ORDINANCE NO. 02019-03

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE RANCHO MURIETA COMMUNITY SERVICES DISTRICT, AMENDING DISTRICT CODE CHAPTER 14 RELATING TO INTEREST RATE ON DELINQUENT WATER SERVICE CHARGES; CHAPTER 15 RELATING TO INTEREST RATE ON DELINQUENT DRAINAGE SPECIAL TAXES; CHAPTER 21 RELATING TO INTEREST RATE ON DELINQUENT SECURITY SPECIAL TAXES; AND CHAPTER 31 RELATING TO INTEREST RATE ON DELINQUENT SOLID WASTE COLLECTION AND DISPOSAL SERVICE CHARGES AND COLLECTION THROUGH THE COUNTY TAX ROLL

The Board of Directors of the Rancho Murieta Community Services District ordains as follows:

SECTION 1. Purpose and Authority. The purpose of this ordinance is to increase the interest rate on delinquent District water, sewer and solid waste collection and disposal service charges and drainage and security special taxes from 0.5% to 1% per month. Government Code section 61115(a)(3)(C) authorizes the District to impose "a basic penalty for the nonpayment of charges of not more than 10 percent, plus an additional penalty of not more than 1 percent per month for the nonpayment of the charges and the basic penalty." The Board desires to increase the interest rate on delinquent service charges and special taxes to the full 1% per month authorized by state law. The ordinance also provides for the District to collect delinquent solid waste service charges on the County tax roll as authorized by state law.

SECTION 2. Service Charge and Tax Adjustments; District Code Amendments

- I) The Water Code, <u>Chapter 14</u>, <u>Section 9.06 Delinquencies Basic Penalty</u> is amended to read as follows:
 - a. A one-time basic penalty of ten percent (10%) of the delinquent service charges shall be added to each delinquent bill for the first month the bill is delinquent.
 - b. After levying the basic penalty provided in Section 9.06(a), the District shall thereafter levy an additional penalty of one percent (1%) per month to all delinquent charges and basic penalties remaining unpaid, until and unless the Board requests the County Auditor to include the amount of all delinquent rates, charges, and penalties for collection on the County property tax roll as set forth in Section 9.09. Monies paid when any portion of an account is delinquent shall first be credited to interest and penalties, then to the delinquent portion of the bill, and then to the current portion of the bill.
- II) The Sewer Code, Chapter 15, Section 7.10 Delinquency Penalty is amended to read as follows:
 - a. A one-time basic penalty of ten percent (10%) of the delinquent charges shall be added to each delinquent bill for the first month the bill is delinquent.
 - b. After levying the basic penalty provided in Section 7.10(a), the District shall thereafter levy an additional penalty of one percent (1%) per month to all delinquent charges and basic penalties remaining unpaid, until and unless the Board requests the County Auditor to include the amount of all delinquent rates, charges, and penalties for collection on the County property tax roll as set forth in Section 7.13. Monies paid when any portion of an account is delinquent shall first be credited to interest and penalties, then to the delinquent portion of the bill, and then to the current portion of the bill.

- III) The Drainage Special Tax, Chapter 16A, Section 4.00 Collection is amended to read as follows:
 - a. The drainage tax shall be collected with other monthly District taxes, fees and charges and shall be subject to the same penalties for nonpayment as other monthly District taxes, fees and charges. A special tax bill is delinquent if not paid and received at the District office by the 25th day of the month following the month in which the bill was mailed.
 - b. A one-time basic penalty of ten percent (10%) of the delinquent taxes shall be added to each delinquent bill for the first month the bill is delinquent.
 - c. After levying the basic penalty provided in Section 4.00(b), the District shall thereafter levy an additional penalty of one percent (1%) per month to all delinquent taxes and basic penalties remaining unpaid, until and unless the Board requests the County Auditor to include the amount of all delinquent taxes and penalties for collection on the County property tax roll as authorized by section 4.00(a), chapter 14, section 9.09, and chapter 15, section 7.13. Monies paid when any portion of an account is delinquent shall first be credited to interest and penalties, then to the delinquent portion of the bill, and then to the current portion of the bill.
- IV) The Security Code, <u>Chapter 21</u>, <u>Section 7.01 Penalty for Late Payment</u> is amended to read as follows:

A one-time basic penalty of ten percent (10%) of the delinquent taxes shall be added to each delinquent bill for the first month the charge is delinquent. Thereafter, an additional penalty of one percent (1%) per month shall be added to all delinquent taxes and basic penalties remaining unpaid, until the District requests the County Auditor to include the amount of the delinquent taxes and penalties for collection on the County property tax roll as set forth in Section 7.03. Monies paid when any portion of an account is delinquent shall first be credited to interest and penalties, then to the delinquent portion of the bill, and then to the current portion of the bill.

V) The Solid Waste Collection and Disposal Code, <u>Chapter 31, Section 4.03</u> (Collection Rates and <u>Billings</u>), subsection (f), is amended as to read follows:

- f. <u>Delinquency Penalty</u>
- 1. A one-time basic penalty of ten percent (10%) of the delinquent service charges shall be added to each delinquent bill for the first month the bill is delinquent.
- 2. After levying the basic penalty provided in Section 4.03(f)(1), the District shall thereafter levy an additional penalty of one percent (1%) per month to all delinquent charges and basic penalties remaining unpaid, until and unless the Board requests the County Auditor to include the amount of all delinquent rates, charges and penalties for collection on the County property tax roll as set forth in Section 4.03(g). Monies paid when any portion of an account is delinquent shall first be credited to interest and penalties, then to the delinquent portion of the bill, and then to the current portion of the bill.

Section 4.03, Collection Rates and Billings, subsection (g) is added to read as follows:

g. Collection of Delinquent Charges on County Tax Roll

All rates, charges, penalties, and interest, which remain delinquent, may be collected on the County property tax roll in the same manner as property taxes in accordance with Government Code section 61115(b), provided that the District shall first have given the property owner notice and an opportunity to be heard as provided by law. After delinquent amounts have been turned over to the County Auditor for collection, no payment shall be received by the District on the delinquent amounts except as collected by the County Tax Collector.

SECTION 3. Supersede. This ordinance supersedes prior inconsistent District ordinances, resolutions, policies, rules, and regulations concerning the subject matter of this ordinance.

SECTION 4. Effective Date. This ordinance shall take effect 30 days after its adoption.

SECTION 5. Severability. If any section or provision of this ordinance or the application of it to any person, transaction or circumstance is held invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions of this ordinance that can be given effect without the invalid or unenforceable provision, and to this end the provisions of this ordinance are declared to be severable.

SECTION 6. Publication. The District Secretary is directed to publish this ordinance once in a newspaper of general circulation published in the District within 15 days after the adoption of the ordinance.

INTRODUCED by the Board of Directors on the 17th day of July 2019.

PASSED AND ADOPTED by the Board of Directors of the Rancho Murieta Community Services District, Sacramento County, California, at a meeting held on the 21st day of August 2019, by the following roll call vote:

AYES: Clark, Jenco, Butler, Merchant

NOES: None

ABSENT: Maybee
ABSTAIN: None

Les Clark, President of the Board

Rancho Murieta Community Services District

[seal]

ATTEST:

Mark Martin, General Manager