

RESOLUTION NO. 20260210.1

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF PANAMA CITY PROVIDING FOR WATER UTILITY BILL CREDITS FOR EXCESSIVE CHARGES CAUSING AN UNDUE FINANCIAL BURDEN ON ACCOUNT HOLDERS.

WHEREAS, the City of Panama City, Florida, operates a municipal water utility to provide essential services to its residents and businesses; and

WHEREAS, unexpected spikes in water utility bills can occur due to factors such as leaks, metering errors, or other anomalies, placing undue financial burden on account holders; and

WHEREAS, the City Commission finds it in the public interest to establish a mechanism for account holders to seek relief from bills that significantly exceed historical usage patterns, promoting fairness and customer trust in the utility system; and

WHEREAS, this Resolution shall apply retrospectively to bills issued from July 1, 2023, through October 28, 2025, to address potential hardships during this period;

NOW, THEREFORE, BE IT RESOLVED by the City Commission of the City of Panama City, Florida, as follows:

Section 1. Definitions

For the purposes of this Resolution:

- a. "Excessive Bill" means a water utility bill for a billing period where the total amount charged exceeds six (6) times the account holder's Average Bill Amount.
- b. "Average Bill Amount" means the average monthly bill amount for the account holder's water usage over the twelve (12) billing periods immediately preceding the billing period in question. If fewer than twelve (12) billing periods are available, the average shall be calculated based on all available prior billing periods.
- c. "Eligible Period" means the period from July 1, 2023, to October 28, 2025, inclusive.
- d. "Credit" means an adjustment to the account holder's current balance in an amount equal to the difference between the Excessive Bill and the Average Bill Amount, or such other amount as determined reasonable by the Utility Director based on investigation.
- e. "Reopened Account" means a new water utility account established at the same service address as a previously closed account, where the account holder can demonstrate continuity of residency or ownership (e.g., via property records, lease agreements, or other documentation).

Section 2. Eligibility for Credit

An account holder with an open and active water utility account with the City, or a holder of a Reopened Account, may apply for a Credit if:

- a. The bill in question was issued during the Eligible Period;
- b. The bill qualifies as an Excessive Bill; and

- c. The account holder submits a complete application within six (6) months of the bill's issuance date or within sixty (60) days of the effective date of this Resolution, whichever is later.

Section 3. Application and Approval Process

- a. Application Submission: Applications for a Credit shall be submitted to the City's Water Utility Department on a form provided by the City, including:
 - i. Account number and billing period in question (for Reopened Accounts, include details of the prior closed account);
 - ii. Evidence of the Excessive Bill (e.g., copy of the bill);
 - iii. Any supporting documentation, such as proof of repairs for leaks, explanations for unusual usage, or evidence of continuity for Reopened Accounts.
- b. Review and Investigation: Upon receipt, the Utility Director or their designee shall review the application within thirty (30) days. The review may include:
 - i. Verification of the Average Bill Amount;
 - ii. Inspection of the premises or meter, if necessary;
 - iii. Determination of whether the excess was due to account holder negligence (e.g., unrepaired leaks known to the account holder);
 - iv. For Reopened Accounts, confirmation of the same service address and continuity of residency or ownership.
- c. Approval Criteria: The application shall be approved if the bill meets the definition of an Excessive Bill, no evidence of account holder negligence is found, and, for Reopened Accounts, eligibility is verified. Denials shall be provided in writing with reasons and an opportunity to appeal to the City Commission within thirty (30) days.
- d. Issuance of Credit: Upon approval, the Credit shall be applied to the account holder's current balance within the next billing cycle.

Section 4. Limitations

- a. Credits under this Resolution are limited to one (1) per account per calendar year during the Eligible Period, unless extraordinary circumstances are demonstrated. This aligns with the City's existing one-time high-bill adjustment policy (adopted October 28, 2025), which provides a lifetime one-time adjustment for bills exceeding six (6) times the prior year's average (with 50% credit on excess water and 100% on sewer), but this Resolution extends relief retrospectively and uses a three (3) times threshold for the specified period. For Reopened Accounts, the limitation applies across both the closed and reopened accounts at the same address.
- b. This Resolution does not apply to bills resulting from deliberate tampering, unauthorized usage, or violations of City utility policies.
- c. Accounts must remain open and in good standing at the time of application and Credit issuance; for Reopened Accounts, the new account must be open and in good standing.

Section 5. Funding

Credits issued under this Resolution shall be funded from the Water Utility Enterprise Fund or other available sources as determined by the City Commission.

Section 6. Severability

If any section, subsection, sentence, clause, or phrase of this Resolution is held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution.

Section 7. Effective Date

This Resolution shall take effect immediately upon adoption and shall apply retrospectively to bills issued during the Eligible Period.

PASSED, APPROVED AND ADOPTED by the City Commission of the City of Panama City
this 10^h day of February, 2026.

CITY OF PANAMA CITY, FLORIDA

By: _____
Allan Branch, Mayor

ATTEST:

Janette Smith, CMC, CPA, City Clerk- Treasurer