



BOARD MEETING AGENDA SUBMITTAL

TO: GCSB Board of Directors

FROM: Peter Kampa, General Manager

DATE: July 12, 2022

SUBJECT: Agenda Item 6Ai: Adoption of a Resolution Approving the Placement of Delinquent Charges for FY 2021-22 on Property Tax Roll

RECOMMENDED ACTION:

Staff recommends the following action:

I Move to adopt Resolution 29-2022 approving the Report of unpaid charges and delinquencies for FY 2021-22 and authorizing staff to file the report and resolution with the Tuolumne County Auditor on or before August 1, 2022, to collect the Delinquent Charges.

BACKGROUND:

Prior to February 1, 2020, the District employed very effective procedures, in accordance with Board policy, to ensure that delinquent water and sewer bills are paid by customers when due. Our past procedures included automated phone calls, written customer and tenant notification of any delinquency, followed by water service disconnection when accounts remained delinquent for greater than 30 days. The lockoff procedure resulted in very low delinquency rates at the end of each fiscal year, typically ranging from \$15,000 to \$25,000 in total.

Due to the actions of our state in both law changes and Executive Orders from Governor Newsome, our delinquencies have grown to a total of \$142, 899.72 this fiscal year. The first change in state law, the [Water Shutoff Protection Act](#) (the “Act” or SB 998) became effective on February 1, 2020 and required strict procedures be followed prior to discontinuation of water service (lockoff). Following shortly thereafter, as a result of the COVID-19 Pandemic, Governor Newsome issued Executive Order N-42-20 prohibiting water shutoffs completely. The Order did not eliminate the customer’s obligation to pay for services or reduce the amount of money owed to the District. The combination of these two actions left the District with no solid alternative to force bill payment, and delinquencies began to increase significantly.

Included in this agenda item is a list of delinquent accounts and amounts owed. The amount collected on the County tax rolls following the procedures below were \$29, 211.42 in July 2020, \$48,241.70 in July 2021 and \$115,203.04 this year. It is imperative financially that we diligently pursue collection of this delinquent amount, as the financial impact effects all customers. In August 2022 we will be updating our water service policies in compliance with SB998 to allow for discontinuation of water service now that the governor's executive order has been lifted. This will help to reduce delinquencies going forward.

OPTIONS FOR COLLECTION ON DELINQUENT ACCOUNTS

- **Utility Billing Assistance through ATCA** – Staff has directed customers that have delinquent balances with the information to receive assistance for unpaid charges, the district has the ATCA flyer located on the website, the front door of the office and has it posted on social media platforms.
- **Collection by Water Meter Disconnection** – The District has not been locking off meters as described in the above background information.
- **Customer Payment Plan Agreements** – The district has entered into several payment arraignment agreements with customers; however, the majority of the customers only pay for a few short months before they default of the arraignment.
- **Collection by Property Lien or on the County on Tax Rolls** - Government Code Section 61115 (Code) provides for the collection of unpaid utility charges and delinquencies by lien and/or placement on the tax roll. There are two basic methods set forth in the Code that may be pursued simultaneously. The Code provides that the District may record a certificate of lien with the County Recorder's Office declaring the amount of charges and penalties due. The recorded lien attaches to any real property in the County that is owned by the delinquent property owner. The Code also authorizes the District to collect the delinquent charges and penalties on the tax rolls as part of the ad valorem property tax collected by the County on real property, after a public hearing. The District has routinely placed the delinquent charges on the tax roll each fiscal year.

Notice of such a public hearing must be published in the newspaper and mailed notice must be given to the delinquent property owner. Notice of this public hearing was published in the Sonora Union Democrat on June 25, 2022, and mailed notices were sent to the property owners on June 16, 2022.

In addition to providing notice of the hearing, the General Manager must file a report with the Board that describes the amount of unpaid charges and delinquencies, as well as the associated property owners and the assessors parcel numbers. To place the delinquencies on the tax roll for collection, at today's public hearing, the Board must hear and consider any objections and/or protests to this report. At the close of the public hearing, the Board must make a determination on each affected parcel by adopting or revising the penalties and charges detailed in the report. The final report is filed with the County Auditor on or before August 1st and the amount entered on the property tax assessment roll for collection in the same manner as property taxes.

ATTACHMENTS:

1. Resolution 29-2022
2. Report of Amount of Unpaid Charges and Delinquencies for FY 2021-22

RESOLUTION 29-2022

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GROVELAND COMMUNITY SERVICES DISTRICT APPROVING THE PLACEMENT OF DELINQUENT CHARGES FOR FY 2021-22 ON PROPERTY TAX ROLLS

WHEREAS, the Groveland Community Services District (herein referred to as District) is a local government agency formed and operating in accordance with Section §61000 et seq. of the California Government Code; and

WHEREAS, Government Code Section 61115 specifies the permissible methods for collection and enforcement of unpaid charges for services which the District provides including, but not limited to, the following: (1) by recording in the office of the County Recorder of the county in which the affected parcel is located, a certificate declaring the amount of charges and penalties due and the name and last known address of the person liable for those charges and penalties which shall constitute as a lien against all real property of the delinquent property owner in that county; and (2) to provide that any and charges and penalties may be collected on the tax roll in the same manner as property taxes after giving notice to the affected property owner of the time and place for a public hearing to consider any objections or protests to the District's statement of delinquent charges; and (3) to provide for a basic penalty for the nonpayment of charges of not more than ten percent (10%) ; and

WHEREAS, the District's Water Ordinance authorizes the District to set user rates, charges, and fees for water related services; and

WHEREAS, the District's Sewer Ordinance authorizes the District to set user rates, charges, and fees for sewer related services; and

WHEREAS, pursuant to Government Code Section 61115, on June 16, 2022 the District mailed to all affected property owners a written Notice of Hearing for Filing of Report and Collection of Charges on Property Tax Roll, notifying property owners of a public hearing before the Board of Directors of this District on July 12, 2022 at 10:00 a.m. for the purpose of hearing and making determinations on a report by the General Manager describing the amount of charges and delinquencies for the FY 2021-22 on the affected parcels; and

WHEREAS, said Notice of Hearing for filing of Report and Collection of Charges on Property Tax Roll was published in the Union Democrat Newspaper, Sonora, California, as required by Government Code Section 61115 on June 25, 2022; and

WHEREAS, the Board of Directors of this District has conducted and completed the public hearing in accordance with the notice requirements specified in Government Code Section 61115.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of Groveland Community Services District that the report from the General Manager describing the amount of charges and delinquencies for the FY 2021-22 is attached hereto entitled Exhibit A and is hereby approved, received and filed; the Board hereby determines that the charges and delinquencies in the amount of \$149,323.15 shall be collected by the Tuolumne County Tax Collector on the Property Tax Roll in the same manner as property taxes; and that staff is hereby directed to file with the Tuolumne County Auditor a copy of this Resolution on or before August 1, 2022, whereby the County Auditor shall enter the amount of the delinquent charges as specified in this Resolution against each of the affected parcels of real property specified herein as they appear on the current assessment roll, and collect the charges and delinquencies in the same manner as property taxes.

WHEREFORE, this Resolution is PASSED, APPROVED, and ADOPTED by the Board of Directors of the Groveland Community Services District on July 12, 2022, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

APPROVE:

Spencer Edwards, Board President

Rachel Pearlman, Board Secretary

CERTIFICATE OF SECRETARY

I, Rachel Pearlman, the duly appointed and acting Secretary of the Board of Directors of the Groveland Community Services District, do hereby declare that the foregoing Resolution was duly passed and adopted at a Regular Meeting of the Board of Directors of the Groveland Community Services District, duly called and held on July 12, 2022.

DATED: _____

Exhibit A
 Groveland Community Services District
 Report of Unpaid Charges and Delinquencies for FY 2020-2021

Exhibit A

First	Last	APN	Amount
Dave	Horton	007-190-010-000	\$4,070.34
W.	Moore Jr.	092-230-028-000	\$821.70
Carol	Sisemore	092-110-005-000	\$2,263.62
Nancy	Lowe	091-300-021-000	\$891.80
Twin Pines Apartments	Buckingham Property Management	066-090-041-000	\$29,807.50
Florella	Purdom	093-160-002-000	\$728.52
Jane	Hansen	093-150-011-000	\$2,344.72
Carol	Torguson	007-150-007-000	\$655.18
Ernie	Tritto	092-250-014-000	\$551.28
Brian & Dusty	Casey	066-100-018-000	\$1,699.20
Rufus	Price	094-210-021-000	\$891.86
Donna	Christensen	092-300-021-000	\$5,478.74
Alicia	Bird	066-380-013-000	\$822.90
Wayne	Bonds	092-090-032-000	\$1,304.68
Rodney & Lois	Dully	092-150-008-000	\$748.32
Shane	Morrison	066-370-014-000	\$554.26
Norbert	La Haie	094-190-046-000	\$7,414.72
Leo	Vigil	090-130-019-000	\$1,522.36
Daniel & Sharon	Mello	090-150-036-000	\$964.34
Gaskill	Winkler	066-480-010-000	\$2,807.66
Joseph	Cruz	091-300-047-000	\$565.00
Terry	Michaud	007-072-002-000	\$882.20
Janine	Cleary	066-560-001-000	\$1,834.32
Scott	Harvey	093-170-009-000	\$808.46
Dan	Parsons	066-500-023-000	\$1,989.18
Marc	DeJong	007-190-023-000	\$1,987.14
Paul	Ingvaldsen	094-060-038-000	\$2,302.50
Michael	Spillane	007-202-020-000	\$1,169.14
Michael	Spillane	007-202-018-000	\$1,208.04
Joel	McEwen-Patterson	092-120-014-000	\$2,737.32
Michael	Huntley	093-070-009-000	\$2,304.38
Jon	Espino	091-080-003-000	\$2,075.70
Paul	Moore	092-060-004-000	\$3,059.98
Jorden	Gaestel	093-230-002-000	\$2,218.94
Chengxiang	Ye	091-050-037-000	\$1,033.96
Gerrit Peter	Van Riet	094-320-008-000	\$2,086.26
Manuel	Avila	092-050-014-000	\$2,432.84
Gregory	Avrett	066-401-003-000	\$885.38
Vegesna	Suresh	092-050-033-000	\$5,073.46
Lynda & Jose	Martinez	093-220-005-000	\$4,642.30
George	Lowe	092-110-015-000	\$2,279.30
Michael	Soares	094-130-013-000	\$677.76
Michael	Lamb	091-200-033-000	\$1,251.32
Norma & Theodore	Brushaber	090-080-027-000	\$1,943.68
Sara	Simas	091-190-037-000	\$1,410.78
2021-2022 Tax Roll Lien Amount			\$115,203.04