

GARDEN GROVE SANITARY DISTRICT

INTER-DEPARTMENT MEMORANDUM

To:	Matthew J. Fertil	From:	Kingsley Okereke
Dept.:	General Manager	Dept.:	Finance
Subject:	PUBLIC HEARING ON REPORT DETAILING FEES TO BE COLLECTED ON THE TAX ROLL FOR SEWER SERVICES		
		Date:	June 9, 2009

OBJECTIVE

To have the Garden Grove Sanitary District Board of Directors conduct a public hearing and approve the report listing the collection of sewer service charges on the property tax roll for all sewer service accounts which are outside the City limits and do not receive City water services.

BACKGROUND

A study of the physical and financial conditions of the Garden Grove Sanitary District was completed in May 1999. The independent study, conducted by R. W. Beck, Inc., concluded that the Garden Grove Sanitary District must maintain rates that will protect the public health, and maintain the level of services expected by property owners. Further, the Board of Directors has held a duly noticed public hearing at a meeting of the Sanitary District on August 23, 2005, to consider the District Engineer's report and approve the new user fees. The Board of Directors, consistent with Health and Safety Code section 6520.5, and following the public hearing, approved by a two-thirds (2/3) vote of the Board, Ordinance No. 7 on September 13, 2005, that established a new sewer user fee structure, which is based on individual customer water usage and designed to be fair for all residents and businesses. The new sewer user fees are calculated to provide funds required by the District to fund needed capital improvements, provide requisite debt service payments, properly maintain and operate the District's sewer system, and to comply with State and Federal Waste Discharge Requirements. The Board approved rates for residential and non-residential were applied to the sewer assessment to be filed with the County.

DISCUSSION

Since most of the Garden Grove Sanitary District receives water services from the City of Garden Grove, the newly adopted sewer rate was charged on the property owner's water bill. In the areas of the District that do not receive a water bill from the City of Garden Grove, it was necessary to implement the rate by charging it on the property owner's property tax statement.

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In order to place sewer charges on the tax roll, the Board must hold a public hearing on whether to adopt the report detailing charges proposed to be collected on the tax rolls for sewer services in the areas of the District that extend beyond the Garden Grove city limits and do not receive water services from the City of Garden Grove. The rates reflected on the report were adopted on September 13, 2005. The attached resolution would approve the annual report detailing service charges for each parcel in the service area noted herein.

FISCAL IMPACT

In order for charges to be collected on the tax roll, the Board is required to hold a public hearing on whether to adopt the report detailing charges proposed to be collected on the tax rolls.

COMMUNITY VISION IMPLEMENTATION

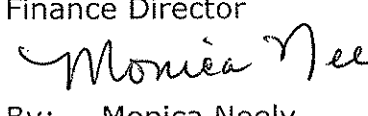
Adoption of these fee assessments will support the community vision of facilitating the administration of public services extended to the community.

RECOMMENDATION

It is recommended that the Garden Grove Sanitary District Board of Directors:

- Conduct the public hearing;
- Approve the attached resolution (by four affirmative votes adopting the report); and
- Direct staff to file the necessary documentation with the County for the collection of the fees on the property tax bills.


Kingsley Okereke
Finance Director


By: Monica Neely
Revenue Manager

Attachment
Resolution

Approved for Agenda Listing


Matthew Ferial
General Manager