

ORDINANCE NO. 10-735

**AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL
OF THE TOWN OF CHINO VALLEY, ARIZONA, AMENDING
THE CHINO VALLEY TOWN CODE, SECTION 51.250
“UTILITY SERVICE DEPOSITS”**

WHEREAS, the Chino Valley Town Code Section 51.250 provides for utility service deposits and refunds; and

WHEREAS, clarification is needed in regards to the conditions under which deposits may be waived and refunds may be made;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Common Council of the Town of Chino Valley, Arizona, as follows:

Section 1. Section 51.250 of the Town of Chino Valley, Arizona, Town Code, entitled “Utility Service Deposits” is hereby amended as follows:

**UTILITY FEES
SECTION 51.250**

~~(B)(A)~~ For the purpose of this chapter, a ~~present user~~ TOWN UTILITY CUSTOMER with a “good payment record” will be defined as a ~~consumer~~ CUSTOMER who has not received more than ~~3 delinquency letters~~ 1 DELINQUENCY LETTER in the last 12 months and has not had water service discontinued for nonpayment during the previous 24 month period. ~~The town shall retain all water service deposits. No interest shall be paid on deposited amounts.~~

~~(A)(B)~~ Utility service deposits will be required of all persons making application for utility service ~~unless they have a minimum 12-month good payment record as a utility customer of the town. Application shall be made in accordance with the provisions hereof.~~ EXCEPT AS PROVIDED UNDER SUBPARAGRAPH (B)(1) AND (2).

(1) PERSONS APPLYING FOR UTILITY SERVICE WILL BE REQUIRED TO PAY A DEPOSIT FOR UTILITY SERVICE UNLESS THEY HAVE GOOD PAYMENT RECORD AS A UTILITY CUSTOMER OF THE TOWN, OR CAN DEMONSTRATE GOOD PAYMENT RECORD AS A UTILITY CUSTOMER OF ANOTHER UTILITY (I.E. ANOTHER MUNICIPALITY, ARIZONA PUBLIC SERVICE, PRIVATE WATER COMPANY, ETC.) THAT IS DEEMED BY THE UTILITIES DIVISION TO BE AN ACCEPTABLE UTILITY PROVIDER FOR CREDIT PURPOSES.

(2) TO DEMONSTRATE SUCH GOOD PAYMENT RECORD, THE APPLICANT SHALL PROVIDE A LETTER OF CREDIT FROM THE PRIOR UTILITY PROVIDER ON THE UTILITY COMPANY'S LETTERHEAD INDICATING A GOOD PAYMENT RECORD WITHIN THE 24 MONTHS PRIOR TO APPLICATION WITH THE TOWN.

~~(C)~~(3) THE NON-REFUNDABLE SERVICE FEE OF \$25.00 IS NOT CONSIDERED PART OF THE DEPOSIT AND WILL NOT BE WAIVED.

(4) THE TOWN SHALL RETAIN ALL UTILITY SERVICE DEPOSITS UNTIL A 12-MONTH GOOD PAYMENT HISTORY IS ACHIEVED. NO INTEREST SHALL BE PAID ON DEPOSITED AMOUNTS. The deposit shall in no way affect the town's right to discontinue service arising from nonpayment of bills as provided for in ~~these rules and regulations~~ THIS CHAPTER.

~~(G)~~(5) The ~~Public Works Director~~ UTILITIES DIVISION, with UNDER the GENERAL concurrence of the Finance Director, is hereby given the power of discretion for considering special cases involving the requirement of ~~water~~ UTILITY deposits. ~~The Director's judgment in these cases may be appealed to the Town Manager, whose decision shall be considered final. If the Finance Director requires a larger deposit than those authorized by Council resolution, it shall not exceed 3 times the average monthly billing.~~

~~(D)~~(C) The town will refund deposits upon ONE OF THE FOLLOWING CONDITIONS:

(1) A PERSON WHO HAS BEEN A TOWN UTILITY CUSTOMER FOR AT LEAST ONE YEAR **AND** HAS PAID THE APPROPRIATE DEPOSIT **AND** HAS A GOOD PAYMENT RECORD. IF AFTER ONE YEAR THE TOWN UTILITY CUSTOMER HAS NOT DEMONSTRATED A GOOD-PAYMENT RECORD, THE DEPOSIT WILL NOT BE REFUNDED UNTIL THE CUSTOMER HAS ACHIEVED A GOOD PAYMENT RECORD.

(2) A TOWN UTILITY CUSTOMER, UPON ~~written application~~ NOTIFICATION to discontinue ~~its~~ service and upon THE TOWN'S receipt of payment in full for ~~water metered to the consumer and for~~ UTILITIES RENDERED, any meter damage, or other damage to the town system for which the ~~consumer~~ CUSTOMER may be liable under ~~these rules and regulations~~ THIS CHAPTER. When ~~the discontinue service notice~~ SUCH NOTIFICATION has been given to the town, the town may, at that time, apply ~~a consumer's deposit~~ THE APPLICABLE DEPOSIT(S) to ~~his or her~~ THE CUSTOMER'S final bill and OR send the ~~consumer~~ CUSTOMER a bill or check for the difference.

~~(E)~~(D) The ~~consumer~~ CUSTOMER or ~~property owner~~ shall notify the town prior to or at the time the property to which service is provided becomes vacant. Otherwise, the ~~consumer~~ CUSTOMER or ~~property owner~~ shall be responsible for all ~~water~~ UTILITY usage or damage to the TOWN'S property until the town receives a vacancy notice.

(F)(E) The town will presume service is being rendered from the time ~~water is~~ UTILITIES ARE turned on by application of the ~~consumer~~ CUSTOMER until the ~~consumer~~ CUSTOMER or ~~property owner~~ gives ~~written~~ notice to discontinue service or at such time as it is apparent that the property has been vacated without notice.

Section 2. All other Chapters and Sections of the Town of Chino Valley, Arizona, Town Code, not herein amended, shall remain in full force and effect.

Section 3. If any provision in this Ordinance is held invalid by a Court of competent jurisdiction, the remaining provisions shall not be affected but shall continue in full force and effect.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Chino Valley, Arizona, this 9th day of September, 2010.

Jim Bunker, Mayor

ATTEST:

APPROVED AS TO FORM:

Jami C. Lewis, Town Clerk

Musgrove Drutz & Kack, P.C.,
Town Attorney