



County of El Dorado

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Legislation Text

File #: 10-0777, **Version:** 1

HEARING - Consider adoption of Resolution 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. (Est. Time: 10 Min.)

Resolution 113-2010

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 is 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 all help toward the Countys compliance with AB 939 which 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 approved Ordinance Code section 8.42.250 that states Mandatory collection fees authorized pursuant to this article which remain unpaid for a period of ninety (90) or more days after the date upon which they were billed may be collected thereafter by El Dorado County as provided herein.

A. Once a year the board of supervisors shall cause to be prepared a report of delinquent fees. The Board shall fix a time, date and place for hearing the report and any objections or protests thereto.

B. The board shall cause notice of the hearing to be mailed to the landowners listed on the report not less than ten (10) days prior to the date of the hearing.

C. At the hearing, the board shall hear any objections or protests of landowners liable to be assessed for delinquent fees. The board may make such revisions or corrections to the report as it deems just, after which by resolution, the report shall be confirmed.

D. The delinquent fees set forth in the report as confirmed shall constitute special assessments against the respective parcels of land and are a lien on the property for the amount of such delinquent fees. A certified copy of the confirmed report shall be filed with the county auditor, on or before August 10, for the amounts of the respective assessments against the respective parcels of land as they appear on the current assessment roll. The lien created attaches upon recordation, in the office of the county recorder of the county in which the property is situated, of a certified copy of the resolution of confirmation. The assessment may be collected at the same time and in the same manner as ordinary county ad valorem property taxes are collected and shall be subject to the same penalties and the same procedure and sale in case of delinquency as provided for such taxes. All laws applicable to the levy, collection and enforcement of county ad valorem property taxes shall be applicable to such assessment, except that if any real property to which such lien would attach has been transferred or conveyed to a bonafide purchaser for value, or if a lien of a bona fide

encumbrance for value has been created and attaches thereon, prior to the date on which the first installment of such taxes would become delinquent, then the lien which would otherwise be imposed by this section shall not attach to such real property and the delinquency fees, as confirmed, relating to such property shall be transferred to the unsecured roll for collection.

Reason for Recommendation:

A review of historical agenda items from 1999 and 2000 indicate 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. As identified during the 1998 rate review and audit process of STR it was observed that a portion of the 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 had been subsidizing those who were not. A review of the STR 2008 Annual Financial Summary reflects the bad debt line item with a \$0 value. This \$0 value demonstrates the lien process is effective. 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 which is preventing the need for an increase in the rate structure to offset the bad debt..

A review of the Ordinance language and the use of the term "may" indicates that the use of the procedures described in the Ordinance are discretionary. If the Board in its discretion decides to use the procedure as established in the Ordinance then the delinquent fees that are confirmed shall constitute a special assessment against the property for the amount of delinquent fees. If the Board decides not to use the procedure then the collection of the debts will be returned to the hauler.

STR has a process to collect past due bills prior to initiating the lien process. This internal process includes a combination of courtesy letters and phone calls to work with the customer to resolve the past due bills. STR also focuss on addressing returned mail in an attempt to reach as many of their customers regarding their account prior to the lien process (Attachment A, B).

Action to be taken following Board approval: Upon execution, forward copies of the Resolution to County Recorders Office for recording then forward a copy of the Recorded Resolution to Department.

Contact: Gerri Silva

Concurrences: