



Monterey County

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Board Report

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Matter Type: General Agenda Item

Acting on behalf of County Service Area 75 - Chualar:

- a. Set a Public Hearing on June 28, 2016, at 10:30 a.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; and
- b. Direct Resource Management Agency 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; and
- d. Direct the Clerk of the Board to publish the Notice of Public Hearing for June 28, 2016 at 10:30 a.m. in the *Monterey County Weekly*.

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 28, 2016, at 10:30 a.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 (CSA 75); and
- b. Direct Resource Management Agency (RMA) to prepare a final Report of Delinquent Fees; and
- c. Direct RMA 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; and
- d. Direct the Clerk of the Board to publish the Notice of Public Hearing for June 28, 2016 at 10:30 a.m. in the *Monterey County Weekly*.

SUMMARY:

The proposed actions will result in a Public Hearing to consider placing past due sanitation service charges for 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 2).

Certain property owners in CSA 75 have accrued unpaid balances for calendar year 2015 on accounts for thirteen (13) parcels despite multiple billing notices. The proposed action will schedule the required hearing regarding the thirteen (13) accounts with past due balances.

On March 4, 2016 and again on May 9, 2016 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, 2015 are subject to collection through a lien on their property. Notices of the June 28, 2016 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 done by the Treasurer-Tax Collector's Office.

FINANCING:

Collectively, past due amounts for calendar year 2015, for CSA 75 total \$2,497.44 from thirteen (13) parcels. In accordance with the Monterey County Fee Schedule, Late Payment Penalties 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 \$2,534.91. The main revenue source for CSA 75 comes from sewer service fees, with additional revenues allocated from a portion of the general property tax, as well as investment income from the Unassigned Fund Balance. Additionally, revenue from the previous 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 2015 service fees and delinquent payments will be deposited to Fund 093 for CSA 75. There are sufficient appropriations available in fund 093 to cover the processing costs until the delinquent amounts are recovered. However, there is currently approximately \$91,000 available in the Unassigned Fund Balance should an appropriation be necessary to cover any costs until delinquent fees are collected on the FY 2016-17 tax rolls.

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Approved by: Benny J. Young, Interim Director of Public Works and Facilities

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

Dated: May 10, 2016

Attachment(s): Attachment 1- Notice of Public Hearing; Attachment 2- Draft Delinquent Fees

Report for CSA 75; Attachment 3- Location Map (On file with the Clerk of the Board)