

SUMMARY OF PROPOSED CHANGES TO THE CODE OF ORDINANCES UTILITIES – SECTION 102



**Commission Work Session
July 12, 2016**

Residential Deposits

- No deposit shall be required for an established residential Dothan utility customer in "good standing". "Good standing" is a status granted to a residential customer having no previous charged-off accounts, no unpaid bills, no returned items, and no delinquencies in the most recent 12 months.**

Residential Deposits (Continued)

- In February 2014, the City began using an industry based credit reporting agency, along with customer's payment history with the City, to determine deposit amounts for residential customers.**
- This service reviews customer's payment history with other utilities to determine potential risk with no cost to the customer (previously paid \$25.00 for credit report).**

Residential Deposits (Continued)

- A delinquency score of 5% or less will result in a \$0 deposit.**
- A delinquency score greater than 5%, but less than or equal to 10% will result in a \$100.00 deposit.**
- A delinquency score greater than 10%, but less than or equal to 20% will result in a \$250.00 deposit.**
- A delinquency score greater than 20% will result in a \$500.00 deposit.**
- Previously, a deposit could increase, without a maximum, based on the number of cutoffs.**
- Letters of credit are no longer accepted.**

Commercial Deposits

- Allows existing commercial customers in “good standing” for 24 months to establish a surety bond (four times monthly average) in lieu of a cash deposit.**
- Minimum Surety Deposit \$1,000.00 (\$600.00)**

Commercial Deposits (Continued)

- **Deposits would increase to the following amounts (Current):**
 - **Commercial and Industrial three times monthly average (twice monthly average)**
 - **Commercial Signs three times monthly average, but not less than \$75.00 (twice monthly average, but not less than \$25.00)**
 - **Temporary Electric Poles \$50.00 (no deposit)**

Various Deposits

- **Deposits would increase to the following amounts (Current):**
 - **Non-Profit, Government, Religious Organization, or Church
Use \$200.00 (\$100.00)**

DEPOSIT CHANGES

Deposit Type	Proposed Fee	Current Fee
Residential	<ul style="list-style-type: none"> • If required, minimum of \$100 to a maximum of \$500 • Based on an Industry Based Credit Report (No cost to the customer) and Customer's Payment History with the City • Customers in "Good Standing" will have deposit applied to account 	<ul style="list-style-type: none"> • Minimum \$100 Based on Credit Report (\$25.00 Fee) or Letter of Credit from Another Utility Provider • Began Using Online Utility Exchange in February 2014 - \$0 to \$500 Based on Credit • Deposit Could Increase Based on Cutoffs
Surety Deposit	Not Less Than \$1,000	Not Less Than \$600
Commercial/Industrial	3 x Monthly Average	2 x Monthly Average
Commercial Sign	3 x Monthly Average Not Less Than \$75.00	2 x Monthly Average Not Less Than \$25.00
Temporary EL Pole	\$50.00	No Deposit
Non-Profit Government Religious/Church	\$200.00	\$100.00

*Current customers will not see an increase.

Additional Deposit Information

- Any responsible party having a delinquent balance or outstanding returned item will be subject to a high-risk deposit and will be required to satisfy all delinquent debt prior to initiation of service.**
- Upon a second disconnection for non-payment, the customer may be subject to a deposit increase for each future disconnection up to a maximum of \$500.00.**

Connection Fees

	Business Hours 8:00am – 4:00pm	After Hours 4:01pm - 9:00pm No after hours service after 9:00 pm	Weekends/Holidays 8:00am – 9:00pm
Residential	\$50.00 (\$25.00)	\$100.00 (\$35.00)	\$150.00 (\$70.00)
Standard Commercial	\$50.00 (\$25.00)	No After Hours (\$35.00)	No After Hours (\$70.00)
Nonstandard Commercial	\$100.00 (\$65.00)	No After Hours (\$85.00)	No After Hours (\$85.00)
Cut on With Bucket Truck <small>No Commercial Cut On After Hours</small>	\$150.00 (\$65.00)	\$200.00 (\$85.00)	\$310.00 (\$85.00)

Connection Fees

- **Connection Fees and Disconnection:**
 - **It is preferred that a responsible party be present upon connection of utilities. If multiple trips are required to cut on services, an additional connection fee will be assessed.**
 - **Disconnected regardless of balance due - 40 days after bill date. (Currently 28 days and balance over \$250.00. This allows 12 additional days before disconnection.)**

Miscellaneous Fees

- **Fees would increase to the following amounts (Current):**
 - **Reread Fee \$40.00 (\$20.00)**
 - **Meter Test Fee \$50.00 (\$25.00)**
 - **Returned Item Fee \$30.00 (\$25.00)**

Water Leak Adjustments

- Allows billing adjustments for water leaks on residential and commercial, domestic services. This will preclude billing adjustments for new construction (within the first year) and irrigation accounts.
 - Three month maximum time period (previously 6 months)
 - One leak adjustment within a five year period for customer or location
 - 50% adjustment of the usage over normal (average) consumption
 - 50% adjustment over normal (average) sewer usage for inside leaks (no change)
 - 100% adjustment over normal (average) sewer usage for outside leaks (no change)
 - To allow for an adjustment on a customer's sewage bill when the water is used for the purpose of the initial annual filling of a pool.

Age Limit for Senior Citizens

- Senior citizens over the age of 65 (currently age 60) may be eligible for a delinquent fee waiver, with appropriate documentation.**
- Senior citizens over the age of 65 (currently age 60) may be eligible for a \$2.00 monthly discount, with appropriate documentation, when they use 5,000 gallons or less per month.**
- Current senior citizens age 60 – 64 will be grandfathered in.**

Miscellaneous Information

- **Failure to initiate service for electric, water, sewer and/or garbage service, while knowingly using said services, will result in an investigation for Theft of Service.**
- **After 24 hours' notice, services will be cutoff for returned items regardless of current weather conditions, due to the nature of the offense.**
- **No after-hours reconnection privileges will be awarded to any customers that have been disconnected for failure to comply with an agreement or failure to pay for a returned item.**

Miscellaneous Information

- **Uncollectible returned items will be submitted to the District Attorney's Office.**
- **Customer may be disconnected at the present location where service is provided for any unpaid debt incurred by the customer or a member of the customer's household either for the present location or for any previous location.**

Miscellaneous Information

- **For all life support accounts, an additional responsible party must sign with the account holder to be liable for incurred utility usage if the services remain in the patient's name.**
- **Budget billing is available to residential customers only. At the request of the customer to discontinue this leveled payment option, full settlement of the differences between actual usage amounts and budget payment amounts will be required.**