



Monterey County

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

Board Report

Legistar File Number: PCSD RES 16-001

July 12, 2016

Introduced: 6/29/2016

Current Status: Scheduled PM

Version: 1

Matter Type: PCSD Resolution

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

- a. Receive the report of delinquent fees;
- b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent fees for the Pajaro County Sanitation District;
- c. Adopt a Resolution:
 1. Finding the action is not a project pursuant to Section 15378(b)(4) of the California Environmental Quality Act Guidelines;
 2. Confirming the draft report of delinquent fees for the Pajaro County Sanitation District; as identified in Exhibit A;
 3. Authorizing the delinquent 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
- d. Authorize the Clerk of the Board of Supervisors to file a certified copy of the confirmed 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. Receive the report of delinquent fees;
- b. Consider any protests and objections to the report by property owners liable to be assessed for delinquent fees for the Pajaro County Sanitation District;
- c. Adopt a resolution:
 1. Finding the action is not a project pursuant to Section 15378(b)(4) of the California Environmental Quality Act Guidelines;
 2. Confirming the draft report of delinquent fees for the Pajaro County Sanitation District; as identified in Exhibit A;
 3. Authorizing the delinquent 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
- d. Authorize the Clerk of the Board of Supervisors to file a certified copy of the confirmed report with the Auditor - Controller.

SUMMARY:

This hearing was set by Board action on June 21, 2016, 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:

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 January 9, 2007, the Board of Supervisors adopted Ordinance No. 05054 establishing procedures for collecting 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 (Exhibit A).

Certain property owners in PCSD have accrued unpaid balances for calendar year 2015 on accounts for sixty-three (63) parcels despite multiple billing notices. The proposed action will schedule the required hearing regarding the sixty-three (63) 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. On June 21, 2016, Notices of the July 12, 2016, public hearing were mailed to property owners listed on the report. Staff will provide the most current Delinquent Fee Report at the hearing.

Fees are used to manage and provide maintenance services within the District. This action is a fiscal activity “which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment”. As such, it is not a project pursuant to Section 15378(b)(4) of the CEQA Guidelines. Projects funded using district fees would be subject to CEQA review when they are identified.

OTHER AGENCY INVOLVEMENT:

The Monterey Regional Water Pollution Control Agency (MRWPCA) acts as the billing agency for PCSD. The accounts listed in Exhibit A and the amounts due are based on a report provided by MRWPCA (attached). 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 PCSD total \$30,243.32 from sixty-three (63) parcels. Costs associated with processing the liens for delinquent accounts including data processing, accounting, noticing, and control procedures is calculated at \$60 per parcel. In accordance with Ordinance 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 \$34,023.32. The main revenue source for the PCSD comes from sewer fees, with additional revenues allocated from a portion of the general property tax, as well as revenue from the Redevelopment Property Tax Trust Fund. 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 charges and lien transfer fees collected will be deposited to Fund

151 for the PCSD. There are sufficient appropriations available in fund 151 to cover the processing costs until the delinquent amounts are recovered. However, there is currently approximately \$110,186 available in the Unassigned Fund Balance should an appropriation be necessary to cover any costs until delinquent fees are collected on the Fiscal Year 2016-17 tax rolls.

All past due calendar year 2015 service charges and lien transfer fees collected will be deposited to Fund 151 for the PCSD. There are sufficient appropriations available in Fund 151 to cover the processing costs until the delinquent amounts are recovered

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

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

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

Dated: June 14, 2016

Attachments: Resolution and Exhibit A - Delinquent Fees Report for PCSD; Attachment 1 Notice of Public Hearing; Attachment 2 Location Map (Attachments on file with the Clerk of the Board)