



City Council Staff Report

DATE: May 17, 2017

PUBLIC HEARING

SUBJECT: DELINQUENT WASTE DISPOSAL CHARGES

FROM: David H. Ready, City Manager

BY: Marcus L. Fuller, Assistant City Manager

SUMMARY

All residential properties, in accordance with the Municipal code, must have trash collection services and pay a mandatory waste disposal fee, unless granted an exemption from the City. Annually, the City receives a list from its franchised waste hauler, Palm Springs Disposal Services, of all properties that have not paid their waste disposal fee. In order to collect the unpaid charges, Palm Springs Disposal Services, pursuant to their franchise agreement with the City, has requested that these properties be placed on the County Property Tax Rolls for collection. The waste hauler has made all reasonable efforts to diligently pursue and collect all fees and charges due to them. However, several accounts still remain unpaid as indicated in the list on file in the City Clerk's Office. This action is consistent with past practice and the applicable legal requirements for placement of a lien against property.

RECOMMENDATION:

Adopt Resolution No. _____ "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM SPRINGS, CALIFORNIA DETERMINING CERTAIN WASTE DISPOSAL ACCOUNTS TO BE DELINQUENT AND DIRECTING THE PLACEMENT OF THESE ACCOUNTS ON THE COUNTY PROPERTY TAX ROLLS FOR COLLECTION."

STAFF ANALYSIS:

The City requires all residential properties to have trash collection services and to pay a mandatory waste disposal service fee, unless granted an exemption as provided under Palm Springs Municipal Code Section 6.04.200(d). The collection of trash from all inhabited properties is essential to maintaining the health and safety of the community at large. For this reason, solid waste charges, if unpaid, are considered a civil debt.

Each year Palm Springs Disposal Services provides a list of all delinquent accounts to the City for placement on the property tax rolls. Collection of delinquent solid waste charges through the tax rolls is authorized under Palm Springs Municipal Code Section 6.04.215 pursuant to Sections 38790.1 and 25831 of the California Government Code. This year, a total of 928 delinquent accounts have been identified. In April, Palm

ITEM NO. 2.A.

Springs Disposal Services mailed notices, pursuant to Government Code Section 25831(b), to all delinquent accounts advising them that unless payment was immediately received the delinquent charges would be placed on the property tax rolls for collection.

Notification of this hearing was mailed to each property owner on the delinquent list on April 21, 2017. Since mailing of these notices, Palm Springs Disposal Services has received payment in full from 193 accounts. This leaves a balance of 735 delinquent accounts representing approximately \$243,867.80 in lost revenues to the waste disposal company. A list of all delinquent accounts is on file with the City Clerk's Office for public inspection.

A final list, with any payments, credits and other adjustments received after the public hearing, will be submitted to the County Auditor-Controller's Office on June 30, 2017. Any account still delinquent after this date will be placed on the County property tax rolls for collection. All amounts collected by the County will be remitted to the City. Palm Springs Disposal Services has agreed to pay the City 10% of the total amount collected as reimbursement of its cost to place these accounts on the tax rolls.

The proposed hearing is consistent with past practice and applicable legal requirements. Action to collect debts through the tax roll process is a cost effective and efficient method of debt collection. Moreover, if Palm Springs Disposal Services is unable to collect from these delinquent accounts, the service fees for all other customers may have to be increased to cover the bad debt.

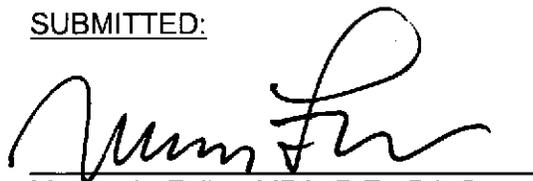
ENVIRONMENTAL IMPACT:

Section 15061 (b)(3) of the California Environmental Quality Act ("CEQA") Guidelines exempts activities that are covered under the general rule that CEQA applies only to projects that have the potential to cause significant effects on the environment. Where it can be seen with certainty that there is no possibility the activity in question may have a significant effect upon the environment, the activity is not subject to CEQA. The requested action requests adoption of a Resolution authorizing placement of liens on the tax roll for the purposes of collecting payments for delinquent solid waste accounts, which itself will not result in any new direct physical impacts to the environment. Therefore, the requested action is considered exempt from CEQA.

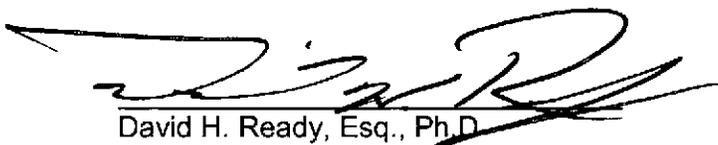
FISCAL IMPACT:

Since the City receives franchise, administrative, recycling and diversion facility fees from Palm Springs Disposal Services, collection from all delinquent accounts should provide additional revenues to the City. In addition, Palm Springs Disposal Services has agreed to pay the City 10% of the total amount collected or \$24,386.78 as reimbursement of its expenses for placing these delinquent accounts on the tax roll.

SUBMITTED:



Marcus L. Fuller, MPA, P.E., P.L.S.
Assistant City Manager/City Engineer



David H. Ready, Esq., Ph.D.
City Manager

ATTACHMENTS:

1. Resolution
2. Notice of Public Hearing
3. Declaration & Letter from Palm Springs Disposal Services
4. List of Delinquent Waste Disposal Charges (On File with City Clerk)

ATTACHMENT 1

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
PALM SPRINGS CALIFORNIA, DETERMINING CERTAIN
WASTE DISPOSAL ACCOUNTS TO BE DELINQUENT
AND DIRECTING THE PLACEMENT OF THESE
ACCOUNTS ON THE COUNTY PROPERTY TAX ROLL
FOR COLLECTION

WHEREAS, the City Council has determined that the collection of trash from all inhabited properties is essential to maintaining the health and safety of the community at large; and

WHEREAS, the City requires all residential properties to have trash collection services and to pay a mandatory waste disposal service fee unless granted an exemption as provided under Palm Springs Municipal Code Section 6.04.200(d); and

WHEREAS, the City's franchised waste hauler, Palm Springs Disposal Services, is required to provide trash collection services to all residential properties regardless whether payment has been made; and

WHEREAS, in lieu of Palm Springs Disposal Services discontinuing service where accounts become delinquent, the City of Palm Springs has agreed that the collection of delinquent accounts shall, after public hearing thereon, be made in the same manner, and at the same time, as the collection of ad valorem tax assessments; and

WHEREAS, Section 38790.1 of the California Government Code authorizes the City to collect delinquent refuse bills through the placement of a special assessment to be collected with county taxes; and

WHEREAS, pursuant to Section 38790.1 and 25831 of the California Government Code all property owners have been notified of the delinquent account and the public hearing has been noticed and scheduled for May 17, 2017; and

WHEREAS, the City Council, on May 17, 2017, held a duly-noticed public hearing on the delinquent accounts, heard all protests thereto, and found that said accounts were delinquent and should be placed on the tax roll to be collected as ad valorem tax assessments, as provided by California Government Code Section 38790.1 and Section 6.04.215 of the Palm Springs Municipal Code.

THE CITY COUNCIL OF THE CITY OF PALM SPRINGS DOES HEREBY RESOLVE AS FOLLOWS:

Section 1: The above recitals are all true and correct.

Section 2: Section 6.04.200 of the Palm Springs Municipal Code provides that trash collection services is mandatory and the City Council hereby finds that the collection of the delinquent waste disposal charges, together with general taxes, is in the best interest of the health and welfare of the community.

Section 3: The list of properties and the amount to be collected, on file in the office of the City Clerk, shall be forwarded to the County Auditor-Controller for placement on the tax bill as a special assessment in accordance with the provisions of Section 38790.1 of the Government Code and Section 6.04.215 of the Palm Springs Municipal Code. The list shall be updated prior to submission to the County Auditor-Controller to reflect all payments, credits and any other adjustments as of June 30, 2017.

ADOPTED this 17th day of May, 2017.

David H. Ready, City Manager

ATTEST:

Kathleen Hart, Interim City Clerk

CERTIFICATION

STATE OF CALIFORNIA)
COUNTY OF RIVERSIDE) ss.
CITY OF PALM SPRINGS)

I, KATHLEEN HART, City Clerk of the City of Palm Springs, hereby certify that Resolution No. _____ is a full, true and correct copy, and was duly adopted at a regular meeting of the City Council of the City of Palm Springs on May 17, 2017, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Kathleen Hart, Interim City Clerk
City of Palm Springs, California

ATTACHMENT 2

April 21, 2017

Re: Service Address: 2732 CARDILLO AVE
Account #: 1-85840-4
County Assessment #: 5040540176
Current Amount Due Now: \$235.16

AIC CAPITAL LLC
4045 VINELAND AVE # 413
STUDIO CITY, CA 916044479

NOTICE OF PUBLIC HEARING
CITY COUNCIL
CITY OF PALM SPRINGS

PLACEMENT OF DELINQUENT TRASH SERVICE FEES
AS OF JUNE 30, 2017 ON THE COUNTY TAX ROLLS

NOTICE IS HEREBY GIVEN that the City Council of the City of Palm Springs, California, will hold a public hearing in Primrose B, Palm Springs Convention Center, 277 N Avenida Caballeros, Palm Springs beginning at 6:00 p.m., on May 17, 2017, to consider the following:

Pursuant to Health and Safety Code Section 5473(a) and Government Code Section 25831, a written report has been filed with the City Clerk of the City of Palm Springs, containing a description of each parcel of real property receiving waste disposal service for which payment is delinquent and containing the amount of delinquent waste disposal service charges for each such parcel for the period ending June 30, 2016, computed in conformity with the charges prescribed in Section 6.04.200 of the Palm Springs Municipal Code.

The purpose of the hearing is to determine whether the delinquent waste disposal charges described in said report shall be collected on the tax roll in the same manner, by the same person and at the same time as, together with and not separately from, the general taxes of the City of Palm Springs. This means that, if the delinquent charges are not paid in a timely manner, they may be assessed against the property and collected as a tax lien.

The written report describing each parcel of real property receiving waste disposal service for which payment is delinquent is available for review at the Office of the City Clerk between the hours of 8:00 a.m. and 6:00 p.m., Monday through Thursday. Please contact the Office of the City Clerk, at (760) 323-8204 if you would like to schedule an appointment to review the report of parcels that are currently delinquent in their payment of disposal service fees.

If you wish to protest the charges you may respond to this notice verbally at the public hearing and/or in writing before the public hearing. Written comments may be made to the City Council by letter (for mail or hand delivery) to:

Kathleen D. Hart, MMC, Interim City Clerk
3200 E. Tahquitz Canyon Way
Palm Springs, CA 92263

An opportunity will be given at said hearing for all interested persons to be heard. Questions regarding this matter may be directed to Vonda Teed, Office of Public Works, (760) 323-8202.

Si necesita ayuda con esta carta, por favor llame a la Ciudad de Palm Springs y puede hablar con Nadine Fieger telefono (760) 323-8245.

Kathleen D. Hart, MMC, Interim City Clerk

To avoid having a lien placed against your property you must make payment directly to the City's contractor, Palm Springs Disposal Services by June 9, 2017. When making payment please write LIEN on your payment envelope as well as your check/money order. The contractor's address is:

Palm Springs Disposal Services
P. O. Box 2711
Palm Springs CA 92263-2711
760-327-1351

ATTACHMENT 3

Palm Springs Disposal Services, Inc.

4690 E. Mesquite Ave.
P.O. Box 2711
Palm Springs Ca 92263
Phone 760-327-1351

April 21, 2017

Mr. Marcus Fuller
Assistant City Manager / City Engineer
City of Palm Springs
P.O. Box 2743
Palm Springs, CA 92263-2743

Re: Property Tax Liens

Dear Mr. Fuller:

Enclosed are the items you require with regard to placing accounts in arrears on the tax roll for collection, and for the Public Hearing scheduled on May 17, 2017.

1. An Affidavit certifying the mailing of notice to accounts in arrears.
2. Sample of notices sent.
3. Printout dated April 21, 2017, listing the accounts in arrears, which we are submitting for presentation to the City Council. I am emailing the report to Tabitha Richards and Kathie Hart as well.

We submit the proposed accounts and request that arrears be placed on the tax roll for collection. Any payments received will be applied against the arrears up to the deadline established for the County submittal. If arrears are paid and are received prior to the deadline, the account will be deleted from the final County Rolls.

April 21, 2017 Report totals: 1,085 accounts; total due is \$375,386.29.

Sincerely,

Della Roop

Della Roop
HR/Office Manager

CC: Kathie Hart
Tabithia

I, Della Roop, declare as follows: I am an employee of Palm Springs Disposal Services, over the age of 18. My business address is 4690 East Mesquite Avenue, P.O. Box 2711, Palm Springs, California, 92263-2711. On April 21, 2017 I served the attached NOTICE OF FILING REPORT AND NOTICE OF HEARING RE: COLLECTION OF DELINQUENT WASTE DISPOSAL CHARGES WITH GENERAL TAXES by placing a copy thereof, postage paid, in an envelope addressed to each of the persons listed and at the addresses shown on that certain document entitled "List All Tax Roll Candidates for the City of Palm Springs as of This Date—April 20, 2016 a copy of which is on file with the Audit Division, Finance Department, City of Palm Springs, CA, and placed each of said envelopes for mailing in the United States Post Office at Palm Springs, California.

I declare under penalty of perjury that the foregoing is true and correct.

Executed at Palm Springs, California on April 21, 2017.

Della Roop

(Signature)

**ATTACHMENT 4
LIST OF DELINQUENT
WASTE DISPOSAL
CHARGES ON FILE IN THE
OFFICE OF THE CITY
CLERK**