# Gainesville Regional Utilities Billing and Collection Policies (B) File Number: 060613

## RUC AGENDA ITEM #060613 FEBRUARY 8, 2007

Section 1. Chapter 27, Article I, City of Gainesville Code of Ordinances is hereby amended as follows:

### a. Sec. 27-7(a)(1) and (2).

- Eliminates the credit agency check for all new customers.
- Provides a new deferral option if customer elects to pay via automatic bank draft.
- Changes deposit basis to a service-based structure.
- Adds satisfactory payment history deferral option for commercial customers.

## Sec. 27-7. Same--Deposits.

- (a) Applicability. Prior to initiating utility service, the city shall, except as otherwise provided herein, require a deposit from all utility service consumers as determined by the general manager for utilities or his/her designee. Application for service by whatever means (written, verbal, telephonic, electronic or otherwise) and the payment of the deposit by the consumer constitute the consumer's agreement that the deposit is advance payment for future utility services which may be applied as otherwise provided in this section.
  - (1) Residential service. All residential utility service consumers' deposit requirements shall be evaluated based upon their payment record with the city, or evidence of a satisfactory credit history from another utility. No deposit shall be required from a consumer who a) has a satisfactory payment record for utility service with the city or as evidenced in a letter of satisfactory credit from another utility or b) enrolls in a payment plan approved by the general manager for utilities or his/her designee. For purposes of this section satisfactory payment record for utility service is defined as no order for termination of service for nonpayment having been issued nor more than two returned checks or other payments not honored by a financial institution within the immediately preceding 12 months. Customers who are required to pay a deposit will pay the standard residential deposit amount(s) specified in Appendix A to this Code of Ordinances based on utility service(s) provided.
  - (2) Nonresidential service. For all nonresidential consumers the required deposit shall be an amount equal to two times the estimated average monthly combined utility bill of the consumer, as determined by the general manager for utilities or his/her designee; except however, that no deposit for service shall be required for a nonresidential consumer who posts a surety bond or other financial assurance in lieu of the deposit, including, but not limited to, an irrevocable letter of credit or is an existing customer who has a satisfactory payment record for utility service.

#### Deleted:

**Deleted:**, or a credit rating agency report

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Deleted: has

**Deleted:** a satisfactory credit rating

**Deleted:** have no credit rating established or refuse to provide the city with requested identifying information sufficient to conduct a credit check

## b. Sec 27-7(b).

Removes specificity provided for in GRU Administrative Guideline 7.8

### Sec. 27-7. Same - Deposits.

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

**Deleted:** The amount of such deposit shall be that necessary to yield no more than a total deposit of two times the estimated average monthly combined utility bill of the consumer.

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#### c. Sec. 27-14 title.

Title change only

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

Deleted: delinquencies;

### d. Sec. 27-14(c).

 Eliminates confusing language on due date, the date when a late fee penalty is assessed and the delinquent eligibility date.

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

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

#### e. Sec. 27-14(e).

- Incorporates language previously in Sec. 27-14(c) to clarify when the late fee penalty is assessed.
- Aligns penalty date with workweek (i.e., 21 is divisible by 7).
- There is no previous balance on the 21st day following billing

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

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

**Deleted:** following the last regular meter reading date and, unless otherwise agreed to by the city and the customer, shall become delinquent at the close of business on the 20th day after being rendered, or in the case of accounts paid electronically, the 15th day thereafter. Bills may become delinquent at some time, that is mutually agreed upon by the city and the customer, that is shorter than the 20-day period described herein

**Deleted:** containing a previous balance of more than \$15.00 from the previous combined statement

## f. Sec. 27-14(f).

- Changes the delinquent eligibility date to occur prior to the subsequent month's bill rendering.
- Incorporates language from Sec. 27-14(c) to allow for mutually agreed upon delinquent dates due to payment arrangements, commercial cutoff practice, etc.
- Adds the same day service fee for consistency with initial service restorations.
- Provides for a credit agency check for only those customers with an unsatisfactory payment history.

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

(f) Any combined statement not paid in full by the close of business on the 28th day after being rendered shall be delinquent and reported to the general manager for utilities or his/her designee, who may thereupon discontinue all service. Combined statements may become delinquent at some time mutually agreed upon by the utility and the customer other than the period described herein. After disconnection, no services shall be restored until the customer makes arrangements satisfactory to the general manager for utilities or his/her designee to pay all required payments. A service charge in accordance with the schedule set out in Appendix A will be assessed to restore service the same day satisfactory payment arrangements are made. Customers with unsatisfactory payment records will not be reconnected without an additional deposit review as prescribed in Sec. 27-7(b).

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## Gainesville Regional Utilities Billing and Collection Policies (B) File Number: 060613

Section 2. Appendix A, City of Gainesville Code of Ordinances is hereby amended as follows:

## a. Appendix A, Utilities(7)a

Changes deposits to a service-based structure.

## (7) In general: a.

Residential deposits per service provided	_(§ 27-7):		
Electric service	<u>100.00</u>		<b>Deleted:</b> 150.00
2. Water service	<u>20.00</u>	<u> </u>	Deleted: <#>Elect
3. Wastewater service	<u>40.00</u>		combined 150.00
4. Gas service,	FO 00	,,,,,,,	Deleted: ; with or v
			Deleted: 50.00

# b. Appendix A, Utilities(7)b4(i)

Adds language to make delinquent fee structure for reconnections consistent with initial service turn-ons.

#### b. Service charges:

4. Field visit for special purpose (§ 27-15c, d):

(A) In addition, if commercial gas service is disconnected, electric service is disconnected at the point of service (pole or service drop), or the water is removed due to safety requirements, unauthorized connection, or customer request .......30.00

(B) In addition, if guaranteed same day service is requested	
for reconnection the same workday*	40.00
(C) In addition, if reconnection service is provided anytime on	
holidays or weekends	
* Workdays shall be weekdays, except for city holidays.	

#>Electric and gas service 150.00 ¶

with or without wastewater

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