

# Utility Payments on the San Bernardino County Tax Roll

Public Works  
City Council Meeting

May 12th, 2025  
Chris Alanis, Special Projects Consultant



# Agenda



1. Background on Current Billing, Delinquencies and State of CA Legislative Impacts
2. Tax Roll Billing Proposal Consideration
3. Why is the City Proposing these Changes to Billing?
4. What Accounts would the Proposed Change Apply to?
5. How will residents see these Savings & Changes?
6. Opt-Out Options
7. Recap
8. Recommendation & Options
9. Next Steps and Public Outreach

# Background on Current Billing



Customers receive their utility bill based on below:

- The City sends six water bills per year to homeowners (bi-monthly)
- The City sends six sewer bills per year to homeowners (bi-monthly)
- The City sends six trash bills per year through our designated trash hauler (bi-monthly)
- 18 separate bills are sent per year to homeowners

# Background-Current Bill Overview

## Water & Sewer



**CITY OF UPLAND**  
460 N EUCLID AVENUE  
UPLAND, CA 91786-4732

Billing Inquiries: (909) 931-4150  
Office Hours: 8:00 AM - 6:00 PM MON-THURS  
Website: [www.uplandca.gov](http://www.uplandca.gov)

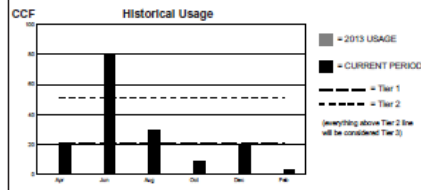
Account Number	Service Address	Billing Period
123-4567.89	123 S EASY ST	12/24/24-02/20/25

BILLING DATE: 03/11/25  
DUE DATE: 04/07/25

### Exciting News!

You can now renew your pet license online.

When you receive your renewal letter in the mail, simply scan the QR code or visit [www.uplandca.gov/pet-license](http://www.uplandca.gov/pet-license) to access the online renewal service.



CURRENT PERIOD (2025)					
PREVIOUS READING	CURRENT READING	GALLONS USED*	SERVICE DAYS	DAILY USAGE (GAL)	
12/23/24	02/20/25				
5965	5968	2,244	59	38.03	
SAME PERIOD LAST YEAR (2024)					
PREVIOUS READING	CURRENT READING	GALLONS USED*	SERVICE DAYS	DAILY USAGE (GAL)	
01/02/24	02/26/24				
		8,977	55	163.22	
DIFFERENCE		-6,732	4		
% CHANGE		-75.00%		-76.70%	

\*UNIT CONVERSION TO GALLONS: 1 unit = 1 MCF or 748.1 gallons

ACCOUNT SUMMARY			
PREVIOUS BALANCE		72.16	
PAYMENTS - THANK YOU		-72.16	
OUTSTANDING BALANCE		0.00	
PENALTIES		0.00	
LATE FEES		0.00	
ADJUSTMENTS		0.00	
ADVANCE PAYMENT		0.00	
CURRENT CHARGES - DUE BY 04/07/25		72.25	
TOTAL AMOUNT DUE		72.25	

CURRENT ACTIVITY DETAIL			
WATER	Meter #94761439	72.25	
Standby Service		65.26	
Tier 1	3.00 Units @ 2.33	6.99	
SEWER		0.00	

CURRENT CHARGES	72.25
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#### A MESSAGE FROM THE CITY OF UPLAND

3RD ANNUAL EGG-STREME EGG HUNT FOR ADULTS: JOIN US ON SATURDAY, APRIL 12TH AT GREENBELT PARK (15TH ST AND BENSON AVENUE). STARTING AT 6:00PM ENJOY TASTY TREATS FROM FOOD TRUCKS AND COLD BEERS FROM THE BEER GARDEN. AT 8:00PM THE EGG HUNT BEGINS (\$10 PER PERSON / 21 YEARS AND OLDER). BRING A FLASHLIGHT AND BASKET AND GET READY TO HUNT IN THE DARK FOR YOUR CHANCE TO WIN EGG-CELLENT PRIZES. FOR MORE INFORMATION, PLEASE CONTACT UPLAND RECREATION AT (909)931-4280.

#### MAKE CHECKS PAYABLE TO:



**CITY OF UPLAND**  
460 N EUCLID AVENUE  
UPLAND, CA 91786-4732  
(909) 931-4150

ACCOUNT NUMBER: 123-4567.89  
SERVICE ADDRESS: 123 S EASY ST

#### CUSTOMER NAME:

UPL0312B 8446 1 AV 0.545  
7000008606 00.0024.0293 8446/1

JOHN DOE  
123 S EASY ST  
UPLAND CA 91786-6642

#### PLEASE REMIT TO:

CITY OF UPLAND  
PO BOX 101115  
PASADENA, CA 91189-0005

## Trash

CITY OF UPLAND  
c/o Burretec Waste Industries, Inc.  
9820 Cherry Avenue  
Fontana, CA 92335  
(909) 949-0500

Burretec Customer  
12345 Anystreet  
Anytown, CA 12345

Customer Number	XXXXXXXXXX
Invoice Number	XXXXXXX
Statement Date	07/01/23
Service Period	July - Aug 2023

Date	Quantity	Description	Charges	Credits	Totals
		Total Previous Balance			0.00
		Other Charges and Payments			
		Current Charges			
07/01/23	1	For Service at: 12345 Anystreet Trash Service	0.00		
		Total Amount Due On Receipt			0.00

# SAMPLE

Holiday Schedule - Our offices will be closed September 4, in observance of the Labor Day holiday. Your collection service will be delayed one day for the remainder of this week.

Customer Service Hours are Monday - Friday, 8:00 AM to 5:00 PM. For your convenience, you can pay this invoice online. Please go to [www.burretec.com](http://www.burretec.com) and click on OnlineBillPay. Payments may also be made in person at our Customer Service Office. Please contact Customer Service at (909) 949-0500 for assistance.

PLEASE MAIL ALL OTHER WRITTEN CORRESPONDENCE TO: BURRETEC WASTE INDUSTRIES - ATTN: CUSTOMER SERVICE • 9820 CHERRY AVE., FONTANA, CALIFORNIA 92335  
PLEASE DETACH ABOVE PORTION AND RETURN WITH PAYMENT - DO NOT SEND CASH - PLEASE MAKE CHECKS PAYABLE TO "CITY OF UPLAND"

CITY OF UPLAND  
c/o Burretec Waste Industries, Inc.  
9820 Cherry Avenue  
Fontana, CA 92335  
(909) 949-0500

Customer Number	XXXXXXXXXX
Service Period	July - Aug 2023
Due By	Upon Receipt
Total Due	\$XX.XX

Enter Amount Paid: \$

\* Please note - to assure proper credit to your account write your account number on your check.  
Please Make Check Payable to: "CITY OF UPLAND"  
Please Do Not Send Cash

Barcode  
Burretec Waste Industries, Inc.  
9820 Cherry Avenue  
Fontana, CA 92335

CITY OF UPLAND  
P.O. Box 5909  
Buena Park, CA 90622-5905

# **Background-What tools did the City utilize when a customer did not pay their bill?**



- **Noticing**
- **Disconnection of Services**
- **Lien Process for Non-Payment**
- **Forced Eviction**

# Background-Utility Delinquencies Prior to Recent CA State Senate Bill 998 Actions

Sent to Lien	FY 2016-2017	FY 2017-2018	FY 2018-2019	FY 2019-2020
<b>Sewer</b>	2 delinquent accts (\$1,017.52)	3 delinquent accts (\$1,193.77)	3 delinquent accts (\$1,335.82)	3 delinquent accts (\$1,158.27)
<b>Trash</b>	1 delinquent accts (\$291.69)	1 delinquent accts (\$301.72)	2 delinquent accts (\$391.44)	2 delinquent accts (\$373.80)
<b>% of Utility Billing</b>	0.00%	0.00%	0.00%	0.00%



# Background-Timeline of State of CA Legislative Impacts & City Response



February 1, 2020:	CA Senate Bill 998 went into effect
March 11, 2020:	COVID shutdown
April 2, 2020:	Governor Newsom issued Executive Order No. N-42-20
July 27, 2020:	City Council approved delinquent utility accounts liens
July 26, 2021:	City Council approved delinquent utility accounts liens
Dec 31, 2021:	Executive Order No. N-42-20 ended
August 8, 2022:	City Council approved delinquent utility accounts liens
May 5, 2023:	COVID officially ended
July 24, 2023:	City Council approved delinquent utility accounts liens
Nov 27, 2023:	City Council adopted Upland's SB 998 Policy
January 1, 2024:	CA Senate Bill 998 Policy took effect
July 22, 2024:	City Council approved delinquent utility accounts liens
January 2, 2025:	Delinquent notices went out to account holders and property owners
April 8, 2025:	Public Works Committee Meeting – Committee & Staff received public comment
May 6, 2025:	Public Works Committee Meeting – Committee & Staff received public comment



**Question: How did CA State Senate Bill 998 and other State actions affect the City's ability to collect unpaid bills?**

**Answer: It eliminated local control and increased delinquencies substantially**





# Background-Utility Bill Enforcement Prior to Recent CA State Actions



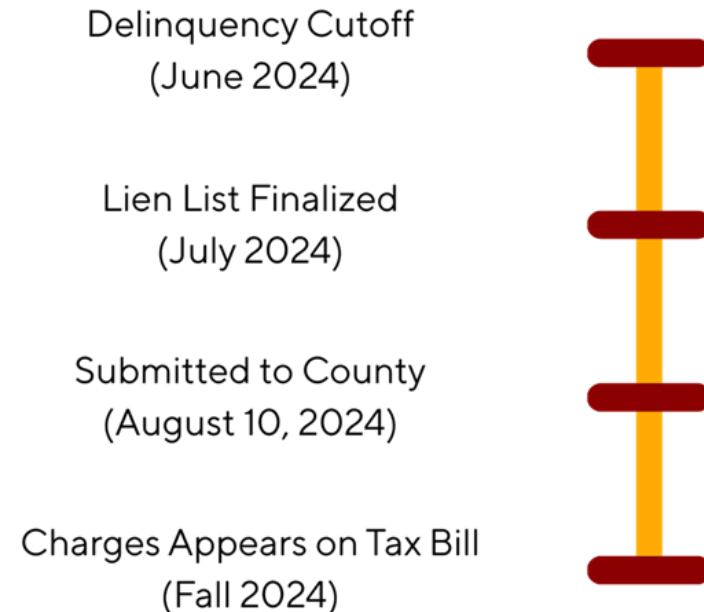
- Prior to CA Senate Bill 998 (Water Shutoff Protection Act), the City of Upland primarily relied on water shutoffs as the main enforcement mechanism to collect payment on delinquent utility accounts
- The CA Senate Bill 998 imposed strict requirements on when and how water service could be discontinued for residential accounts
- CA Senate Bill 998, took effect for Upland on February 1, 2020

# Background-Utility Bill Delinquency after Senate Bill 998



- The average time until unpaid bill is received by the City is 406 days
- If no payment in July 2024 City misses cutoff. Not placed on lien list until July 2025. The non pay period would be 771 Days

## Delinquent Account Lifecycle Trash Billing to Tax Roll



# Background-Utility Bill Delinquency after Senate Bill 998

**Over 400 Accounts Delinquent**

\$392,507 Sewer

\$530,178 Trash

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**\$922,685 Total Delinquency\***

\*This figure does not include water utility delinquencies



# Background-CA Senate Bill 998 Impacts the City in Several Ways



If the City's Utility enterprise does not collect revenue:

- Impacts to service delivery of capital projects
- Impacts to General Fund
- Increased admin time, reprographic, and third-party costs

## 2026 Projects Anticipated to be Impacted

19<sup>th</sup> Street Reconstruction (Mountain to Euclid)

Grove Avenue Rehab (Foothill to 15<sup>th</sup> Street)

1<sup>st</sup> Avenue Rehabilitation ("A" St. to "D" St.)

Randy St. Neighborhood Rehabilitation (Randy St., Fairwood Wy., Terry Wy., and Silverwood Ave.)



# Background-CA Senate Bill 998 Impacts Complaint Ratepayers (Upland Homeowners)



- The City's Utility Enterprise Funds are designed to operate like a business
- This means that enterprise funds do not subsidize delinquencies or deficits due to unpaid bills
- This process ensures the fund(s) can meet their fiduciary & operational obligations to provide services and infrastructure
- Any deficits due to unpaid bills (delinquencies) such as the previously mentioned \$922,685 are factored into utility rate studies to recover the loss
- "Good" compliant ratepayers are subsidizing (footing the bill) for "Bad" non-compliant ratepayers. This artificially increases rates for all



# Tax Roll Billing Proposal Consideration





# Tax Roll Billing Proposal Background



Due to changes in State Law and its associated impacts on delinquencies, Staff is requesting for consideration that the Utility Bills be placed on the San Bernardino County tax rolls:

- These charges will be added into a single efficient bill twice a year and included in monthly mortgage impound accounts
- The City will continue to retain full control over rate setting, any future rate increases, and the policies governing utility services
- Transitioning to tax roll billing does not shift control to the County—it simply utilizes an existing, proven municipal best practice for revenue collection
- Placing utilities on the County tax roll provides a streamlined and responsible solution that improves efficiency while maintaining local authority, accountability and ensuring other rate payers aren't affected

# Tax Roll Billing Proposal Background



If approved, the City of Upland will place all residential solid waste, sewer, and storm drain charges on the San Bernardino County property tax rolls beginning July 1<sup>st</sup>, 2025.

- Under the new system, utility charges will be collected twice a year instead of six times. These charges will be included on property tax bills, which are issued in two installments
- Residents will receive fewer bills each year, and those with mortgage impound accounts will see their updated charges in their monthly escrow payments
- If approved, the City of Upland will develop a Public Outreach Plan to inform residents about their available options





# Why is the City Proposing these Changes to Billing?



# Why is the City Proposing these Changes to Billing?



- Protection for Compliant Ratepayers
- More Efficient Debt Collection
- Ensuring More Consistent Capital Infrastructure Project Delivery
- Fiscal Sustainability
- Cost Reduction, Efficiency, and Transparency
- Environmental Sustainability

# Why is the City Proposing these Changes to Billing?



## Protection for Compliant Ratepayers

- Ensuring more efficient collection of unpaid bills and substantially reduced delinquencies means that “Good” compliant ratepayers are significantly less likely to subsidize (foot the bill) for “Bad” non-compliant ratepayers
- Having less delinquencies translates to ultimately lower rates when conducting a ratepayer study



# Why is the City Proposing these Changes to Billing?



## More Efficient Debt Collection

- Placing charges on the tax roll greatly improves the City's ability to collect on delinquent accounts
- Property tax payments are enforceable and tied to the property, ensuring unpaid utility charges are recovered through the County's existing collection mechanisms
- This helps reduce the City's exposure to write-offs and ensures fairness in cost recovery across all customers



# Why is the City Proposing these Changes to Billing?



## Ensuring More Consistent Capital Infrastructure Project Delivery

- Revenue protection is a critical component of the City's Capital Improvement Program
- Should there be a deficit in the Enterprise Funds due to delinquency, capital utility projects from the enterprise utilities (sewer, storm drain, trash, water) can be impacted/delayed
- If there is a deficit in the Enterprise Funds due to delinquency, capital improvement projects from the General Fund can also be impacted/delayed
- Consistent revenue improves aging infrastructure
- Ensures the City can meet regulatory compliance on utilities' operations & improvements and avoid fines

# Why is the City Proposing these Changes to Billing?



## Fiscal Sustainability

- It ensures the long-term financial stability of enterprise-funded infrastructure—such as water, sewer, and solid waste—by safeguarding against revenue loss due to delinquency, system inefficiencies, or billing gaps

# Why is the City Proposing these Changes to Billing?



## Cost Reduction, Efficiency, and Transparency

- Tax roll billing significantly simplifies the utility billing process for both the City and its residents
- Reduces the number of bills issued from six per year to two, aligning with property tax payments
- Improves transparency by clearly itemizing utility charges on property tax bills
- Reduces customer confusion by creating a more efficient, streamlined billing experience
- Cuts administrative costs related to printing, mailing, and processing
- City Maintains Control. Residents choose options with an Opt-Out process
- Lower cost to City and homeowners

# Why is the City Proposing these Changes to Billing?



## Environmental Sustainability

- Utilizes environmentally sustainable practices by significantly reducing the need for paper bills, envelopes, and postage
- Decreases the City's carbon footprint by minimizing printing, mailing, and fuel usage associated with traditional billing methods
- Switching to tax roll billing will eliminate the need for about 600,000 sheets of paper annually
- Supports Upland's Tree City USA Commitment by saving a significant amount of trees & paper waste long-term



# Why is the City Proposing these Changes to Billing?



## Tax Roll Billing is a Municipal Best Practice utilized by many other Cities

- Adelanto (Solid waste and recycling)
- Bakersfield (Refuse and recycling rates)
- Chino Hills (Sewer charges for sewer-only accounts)
- Chula Vista (Sewer services – for some customers)
- El Cajon (Sewer service charges)
- Fontana (Sewer, trash and recycling services)
- Highland (Solid waste program fee)
- Kelowna (Sewer services – for sewer-only customers)
- Lancaster (Sewer service charges)
- Lindsay (Delinquent water, sewer, and refuse charges)
- Livermore (Sewer service charges)
- Monterrey (Wastewater treatment charges)
- Newport Beach (Sewer and recycling fees for some properties)
- Palm Desert (Solid waste and recycling services)
- Placentia (Solid waste and recycling services)
- Redwood City (Sewer service charges for certain customers)
- Rialto (Sewer and Trash)
- San Bruno (Sewer service charges)
- San Jose (Solid Waste)
- San Mateo (Sewer service charges for certain customers)
- Simi Valley (Sewer service charges)
- West Hollywood (Direct benefit assessments – e.g., sewer, solid waste)
- Yucaipa (Solid waste collection service charges)



# What Accounts would the Proposed Change Apply to?





# What Accounts would the Proposed Change Apply to?



- This transition affects residential property owners only
- A residential customer is defined as:
  - ✓ Single-family homes
  - ✓ Condos
  - ✓ Single-family home with ADUs
  - ✓ Not commercial or industrial customers

# What Accounts would the Proposed Change Apply to?



- Approximately 78% of homeowners have their property taxes paid through impound accounts (mortgage escrow)
- A majority of homeowners will have utility charges collected now monthly (via their mortgage statement) instead of bi-monthly
- Certain property owners who do not have their taxes impounded will pay twice per year during their regular property tax bill
- The County may allow an alternative payment plan for non-impounded property owners on a case-by-case basis (verification of details in process)



# Will this increase my costs?



No. This will reduce costs and create savings for residents and the City

- **Eliminates Monthly Billing Costs**  
No printing, postage, or processing fees associated with traditional monthly bills
- **Reduces Staff Time & Overhead**  
Fewer staff resources needed for invoicing, collections, and account maintenance
- **Improves Collection Rate**  
Charges are secured via property taxes, reducing late or unpaid accounts
- **No Cost for Delinquency Management**  
No need for shutoff notices, service interruptions, or payment plans
- **Shared Cost Through County System**  
Tax roll charges are bundled with property tax bills, spreading costs over more accounts
- **Reduced Capital Revenue Risk**  
Ensures predictable cash flow—critical for infrastructure planning
- **Paperless System Reduces Environmental & Material Costs**  
Supports sustainability goals by eliminating paper invoices



# How will Residents see these Savings & Changes?





# How will Residents see these Savings & Changes?

## Storm Drain:

- The storm drain fee is included within your current water bill
- The current amount per month charged for storm drain billing equals 90 cents (\$0.90)
- This amount would be removed from your current water bill and now applied on your property tax bill/monthly escrow payment
- This change would be reflected in future water bills beginning July 1st, 2025



# How will Residents see these Savings & Changes?

- If the City proceeds with the County tax roll billing process, there is an annual savings of approximately \$225,000
- Staff is recommending that these proposed savings are passed on directly to residents
- This equates to \$14.04 per household per year for trash and sewer
- The \$10.80 storm drain fee will no longer appear on your water bill, instead it will be placed on your property tax bill





# How will Residents see these Savings & Changes?

## Trash and Sewer:

- Year 1

Each residential account will receive a direct rebate check in the mail in the amount of \$14.04, representing a one-time reimbursement of savings. This check will be sent to residents' homes in July 2025

- All Future Years

Beginning in the second year, and for every year thereafter, the savings will be applied as a rate reduction, offsetting future cost increases



# How will Residents see these Savings & Changes?



**Water Bill**

CURRENT ACTIVITY DETAIL	
WATER	Meter #94761439 72.25
Standby Service Tier 1	65.26
3.00Units @ 2.33	6.99
Storm Drain Fee Credit	-0.90
CURRENT CHARGES	71.35

**BILLING BREAKDOWN**

A detailed image of a water bill from the City of Upland. A magnifying glass is positioned over the 'CURRENT ACTIVITY DETAIL' section, which is highlighted in yellow. The section shows a breakdown of charges for water, standby service, and a storm drain fee credit. The total current charges are \$71.35. The bill also includes account information, a historical usage graph, and a payment section.

# How will Residents see these Savings & Changes?

Ensen Mason CPA, CFA  
AUDITOR-CONTROLLER/  
TREASURER/TAX COLLECTOR  
2024  
PROPERTY ADDRESS:  
Protected per CA Govt.  
OWNER(S) OF RECORD:  
AS OF JAN 01, 2024  
LEGAL DESCRIPTION:  
ALLENS SUB LOT XXX D C L LOT XX BLK 2

FISCAL YEAR JULY 1, 2024 TO JUNE 30, 2025

11-01-2024	02-01-2025	2,668.52	2,668.47
FIRST INSTALLMENT DUE			
SECOND INSTALLMENT DUE			
TOTAL TAXES DUE >		5,336.99	
AMOUNT DUE AFTER DELINQUENT FIRST INSTALLMENT		2,195.57	
AMOUNT DUE AFTER DELINQUENT SECOND INSTALLMENT		2,345.32	

MAKE CHECKS PAYABLE TO: SBC Tax Collector  
<https://www.mytaxcollector.com>

Tell us what you think!  
<https://MyTaxCollector.com/Survey>  
Thank you!

PARCEL NUMBER	BILL NUMBER	TAX RATE AREA	TOTAL TAX RATE
XXXXXXXXXXXX	XXXXXXXXXX	000008001	0.010298

PROPERTY ASSESSMENT

DESCRIPTION	Net Values
LAND	151,761.00
IMPROVEMENTS / FIXTURES	320,946.00
IMPROVEMENT PENALTY	0.00
PERSONAL PROPERTY	0.00
PERSONAL PROPERTY PENALTY	0.00
HOMEOWNERS EXEMPTION	7,000.00
VETERANS' EXEMPTION	
OTHER EXEMPTIONS	
NET VALUE	484,697.00

TAX DISTRIBUTION

SERVICE AGENCY	CONTACT #	AMOUNT
GENERAL TAX LEVY		4,846.97
CHAFFEY COLLEGE BOND	(909) 652 - 6161	48.46
UPLAND UNIFIED SCHOOL BOND	(909) 985 - 1864	207.45
SCHOOL BONDS		0.00
SCHOOL STATE REPAYMENT		0.00
*SBCOFIRE WEST VALLEY	(909) 387 - 5947	177.01
*MOSQUITO/VECTOR ASMT #2	(800) 273 - 5167	15.59
CHINO BASIN WTR DEBT SERV		0.00
METRO WATER ORIG DEBT SVC	(866) 807 - 6864	33.92
*METRO WATER-WATER STBY	(866) 807 - 6864	7.59
UPLAND STORM DRAIN UTILITY SERVICE	(909) 931 - 4150	\$10.80
UPLAND SEWER SERVICE CHARGES	(909) 931 - 4150	\$444.84
UPLAND TRASH SERVICE CHARGE	(909) 949 - 0500	\$404.40

IMPORTANT MESSAGE:

Para información de su factura de impuestos de propiedad no requiera, por favor visite [www.collectorandpropiedades.com](https://www.collectorandpropiedades.com) o llame al (909) 987-8006.

## PROPERTY TAX BILL TAX DISTRIBUTION

SERVICE AGENCY	CONTACT #	AMOUNT
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CHINO BASIN WTR DEBT SERV		0.00
METRO WATER ORIG DEBT SVC	(866) 807 - 6864	33.92
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UPLAND TRASH SERVICE CHARGE	(909) 949 - 0500	\$404.40







# Opt-Out Options





# What is an Opt-Out Program?



An Opt-Out Program allows residents to opt out of automatic utility billing through their property tax bill and instead receive direct, standalone bills (e.g., monthly or quarterly invoices).

- The Opt-Out Program gives residents a choice to be billed separately for services like sewer
- Residents who opt out will:
  - Not see charges on their tax bill
  - Receive a direct invoice for utility services
  - Pay a processing/admin fee (e.g., \$35/year) to cover billing costs
  - Eligibility requirements apply (e.g., no defaults or multiple late payments)
  - If a resident fails to meet conditions, they are returned to automatic property tax billing

# Opt-Out Options



## Sewer Service Opt-Out Pilot Program

- The average annual sewer bill is approximately \$400 per residential account
- Estimated cost of opt-out billing: \$35 per year per participant\*
- Cost covers direct billing system, customer service, and collections
- Can accommodate those who prefer monthly or quarterly direct billing over tax roll
- Conditions for eligibility:
  - Must maintain good payment history: more than two late payments or any default disqualifies participation
  - Residents will be re-enrolled in property tax billing if disqualified

*\*This is based upon 250 participants. Any less or more would alter the opt-out fee.*

# Opt-Out Options



## Trash Service Opt-Out Pilot Program

- The average annual Trash bill is approximately \$450 per residential account
- Cost covers direct billing system, customer service, and collections
- Can accommodate those who prefer monthly or quarterly direct billing over tax roll
- There is no additional billing cost to eligible opt-out applicants
- Conditions for eligibility:
  - Must maintain good payment history: more than two late payments or any default disqualifies participation
  - Residents will be re-enrolled in property tax billing if disqualified

# Opt-Out Options



## **Storm Drain is Not Eligible for Opt-Out Option:**

- Storm drain fees must be separated from the water bill due to upcoming MS4 compliance and audit tracking requirements
- Creating a stand-alone storm drain bill is cost-prohibitive:
  - Estimated annual billing cost: \$35 per account
  - Actual storm drain service cost: only \$10.80 per year
  - Charging residents \$35 to collect \$10.80 is not financially viable or justifiable



# Recap

Placing utility billing and collection on the County property tax roll offers the City significant advantages:

- The approach streamlines administrative operations, lowers billing and collection costs
- The City maintains all control of the billing program. Rate increase still goes thru 218 public noticing process by the City
- It improves revenue collection by ensuring higher and more timely payments
- Provides predictable cash flow to support capital improvement projects
- It ensures legal compliance with state laws requiring continuous service and eliminates the need for shutoffs as a collection tool
- Overall, this method offers a more efficient, transparent, and financially sustainable solution for utility revenue management





# Recommendation & Options





# Recommended Action

It is recommended that the City Council adopt resolutions authorizing the implementation of tax roll billing for City-managed utility services, specifically sewer, storm drain, and trash, to improve efficiency, reduce administration costs, and protect utility revenue streams



# City Council Options

- Option A:

Place Billing on Tax Roll with Trash Opt-Out Pilot Program

- Option B:

Place Billing on Tax Roll with Trash Opt-Out Pilot Program and Sewer Opt-Out Pilot Program

- Option C:

Take No Action





# City Council Options

## Take No Action Scenario

- The current lien process takes approximately 406 days to recover unpaid funds
- As delinquent balances accumulate, Capital Improvement projects are delayed, and there is an overall lack of fiscal sustainability as a City due to reduced revenue
- Bad Debt and delinquencies will continue to be subsidized by “Good” compliant ratepayers
- This causes rates to artificially go up for all



# Next Steps and Public Outreach



- Bi-monthly billing from the City will cease for trash, sewer, and storm drain July 1, 2025
- For homeowners who update their escrow impound accounts (a majority of homeowners) will now have utility charges collected monthly instead of bi-monthly
- Property owners will receive a \$14.04 check in the mail from the City
- For property owners without impounded accounts, their property tax statements will be updated to reflect City billing for trash, sewer, and storm drain
- November 1, 2025: First property tax statement to reflect updated amounts

# Next Steps and Public Outreach



If approved, property owners who have impounded accounts will receive communication instructions from the City to send to their escrow/mortgage companies to update their escrow accounts

If approved, a Public Outreach Plan will be developed to educate residents about their options. The plan will include the following components:

- In-person Workshop(s)
- Zoom Webinar (recorded and available on the City's website)
- Informational Mailer with City check
- Dedicated Webpage with detailed information
- Dedicated Customer Service Hotline that will assist with transition
- Curated Social Media Posts



**Thank You**