

ORDINANCE NO. 1001

AN ORDINANCE AMENDING ARTICLE ONE, CHAPTER XV, SUBSECTION 104, OF THE CODE OF THE CITY OF CHAPMAN PROVIDING FOR MULTIPLE PROPERTY UTILITY DEPOSITS.

WHEREAS the governing body of the City of Chapman shall approve the necessary ordinances, rules, and regulations pertaining to the effective management and operation of all city utilities;

NOW THEREFORE, BE ORDAINED BY THE GOVERNING BODY OF THE CITY OF CHAPMAN, KANSAS:

AMENDED SECTION 1. Chapter XV (15) Utilities, Subsection 104 (15-104), of the Code of the City of Chapman is amended to read as follows:

15-104. Security Deposit

- A. A deposit securing payment of customer accounts for utility services provided by the City of Chapman shall be paid to the City Clerk by all applicants for utility services before services are connected or commenced. Utility services include electric, water and wastewater.
- B. The minimum security deposit shall be \$150.00 for residential locations and \$300.00 for commercial locations. Persons or businesses renting or leasing three or more residential properties in the city shall pay a multiple property deposit pursuant to paragraph F and its associated requirements, below. A receipt for any deposits made to the city shall be issued to each depositor.
- C. The deposit so made shall be kept in a separate account and the deposit designated "Utility Deposit Fund." Interest shall be payable at the rate determined yearly by the Kansas Corporation Commission and credited to the customer's account January 1st of each calendar year.
- D. Upon the discontinuance of any service at the request of any depositor, the deposit shall be refunded with accrued interest upon surrender of the original receipt less any amount due owing the city for services furnished prior thereto or the deposit may be credited toward the payment of the final bill rendered to the customer.
- E. Any security deposit not refunded within three (3) years after Discontinuance of service shall be deposited in the utility funds of the city upon compliance with the provisions of K.S.A. 12-822, as amended.

F. Persons or businesses who own three (3) or more residential properties which are leased or rented to the public shall be subject to the following with regards to utility deposits:

- (a) The property owner shall pay city utility deposits pursuant to the following graduated schedule based upon the number of rental properties they own in the city:
 - 3 – 5 properties shall pay a deposit of \$500
 - 6 – 10 properties shall pay a deposit of \$750
 - 11- 20 properties shall pay a deposit of \$1,500
 - 21 or more properties shall pay a deposit of \$2,000
- (b) Property owners shall provide a list of all properties covered by their deposit and shall notify the city within five (5) business days of any changes.
- (c) Property owners shall complete any forms required by the city related to this ordinance section.
- (d) Upon payment of the multiple property deposit the city will, upon notification that service is being discontinued by the property renter or lessor, complete service account discontinuation procedures, including meter readings, and close the renters account with final billing being transmitted.
- (e) The service, however, will not be turned off, but placed back into the name and account of the property owner. The multiple property deposit on account with the city will be honored and no additional deposit will be required from the property owner to open a new account in their name.
- (f) When the property is subsequently rented or leased, the owner or renter shall notify the city, at which time the city will complete the service account discontinuation procedures, including meter readings, and close the property owner's account with final billing being transmitted to the property owner for the utility service which was provided during the interim period between renters.
- (g) The new renter or lessor will then be responsible for setting up their own utilities account with the city pursuant to all charges and fees required.
- (h) All connection fees for water and electricity shall be the responsibility of the property owner when service is placed under their account.

G. The following properties shall not be charged a utility deposit under city ordinance section 15-104:

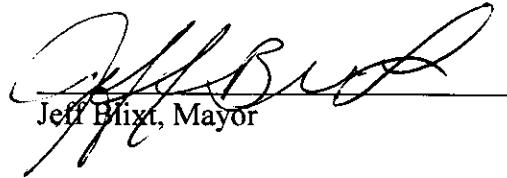
- (a) Butterfield Trail House of the Chapman Housing Authority
- (b) Chapman Valley Estates

SECTION 2. That any section of the Code of the City of Chapman which is found to be in conflict with this ordinance shall be considered void in so far as it is in conflict.

SECTION 3. This ordinance shall take effect and be in force as of the date of its passage, approval and publication in the official city newspaper as provided by law.

SECTION 4. All prior versions of Article 1 of Chapter XV, Subsection 104 (15-104) of the Code of the City of Chapman are hereby amended to reflect the changes noted in this ordinance.

PASSED AND APPROVED by the Governing Body of the City of Chapman, Kansas, a majority being in favor thereof, this 13th day of December, 2017.



Jeff Bixt, Mayor

ATTEST:



Erin Tilton, City Clerk