



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: PCSDG 20-001, **Version:** 1

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

- a. Set a Public Hearing on May 19, 2020, at 1:30 p.m., to hear the Report of 2019 Delinquent Fees for the Pajaro County Sanitation District, and consider any protests and objections to the Report by property owners liable to be assessed for delinquent fees;
- b. Direct the Resource Management Agency to prepare a final Report of 2019 Delinquent Fees for the Pajaro County Sanitation District; and
- c. Direct the Resource Management Agency to publish a Notice of Public Hearing and mail it to the 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 as the Board of Directors of the Pajaro County Sanitation District:

- a. Set a Public Hearing on May 19, 2020, at 1:30 p.m., to hear the Report of 2019 Delinquent Fees for the Pajaro County Sanitation District and consider any protests and objections to the Report by property owners liable to be assessed for delinquent fees;
- b. Direct the Resource Management Agency to prepare a final Report of 2019 Delinquent Fees for the Pajaro County Sanitation District; and
- c. Direct the Resource Management Agency to publish a Notice of Public Hearing and mail it to the property owners listed in the report not less than ten (10) days prior to the date of hearing.

SUMMARY:

The proposed action will set 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 property owner's real property until such time that the delinquent balance is paid in full.

DISCUSSION:

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

In 1999, the Board of Supervisors adopted ordinances removing sanitation service charges from the tax rolls and provided instead 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 PCSD. The procedures include holding a public hearing once a year to hear the Report of Delinquent Sanitation Fees and any protests or objections by property owners liable to be assessed for delinquent fees.

The Report of 2019 Delinquent Fees (Attachment A) lists property owners in PCSD that have accrued unpaid account balances for calendar year 2019 for 93 parcels despite multiple billing notices. The proposed action sets the required hearing for the 93 accounts with past due balances. On March 25, and April 17, 2020, affected property owners will be notified by letter that they have delinquent 2019 accounts. The letter will inform each property owner of the past due amount as of December 31, 2019, and the delinquent amount is subject to collection through placement of a lien on their property. Notices of the May 19, 2020 public hearing will be

mailed not less than ten (10) days prior to the hearing to property owners listed in the Report. A public hearing notice (Attachment B) will be published in the Monterey County Weekly not less than ten (10) days prior to said hearing.

OTHER AGENCY INVOLVEMENT:

Monterey One Water acts as the billing agency for the PCSD. Placement of liens on property tax rolls is done by the Office of the Treasurer-Tax Collector.

FINANCING:

Currently, the collective past due amount for calendar year 2019 for PCSD totals \$46,053 from 93 parcels. Costs associated with processing the liens for the 93 delinquent accounts, including data processing, accounting, noticing, and control procedures, are calculated at \$60 per parcel for a total of \$5,580. 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, for a total lien amount of \$51,633. PCSD's main revenue is generated 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 2019 account balances and lien transfer fees collected will be deposited into Fund 151 for PCSD. Collection of past due amounts is a normal part of doing business and as such, is accounted for when preparing the annual budget.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

The collection of past due amounts and lien transfer fees for delinquent accounts ensure continued cash flow to fund maintenance and operations. Responsible fiscal management ensures that sewer infrastructure needs are met and improves public health and safety.

☐ Economic Development
☒ Administration
☒ Health & Human Services
☒ Infrastructure
☒ Public Safety

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

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

Attachments:

Attachment A-Report of 2019 Delinquent Fees as of 2/26/20

Attachment B-Notice of Public Hearing

Attachment C-Location Map

(Attachments are on file with the Clerk of the Board)