



June 27, 2014

TO: LOCSD Board of Directors

FROM: Ann Kudart, Administrative/Accounting Assistant III

SUBJECT: **Agenda Item 7C – 7/3/14 Board Meeting**
 Conduct Hearing to Consider Levying Assessments on LOCSD Water Accounts as Listed in the Report of Delinquent Water Charges and to Adopt Resolution Confirming the Report and Levying Assessments in the Fiscal Year FY 2014/2015 Tax Rolls

President
Craig V. Baltimore

Vice President
R. Michael Wright

Directors
Leonard A. Moothart
Marshall E. Ochylski
Jon-Erik G. Storm

General Manager
Kathy A. Kivley

Temporary District Accountant
Michael L. Doyel

Fire Chief
Robert Lewin

Battalion Chief
Phill Veneris

DESCRIPTION

Conduct hearing to consider all testimony or protests to collecting delinquent water accounts on the Fiscal Year 2014/15 Property Tax Roll as listed in General Manager's Report of Delinquent Water Charges ("Report"), Exhibit A, and to adopt Resolution 2014-10 confirming Report and authorizing the collection of delinquent accounts in the Property Tax Roll.

SUMMARY OF STAFF RECOMMENDATION

Staff recommends that the Board open the public hearing to receive public comment and protests to collecting delinquent water accounts in the Property Tax Roll as listed in the Report. Following closure of the public hearing, the Board may direct Staff to amend the list and to investigate any account. Once the listing is finalized, Staff recommends that the Board adopt Resolution 2014-10, with amendments to Exhibit A, if any.

STAFF RECOMMENDATION

The staff recommends that by motion the Board take the following action:

Motion: I move that the Board adopt Resolution 2014-10 confirming the Report of the District General Manager for delinquent water collection charges and authorizing the collection of delinquent charges on the County Tax Roll [(as amended), if changed].

DISCUSSION

In accordance with District Code Title 2, Section 2.01.15 – Responsibility of Property Owner: *"The owner of the property which is furnished services is the customer and shall be responsible for the payment of all rates, charges and fees, including penalties, thereon regarding such furnished services. Unpaid obligations shall run with the land, shall create a lien on the property..."*

On May 1, 2014, the District notified property owners of delinquent water charges on their property. On June 17, 2014, Notice of this hearing was posted along with a written report from the General Manager ("Report") containing a description of each parcel of real property for which water charges were delinquent, as of that date. A copy of the Report was mailed to the delinquent property owners.

Mailing Address:
P.O. Box 6064
Los Osos, CA 93412

Offices:
2122 9th Street, Suite 102
Los Osos, CA 93402

Phone: 805/528-9370
FAX: 805/528-9377

As required by law, Notice of this hearing was published twice, June 19, 2014 and June 26, 2014 in The Tribune. Notice of this hearing was also sent to each delinquent property owner specifying the amount of the delinquency by USPS Certified Mail.

Exhibit A to the Resolution is the Report listing four (4) customers who are at least 120 days past due. The total amount as of the date this report was prepared is \$1,437.23.

Attachment: Resolution 2014-10 w/Exhibit A – Report of Delinquent Water Accounts

RESOLUTION NO. 2014-10

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE LOS OSOS COMMUNITY SERVICES DISTRICT
CONFIRMING REPORT OF DISTRICT GENERAL MANAGER
OF DELINQUENT WATER CHARGES AND DIRECTING THEIR COLLECTION
IN THE FISCAL YEAR 2014/2015 TAX ROLL**

WHEREAS, the Los Osos Community Services District ("District") Board of Directors makes the following findings of fact:

- A. The District has the major responsibility of providing water service to residents of a specific area within its boundary, including the responsibility to maintain levels of revenues adequate to provide water delivery service.
- B. The DISTRICT CODE, TITLE 2, SECTION 2.01.05 states as follows:

"The owner of the property which is furnished services is the customer and shall be responsible for the payment of all rates, charges and fees, including penalties, thereon regarding such furnished services. Unpaid obligations shall run with the land, shall create a lien on the property, and shall lead to delinquency and termination of service for the property involved without regard to any changes of residency or occupancy by persons different than the persons shown on District records as obligated to pay said bill."
- C. The District has followed the procedures under District Code, TITLE 2, Section 2.01.08 regarding the discontinuance of service for non-payment on the accounts listed in the General Manager's report, attached as EXHIBIT A.
- D. The District has attempted collection by other means, without any results.
- E. Pursuant to Government Code Section 61115(b), the General Manager has prepared a report listing parcels of real property with the corresponding amount of charges that are delinquent for each parcel and has filed it with the Board as it is the subject of a public hearing at this meeting.
- F. Pursuant to Government Code Sections 61115(b) and 6066, a notice of the public hearing on properties listed as delinquent per EXHIBIT A was published twice in two successive weeks before this hearing. In addition, a notice was mailed by USPS Certified Mail, to each affected property owner informing them of the time and date of the public hearing, the amount of the delinquency and that the amount will be collected with the FY 2014/2015 tax roll.

WHEREAS, the District Board of Directors, having heard and considered all objections and/or protests to the report as per EXHIBIT A;

- 1. Adopted revisions, changes and reductions to certain charges; and/or
- 2. Over-ruled any or all objections.

NOW, THEREFORE, BE IT RESOLVED, DETERMINED, AND ORDERED BY THE BOARD OF DIRECTORS OF THE LOS OSOS COMMUNITY SERVICES DISTRICT AS FOLLOWS:

1. Each of the above recitals is true and correct and incorporated herein by this reference.
2. That the written Report, as submitted by the Board of Directors (Exhibit A to this Resolution), is hereby confirmed and adopted.
3. That said charges as described in said Report shall constitute a lien on the parcel for which said charges are unpaid.
4. The General Manager is authorized to modify the Report to reflect any payments received after the date of the public hearing and prior to filing this Resolution and Report pursuant to Section 5 below.
5. The San Luis Obispo County Auditor shall enter the amount of the charges against each of the affected parcels of real property as they appear on the current assessment roll. The County Tax Collector shall include the amount of the charges on the tax bills for each affected parcel of real property and collect the charges in the same manner as property taxes pursuant to Government Code 61115(b).

On the motion of Director _____, seconded by Director _____, and on the following roll call vote, to wit:

Ayes: _____
Noes: _____
Absent: _____
Conflicts: _____

The foregoing resolution is hereby passed, approved, and adopted by the Board of Directors of the Los Osos Community Services District this 3rd day of July, 2014.

Craig V Baltimore
President, Board of Directors
Los Osos Community Services District

ATTEST:

APPROVED AS TO FORM:

Kathy A. Kivley
General Manager and Secretary to the Board

Michael W. Seitz
District Legal Counsel

EXHIBIT A

REPORT OF LOS OSOS COMMUNITY SERVICES DISTRICT GENERAL MANAGER DELINQUENT WATER COLLECTION CHARGES

<u>PARCEL #</u>	<u>TOTAL</u>
038-191-006	\$175.66
038-271-009	\$458.04
038-542-001	\$465.50
38-412-036	<u>\$338.04</u>
TOTAL	\$1,437.24