

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 22, 2010

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 adopted sewer rate is 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.

HEARING ON SEWER ASSESSMENTS

June 22, 2010

Page 2

In order to place sewer charges on the tax roll, the Board must hold a public hearing on whether to approve 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 report is on file and available for viewing in the office of the City Clerk. 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 approve the report detailing charges proposed to be collected on the tax rolls.

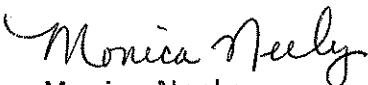
RECOMMENDATION

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 Fertal
General Manager

GARDEN GROVE SANITARY DISTRICT

RESOLUTION NO.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE GARDEN GROVE SANITARY DISTRICT AUTHORIZING CHARGES 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 TO BE COLLECTED ON THE TAX ROLL

WHEREAS, the Garden Grove Sanitary District is a subsidiary district of the City of Garden Grove, organized under the Sanitary District Act of 1923; and

WHEREAS, the Board of Directors of the Garden Grove Sanitary District wish to have charges 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 collected on the tax rolls; and

WHEREAS, the Board of Directors on July 22, 1999, adopted Resolution No. 3631 ordering the sewer collection service fees be placed on the tax rolls; and

WHEREAS, the Board of Directors, consistent with the Health and Safety Code Section 6520.5, and following the Public Hearing, has approved by a two-thirds (2/3) vote of the Board, Ordinance No. 7 that establishes a new sewer user fee structure, which is based on individual customer water usage and designed to be fair for all residents and businesses; and

WHEREAS, thereafter a Public Hearing was set for the Adjourned Regular Meeting of the Garden Grove Sanitary District on June 22, 2010, held in the Community Meeting Center at 11300 Stanford Avenue, Garden Grove, California, at the hour of 6:30 p.m.; and

WHEREAS, the Secretary has caused notice of said Public Hearing to be published in a newspaper of general circulation on June 03, 2010, and June 10, 2010, within the District pursuant to Section 6066 of the Government Code; and

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the Garden Grove Sanitary District, pursuant to the provisions of the Health and Safety Code 5473, approves the report detailing the 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, and hereby orders these sewer services charges be collected on the tax roll in the same manner, by the same person, and at the same time as, together with and not separately from, the general taxes of the District.

BE IT FURTHER RESOLVED, that the General Manager of the District, or his designee, is directed to cause a written report to be prepared annually containing a

description of each parcel of real property receiving 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, and the amount of the charge for each parcel for that year in conformance with the then valid rate ordinance and that this report be filed by the Secretary with the County Auditor prior to August 10, 2010, for the purpose of adding the said fees to the tax roll.