 by the general manager for utilities or his/her designee. Application for service by
6 whatever means (written, verbal, telephonic, electronic or otherwise) and the
7 payment of the deposit by the consumer constitute the consumer's agreement that
8 the deposit is advance payment for future utility services which may be applied as
9 otherwise provided in this section.

10 (1) Residential service. All residential utility service consumers' deposit
11 requirements shall be evaluated based upon their payment record with the
12 city or evidence of a satisfactory credit history from another utility. No deposit
13 shall be required from a consumer who a) has a satisfactory payment record
14 for utility service with the city or as evidenced in a letter of satisfactory credit
15 from another utility or b) enrolls in a payment plan approved by the general
16 manager for utilities or his/her designee. For purposes of this section
17 satisfactory payment record for utility service is defined as no order for
18 termination of service for nonpayment having been issued nor more than two
19 returned checks or other payments not honored by a financial institution
20 within the immediately preceding 12 months. Customers who are required to
21 pay a deposit will pay the standard residential deposit amount(s) specified in
22 Appendix A to this Code of Ordinances based on utility service(s) provided.

1 (2) Nonresidential service. For all nonresidential consumers the required
2 deposit shall be an amount equal to two times the estimated average monthly
3 combined utility bill of the consumer, as determined by the general manager
4 for utilities or his/her designee; except however, that no deposit for service
5 shall be required for a nonresidential consumer who is an existing customer
6 who has a satisfactory payment record for utility service, or, under rules
7 promulgated by the general manager or his/her designee, provides other
8 assurance of payment, including, but not limited to, surety bond, irrevocable
9 letter of credit, or guarantee, in lieu of the deposit.

10 (3) Short-term service. No deposit shall be required for utility service for
11 short-term service, herein defined as service not to exceed ninety (90) days,
12 provided the service is required by an existing utility consumer with a
13 satisfactory payment record.

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16 (b) Additional deposit. An additional deposit may be required for unsatisfactory
17 payment history or for accounts for which the city has an insufficient utility deposit,
18 as determined by the general manager for utilities or his/her designee. Written notice
19 of the additional deposit requirement shall be provided to the consumer. The
20 consumer may appeal such requirement in an informal hearing with the general
21 manager for utilities or his/her designee.

22 (c) Interest; unclaimed deposits. Except as provided below, the deposit shall be
23 held by the city until final settlement of the consumer's account, at which time the
24 deposit shall be applied against any utility bill due the city for such service. Any
25 unused balance shall be refunded when the account is settled and closed. All

1 deposits which have remained with the city for at least six (6) months shall earn
2 simple interest, accrued from the date tendered and calculated to the nearest day.
3 Interest shall accrue at a rate comparable to the utility's interest earnings for the
4 period, as determined by the general manager for utilities or his/her designee, and
5 shall be credited to the consumer annually. In the event any deposit is unclaimed for
6 a period of twelve (12) months after the service is discontinued, such unclaimed
7 deposit and any accrued interest thereon shall be turned over to the State
8 Department of Banking and Finance in accordance with Florida law following thirty
9 (30) days written notice to such consumer mailed to the address shown on the
10 application for service.

11 (d) Refund of deposit. Deposits for residential service shall be credited to the
12 consumer at the end of two (2) years provided that the consumer has maintained a
13 satisfactory payment record as determined by the general manager for utilities or
14 his/her designee.

15 (e) Exemptions. The United States of America, the State of Florida, and all
16 political subdivisions, agencies, boards, commissions and instrumentalities thereof
17 are exempt from any deposit requirements under this section. In addition, no
18 deposit shall be required from any public utility supplying the public with electricity,
19 gas, water, wastewater, transportation, telephone, or telegraph service.

20 (f) Bond in lieu of deposit. If a consumer required to make a deposit so elects,
21 he/she may post a surety bond or other financial assurance in lieu of the cash
22 deposit. Such bond or financial assurance shall be issued by a surety authorized to
23 do business in the State of Florida in an amount approved by the general manage
24 for utilities or his/her designee and shall be on a form approved by the city which
25 shall fully protect the city against any loss as a result of any nonpayment of utility
26 bills rendered by the city to the consumer.

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28 **Section 2.** Section 27-14 of the Code of Ordinances of Gainesville, Florida, is
29 hereby amended to read as follows:

1 Sec. 27-14. Combined statements--Rendering; information; date payable;
2 penalties; delinquencies.

3 (a) A combined statement for all applicable utility services, including, but not
4 limited to, electricity, gas, water, sanitary sewerage, stormwater maintenance,
5 refuse/garbage collection, telecommunications, back-up generation, infrared
6 scanning and rental security lighting, plus applicable taxes and surcharges, may be
7 rendered each customer monthly for such service. The rendering of combined
8 statements is not an obligation on the part of the city and failure of the customer to
9 receive the statement shall not release nor diminish the obligation of the customer
10 with respect to payment thereof, or relieve the customer of any obligation under this
11 article.

12 (b) Each combined statement shall specify at a minimum the applicable customer
13 class, meter reading(s) and usage, billing and delinquent dates, days of service, and
14 monthly service fees as well as provide information such as the applicable taxes,
15 surcharges, and fuel adjustment costs.

16 (c) Combined statements for service are due and payable when rendered..

17 (d) If approved by the general manager or his/her designee, payments may be
18 deferred or made in installments, where it is deemed by him/her to be in the best
19 interest of the city to do so.

20 (e) In addition to other rates and charges established by this chapter, a service
21 charge in accordance with the schedule set out in Appendix A shall be assessed as
22 a late fee on any combined statement not paid in full by the close of business on the
23 21st day after being rendered ; provided however, that the United States of
24 America, the State of Florida, and all political subdivisions, agencies, boards,
25 commissions, and instrumentalities thereof are exempt from the payment of the late
26 fee imposed and levied thereby.

27 (f) Any combined statement not paid in full by the close of business on the 28th day
28 after being rendered shall be delinquent and reported to the general manager for
29 utilities or his/her designee, who may thereupon discontinue all service. Combined
30 statements may become delinquent at some time mutually agreed upon by the utility

1 and the customer other than the period described herein. After disconnection, no
 2 services shall be restored until the customer makes arrangements satisfactory to the
 3 general manager for utilities or his/her designee to pay all required payments. A
 4 service charge in accordance with the schedule set out in Appendix A will be
 5 assessed to restore service the same day satisfactory payment arrangements are
 6 made. Customers with unsatisfactory payment records will not be reconnected
 7 without an additional deposit review as prescribed in Sec. 27-7(b).
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9 **Section 3.** Appendix A, Utilities (7)a of the Code of Ordinances of Gainesville,
 10 Florida, is hereby amended to read as follows:

- 11 a. Residential deposits per service provided (§ 27-7):
- 12 1. Electric service 100.00
 - 13 2. Water service..... 20.00
 - 14 3. Wastewater service 40.00
 - 15 4. Gas service 50.00

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17 **Section 4.** Appendix A, Utilities (7)b4(i) of the Code of Ordinances of Gainesville,
 18 Florida, is hereby amended to read as follows:

- 19 (i) Delinquent payment 20.00
- 20 (A) In addition, if commercial gas service is disconnected, electric
- 21 service is disconnected at the point of service (pole or service drop),
- 22 or the water is removed due to safety requirements, unauthorized
- 23 connection, or customer request 30.00
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- 25 (B) In addition, if guaranteed same day service is requested
- 26 for reconnection the same workday* 40.00
- 27 (C) In addition, if reconnection service is provided anytime on
- 28 holidays or weekends 50.00

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* Workdays shall be weekdays, except for city holidays.

Section 5. All ordinances, or parts of ordinances, in conflict herewith are to the extent of such conflict hereby repealed.

Section 6. It is the intention of the City Commission that the provisions of Sections 1 through 4 of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Gainesville, Florida, and that the Sections and Paragraphs of this Ordinance may be renumbered or relettered in order to accomplish such intentions.

Section 7. If any portion of this ordinance is declared invalid by a court of competent jurisdiction, such invalidity shall not affect the remaining portions of this ordinance.

Section 8. This ordinance shall become effective for all bills rendered after April 2, 2007.

PASSED and ADOPTED this _____ day _____, 2007.

Pegeen Hanrahan
Mayor

ATTEST:

Kurt M. Lannon, Jr.
Clerk of the Commission

Approved as to form and legality

Marion J. Radson
City Attorney

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This ordinance passed on first reading this ____ day of _____, 2007.

This ordinance passed on second reading this ____ day of _____, 2007.