

ORDINANCE 2012- 26

SHORT TITLE:

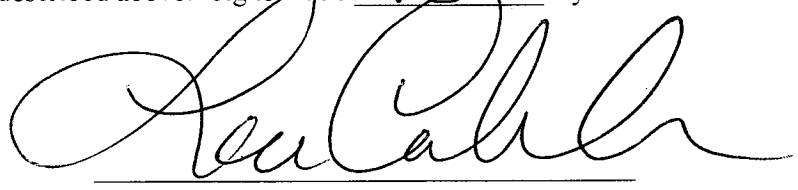
An ordinance amending Chapters 10.01 (Applications for Sewer and Water Service – Payment) and 12.02 (Electricity Service) and the Consolidated Fee Schedule of the Provo City Code to waive monetary deposits required for non-residential utility customers upon proof of acceptable credit standing.

PASSAGE BY MUNICIPAL COUNCIL

ROLL CALL

| DISTRICT | NAME               | MOTION | SECOND | FOR    | AGAINST | OTHER |   |
|----------|--------------------|--------|--------|--------|---------|-------|---|
| CW 1     | LAURA H. CABANILLA |        |        | ✓      |         |       |   |
| CW 2     | GARY GARRETT       |        |        | ✓      |         |       |   |
| CD 1     | GARY WINTERTON     |        |        |        |         |       |   |
| CD 2     | RICHARD D. HEALEY  |        | ✓      | ✓      |         |       |   |
| CD 3     | HAL MILLER         |        |        | ✓      |         |       |   |
| CD 4     | KAY VAN BUREN      |        |        | ✓      |         |       |   |
| CD 5     | STERLING BECK      | ✓      |        | ✓      |         |       |   |
|          |                    |        |        | TOTALS | 6       | 0     | 1 |

This ordinance was passed by the Municipal Council of Provo City, on the 18 day of September, 2012 on a roll call vote as described above. Signed this 18 day of September, 2012.

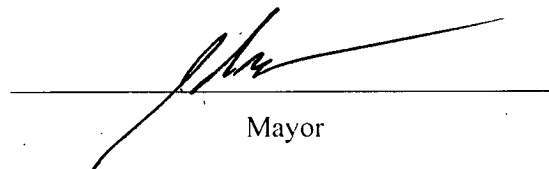


Chair

II

APPROVAL BY MAYOR

This ordinance is approved by me this 24 day of September 2012.



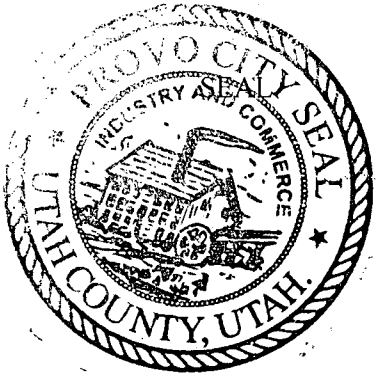
Mayor

ORDINANCE 2011-26

III

CITY RECORDER'S CERTIFICATE AND ATTEST

This ordinance was recorded in the office of the Provo City Recorder on the 9 day of October 2012, with a short summary being published on the 6 day of October 2012, in The Daily Herald, a newspaper circulated in Provo, Utah. I hereby certify and attest that the foregoing constitutes a true and accurate record of proceedings with respect to Ordinance Number 2012-26.



Signed this 9 day of October 2012.

Jeanne Heiss  
City Recorder

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ORDINANCE 2012-26.

AN ORDINANCE AMENDING CHAPTERS 10.01 (APPLICATIONS FOR SEWER AND WATER SERVICE – PAYMENT) AND 12.02 (ELECTRICITY SERVICE) AND THE CONSOLIDATED FEE SCHEDULE OF THE PROVO CITY CODE TO WAIVE MONETARY DEPOSITS REQUIRED FOR NON-RESIDENTIAL UTILITY CUSTOMERS UPON PROOF OF ACCEPTABLE CREDIT STANDING (12-104).

WHEREAS, it is proposed that Chapters 10.01 and 12.02 of the Provo City Code be amended to remove deposit requirements for customers meeting certain credit history requirements; and

WHEREAS, it is also proposed that the Consolidated Fee Schedule be amended to reflect the changes described above and other minor corrections; and

WHEREAS, this proposal is intended to 1) simplify the utility service connect process for non-residential customers, 2) enhance the overall customer service experience for the non-residential customer, 3) encourage non-residential customer growth, and 4) provide consistency within the Energy and Water Customer Deposit code.; and

WHEREAS, on August 7, 2012 and September 18, 2012, the Municipal Council held duly noticed public meetings to ascertain the facts regarding this matter, which facts and comments are found in the meeting records; and

WHEREAS, after considering the facts and comments presented to the Municipal Council, the Council finds (i) the Provo City Code should be amended as proposed and (ii) the ordinance amendments, as set forth below, reasonably further the health, safety and general welfare of the citizens of Provo City.

NOW, THEREFORE, be it ordained by the Municipal Council of Provo City, Utah, as follows:

PART I:

Chapter 10.01 of the Provo City Code is hereby amended as follows:

**10.01.020. Customer Deposits.**

(1) A person having a recent, verifiable record of two (2) continuous years of timely and complete payments to Provo City (or any other ~~water~~-utility company) for residential utility service(s), shall not be required to pay a deposit to obtain residential sewer and water service.

(2) A person who does not have a recent, verifiable record of two (2) continuous years of timely and complete payments to Provo City (or any other ~~water~~-utility company) for residential sewer and water utility service, must pay a deposit to obtain residential sewer and water service. The minimum deposit for

47 each dwelling unit to receive service shall be as shown on the Consolidated Fee  
48 Schedule adopted by the Municipal Council. The minimum deposit may be  
49 increased to equal two (2) months average billing for customers who fail to make  
50 timely and complete monthly payments.

51 (3) A person applying for non-residential sewer and water service ~~for a~~  
52 ~~commercial use~~ shall pay a deposit equal to the reasonably anticipated cost of two  
53 (2) months sewer and water service as determined by the Public Works  
54 Department, for each non-residential water meter or sewer service.

55 (4) A person applying for non-residential service shall not be required to  
56 provide a monetary security deposit for utility service upon verification and  
57 approval by Provo City of acceptable credit standing.

58 (5) A deposit made by a person described in Subsection (2) of this  
59 Section shall be refunded after the customer demonstrates for two (2) continuous  
60 years a record of timely and complete payment of amounts correctly billed. A  
61 deposit made by a person described in Subsection (3) of this Section shall be  
62 refunded after the customer demonstrates for three (3) continuous years a record  
63 of timely and complete payment of amounts correctly billed.

64 (6) Deposits may only be applied to the unpaid balance amount on  
65 closed-out accounts. Renewal of deposits applied to closed-out accounts may be  
66 required as a condition of the continuation of sewer and water service. (Am 1993-  
67 44, Am 1997-15, Am 2006-15)

68  
69 **10.01.030. Guarantees in Lieu of Deposit.**

70 The Department of Water Resources may accept a guarantee in lieu of the  
71 customer deposit required in this Chapter, subject to the following:

72 (1) The guarantor must have a recent, verifiable record of two (2)  
73 continuous years of timely and complete payments to Provo City ~~(or any other~~  
74 ~~water utility company)~~ for sewer and/or water utility service.

75 ...  
76  
77 **10.01.040. Fees to Connect Meters; Fees to Reconnect Meters, with Payment**  
78 **for Prior Service and Deposit Renewal.**

79 ...  
80 (3) If a water meter is disconnected because charges for services were not  
81 paid, or the account becomes delinquent at any time and becomes a financial risk  
82 to the city, the Department, at its discretion, may require the customer to pay a  
83 deposit of up to a two (2) months average billing amount before service is  
84 reconnected. (Am 2006-15)

85  
86 **PART II:**

87  
88 Chapter 12.02 of the Provo City Code is hereby amended as follows:

89  
90 **12.02.030. Customer Deposits.**

91 (1) A person having a recent, verifiable record of two (2) continuous years  
92 of timely and complete payments to Provo City (or any other ~~electric~~ utility

93 company) for ~~electricity-residential utility~~ service(s) shall not be required to pay a  
94 deposit to obtain residential electricity service.

95 (2) A person who does not have a recent, verifiable record of two (2)  
96 continuous years of timely and complete payments to Provo City (or any other  
97 ~~electric utility company~~) for ~~electricity-residential utility~~ service, must pay a  
98 deposit to obtain residential electricity service. The minimum deposit for each  
99 residential electric meter shall be as shown on the Consolidated Fee Schedule  
100 adopted by the Municipal Council. The minimum deposit may be increased to  
101 equal two (2) months average billing for customers who fail to make timely and  
102 complete monthly payments.

103 (3) A person applying for non-residential electricity service shall pay a  
104 deposit equal to the reasonably anticipated cost of two (2) months electricity  
105 service, as determined by the Energy Department, for each non-residential electric  
106 meter.

107 (4) A person applying for non-residential service shall not be required to  
108 provide a monetary security deposit for utility service upon verification and  
109 approval by Provo City of acceptable credit standing.

110 (45) A deposit made by a person described in Subsection (2) shall be  
111 refunded after the customer demonstrates for two (2) continuous years a record of  
112 timely and complete payment of amounts correctly billed. A deposit made by a  
113 person described in Subsection (3) shall be refunded after the customer  
114 demonstrates for three (3) continuous years a record of timely and complete  
115 payment of amounts correctly billed.

116 (56) Deposits may only be applied to the unpaid balance amount on  
117 closed-out accounts. Renewal of deposits applied to closed-out accounts may be  
118 required as a condition of the reconnection of electricity service. (Am 1986-63,  
119 Am 1988-21, Am 1993-44, Am 1996-27, Am 1997-15, Am 2006-15)

#### 120 121 **12.02.040. Guarantees in Lieu of Deposit.**

122 The Department may accept a guarantee in lieu of the customer deposit  
123 required in this Chapter, subject to the following:

124 (1) The guarantor must have a recent, verifiable record of two (2)  
125 continuous years of timely and complete payments to Provo City (~~or any other~~  
126 ~~electric utility company~~) for ~~electricity-utility~~ service.

127 (2) The guarantor must agree in writing to pay all obligations incurred by  
128 the named purchaser for electricity service, and for charges to connect, disconnect  
129 or reconnect, if the same are not paid when due by the purchaser.

130 . . .

#### 131 132 **12.02.045. Fees to Connect Meters; Fees to Reconnect Meters, with Payment** 133 **for Prior Service and Deposit Renewal.**

134 (1) During normal working hours there shall be a utility process or  
135 connection fee charged for a structure to receive single phase electricity meter  
136 service, and/or water service as shown on the Consolidated Fee Schedule adopted  
137 by the Municipal Council. If the structure was disconnected for failure to pay for  
138 service, the charge to reconnect shall be greater, as shown on the Consolidated

139 Fee Schedule adopted by the Municipal Council Office. After normal working  
140 hours or on weekends and holidays, the process or connection fee for connecting a  
141 single phase electricity meter service for any reason shall be as shown on the  
142 Consolidated Fee Schedule adopted by the Municipal Council Office.

143 (2) There shall be a utility process or connection fee charged for a  
144 structure to receive three (3) phase electricity meter service as shown on the  
145 Consolidated Fee Schedule adopted by the Municipal Council. If the structure was  
146 disconnected for failure to pay for service the charge to reconnect shall be greater,  
147 as shown on the Consolidated Fee Schedule adopted by the Municipal Council  
148 Office.

149 ...  
150 (4) If an electric meter is disconnected because charges for services were  
151 not paid, or the account becomes delinquent at any time and becomes a financial  
152 risk to the city, the Department, at its discretion, may require the customer to pay  
153 a deposit of up to a two (2) months average billing amount before service is  
154 reconnected. (Enacted 1988-21, Am 1990-07, Am 1992-38, Am 1996-27, Am  
155 1997-15, Am 2006-15)

156  
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158 PART III:

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160 The Consolidated Fee Schedule is hereby amended as reflected in "Exhibit A" attached to  
161 this ordinance.

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163 PART IV:

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165 A. If a provision of this Ordinance 2012-26 conflicts with a provision of a previously  
166 adopted ordinance concerning the same title, chapter, and/or section number amended herein, the  
167 provision in this ordinance shall prevail.

168  
169 B. This ordinance and its various sections, clauses and paragraphs are hereby declared to  
170 be severable. If any part, sentence, clause or phrase is adjudged to be unconstitutional or invalid,  
171 the remainder of the ordinance shall not be affected thereby.

172  
173 C. The Municipal Council hereby directs that the official copy of the Provo City Code be  
174 updated to reflect the provisions enacted by this ordinance.

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176 D. This ordinance shall take effect immediately after being posted or published as  
177 required by law.

178  
179 END OF ORDINANCE.

# Exhibit A

## CONSOLIDATED FEE SCHEDULE

### UTILITIES

#### ENERGY

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#### Customer Service Fees

|  |  |
|--|--|
| <u>Residential</u> Electric Deposit                  | \$75.00                                    |
| <del>Commercial</del> <u>Non-Residential</u> Deposit | use greater of 2 month avg.<br>or \$100.00 |
| Credit Reconnect                                     | \$40.00                                    |
| Returned Check                                       | as set by State law                        |
| Connect/Processing Fee                               | \$20.00                                    |
| After-hours Connect Fee                              | \$75.00                                    |
| Same-day Connect Fee                                 | \$75.00                                    |
| Connect/Processing Fee (3-Phase Service)             | \$60.00                                    |
| Credit Reconnect (3-Phase Service)                   | \$150.00                                   |

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#### CULINARY WATER

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#### Customer ~~Charges~~ Service Fees

|  |  |
|--|--|
| <u>Residential Water</u> Deposit                 | \$30.00  |
| <u>Non-Residential</u> Deposit                   | <u>use greater of 2 month avg.</u><br><u>or \$100.00</u> |
| <del>Utility</del> <u>Connect/Processing</u> Fee | \$20.00  |
| <del>Reconnect</del> Fee <u>Field Credit</u> Fee | \$40.00  |
| <del>Collection</del> Fee                        | <del>\$25.00</del>                                       |
| <u>After-hours</u> Connect Fee                   | <u>\$75.00</u>   |

# PROOF OF PUBLICATION

from

## The Daily Herald

STATE OF UTAH } SS.  
Utah County }

### LEGAL NOTICES

#### PROVO CITY CORPORATION OFFICE OF THE RECORDER ORDINANCE 2012-26

Notice is hereby given that in the regular Municipal Council Meeting of September 18, 2012, the Provo Municipal Council passed Ordinance 2012-26. This is an ordinance amending Chapters 10.01 (Application for Sewer and Water Service - Payment) and 12.02 (Electricity Service) and the Consolidated Fee Schedule of the Provo City Code to waive monetary deposits required for non-residential utility customers upon proof of acceptable credit standing.

/s/Janene M. Weiss  
City Recorder

Legal Notice 391432 Published in The Daily Herald October 6, 2012.

I, Lisa Llewelyn, being first duly sworn depose and say that I am the Legal Billing Clerk of the Daily Herald, a newspaper of general circulation, published seven times each week at Provo, Utah, County of Utah; that the notice attached hereto, 391432- ORDINANCE 2012-26, and which is a copy, was published in said newspaper, the first publication having been made on the 6th day of October, 2012, and the last on the 6th day of October, 2012; that said notice was published in the regular and entire issue of every number of the paper during the period and times of publication, and the same was published in the newspaper proper and not in the supplement.

Same was also published online at utahlegals.com, according to Section 45-1-101, Utah Code Annotated beginning on the first date of publication and for 30 days thereafter.

*Lisa Llewelyn*

Subscribed and sworn before me this 6th day of October, 2012.

*Debbie L. Chandler*

Notary Public

Residence: Spanish Fork, Utah

My commission expires 06/05/2013

