## ORDINANCE NO. O2017-031

## AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF YUMA, ARIZONA, AMENDING TITLE 19 OF THE YUMA CITY CODE, CHAPTER 193, *WATER AND SEWERS*, SECTIONS 21 AND 23, RELATED TO UTILITY SERVICE APPLICATIONS AND SERVICE DEPOSITS FOR WATER UTILITY SERVICE

WHEREAS, the City of Yuma ("City") operates certain water, wastewater and solid waste utility services ("Utility Services"); and,

WHEREAS, the City administers the Utility Services through various Enterprise Funds designated as the Water Fund, Wastewater Fund and Solid Waste Fund (collectively the "Enterprise Funds"), with the intent to earn sufficient income to ensure the Enterprise Funds' continued existence without reliance on general tax revenues; and,

WHEREAS, the Enterprise Funds are not tax supported, but rely solely on a series of charges to customers for the services rendered; and,

WHEREAS, the City of Yuma has broad authority to establish the rates, fees, charges, and penalties for the use of the Utility Services administered through the Enterprise Funds; and,

WHEREAS, in order for the City to maintain and operate the Enterprise Funds, the City must collect payment of amounts due for the services rendered by the City and attempt to reduce the balance of any unpaid bad debts associated with the Enterprise Funds; and,

WHEREAS, the City collects social security numbers from Utility Services customers for various purposes, including, but not limited to, collection actives for unpaid bad debts owed to the Enterprise Funds; and,

WHEREAS, pursuant to Section 7 of The Privacy Act of 1974 (uncodified), 5 U.S.C. § 522a (note), Pub.L. 93-579, 88 Stat. 1896 (the "Privacy Act"), Federal, State or local government agencies cannot deny an individual any right, benefit, or privilege provided by law because of such individual's refusal to disclose his/her social security account number and any Federal, State, or local government agency which requests an individual to disclose his/her social security account number shall inform that individual whether that disclosure is mandatory or voluntary, by what statutory or other authority such number is solicited, and what uses will be made of it; and,

WHEREAS, Yuma City Code, Chapter 193, *Water and Sewers*, Sections 21 and 23 provides for the establishment of an application for Utility Services and the payment of a security deposit for Utility Services; and,

WHEREAS, the City Council desires to amend the Yuma City Code to establish additional guidelines for the collection of Utility Services deposits and the collection and use of Utility

Services customers' social security numbers, which guidelines will be enforced uniformly and will not be based on grounds such as race, color, alienage, religion, national origin, or gender; and,

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Yuma as follows:

<u>SECTION 1</u>: Yuma City Code, Title 19, Chapter 193, Section 21 is amended to add the following underlined text:

## Section 193-21 Utility Service Applications.

(E) Social Security Numbers. Disclosure of a utility customer's social security number is voluntary and is not a condition of receiving utility services from the City of Yuma. The City may use a customer's social security numbers for the following business purposes:

- (1) Establishment of new utility account applications;
- (2) <u>Identification and verification;</u>
- (3) <u>To obtain credit information from third party credit agencies to determine the credit worthiness of a customer;</u>
- (4) <u>Billing and payment collections; and</u>
- (5) <u>The City may disclose social security numbers to another agency or governmental</u> <u>entity if such disclosure is necessary for the receiving agency or entity to perform</u> <u>its duties and responsibilities.</u>

<u>SECTION 2</u>: Yuma City Code, Title 19, Chapter 193, Section 23 is amended to delete the following crossed-out text and add the following underlined text:

## Section 193-23 Service Deposits.

(A) Along with the application for water utility service(s) and prior to such service being connected, the all applicants who are tenants and all general service customers shall be required to pay to the City a security deposit for each service connection in an amount equal to the minimum charges for an average two month period or \$30, whichever is greater, with the amount of the deposit established by the Finance Director and based upon the credit history and/or utility payment history of the customer.

(B) The Finance Director shall have the authority to waive or reduce the deposit requirement based solely on the credit history or account history of the applicant. The deposit shall not be waived for those applicants who do not provide their social security number to the City of Yuma. Unless waived or reduced by the Finance Director, the mandatory deposit shall be the minimum charges for an average two (2) month period or \$300, whichever is greater.

(C)(B) Applicants for hydrant meter usage shall be required to pay to the city a deposit in the amount of 600.00 for each meter requested at the time of application. The deposit will be relinquished to the city in event of damage, theft, or loss.

(D)(C) Upon termination of water service, such deposit, without interest, will be refunded, except that any unpaid charges, including final charges for service, shall be deducted from the deposit and any excess portion of the deposit refunded.

(E) In the event of non-payment for utilities services, the deposit shall not preclude the City of Yuma from discontinuing any and all utility services to the service location, regardless whether the amount of the deposit is sufficient to cover the arrearage amount.

SECTION 3: Unless otherwise specifically provided for in this ordinance, any person or corporation who shall violate any provision of this ordinance shall be deemed guilty of a class 1 misdemeanor, and shall be punished as provided in § 10-99 of this code.

ADOPTED THIS \_\_\_\_\_ day of \_\_\_\_\_\_, 2017.

Douglas J. Nicholls Mayor

ATTESTED:

Lynda L. Bushong City Clerk

APPROVED AS TO FORM:

Richard W. Files City Attorney