

**COMMON COUNCIL OF THE CITY OF AUSTIN, INDIANA**

**ORDINANCE NO. 2024-14**

**AN ORDINANCE OF THE CITY OF AUSTIN ESTABLISHING  
A SEWER DEPOSIT POLICY FOR NEW CUSTOMERS**

**WHEREAS**, the City of Austin provides sewer services to its residents and businesses and seeks to ensure the financial stability of the city's sewer services; and

**WHEREAS**, Indiana Code § 36-9-23-28 grants municipalities the authority to establish a deposit policy to secure payment of sewer service charges;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF AUSTIN, INDIANA, AS FOLLOWS:**

**SECTION 1. PURPOSE.** This ordinance establishes a deposit requirement for new sewer service customers in order to secure payment for sewer services provided by the City of Austin.

**SECTION 2. DEFINITIONS.** For purposes of this ordinance, the following definitions shall apply:

- a. *Customer*: Any individual, business, or entity applying for new sewer service within the jurisdiction of the City of Austin.
- b. *Deposit*: A monetary amount paid by the customer to the City of Austin to secure payment for future sewer service charges.

- c. *Sewer Service*: The wastewater collection and treatment services provided by the City of Austin.

### **SECTION 3. SEWER DEPOSIT REQUIREMENT.**

- a. *Applicability*: This deposit requirement applies to all new sewer service customers who establish an account with the City of Austin.
- b. *Deposit Amount*: The required deposit amount shall be set at \$100.00 for residential customers and \$250.00 for commercial customers, as determined by the City Council and subject to periodic adjustment.
- c. *Waiver of Deposit*: The City may waive the deposit requirement for customers who provide a history of timely payment for utility services within the past 12 months.

### **SECTION 4. DEPOSIT MANAGEMENT.**

- a. *Sewer Deposit Fund*: Pursuant to the requirements of Indiana law, the city shall establish a separate non-reverting perpetual fund specifically for the purpose of holding sewer deposits (the “Sewer Deposit Fund”). All sewer deposits collected shall be deposited into this fund and shall not be commingled with other City funds, accounts, or general revenue funds.
- b. *Credit of Deposit*: The deposit shall be credited to the regular sewer bill after twelve months of timely payments.
- c. *Refund of Deposit*: If the deposit has not been credited, less any outstanding penalties and service fees, shall be refunded to the depositor after a notarized statement from the depositor that as of a certain date the property being served:  
  - (1) has been conveyed or transferred to another person; or
  - (2) no longer uses or is

connected with any part of the city's sewage system. The notarized statement must include the name and address of the person to whom the property is conveyed or transferred. Refunds shall be issued within 60 days of account closure.

- d. *Application of Deposit to Unpaid Balances:* If a customer defaults on payment, the city may apply the deposit to cover any outstanding balance on the customer's account. Any remaining balance due on the account after application of the deposit shall be due immediately.
- e. *Unclaimed Deposits:* Deposits held for more than seven years after the termination of the services for which the deposit was made becomes the property of the city.

**SECTION 5. COMPLIANCE WITH INDIANA LAW.** The City of Austin shall administer this deposit policy in compliance with Indiana Code § 36-9-23-28 and any other applicable state laws governing municipal utility deposits.

**SECTION 6. CONFLICT PROVISION.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**SECTION 7. SAVINGS CLAUSE.** If any section, subsection, paragraph, sentence, clause or phrase of this Ordinance is declared unconstitutional or invalid for any reason, such decision shall not affect the validity of the other remaining parts.

**SECTION 8. EFFECTIVE DATE.** This Ordinance shall be in full force and effect from and after its passage, approval, and publication according to law.

Passed and adopted on November 17, 2024, by a vote of 4 to 0.

Common Council City of Austin, Indiana

  
\_\_\_\_\_  
Roger Hawkins, Presiding Officer


Attest:

  
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Chris Fugate, Clerk-Treasurer

Presented by me to the Mayor of the City of Austin for his approval or veto pursuant to Indiana Code § 36-4-6-15 and 16, on November 12, 2024 at 5:53 p.m.

  
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Chris Fugate, Clerk-Treasurer

This Ordinance having been passed by the legislative body and presented to me is approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1), on November 12, 2024 at 5:53 p.m.

  
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Roger Hawkins, Mayor

Attest:

  
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Chris Fugate, Clerk-Treasurer