

RESOLUTION NO. UA 2002-8

A RESOLUTION FIXING AND ESTABLISHING THE SCHEDULE OF RESIDENTIAL SECURITY DEPOSITS FOR UTILITY SERVICES FURNISHED BY FORT PIERCE UTILITIES AUTHORITY, FORT PIERCE, FLORIDA, IN ACCORDANCE WITH THE CHARTER OF THE CITY OF FORT PIERCE, FLORIDA, ARTICLE XII, SUPERSEDING AND RESCINDING THE RESIDENTIAL SECURITY DEPOSIT REQUIREMENTS PREVIOUSLY CONTAINED IN RESOLUTIONS NO. UA 94-3 AND 96-6 OF FORT PIERCE UTILITIES AUTHORITY, AND PROVIDING FOR AN EFFECTIVE DATE HEREOF.

WHEREAS, Fort Pierce Utilities Authority was created and established by the City Commission of the City of Fort Pierce, Florida, through a referendum election held in said City on May 30, 1972; and

WHEREAS, the Charter of the City of Fort Pierce, Florida, Article XII, grants to said Fort Pierce Utilities Authority the exclusive jurisdiction, control, and management of the electric, gas, water, and wastewater (sanitary sewer) utility services, and other utility services sold and services rendered by said Fort Pierce Utilities Authority;

NOW, THEREFORE, BE IT RESOLVED BY FORT PIERCE UTILITIES AUTHORITY (UA), FORT PIERCE, FLORIDA:

SECTION I. INTRODUCTION

This resolution establishes the Residential Security Deposit policy of the UA with the intent of providing security for payment of final, unpaid bills incurred for Utility Service, and flexibility within established guidelines. Unless the context otherwise requires, the terms defined in this Resolution shall have the meanings specified in the resolution entitled General Rules and Regulations Governing the Provision of Utility Service.

SECTION II. CRITERIA FOR DETERMINING SECURITY DEPOSITS

A Security Deposit shall be required from all Customers who apply for Residential service. Under normal circumstances, Security Deposits shall be paid in full before the establishment of Utility Service.

Customers who apply for Residential service will be required to post a Minimum Security Deposit, or one equal to twice the average monthly bill (computed as indicated below), whichever is greater. However, upon Customer request, the UA may use a credit verification agency to obtain the Customer's Fair, Isaac score. Based on the score, the UA will determine one of the following deposit levels: (1) no deposit, (2) Minimum Security Deposit, or (3) deposit equal to twice the average monthly bill.

A Security Deposit may be waived for Customers who apply for Residential service. Such Customers must have, within the past two (2)-year period, 1) terminated a former UA account, and 2) had an Excellent Payment History at the time the former account was terminated. Excellent Payment History is established when a Customer does not incur any of the following charges within the most recent consecutive two (2)-year period:

- More than one (1) Penalty Charge per year
- Dishonored Payment Instrument Charge
- Field Reconnection Charge
- Cut Seal Fee
- Tampering Fee

When the UA determines a Security Deposit equal to twice the average monthly bill is necessary, the average monthly bill shall be calculated as follows:

- a. Existing accounts: Average the actual Total Amount Billed for the most recent consecutive twelve (12) month period.
- b. New accounts: Average the expected (estimated) Total Amount Billed for a projected consecutive twelve (12) month period.
- c. Existing accounts with less than twelve (12) months of billing history available: For a twelve (12) month period, use a combination of the actual monthly billing history available and the expected (estimated) billings for those months with no actual billing history established.

Total Amount Billed is defined as the total bill rendered for electric, water, wastewater, gas, and/or solid waste services, including applicable taxes, fees, service charges, etc.

Security Deposits established or set for any one Utility Service (electric, water, wastewater, gas, or solid waste) may be applied to other Utility Services.

SECTION III. MINIMUM SECURITY DEPOSITS

Following are the minimum Security Deposits for Residential accounts:

Electric.....	\$145.00
Gas.....	40.00
Solid Waste.....	22.00

<u>Water</u> <u>Meter Size</u>	<u>Water</u>		<u>Wastewater</u>	
	<u>Inside City</u>	<u>Outside City</u>	<u>Inside City</u>	<u>Outside City</u>
5/8" X 3/4"	\$ 30.00	\$ 35.00	\$ 35.00	\$ 45.00
1-inch	70.00	80.00	60.00	75.00
1-1/2 inch	145.00	165.00	145.00	180.00
2-inch	425.00	490.00	250.00	315.00
3-inch	700.00	800.00	900.00	1,125.00

SECTION IV. ADDITIONAL SECURITY DEPOSITS

Upon reasonable written notice of no less than five (5) business days, the UA may require an Additional Security Deposit on a Residential account that, regardless of Excellent Payment History status, has incurred any of the following Service Charges within a one (1)-year period:

- One (1) Dishonored Payment Instrument Charge
- One (1) Field Reconnection Charge
- One (1) Cut Seal Fee
- One (1) Tampering Fee

The Customer will be required to have on deposit with the UA an amount equal to the Minimum Security Deposit or twice the average monthly bill, whichever is greater.

SECTION V. REFUNDS – EXCELLENT PAYMENT HISTORY

The Security Deposit may be refunded to a Residential Customer who establishes an Excellent Payment History with the UA. The Residential Security Deposit shall be refunded as a credit to the respective utility bill.

Customers with an Additional Security Deposit who have had their initial Security Deposit refunded for Excellent Payment History, must re-establish an Excellent Payment History before the Additional Security Deposit may be refunded. This requirement also applies to Customers whose services were connected without an initial Security Deposit.

SECTION VI. REFUNDS – TERMINATION OF SERVICE

Upon request by a Residential Customer to terminate Utility Service(s) with the UA, cash Security Deposits shall be credited to the Customer's final bill. If the Security Deposit exceeds the amount of the final bill, the UA will send a refund check for the difference made payable to the Customer of record at the time the account is terminated. The refund check will be mailed to the forwarding address furnished to the UA by the Customer. In the event any deposit is unclaimed after six (6) months, such unclaimed deposits are subject to transfer to the State of Florida as unclaimed property.

SECTION VII. INTEREST ON CASH SECURITY DEPOSITS

The interest rate paid during each calendar year on cash Security Deposits covering active accounts will be equal to the average interest rate earned by the UA on its pooled cash accounts during the recent fiscal year. The interest paid shall be credited to the Customer's utility bill on the anniversary month of the establishment of said Security Deposit. The interest rate paid on each anniversary month will be the rate established for that particular calendar year, and no prorated amounts will carry over from previous calendar years.

No interest will be paid if service is discontinued for any reason or cause during any one (1) year interest accruing period (anniversary month to anniversary month). A transfer of service from one location to another (see Section VIII) shall not be considered a discontinuance of service with regard to the payment of interest on Security Deposits, provided that such transfer is requested the same working day. Dormant Status shall not be considered a termination of service with regard to the payment of interest on Security Deposits.

SECTION VIII. TRANSFERS

A residential Customer moving from one Service Address to another (using the same Customer name) may have the Security Deposit transferred from the former to the new address. Such transfer period shall not exceed ten (10) days from the time the service is discontinued at one location and the service is established at a new location. If the Security Deposit at the former Service Address is more or less than required for the new address, the amount of the Security Deposit may be adjusted accordingly.

SECTION IX.

This resolution shall be in full force and effect immediately upon adoption by the Fort Pierce Utilities Authority Board.

PASSED AND ADOPTED this _____ day of _____, 2002.

ATTEST: FORT PIERCE UTILITIES AUTHORITY

Secretary

Chairman

Approved as to form and correctness by:

R. N. Koblegard, III, Attorney for
Fort Pierce Utilities Authority