



## Legislation Text

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**File #:** 15-0786, **Version:** 1

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HEARING - Community Development Agency, Administration and Finance Division, recommending the Board conduct a hearing to consider adopting and authorizing the Chair to sign Resolution **126-2015** establishing the delinquent mandatory refuse collection fees for South Tahoe Refuse Company as a special assessment for the 2015/16 tax year and providing for the collection thereof in the same manner as the ad valorem property taxes. (Est. Time: 10 Min.)

**FUNDING:** Solid Waste Collection Fees.

### **DEPARTMENT RECOMMENDATION**

Community Development Agency, Administration and Finance Division, recommending the Board conduct a hearing to consider adoption of Resolution XXX-2015 establishing the delinquent mandatory refuse collection fees for South Tahoe Refuse Company (STR) as a special assessment for the 2015/2016 tax year and providing for the collection thereof in the same manner as the ad valorem property taxes.

### **DISCUSSION / BACKGROUND**

Solid waste refuse and garbage collection has been mandatory in the Tahoe Basin since December 31, 1970, when the Tahoe Regional Planning Agency approved an ordinance prohibiting issuance of a building permit for any Lake Tahoe occupancy unless solid waste collection and disposal 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.

On December 29, 1981, the Board of Supervisors adopted Ordinance 3214 Mandatory Refuse and Garbage Collection of South Lake Tahoe, which prescribed the duty of the parcel owner to provide for the payment of the mandatory refuse collection and disposal fees.

On January 26, 1999, the Board of Supervisors adopted Ordinance 4525 which revised the mandatory solid waste collection areas in the County and provided a lien hearing process for delinquent mandatory collection amounts outstanding for ninety (90) days or more, as well as including other ordinance provisions regarding the administration of mandatory solid waste collection areas applicable to all designated mandatory solid waste collection areas.

Consistent with provisions of County Ordinance Code §8.42.120 and §8.42.130, the County entered into a franchise agreement with South Tahoe Refuse Company, Inc. to provide mandatory refuse and garbage collections services within the unincorporated area of the Lake Tahoe Basin, with a small area serviced by another franchisee. Provisions of the Ordinance Code require that the fees for

mandatory collection resulting from rates reviewed, approved and set by the Board of Supervisors be charged to customers by the franchisee.

The lien amounts proposed are the amounts that have been billed, and which are 90 days or more delinquent. The full amounts that are 90 days or more delinquent will constitute the amounts of the special assessment liens on the subject properties.

The lien process was adopted as the result of a large number of delinquent accounts within the STR mandatory collection area that were affecting rates. The lien process provides for the collection of bad debt and provides a mechanism that aligns rates with the actual expense projections, without being skewed by bad debt. Since it was instituted in 1999, the lien process has greatly reduced the amount of bad debt resulting from property owners not paying the mandatory refuse collection fees.

STR makes every effort to collect on past due bills prior to initiating the lien process. This includes a combination of courtesy letters and telephone calls to customers to try to resolve past due payments.

### **ALTERNATIVES**

The County's Solid Waste Management Ordinance Code §8.42.250 provides the Board with discretion to collect delinquent mandatory refuse collection fees by levy of special assessments against the property through the lien hearing process. The Board may choose not to adopt the Resolution establishing the liens and the responsibility for recovery of the bad debt will be returned to STR. The result would be a loss of revenue by STR, which could negatively impact solid waste collection rates in the Tahoe Basin.

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

N/A

### **CAO RECOMMENDATION**

CAO recommending the Board move staff's recommendations.

### **FINANCIAL IMPACT**

Lien amounts collected with the ad valorem tax bills are a direct pass through to STR. The incidental costs associated with the lien proceedings are paid from the County's Solid Waste program. There is no impact to the General Fund, and there is no Net County Cost.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

- 1) The Clerk of the Board will have the Chair sign the Resolution.
- 2) The Clerk of the Board will have a certified copy of the Resolution recorded.
- 3) The Clerk of the Board will provide a certified copy of the Resolution to the Community Development Agency, Administration and Finance Division for further action.

### **STRATEGIC PLAN COMPONENT**

Public Safety  
Effective Services  
Financial Stability

### **CONTACT**

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