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ORDINANCE NO. _____

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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.** That Section 27-7 of the Code of Ordinances of Gainesville, Florida, is
2 hereby 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, ~~or a credit~~
13 ~~rating agency report~~. No deposit shall be required from a consumer who ~~has~~
14 a) has a satisfactory payment record for utility service with the city or as
15 evidenced in a letter of satisfactory credit from another utility or b) enrolls in a
16 payment plan approved by the general manager for utilities or his/her
17 designee ~~satisfactory credit rating~~. For purposes of this section satisfactory
18 payment record for utility service is defined as no order for termination of
19 service for nonpayment having been issued nor more than two returned
20 checks or other payments not honored by a financial institution within the
21 immediately preceding 12 months. Customers who are required to pay a
22 deposit ~~have no credit rating established or refuse to provide the city with~~
23 ~~requested identifying information sufficient to conduct a credit check~~ will pay

1 the standard residential deposit amount(s) specified in Appendix A to this
2 Code of Ordinances based on utility service(s) provided.

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

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

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19 (b) Additional deposit. An additional deposit may be required for unsatisfactory
20 payment history or for accounts for which the city has an insufficient utility deposit,
21 as determined by the general manager for utilities or his/her designee. ~~The amount~~
22 ~~of such deposit shall be that necessary to yield no more than a total deposit of two~~
23 ~~times the estimated average monthly combined utility bill of the consumer.~~ Written
24 notice of the additional deposit requirement shall be provided to the consumer. The

1 consumer may appeal such requirement in an informal hearing with the general
2 manager for utilities or his/her designee.

3 (c) Interest; unclaimed deposits. Except as provided below, the deposit shall be
4 held by the city until final settlement of the consumer's account, at which time the
5 deposit shall be applied against any utility bill due the city for such service. Any
6 unused balance shall be refunded when the account is settled and closed. All
7 deposits which have remained with the city for at least six (6) months shall earn
8 simple interest, accrued from the date tendered and calculated to the nearest day.
9 Interest shall accrue at a rate comparable to the utility's interest earnings for the
10 period, as determined by the general manager for utilities or his/her designee, and
11 shall be credited to the consumer annually. In the event any deposit is unclaimed for
12 a period of twelve (12) months after the service is discontinued, such unclaimed
13 deposit and any accrued interest thereon shall be turned over to the State
14 Department of Banking and Finance in accordance with Florida law following thirty
15 (30) days written notice to such consumer mailed to the address shown on the
16 application for service.

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

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

26 (f) Bond in lieu of deposit. If a consumer required to make a deposit so elects,
27 he/she may post a surety bond or other financial assurance in lieu of the cash
28 deposit. Such bond or financial assurance shall be issued by a surety authorized to
29 do business in the State of Florida in an amount approved by the general manage
30 for utilities or his/her designee and shall be on a form approved by the city which

1 shall fully protect the city against any loss as a result of any nonpayment of utility
2 bills rendered by the city to the consumer.
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4 **Section 2.** That Section 27-14 of the Code of Ordinances of Gainesville, Florida, is
5 hereby amended to read as follows:

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

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

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

21 (c) Combined statements for service are due and payable when rendered following
22 the last regular meter reading date and, unless otherwise agreed to by the city and
23 the customer, shall become delinquent at the close of business on the 20th day after
24 being rendered, or in the case of accounts paid electronically, the 15th day
25 thereafter. Bills may become delinquent at some time, that is mutually agreed upon
26 by the city and the customer, that is shorter than the 20-day period described herein.

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

(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~~containing a previous balance of more than \$15.00 from the previous combined statement~~; 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.

(f) Any ~~combined statement~~previous balance not paid in full by the close of business on the ~~28th~~seventh 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).

Section 3. That Appendix A, Utilities (7)a of the Code of Ordinances of Gainesville, Florida, is hereby amended to read as follows:

- a. Residential deposits per service provided (§ 27-7):
 - 1. Electric service ~~150.00~~100.00
 - ~~2. Electric and gas service combined~~ 150.00
 - ~~3.2. Water service; with or without wastewater~~ ~~50.00~~20.00
 - ~~4.3. Wastewater service only~~ ~~10.00~~40.00
 - ~~5.4. Gas service (without electric service)~~ 50.00

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

- (i) Delinquent payment20.00
 - (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 request30.00
 - ~~(B) In addition, for other than normal working hours (8:00 a.m. to 5:00 p.m., M-F, excluding city holidays)15.00~~
 - (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 weekends50.00
- * 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.

1 **Section 8.** This ordinance shall become effective for all bills rendered after
2 implementation of the new Customer Information System on or after April 2, 2007.

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4 PASSED and ADOPTED this _____ day _____, 2007.

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Pegeen Hanrahan
Mayor

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ATTEST:

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Kurt M. Lannon, Jr.
Clerk of the Commission

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Approved as to form and legality

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Marion J. Radson
City Attorney

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

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

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