



Monterey County

168 West Alisal Street,
1st Floor
Salinas, CA 93901
831.755.5066

Board Report

Legistar File Number: 17-0547

June 06, 2017

Introduced: 5/23/2017

Version: 1

Current Status: Consent Agenda

Matter Type: General Agenda Item

Acting on behalf of County Service Area 75 - Chualar:

- a. Set a Public Hearing on June 27, 2017, at 1:30 p.m. to hear the Report of Delinquent Fees and consider any protests and objections to the report by property owners liable to be assessed for delinquent fees for County Service Area 75 - Chualar;
- b. Direct Resource Management Agency (RMA) to prepare a final Report of Delinquent Fees; and
- c. Direct Resource Management Agency to mail the Notice of Public Hearing to property owners listed in the report not less than ten (10) days prior to the date of hearing.

RECOMMENDATION:

It is recommended that the Board of Supervisors acting on behalf of County Service Area 75 - Chualar:

- a. Set a Public Hearing on June 27, 2017, at 1:30 p.m. to hear the Report of Delinquent Fees and consider any protests and objections to the report by property owners liable to be assessed for delinquent fees for County Service Area 75 - Chualar;
- b. Direct Resource Management Agency (RMA) to prepare a final Report of Delinquent Fees; and
- c. Direct Resource Management Agency to mail the Notice of Public Hearing to property owners listed in the report not less than ten (10) days prior to the date of hearing.

SUMMARY:

The proposed actions will result in a Public Hearing to consider placing past due sanitation service charges for County Service Area (CSA 75) on the property tax rolls to facilitate collections. This assessment will be in the form of a lien placed on the property owners' real property until such time that the delinquent balance is paid in full.

DISCUSSION:

CSA 75 is a service area of approximately 175 acres and serves the entire unincorporated area of Chualar, located south of Salinas along Highway 101. There are 197 parcels, a majority of which are residential. The CSA provides for the operations and maintenance of sewage collection, disposal and treatment services, street lighting service, and storm and surface water drainage. The Monterey Regional Water Pollution Control Agency acts as the billing agency for CSA 75.

In 1999, the Board of Supervisors adopted ordinances removing sanitation service charges from the tax rolls and instead provided for collection through a monthly billing system. On June 22, 2004, the Board of Supervisors adopted Ordinance No. 04225 establishing procedures for collection of delinquent fees for CSA 75. The procedures include holding a public hearing once a year to hear the Report of Delinquent Fees and any protests or objections by property owners

liable to be assessed for delinquent fees (Attachment A).

Certain property owners in CSA 75 have accrued unpaid balances for calendar year 2016 on accounts for eleven (11) parcels despite multiple billing notices. The proposed action will schedule the required hearing regarding these eleven (11) accounts with past due balances.

On March 22, 2017 and again on May 2, 2017 property owners were notified by letter that they have delinquent accounts. The letters informed each property owner, that past due amounts as of December 31, 2016 are subject to collection through a lien on their property. Notices of the June 27, 2017 hearing will be mailed, not less than ten (10) days prior to the hearing to property owners listed in the report and noticed in the *Monterey County Weekly*.

OTHER AGENCY INVOLVEMENT:

The Monterey Regional Water Pollution Control Agency acts as the billing agency for CSA 75. Placement of the liens on the property tax rolls will be facilitated by the Treasurer-Tax Collector's Office.

FINANCING:

Collectively, past due amounts for calendar year 2016 for CSA 75 currently total \$2,006.53 from eleven (11) parcels. In accordance with the Monterey County Fee Schedule, Late Payment Penalties in the amount of \$30.10 have been assessed pursuant to the California Health and Safety Code, Section 5473.10. In accordance with Ordinance No. 04225, these penalty fees are included in the total service charge amount of \$2,036.63. The main revenue for the CSA 75 comes from sewer fees, with additional revenue allocated from a portion of the general property tax, as well as investment income from the Unassigned Fund Balance. Additionally, revenue from the prior year's delinquent accounts are collected when property tax payments are made in December and April of the following year. All calendar year 2016 past due service charges and penalty fees collected will be deposited to Fund 093 for CSA 75. Past due amounts are a normal part of doing business, and as such, are accounted for when preparing the annual budget. The nominal amount is not expected to have an impact on the current year budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES

The collection of delinquent accounts ensures continued cash flow to fund maintenance and repairs. Responsible fiscal management allows for adequate management of sewer infrastructure needs which improves public health and safety.

Check the related Board of Supervisors Strategic Initiatives:

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Lynette Redman, Management Analyst III, (831)796-6038

Approved by: Shawne Ellerbee, RMA Deputy Director of Administrative Services

Approved by: Carl P. Holm, AICP, Resource Management Agency Director

Attachments:

Attachment A - Notice of Public Hearing

Attachment B - Draft Delinquent Fees Report for CSA 75

Attachment C - Location Map

(On file with the Clerk of the Board)