

City of Fontana

Legislation Text

File #: 21-885, Version: 1

FROM:

Management Services

SUBJECT:

Quarterly Lien Action for Delinquent Sewer, Rubbish and Weed Abatement Accounts

RECOMMENDATION:

COUNCIL GOALS:

- To operate in a businesslike manner by correcting problems immediately.
- To practice sound fiscal management by developing long-term funding and debt management plans.
- To improve public safety by increasing operational efficiency, visibility, and availability.

DISCUSSION:

Public Hearings on proposed liens are scheduled quarterly to allow for timely collections and recording of indebtedness. The lien process protects revenues due to the City which would have otherwise been subject to loss through skipped accounts or property transfers.

The proposed lists (one each for sewer, rubbish and weed abatement) are on file with the City Clerk. Each account has had notification by mail regarding the public hearing and intent to record the lien amount, as well as regular billing notification and legal advertisement as required by City Code. Further, with respect to Weed Abatement, all property owners had the opportunity to protest weed abatement citations through an administrative hearing process.

The lists recommended for adoption contain the following:

| Type of Account | Number of Properties | Current Lien Amount | Receivables Protected to Date |
|-----------------|----------------------|---------------------|----------------------------------|
| Sewer | 141 | \$64,508.33 | \$3,671,995.76 |
| Rubbish* | 932 | \$121,217.99 | \$7,530,031.75 |
| Weed Abatement | 0 | \$0.00 | \$3,400,236.81 |

^{*}Collections are payable to Fontana Rubbish

An administrative fee will be included to offset the City's costs to record the lien, as well as the County fee associated with release of the lien to ensure that property titles are cleared once payment has been made. All properties with unpaid liens as of July 1st will be automatically placed on the

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property tax rolls for collection.

The City Treasurer has reviewed and supports this action.

FISCAL IMPACT:

This action will prevent increases in customer charges due to uncollectible accounts. The Sewer lien list receivable amount was included as revenue to the Sewer Operations Maintenance Fund in current and prior budget periods. The recording of Rubbish liens will strengthen Fontana Rubbish's ability to collect, thereby increasing the amount generated by the 12% franchise fee they remit to the City.

MOTION:

Approve staff recommendation.