



**Honorable Mayor and Members of the Hermosa Beach City Council**

**PUBLIC HEARING TO REVIEW DELINQUENT SOLID WASTE COLLECTION (REFUSE) CHARGES FOR CONSIDERATION OF PLACING SAID CHARGES ON THE PROPERTY TAX ROLLS**

**AS A SPECIAL ASSESSMENT AFFECTING ONLY THOSE PROPERTIES WITH REFUSE BILLS DELINQUENT AS OF MARCH 31, 2024**

(Environmental Programs Manager Douglas Krauss)

---

**Recommendation:**

Staff recommends City Council:

1. Receive testimony from affected property owners regarding delinquent refuse bills; and
2. Adopt the attached resolution authorizing and requesting the County Assessor to place delinquent refuse charges for Athens Services as a special assessment for collection through the County tax collection process.

**Executive Summary:**

Per Hermosa Beach Municipal Code Section 8.12.36, the City shall assess a fee for the collection of garbage, rubbish, or other refuse. In the event that the owner of record fails to pay the fees for such collection, the City may place a special assessment on the property. The special assessment is processed through the Los Angeles County Assessor in cooperation with the City's franchised waste hauler, Athens Services.

**Background:**

On March 26, 2013, City Council approved an exclusive Integrated Solid Waste Collection Franchise Agreement with Athens Services for a term of eight years beginning July 1, 2013 and ending June 30, 2021. On March 31, 2021, the City exercised its option to extend the agreement for 24 months to June 30, 2023. In December 2022, Council approved amendments and a 10-year extension to this agreement. In April 2024, Athens provided the City with a list of delinquent accounts for the previous year, which may be subject to a special assessment on the property owners' tax bill.

Pursuant to Section 8.12.36(A)(5) of the Municipal Code, the City Manager shall direct a notice to the property owner where unpaid refuse collection charges are pending. The notice shall indicate the time and place for a hearing before an Administrative Appeals

Board to review all unpaid charges and make a recommendation to City Council. The Administrative Appeals Board hearing was held via teleconference on June 6, 2024 and a recommendation to review all unpaid charges is now provided to City Council.

### ***Past Council Actions***

Meeting Date	Description
<a href="#"><u>March 26, 2013</u></a>	City Council approved an exclusive Integrated Solid Waste Collection Franchise Agreement with Athens Services
<a href="#"><u>July 12, 2022</u></a>	City Council adopted a resolution authorizing and requesting the County Assessor to place delinquent refuse charges for Athens Services
<a href="#"><u>October 25, 2022</u></a>	City Council approved proposal for amendment and extension of contract with Athens
<a href="#"><u>December 13, 2022</u></a>	City Council held public hearing on proposed customer rates for new Athens contract extension and amendment
<a href="#"><u>July 11, 2023</u></a>	City Council adopted a resolution authorizing and requesting the County Assessor to place delinquent refuse charges for Athens Services

#### **Discussion:**

In April 2024, Athens Services provided a list of properties with unpaid refuse collection fees as of March 31, 2024. In accordance with procedures outlined in the Hermosa Beach Municipal Code, notices were sent to affected property owners advising them of the opportunity to appear before the Administrative Appeals Board to dispute unpaid charges at a teleconference held on June 6, 2024 (**Attachment 1**).

The attached list of properties was updated following the hearing and the Administrative Appeals Board recommends that the properties remaining on the list have the delinquent charges added to their property tax bills as a special assessment (**Attachment 2**). Notices were sent to the property owners advising them of the opportunity to appear before the City Council at the Public Hearing scheduled on July 9, 2024 to appeal the matter prior to the City proceeding with the special assessment.

The attached Resolution (**Attachment 3**) requests the County Assessor post delinquent refuse charges on the property tax bill as a special assessment. Exhibit A of the attached resolution will be modified by Athens to delete any delinquent refuse charges which are paid within 10 days following the hearing as provided by Section 8.12.360(A)(6) of the Municipal Code.

To compensate the City for the administrative costs incurred in the collection of delinquent refuse bills via a special assessment, each delinquent refuse bill would be increased by \$14.00 per the adopted Master Fee Schedule. Each delinquent refuse bill would also be increased by an amount not to exceed the actual cost incurred by the County of Los Angeles, and charged to the City of Hermosa Beach, for placing the delinquent refuse bills on the property tax roll via a special assessment.

**General Plan Consistency:**

This report and associated recommendations have been evaluated for their consistency with the City's General Plan. Relevant policy is listed below:

*Sustainability and Conservation Element*

**Goal 6. Hermosa Beach is a low or zero-waste community with convenient and effective options for recycling, composting, and diverting waste from landfills.**

Policy:

- **6.1 Franchise Agreements.** Ensure waste franchise agreements and program offerings provide progressively higher rates of waste diversion.

**Fiscal Impact:**

The fiscal impact to the City associated with the recommended action includes the City's charges of \$14 per delinquent account to defray staff administrative costs and Los Angeles County Assessor costs of approximately \$80. For this year's liens, the City would collect approximately \$1,600 in total fees.

**Attachments:**

1. Notice of Hearing
2. List of Properties and Liens
3. Draft Resolution

**Respectfully Submitted by:** Doug Krauss, Environmental Programs Manager

**Noted for Fiscal Impact:** Viki Copeland, Finance Director

**Approved:** Suja Lowenthal, City Manager