



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Customer Service

DCM: Cassey Ogden

DATE: January 6, 2026

SUBJECT

Consider adoption of an ordinance of the City of Denton amending Chapter 26 of the Code of Ordinances to update Sections 26-5, 26-8(d) and 26-9(d) amending deposit refund and payment agreement provisions; and providing a severability clause; providing a savings clause; providing for codification; and an effective date. The Public Utilities Board recommends approval (6-0).

BACKGROUND

In July, 2009, City Council adopted strategic recommendations to base certain billing and collections processes on consumer credit risk. Updates to the deposit refund practices and the pay agreement program were recommended during a 2025 study of billing and collections processes and on September 30, 2025, City Council provided approval and direction for modifications.

Currently, residential deposits are held for one year of good payment history and commercial deposits are held for the lifetime of the account. Review also identified that current criteria for deposit refunds requires each account's history to be manually reviewed which prevents use of automated programming within the billing system. Proposed changes alleviate unnecessary manual work, continues the practice of refunding residential deposits after one year of good payment, and updates practices regarding commercial deposits to allow refund after two years of good payment history. This is in alignment with benchmarked utility best practices.

Payment agreements are currently very restrictive and lack any allowance for working with unique customer situations. Update of the code authorizes Customer Service to provide pay agreements with the use of internal guidelines approved by the City Manager with formalized changes to the written program guidelines being provided to City Council via ISR or Friday Report prior to implementation allowing Council to request review and discussion, if desired.

PRIOR ACTION/REVIEW (Council, Boards, Commissions)

PUB December 15, 2025

City Council September 30, 2025

PUB August 25, 2025

EDPB September 10, 2025

EXHIBITS

Exhibit 1 – Agenda Information Sheet

Exhibit 2 – Ordinance

Exhibit 3 – Redline Code of Ordinances Changes

Exhibit 4 – Pay Agreement Guidelines

Respectfully submitted:
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DME General Manager

For information concerning this acquisition, contact: Christa Foster, 940-349-7412.