



County of El Dorado

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Legislation Text

File #: 12-0855, Version: 1

HEARING: Consider the adoption of Resolution **105-2012** establishing delinquent mandatory refuse collection fees as special assessments and providing for collection in the same manner as ad valorem property taxes for South Tahoe Refuse Co., Inc.

BUDGET SUMMARY:		
Total Estimated Cost		\$0
Funding		
Budgeted	\$0	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$0	
Change To Net County Cost		\$0

Fiscal Impact/Change to Net County Cost: None

Background:

On December 31, 1970, the California Tahoe Regional Planning Agency (TRPA) approved an ordinance prohibiting the issuance of a building permit for any Lake Tahoe occupancy unless solid waste export was provided by a licensed or franchised solid waste hauler, or by a public agency.

In October 1972, El Dorado County voters passed a mandatory collection ordinance for all residential units in the unincorporated area of the Lake Tahoe Basin. The goals of mandatory refuse collection are to: a) reduce illegal disposal; b) provide for expanded disposal, recycling and yard waste programs which support the County's compliance with AB 939 that mandated 50% diversion by the year 2000; and c) institute a consolidated and single refuse collection rate within designated mandatory collection areas.

In January 1999, the El Dorado County Board of Supervisors adopted Ordinance Code that authorizes the mandatory collection of fees via property tax liens that remain unpaid for period of (90) days. (Exhibit A - Solid Waste Management Ordinance section 8.42.250)

Reason for Recommendation:

The lien process was developed as a result of a large number of delinquent accounts within the South Tahoe Refuse Co, Inc. (STR) collection area that were affecting rates. Specifically, the 1998 rate review and audit of STR's financial position revealed that a portion of the required general rate increase was necessary to offset over \$300,000 in long-term unpaid refuse bills from customers in

both the unincorporated area and City of South Lake Tahoe. In effect, the property owners in the South Tahoe Basin who were paying their bills in good faith were subsidizing those who were not.

The lien process provides for the collection of bad debt and provides a mechanism to keep rates in line with actual expense projections of the company operations without being skewed by bad debt. The bad debt, resulting from property owners not paying their solid waste collection bills, has been greatly diminished through the use of the lien process and prevents the need for increases in the rate structure to offset the bad debt.

The County's Solid Waste Management Ordinance provides the Board with the discretion to implement the procedure that levies a special assessment against a property for the amount of confirmed delinquent solid waste collection fees. If the Board decides not to implement the procedure, then the collection of the debts will be returned to the hauler and result in uncollected delinquent fees that increase rates.

STR follows a process in an attempt to collect past due bills prior to initiating the lien process. This includes a combination of courtesy letters and phone calls to work with their customers to resolve past due bills. STR's process and a sample a courtesy letter are attached as Exhibits B and C.

Action to be taken following Board approval:

1) Clerk of the Board to forward copies of the executed Resolution to County Recorder's Office for recording then forward a copy of the Recorded Resolution to Department.

Contact: Gerri Silva, MS, REHS, Environmental Management Director