



REPORT TO COUNCIL

City of Sacramento

915 I Street, Sacramento, CA 95814-2604
www. CityofSacramento.org

Public Hearing
July 24, 2007

**Honorable Mayor and
Members of the City Council**

**Title: Delinquent Utility Service Charges – Special Assessment Liens Upon the
Properties to Which the Costs are Related**

Location/Council District: All

Recommendation: Conduct a public hearing and upon conclusion, adopt a **Resolution** placing special assessment liens on properties for unpaid Utility Service charges.

Contact: Shelle Smallwood, Account Billing Manager, 808-4928

Presenters: Charlene McKoy, Business Services Manager, 808-1462

Department: Department of Utilities

Division: Business Services Division

Organization No: 3352

Description/Analysis

Issue: These public hearings are for City Council to confirm, reject or modify the delinquency lien report and to confirm special assessment liens against properties with delinquent unpaid utility service charges. This is the final step the City takes before placing special assessment liens on the property with the Sacramento County Tax Collector.

Policy Considerations: Property owners have received notice and the opportunity to protest the charges, including a hearing with a Delinquency Lien Hearing Officer (see Attachments 2-3, Pg 6-8). State law and/or City Code require the City Council to confirm these special assessment liens after a public hearing, providing property owners with an opportunity to address the City Council. Should any property owner object to the special assessment, the public hearing shall be limited to the issue of whether or not the hearing before the

delinquency lien hearing officer was conducted in accordance with applicable City ordinances. City Council does not have any legal obligation to hear the objections of any property owner who did not request a hearing and thus waived his/her right to protest.

Environmental Considerations: Pursuant to Section 15378 (b) (5) of the California Environmental Quality Act (CEQA) Guidelines (administrative activities that will not result in environmental impact), this is not a project that is subject to CEQA.

Rationale for Recommendation: These special assessments are for services the City has already provided to the property owner. The property owners had been given ample opportunity to bring utility service charges current. Consequently, the City needs to recover the costs incurred.

Financial Considerations: The unpaid cost incurred for services provided are as follows:

Utility Services	\$7,731,310.45
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A Delinquency Lien Hearing Officer was paid \$50 an hour. There were 2 utility billing hearings held, which required a total of 1 hour for a total cost of \$50.00.

City staff time was required for scheduling the hearings, the notices to property owners, and the final noticing for hearings held. All the costs are included in both the Revenue Division and Business Services Division operating budgets and no additional funding is requested or required.

Emerging Small Business Development (ESBD): There is no requirement for purchase of goods or services associated with this item.

Respectfully Submitted by:


Charlene McKoy, Business Services Manager

Approved by: 
Gary A. Reents, Director of Utilities

Recommendation Approved:


for Ray Kerridge, City Manager

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Background Information

The City has been utilizing a Delinquency Lien Hearing Officer to hear protests of special assessment liens for delinquent charges since 1996. The delinquent charges owing, and the properties to which such charges apply, are set forth in Exhibit A to the Resolution attached to the report. As required under applicable provisions of the City Code and/or State law, all property owners were noticed of the unpaid and/or delinquent costs, provided an opportunity to resolve the issue with City staff, and were provided an opportunity for a hearing before a Delinquency Lien Hearing Officer if they so requested.

Attachment 2 (pg 6) is a summary listing, by type, of the number and total amount of unpaid costs, the number of protests received, and the number of hearings held before the Delinquency Lien Hearing Officer.

Attachment 3 (page 7-8), lists each protest received and the final disposition of each protest. The findings of the Delinquency Lien Hearing Officer for each hearing held are included.

City of Sacramento
 FY 2006/2007 Annual Special Assessments and Lien Summary

	No. of Lien Notices Mailed	Total Amount Due All Notices (as of 5/1/07)	No. of Protests Received	No. of Protests to Payment Plans	No. of Protests Removed from Lien	No. of Protests Fees Reduced	No. of Hearings Held	Total Amount Due [as of 7/1/07] (1)
Unpaid costs for delinquent:								
Utility Services	9,431	\$8,476,342.05	13	0	1	0	2	\$7,731,310.45

(1) Total amount due of \$7,731,310.45 as of July 1, 2007 reflects payments of \$745,031.60 received after the lien notices were mailed May 1, 2007.

Delinquent Utility Service Charges Protests

Name	APN	Address	Amount Due	Council District	Staff Findings	Hearing Status
Boateng, Peter	2505 24th Ave	019-0115-013-0000	193.64	5	Fees found due	None Requested
Brannon, Cara	301 Nimitz St	238-0060-034-0000	459.85	2	Fees found due	None Requested
Cotton, Dorothy	6323 Seyferth Way	118-0240-033-0000	701.71	8	Fees found due	None Requested
Dial, Juan	2124 57th Ave	035-0273-004-0000	1801.53	5	Fees found due	Fees Found Due
Dossman, Angelita	5810 Valley Vale Way	117-0103-004-0000	425.31	7	Fees found due	None Requested
Dossman, Stacy	4653 Beechnut Way	118-0012-032-0000	794.74	8	Fees found due	None Requested
Golden State Investments	5700 Tangerine Ave	118-0081-005-0000	1901.87	8	Fees found due	None Requested
Mahaney, Shawn/Rita	3037 San Rafael Ct	014-0187-019-0000	940.58	5	Fees found due	None Requested
McMillon, Anita L	702 Tailwind Dr	237-0500-049-0000	1009.26	2	Fees found due	None Requested

Delinquent Utility Service Charges Protests

Name	APN	Address	Amount Due	Council District	Staff Findings	Hearing Status
Roman Catholic Diocese	6700 21 St Av	023-0010-032-0000	445.99	6	Removed from lien	None Requested
Tucker, Monique	7729 Billings Way	053-0062-016-0000	1980.12	8	Fees found due	None Requested
Wenbourne, Alicia	517 14th St	002-0126-020-0000	2033.57	3	Fees found due	None Requested
Wilson, Bob	6582 37th Ave	027-0222-010-0000	464.93	6	Fees found due	Fees Found Due

Attachment 4

RESOLUTION NO.

Adopted by the Sacramento City Council

CONFIRM DELINQUENT UTILITY SERVICE CHARGES AS SPECIAL ASSESSMENT LIENS AGAINST THE PROPERTIES TO WHICH THE SERVICES WERE RENDERED

BACKGROUND

- A. In accordance with Sacramento City Code, Chapter 13.12, the owners of the real properties that have incurred delinquent utility service charges, identified in Exhibit A, on file in the City Clerk's Office, have been notified of such delinquencies and that subsequent proceedings would be taken to make the unpaid charges a special assessment on the real property to which such utility services were rendered.
- B. In accordance with Sacramento City Code, Chapter 13.12, each property owner identified in Exhibit A has been notified of the owner's opportunity to file an objection or protest against imposing the delinquent utility service charges as a special assessment against the owner's property, including the opportunity for a hearing before a Delinquency Lien Hearing Officer.
- C. The City Council has received the report of the delinquent utility service charges, including a description of the protests filed and the results of the Delinquency Lien Hearing Officer hearing process, which results also were sent to the objecting owners in accordance with Sacramento City Code, Chapter 13.12. The objecting owners also have been notified of the date and time of this hearing in accordance with Sacramento City Code, Chapter 13.12.
- D. The City Council has held a public hearing on the report of the delinquent utility service charges in accordance with Sacramento City Code, Chapter 13.12.
- E. The City Council has found the total cost for the services to be reasonable and closed the public hearing.
- F. The City Council is fully advised in this matter.

BASED ON THE FACTS SET FORTH IN THE BACKGROUND, THE CITY COUNCIL RESOLVES AS FOLLOWS:

- Section 1. The City Council finds and determines that the Background Statements A through F are true and correct.

- Section 2. All of the protests have been considered and have been rejected, revised, or confirmed.
- Section 3. The charges set forth in Exhibit A for the unpaid utility services charges to the real properties described in Exhibit A are owing and delinquent, and the report of these delinquent utility service charges as set forth in Exhibit A is confirmed.
- Section 4. The delinquent utility services charges set forth in Exhibit A shall hereafter constitute special assessments against the real properties to which the utility services were rendered, as specified in Exhibit A.
- Section 5. Special assessment liens for the delinquent charges set forth in Exhibit A, against the real properties described in Exhibit A, shall be collectible at the same time and in the same manner as ordinary secured property taxes are collected, and shall be subject to the same penalties, priorities, and procedures provided for delinquent ordinary secured property taxes, as provided in Sacramento City Code, Chapter 13.12.
- Section 6. The City Clerk shall transmit a certified copy of this resolution, including Exhibit A, to the Sacramento County Auditor/Controller.
- Section 7. Exhibit A is part of this resolution.

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Exhibit A Delinquent Utility Service Charges List

DELINQUENT UTILITY SERVICE CHARGES LIST:
ON FILE AND AVAILABLE FOR PUBLIC REVIEW IN THE OFFICE OF
THE CITY CLERK, HISTORIC CITY HALL, 915 I STREET, 1ST FLOOR,
SACRAMENTO, CA