

Item 7.1: Assessment of Delinquent Sewer Service Charges as Liens on Parcels and Placement on Property Tax Bills

CITY COUNCIL PUBLIC HEARING

MAY 28, 2024

JIMMY VASQUEZ, *REVENUE MANAGER, FINANCE DEPARTMENT*

ADRIAN DEL RIO, *ASSISTANT DIRECTOR, FINANCE DEPARTMENT*



Sewer Service Background

Per CVMC Section 13.14.110, the owner or occupant of any parcel which is connected to the City's sewer system shall pay the required fees for sewer services.



Collections & Lien Process

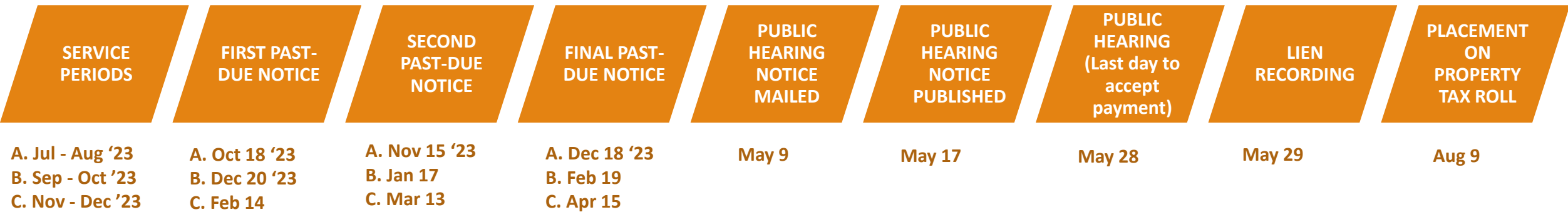
CVMC Section 13.14.150 outlines payment obligations, billing cycles, proper noticing, penalties for delinquency and the lien process.

Our comprehensive approach is highlighted by:

- Several touchpoints and thorough noticing to customers
- Dedicated customer support
- Third-party validation of parcel and account data
- Legal review of noticing and communication
- Translated notices
- Payment plan options and grant programs
- Collection timeline spanning over 90 days in delinquency



Lien Process Timeline



Service periods are split into three cycles to correlate with Sweetwater Authority's billing.

Customer Service and Program Impact

Successful resolution of lien-eligible accounts in this cycle:

- 4,649 accounts received a First Past Due Notice for service periods from Jul 2023 – Dec 2023
 - 3,787 of those accounts got current on their bills subject to lien
 - 183 accounts were placed on payment plans
 - \$1.38M in A/R has been paid since First Past Due Notices were mailed
- \$555K in previously applied debt-relief, grant money for lien-eligible accounts
- \$509K in previously written-off receivables for lien-eligible accounts

The County Treasurer-Tax Collector has successfully collected \$246,000 out of \$271,000 in delinquent charges placed on property tax rolls from in August 2023.

Recommended Action

Staff recommends City Council conduct the public hearing and adopt a resolution assessing certain delinquent sewer service charges as recorded liens upon the respective parcels of land and placement of those charges on the next regular property tax bill for collection by the County Treasurer-Tax Collector.



Staff is submitting 153 delinquent sewer accounts valued at \$62,487 on the lien list to City Council.

