



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of February 25, 2020

TO: Members of the City Council

SUBMITTED BY: Lori Martin, Administrative Services Director/City Clerk

SUBJECT: Mandatory Garbage/Solid Waste Disposal – Delinquent Accounts

RECOMMENDED ACTION:

Conduct a Public Hearing and upon conclusion, consider adopting a Resolution confirming the report of delinquent accounts and placing liens on said properties and special assessments upon property taxes pursuant to City of Hercules Municipal Code Section 5-2.01 to 5-2.16, Mandatory Garbage/Solid Waste Disposal.

COMMISSION/SUBCOMMITTEE ACTION AND RECOMMENDATION:

There was no Commission or Subcommittee review of this item.

FISCAL IMPACT OF RECOMMENDATION:

In addition to the fees due Richmond Sanitary Service (the Collector), the City is authorized by the Code to establish reasonable administrative charges. In order to cover the costs incurred by the City through the lien process, a total administrative charge of \$30 per parcel is assessed. This charge is comparable to that charged by the other cities in West County and notice of this charge has been provided to the affected property owners. This fee will be used to cover the cost of staff's time and other costs associated with processing these delinquencies.

BACKGROUND:

Municipal Code Sections 5-2.01 to 5-2.16, Mandatory Garbage/Solid Waste Disposal, require all property owners of occupied premises in the City to subscribe to, and pay for, garbage collection service through Richmond Sanitary Service, the City's franchised refuse collector. Collection charges that are not paid for in a six-month period are subject to the notice and hearing process defined by the Code. This process ultimately results in an assessment lien against the property for which service was rendered to cover the delinquent garbage collection charges, penalties and City costs. The lien is placed on said property and the assessment is collected either through escrow when the property is sold or by the City with its regular property tax allocation from the County. The Collector, in turn, receives payment for the delinquent fees and charges from the City.

The procedure specified by the Code for the collection of these fees and charges is as follows:

1. The Collector sends notification to the affected property owners regarding the delinquency and the City lien process.
2. The Collector submits a delinquent accounts report to the City, Attachment 2.
3. An Administrative Hearing was held on February 6, 2020 on the delinquent accounts report.
4. Section 5-2.09 c of the Hercules Municipal Code requires the City to mail a notice of the public hearing date to the owners listed on the report not less than 10 days prior to the hearing. This notice was mailed to delinquent property owners on February 6, 2020.
5. The City Council confirms the delinquent accounts report and orders placement of liens on said properties and special assessment upon property taxes by resolution.
6. By August 10th of each year, the City Council approves the final assessment levy and the confirmed report is submitted to the County Auditor for inclusion on the property tax rolls.

DISCUSSION:

At the July 23, 2019 City Council meeting Council gave direction to staff to meet with Republic Services to discuss reducing the amount of times per year to conduct these public hearings from 3 times per year to 2 times per year. City staff met with representatives of Republic Services on August 13, 2019 and determined that the months of February and July would best meet the needs of both parties to get liens placed for delinquent accounts on the tax roll.

Richmond Sanitary Service has submitted a report listing all of the delinquent accounts subject to lien proceedings and has provided the required notice to property owners.

For the period December 2018 through December 2019, Richmond Sanitary Services Preliminary Lien List Report lists 218 accounts totaling \$73,533.33. The attached report shows the billing and service addresses of the subject property, the date that each account became at least six month delinquent, the amount due for the delinquent garbage collection service, the amount of administrative charges due to the City and the total amount due and to be liened against the property. Richmond Sanitary Service has confirmed that all required notices and billings have been mailed to this list of property owners.

At the administrative hearing, the Finance Director and/or designee is required by the Code to hear any objections or protests by property owners liable to be assessed for delinquent fees and administrative charges. The Finance Director may make revisions or corrections to the report as it deems just. Vacant premises or billing errors, which can be substantiated, are examples of circumstances which the Council might want to consider in the process of reviewing the report. The report must then be confirmed by resolution of the City Council.

A certified copy of the report will be filed with the County Recorder's Office for the placement of special liens against the respective parcels. Any payments made on these delinquencies after the date on the Preliminary Lien List and/or after the City Council public hearing, but prior to this filing date, will be deleted from the list and not filed with the County Recorder's Office.

ATTACHMENTS:

1. Resolution
2. Lien List