



City of Rialto

Legislation Text

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For City Council Meeting and Rialto Utility Authority [June 11, 2019]

TO: Honorable Mayor and City Council

APPROVAL: Sean Grayson, Interim City Administrator

FROM: Thomas J. Crowley, P.E., Utilities Manager

Request City Council to Conduct a Public Hearing to Receive Public Comment and Approve **Resolution No. 7522** Authorizing the Placement of Sewer Service Charges on the County Property Tax Roll for Delinquent Accounts.

(ACTION)

BACKGROUND:

The City of Rialto provides sewer services throughout the entire City and areas of Bloomington. Where the City provides water service, both water and sewer services are billed together. For delinquent accounts, the City is able to impose penalties and shut off water services to promote payment, per Rialto Municipal Code Section 12.08. However, there are areas of the City where either the West Valley Water District or the Fontana Water Company provides water services and the City only bills for sewer services. The sewer-only accounts have high delinquency rates as services cannot be disconnected for lack of payment.

In order to more effectively collect sewer-only accounts, the Rialto Municipal Code section 12.08.201 was amended to allow for placement of delinquent charges on property tax bills through the County Tax Collector's Office. The Ordinance that was approved on June 19, 2007, provides a method for collecting delinquent accounts similar to the lien placement process used for solid waste delinquent accounts.

ANALYSIS/DISCUSSION:

To meet the County submittal deadline of August 10, 2018, the following steps must be taken:

- Send notification letters before June 30, 2018, to the delinquent accounts on the list of properties alerting them of the City's plan to place the delinquent charges on the property tax roll and giving them one last opportunity to pay. The last date to pay before placement on the tax rolls is July 31, 2018.
- Notification letters were mailed the first week of April 2018 and will be mailed the second week of July 2018.
- Present to the City Council the list of properties that meet the criteria for placement of liens with the County and hold a public hearing to approve the levy.
- The Public Hearing was noticed on May 28, 2019.

Willdan Financial Services provides and compares the most recent County property ownership data with the City's account data and subsequently submits the charges to the County on behalf of the City. Willdan currently submits levies to the County on behalf of the City for all of the Community Facilities Districts and Landscape Maintenance Districts. A list of the delinquent properties is attached to the Resolution as **Exhibit "A."**

ENVIRONMENTAL IMPACT:

This request is not a Project as defined by Section 15378 of the California Environmental Quality Act (CEQA). A "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Pursuant to Section 15378 (b)(5) a project does not include organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

GENERAL PLAN CONSISTENCY:

This action is consistent with Guiding Principle 3A in the General Plan:

Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.

LEGAL REVIEW:

The City Attorney has reviewed and approved this staff report

FINANCIAL IMPACT:

Operating Budget Impact

The levy is comprised of accounts where the account owner is the same as the current property owner per the County secured tax roll. The total levy amount for Fiscal Year 2019/20 is \$1,342,731.59. There are 1,582 delinquent accounts as of May 15th, 2018. The County of San Bernardino charges \$0.30 per parcel for the use of their services. This amount will be added to the levy and collected by the County of San Bernardino.

Capital Improvement Budget Impact

There is no impact to the Capital Improvement Budget.

Business License

A Business License Tax is not required with the proposed action.

RECOMMENDATION:

Staff recommends that the City Council:

- Hold a Public Hearing to receive public comment related to the placement of charges on the County Property Tax Roll for delinquent wastewater payments;
- Approve a Resolution authorizing the placement of delinquent wastewater payments on the County Property Tax Roll.