



Monterey County

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Board Report

Legistar File Number: RES 17-105

June 27, 2017

Introduced: 6/19/2017

Version: 1

Current Status: Agenda Ready

Matter Type: BoS Resolution

Acting as the Board of Directors of the Pajaro County Sanitation District:

- a. Conduct a public hearing to hear the report of delinquent sanitation fees and consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;
- b. Adopt a resolution confirming the draft report of delinquent sanitation fees for the Pajaro County Sanitation District; as identified in Attachment B, and authorizing the delinquent sanitation fees as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
- c. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

RECOMMENDATION:

It is recommended that the Board of Supervisors acting as the Board of Directors of the Pajaro County Sanitation District:

- a. Conduct a public hearing to hear the report of delinquent sanitation fees and consider any protests and objections to the report by property owners liable to be assessed for delinquent sanitation fees for the Pajaro County Sanitation District;
- b. Adopt a resolution confirming the draft report of delinquent sanitation fees for the Pajaro County Sanitation District; as identified in Attachment B, and authorizing the delinquent sanitation fees as set forth in the confirmed report to constitute special assessments against the respective parcels of land to be collected at the same time and in the same manner as ordinary County ad valorem property taxes are collected; and
- c. Authorize the Clerk of the Board to file a certified copy of the report with the Auditor-Controller.

SUMMARY:

This hearing was set by Board action on June 6, 2017, and has been properly noticed. The proposed actions will result in a Public Hearing to consider placing past due sanitation service charges for the Pajaro County Sanitation District (PCSD) on the property tax rolls to facilitate collections. This assessment will be in the form of a lien placed on the subject real property until such time that the delinquent balance is paid in full.

DISCUSSION:

The PCSD provides wastewater collection services to 1,047 customers in the Pajaro and Las Lomas communities. The Monterey Regional Water Pollution Control Agency acts as the billing agency for the PCSD.

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 9, 2007, the Board of Supervisors adopted Ordinance No. 05054 establishing procedures for collection of delinquent fees for the PCSD. 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 B).

Certain property owners in the PCSD have accrued unpaid balances for calendar year 2016 on accounts for sixty-seven (67) parcels despite multiple billing notices. The proposed action will result in a Public Hearing to consider placing past due sanitation service charges for the Pajaro County Sanitation District (PCSD) on the property tax rolls to facilitate collections for the sixty-seven (67) accounts with past due balances.

On March 28, 2017 and again on May 4, 2017, property owners were notified by letter that they have delinquent accounts. The letters informed the property owners that the past due amount as of December 31, 2016 was subject to collection through a lien on their property. On June 6, 2017, Notices of the June 27, 2017 hearing were mailed to property owners listed on the report.

OTHER AGENCY INVOLVEMENT:

The Monterey Regional Water Pollution Control Agency (MRWPCA) acts as the billing agency for PCSD. The accounts listed in Attachment B and the amounts due are based on a report provide by MRWPCA. Placement of the liens on the property tax rolls will be done by the Treasurer-Tax Collector's Office.

FINANCING:

Collectively, past due amounts for calendar year 2016 for the PCSD total \$33,824.07 from sixty-seven (67) parcels. Costs associated with processing the liens for the sixty-seven (67) delinquent accounts, including data processing, accounting, noticing, and control procedures, is calculated at \$60 per parcel for a total of \$4,020. In accordance with Ordinance No. 05054, the processing costs will be added as lien transfer fees to the delinquent amount on a per parcel basis prior to forwarding the accounts to the Treasurer-Tax Collector's office, for a total lien amount of \$37,844.07. The main revenue for the PCSD comes from sewer fees, with additional revenues allocated from a portion of the general property tax. Additionally, revenue from the prior year's delinquent accounts is collected when property tax payments are made in December and April of the following year. All past due calendar year 2016 service charges and lien transfer fees collected will be deposited into Fund 151 for the PCSD. Past due amounts are a normal part of doing business, and as such, are accounted for when preparing the annual budget. The average annual delinquent amount total, including lien fees, over the last five years is \$41,600. The current total lien amount is consistent with previous years' delinquent amount totals.

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

- X Administration
- X Health & Human Services
- X Infrastructure
- X Public Safety

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

Attachments:

Attachment A - Resolution

Attachment B - Draft Delinquent Fees Report for the PCSD

Attachment C - Notice of Public Hearing

Attachment D - Location Map

(Attachments on file with the Clerk of the Board)