

REPORT TO THE CITY COUNCIL



DATE: June 2, 2020

TITLE: Resolution Ordering Annual Assessments for Desert Valley Disposal Solid Waste Refuse Services of Residential Properties for Fiscal Year 2020-21

Prepared by: Webb Municipal Finance, LLC, Tax Administration Consultant

Reviewed by: Geoffrey Buchheim, Finance Director

RECOMMENDATION

- 1) Staff Report;
- 2) Entertain questions of Staff from the City Council;
- 3) Open the Public Hearing;
- 4) Take testimony from those in favor;
- 5) Take testimony from those opposed;
- 6) Take testimony from those in a neutral position;
- 7) Close the Public hearing;
- 8) City Council discussion and questions to Staff; and
- 9) Adopt a Resolution Ordering Annual Assessment for Desert Valley Disposal Solid Waste Refuse Services of Residential Properties for Fiscal Year 2020-21.

BACKGROUND

Desert Valley Disposal, Inc. ("DVD") is the current solid waste refuse services provider for the City's residents and business through the franchise agreement approved on March 18, 2014. The new franchise agreement between the City and DVD has a term effective July 1, 2014 through June 30, 2029.

Pursuant to the franchise agreement, the direct residential billing for solid waste refuse services shall be an assessment on the County property tax bill. This amount is in addition to the delinquent billings the City has been levying for the last few years.

On April 21, 2020, the City Council adopted Resolution 2020-014, declaring its intention to levy assessments for solid waste refuse services, and set the matter for public hearing to be held on June 2, 2020, at 6:00 p.m., in accordance with Health and Safety Code Section 5470, et. seq. All affected property owners have received notice of the public hearing, which has provided the affected property owners an opportunity to address the City Council prior to consideration of the assessment.

DISCUSSION

The City has agreed to place solid waste refuse billings for residential properties on the County Tax Roll on behalf of DVD as allowed pursuant to the provisions of Section 5470, et. seq. of the Health and Safety Code, and Sections 41900 et seq. of the Public Resources Code. The billing, policies, and procedures of DVD are established by the waste disposal agreement between the City and DVD as further detailed by Resolution 2014-008.

DVD requests placement of annual billings for the solid waste refuse services of residential properties on the Fiscal Year 2020-21 tax roll amounts totaling \$2,519,280.25 representing 7,370 accounts.

As provided in the City of the Desert Hot Springs Municipal Code Section 8.04.040, authorizing placement of waste disposal accounts on the tax rolls, the charges shall constitute an

assessment on said property. Adoption of the resolution will enable the County Auditor-Controller to collect these charges in conjunction with property taxes. An updated listing was provided to the City by Desert Valley Disposal on May 26, 2020, which reflects the Assessor's Parcel Number, situs address, and other information required by the City.

FISCAL IMPACT

All costs for the placement of annual solid waste refuse service billings on the County Tax Rolls will be absorbed by Desert Valley Disposal.

EXHIBIT(S)

- 1) Resolution
- 2) DVD Amended & Restated 2020 Rate Adjustment as of July 1, 2020 – Attachment F Rate Schedule
- 3) Amended & Restated Annual Report Letter from Desert Valley Disposal
- 4) Listing of all Residential Enrollment amounts due to Desert Valley Disposal