## ORDINANCE NO. 18-2025

AN ORDINANCE OF THE CITY OF DELTONA, FLORIDA, AMENDING SECTION 68-58, "CUSTOMER DEPOSITS," OF ARTICLE II, "WATER AND WASTEWATER UTILITY RATE ORDINANCE," OF CHAPTER 68, "WATER, WASTEWATER, AND UTILITIES," OF THE GENERAL ORDINANCES TO UPDATE CUSTOMER DEPOSIT AND CREDITWORTHINES REQUIREMENTS; PROVIDING FOR CONFLICTS, CODIFICATION, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS, the City of Deltona, Florida, adopted Section 68-59, "Customer

Deposits," Article II, "Water and Wastewater Utility Ordinance," and Chapter 68, "Water,

Wastewater, and Utilities" as part of its General Ordinances; and

WHEREAS, City Staff has reviewed the current water and wastewater utility

guidelines for opening customer accounts; and

WHEREAS, City Staff determined a need for additional clarity and specificity in

the establishment of creditworthiness; and

WHEREAS, the City Commission finds that it is in the best interests of the City

for the City to implement additional procedures for the establishment of satisfactory credit; and

WHEREAS, the City Commission finds that it is in the best interests of the City

for the City to require additional deposits for certain types of accounts; and

WHEREAS, the City Commission finds that this requirement will reduce the City's liability for uncollectable accounts; and

WHEREAS, the City Commission finds and determines that these modifications are in the best interest of the public health, safety, and welfare of the residents of the City of Deltona.

## NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF DELTONA, FLORIDA, as follows:

<u>Section 1.</u> Recitals Adopted. The foregoing "Whereas" clauses are hereby ratified and confirmed as being true and correct and are hereby made a specific part of this ordinance upon adoption hereof.

<u>Section 2.</u> Amendment to the Code of Ordinances. The City Commission hereby approves and adopts modifications to Section 68-59, "Customer Deposits" of Article II, "Water and Wastewater Utility Ordinance" of Chapter 68, "Water, Wastewater, and Utilities" as set forth in "Exhibit A" attached hereto.

Section 3. Conflicts. Any and all Ordinances or parts of Ordinances in conflict herewith are hereby repealed.

<u>Section 4</u>. Severability. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect any other provision or application of this ordinance which can be given effect without the invalid provision or application.

<u>Section 5</u>. Codification. The provisions of this Ordinance shall be codified as and be made part of the Code of Ordinances of the City of Deltona. The sections of this Ordinance may be renumbered to accomplish such intention.

<u>Section 6</u>. Effective Date. This Ordinance shall take effect immediately upon its final adoption by the City Commission.

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## PASSED AND ADOPTED BY THE CITY COMMISSION OF THE CITY OF

DELTONA, FLORIDA THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2025.

First Reading: \_\_\_\_\_

Advertised: \_\_\_\_\_

Second Reading: \_\_\_\_\_

BY: \_\_\_\_\_

Santiago Avila, Jr., MAYOR

ATTEST:

Joyce Raftery, CMC, MMC, CITY CLERK

Approved as to form and legality for use and reliance of the City of Deltona, Florida

TG Law, PLLC, CITY ATTORNEY

Avila-Vazquez	Name	Yes	No
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## Sec. 68-58. Customer deposits.

- (a) Establishment of credit. Before rendering water or wastewater service, the city may require an applicant to service to satisfactorily establish credit, but such establishment of credit shall not relieve the customer from complying with the city's rules for prompt payment. Credit will be deemed so established if:
  - (1) The applicant for service furnishes a satisfactory guarantor to secure payment of bills for service requested.
  - (2) The applicant pays a cash deposit.
  - (3) The applicant for service furnishes an irrevocable letter of credit from bank or surety bond.
  - (4) Any such deposit <u>Deposits</u> received by the city shall be held in <del>an</del> <u>non-</u>interest-bearing account-with any interest that accrues to be applied to city utility debt and/or city utility projects.
  - (5) Deposits. Refund of a customer's utility deposit may occur as follows:
    - a. Customer has not had any disconnects for non-payment for 24 consecutive months. Residential Accounts. Deposit may be returned when the customer has had no delinquencies nor been disconnected for non-payment in the previous 36 months or when the account is closed unless required to offset any unpaid balance on the account.
    - b. Customer has not had more than two late payments for 24 consecutive months. <u>Tenant</u> Accounts. Deposits will be returned when the account is closed unless required to offset any unpaid balance on the account.
    - c. Refunded deposits will only be processed during the billing cycles for that group of customers. Accounts will be monitored on an individual basis to determine if criteria have been met for a deposit refund. Commercial Accounts. Deposits will be returned when the account is closed unless required to offset any unpaid balance on the account. Deposits are refundable only to the customer whose name appears thereon.
- (b) *Amount of deposit.* The amount of the initial deposit shall be determined by the resolution that establishes water and wastewater system rate schedules, according to customer class and meter size.
- (c) Additional deposit. The city may require a new deposit, where previously waived or refunded, or an additional deposit in order to secure payment of current <u>or future</u> bills <del>provided</del>. The city <del>shall</del> <u>may</u> require the additional <u>deposit</u> based on <u>an assessment of the customer's historic usage of</u> the service provided at the same rate as a current new customer <u>and the customer's payment history</u>.