



## **CITY OF MENIFEE**

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SUBJECT: 2023 Delinquent Solid Waste Accounts for Collection on Riverside County's Property Tax Roll

MEETING DATE: June 5, 2024

TO: Mayor and City Council

PREPARED BY: Kori Jones, Senior Management Analyst

REVIEWED BY: Jonathan Nicks, Deputy City Manager

APPROVED BY: Armando G. Villa, City Manager

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### **RECOMMENDED ACTION**

1. Approve the Solid Waste Delinquent Report from Waste Management, Inc. listing the 2023 delinquent solid waste accounts for placement on the Fiscal Year (FY) 2024/2025 County of Riverside property tax roll for collections; and
2. Adopt a resolution authorizing the collection of delinquent solid waste charges on the annual property tax roll; and
3. Authorize the City Clerk to issue a certified copy of the resolution and the Solid Waste Delinquency Report to be filed with the County of Riverside Auditor-Controller by Waste Management.

### **DISCUSSION**

The action before the City Council is to conduct a public hearing to accept public testimony and consider placement of the Calendar Year (CY) 2023 delinquent solid waste accounts on the FY 2024/2025 County of Riverside property tax roll for collection. The proposed assessment affects specific property owners with associated delinquent solid waste accounts, not the general citizens or taxpayers of the City.

The City of Menifee has an exclusive franchise agreement with Waste Management for the collection and handling of solid waste, dry recycling, and organics within the City (collectively, "solid waste"). The City requires that all premises within the City that accumulate or produce solid waste receive weekly solid waste services through the franchise waste hauler unless they self-haul waste in a manner that complies with all applicable laws. Regular solid waste service is important to preserve the health, welfare, and sustainability of our community.

Waste Management sends quarterly invoices to all residential customers for solid waste services. Invoices become delinquent when non-payment exceeds 60 days past due. Waste Management, as of May 13, 2024, had identified 2,015 delinquent solid waste accounts with a principal outstanding balance of \$771,859.62, as identified in the attached Menifee Tax Roll Listing, also known as the Solid Waste Delinquency Report.

California Health and Safety Code, Section 5473 and Riverside County Ordinance 745 authorizes the collection of delinquent solid waste account charges and assessment of delinquent solid waste accounts on the annual property tax roll. The anticipated total property tax assessment for the 2,015 delinquent solid waste accounts is \$1,095,590.40, which includes the outstanding balance plus applicable fees for penalties and interest. Prior to submittal of final tax roll to the County, customers will have the option to settle outstanding balance and be removed from tax roll. Waste Management will accept payments on delinquent solid waste accounts until July 19, 2024. Payments made prior to this date may result in adjustments to the final property tax assessment amount received by the County of Riverside Auditor-Controller.

Upon incorporation, the City of Menifee adopted Riverside County ("County") Ordinance 745 which established the authority of the City of Menifee as a comprehensive collection area in which waste collection services are compulsory. Additionally, through the adoption of Ordinance 745, the City adopted County Resolution Nos. 04-298, 05-154, 06-063, 06-159, 06-389 and 20-108, which continued the County's tax lien guaranteed comprehensive collection area for the residential properties located within the City of Menifee.

The following outlines the process for collecting delinquent solid waste charges:

1. Waste Management prepares an annual written Solid Waste Delinquency Report and submits a copy to the City. The Solid Waste Delinquency Report contains a description of each parcel receiving solid waste services and the amount of the delinquent fees and charges for each parcel which remain outstanding. In addition to delinquent fees and charges, the amount may also include a 10% basic penalty for nonpayment of fees and charges and, in addition, a penalty of 1.5% per month for nonpayment of fees, charges, and the basic penalty.
2. City Council approves the Solid Waste Delinquency Report and issues a resolution authorizing the collection of delinquent solid waste charges on the annual property tax roll. Property owners that resolve their outstanding solid waste charges with Waste Management, prior to the stated deadline for payment, are then removed from the final tax roll submitted to the County of Riverside Auditor-Controller by Waste Management.
3. Following the final determination of the delinquent solid waste charges, Waste Management shall file with the County of Riverside Auditor-Controller and remaining delinquent balances, including applicable penalties and interest, are added to the respective property owner's FY 2024/25 property tax bill.

Property owners have two options to resolve delinquent solid waste charges:

1. Resolve unpaid solid waste charges with Waste Management before the deadline of July 19, 2024; or
2. Resolve unpaid solid waste charges with the County of Riverside once delinquent solid waste charges are assessed on the FY 2024/25 property tax bill.

Waste Management mails a “Notice to Property Owner of Delinquent Solid Waste Charges” whenever solid waste charges become delinquent. This quarterly notice to affected property owners explains the intent to place delinquent solid waste charges on the property tax roll. Additionally, a “Notice of Public Hearing on Delinquent Solid Waste Charges” has been mailed to property owners. California Government Code Section 6066 requires public notification of public hearing notices. Newspaper advertising for the public hearing was published in The Press-Enterprise on May 17, 2024 and again on May 31, 2024.

### **STRATEGIC PLAN OBJECTIVE**

Regular City Business

### **FISCAL IMPACT**

In accordance with the current franchise agreement with Waste Management, the City receives a 12 percent franchise fee for revenue generated from the collection of delinquent solid waste accounts that would be received as revenue in the City’s General Fund Account No. 100-3630 Franchise Fee-Solid Waste, should delinquent accounts be applied to tax roll.

### **ATTACHMENTS**

1. Resolution Ordering Special Assessments
2. 2023 Menifee Tax Roll Listing
3. Notice of Public Hearing