BILL 2012-29

****** Second Reading ******

Agenda Item

TO: Mayor and City Council

FROM: Mark S. Gaugh, City Manager

DATE: June 18, 2012

RE: Utility Deposit Ordinance

Issues

The attached ordinance allows for the Council to adjust the deposit rates we charge for utility services. Currently, the deposit to get utilities turned on is $100 for electricity and $50 for water. This has been in effect for several years. Recent review of our records shows that the average amount of unpaid utility charges for residential accounts is $225. If we adjust the deposits for new accounts to $150.00 for electricity and $75.00 for water, we will be at the same level as the amount on unpaid accounts. This will not apply to any existing accounts, only accounts activated after the ordinance is in place, if approved.

Recommendation

Staff recommends that the Council approve the utility ordinance as proposed. Three readings are recommended.

Bill 2012-29

AN ORDINANCE FOR THE CITY OF CAMERON, CLINTON AND DeKALB COUNTIES, MISSOURI AMENDING SUBSECTION (A) OF SECTION 12-138. SERVICE DEPOSITS, OF DIVISION 4. METERS OF ARTICLE II, WATER, AND SECTION 12-306. DEPOSIT, SERVICE FEES AND CHARGES OF DIVISION 1. GENERALLY, OF ARTICLE IV. ELECTRICITY, OF CHAPTER 12, WATER, SEWAGE AND ELECTRICITY OF THE CITY OF CAMERON CODE, CHANGING THE DEPOSITS FOR ELECTRIC AND WATER SERVICE

Second Reading

WHEREAS, the City of Cameron is impacted by incremental increases in the cost of operations in the utility services; and

WHEREAS, the City has incurred additional unfunded liabilities from utility customers by virtue of payment after services are rendered; and

WHEREAS, the average cost remaining in unpaid utility accounts has increased since deposits were last adjusted in 2005.

NOW, THEREFORE, BE IT ORDAINED that the City Council of the City of Cameron, Clinton and DeKalb Counties, Missouri shall make the following changes to the City of Cameron Code:

Section 1. Subsection (a) of Section 12-138. Service deposits, of Division 4. Meters of Article II, Water, of Chapter 12, Water, Sewage and Electricity of the City of Cameron Code is hereby amended as follows:

Sec. 12-138. Service deposits.

(a) There shall be required a cash deposit for all customers of water and sewer service to protect the City against loss. For residential customers the deposit shall be seventy-five dollars ($75), for small commercial customers (see Sec. 12-322) one hundred dollars ($100), and for large commercial customers (See Sec. 12-324) at 1.5 times the average monthly bill.

Section 2. Amend subsection (a)(1). Of Division 1. Generally, of Article IV. Electricity, of Chapter 12, Water, Sewage and Electricity of the City of Cameron Code as follows:

Sec. 12-306. Deposit, service fees and charges.

(a) A deposit fee shall be required and collected from all persons for electric connections as follows:

(1) One hundred fifty dollars ($150) for each electrical connection to a family residence.

(2) Two hundred fifty dollars ($250) for a small commercial (see Sec. 12-322) establishment.

(3) One and one-half times (1.5) the average monthly bill for large commercial (see Sec. 12-324) customers.

Section 3. The Mayor is hereby authorized to sign this ordinance.

Section 4. The City Clerk is directed to attest to the Mayor's signature.

Section 5. This Ordinance shall be in full force and effect from and after the date of its passage and approval.

Passed and approved on first reading this 18th day of June 2012.
Passed and approved on second reading this 2nd day of July 2012.
Passed and approved on third and final reading this _____ day of _____ 2012.

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk/Finance Clerk

_____
Mayor Dennis M. Clark

ATTEST:

_____
City Clerk/Finance Clerk

Second Reading