## RESOLUTION NO. 2022 - 9

## A RESOLUTION OF THE SCOTIA COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS MAKING FINDINGS AND DENYING THE APPEAL FILED BY KENT SAWATZKY REGARDING DELINQUENT ACCOUNT STATUS

WHEREAS, on March 1, 2022, Mr. Kent Sawatzky ("Appellant") made a formal written request for an appeal hearing before the Scotia Community Services Board of Directors ("Board") regarding a February 3, 2022, delinquency notification concerning account No. 1219, pertaining to real property located at 151/153 Main St., Scotia, CA 95565 (APN 205-442-025), hereafter "Subject Property," in the amount of \$20,720.54; and

WHEREAS, on or about July 17, 2019, Appellant purchased the Subject Property; and

WHEREAS, on July 31, 2019, the Scotia Community Services District ("SCSD") created a new water and wastewater account for the Appellant pertaining to the Subject Property; and

WHEREAS, on August 7, 2019, the first SCSD water and wastewater bill was sent to Appellant; and

WHEREAS, on October 10, 2019, after two months of non-payment of the August 7, 2019, water and wastewater bill, and following multiple attempts by SCSD staff to contact Appellant for payment, SCSD shut off service to the Subject Property; and

WHEREAS, following the October 10. 2019, service shut off, the Subject Property was billed a reconnection fee of \$40.00, and a late fee of \$60.90, which were included in the next bill sent to Appellant on November 11, 2019; and

WHEREAS, SCSD has continued to bill the Appellant in accordance with the duly enacted SCSD Ordinances and master fee schedule for authorized Benefit Assessments applicable to all residents within the district in accordance with SCSD Ordinances, including Parks and Recreation (Ordinance No. 2021-5), Storm Drainage (Ordinance No. 2021-4), and Streets and Lighting Assessments (Ordinance No. 20021-7), as well as monthly non-consumption base rate charges for Water service (Ordinance No. 2022-3), and Wastewater/Sewer service charges (Ordinance No. 2021-6) for the Subject Property; and

WHEREAS, SCSD has continued to mail monthly bills to the Appellant at the Subject Property, which have not been returned to the SCSD by the United States Postal Services; and

WHEREAS, on July 14, 2021, following multiple messages left by SCSD staff concerning the status of Appellant's SCSD account, Appellant came to the SCSD office to discuss his outstanding bills and reestablishing service to the Subject Property, at

which time Appellant notified staff that he did not believe he was obligated to pay the outstanding account balance, or would pay in protest and consult legal counsel; and

WHEREAS, while Appellant has requested that the SCSD services to the Subject Property remain shut off, following the February 1, 2022, lifting of the California COVID-19 Moratorium on water and wastewater shut-off for delinquent accounts, SCSD staff sent notices on February 1, 2022, to all delinquent customers in accordance with Senate Bill 155, regarding arrearages, payment plan, and tax roll liens; and

WHEREAS, On March 3, 2022, Appellant responded to the February 1, 2022, delinquent customer notification, requesting an appeal hearing regarding the delinquency notice; and

WHEREAS, to date, Appellant has only made one payment to SCSD, received on November 19, 2019, in the amount of \$912.00, which satisfied the SCSD account, less \$0.88, through October 8, 2019; and

WHEREAS, on May 26, 2022, SCSD District Manager provided an overview of the Appellant's delinquent account, including the authority to continue to levy the above-referenced benefit assessments and non-consumption water and wastewater service charges, as provided in the above-referenced Ordinances; and

WHEREAS, as of May 11, 2022, Appellant's SCSD account was delinquent in the amount of \$28,337.6, which includes an adjustment of -\$7,188.50 for meter read errors, as follows:

BOD Charges:	\$196.24
Late Fees:	\$22,677.8 (10% compounded monthly)
New Account Fee:	\$35.00
Park and Recreation Assessments:	\$636.49
Reconnection Fee:	\$40.00
Sewer Base Charges:	\$7,119.40
Storm Drainage Charges:	\$71.08
Streets and Lighting Assessments:	\$168.79
TSS Charges:	\$293.54
Water Base Charges:	\$5,099.76
Adjustments:	-\$7,188.5
Payment Received:	\$912.00
Total:	
	\$28,337.6 ; and

WHEREAS, on May 26, 2022, the Board held a duly noticed public hearing regarding the appeal and considered all evidence both oral and written presented by SCSD and Appellant regarding the appeal, including SCSD's Staff Report; and

WHEREAS, on May 26, 2002, upon conclusion of the Public hearing portion of the appeal hearing; the Board made a motion of intent to deny Appellant's appeal, and

ordered the matter continued to June 16, 2022, for a final decision on the Appeal, directing SCSD staff to prepare a proposed resolution consistent with its findings;

WHEREAS, on June 16, 2022 the Appeal Hearing was continued to the next regular meeting of the SCSD Board of Directors by request from the Appellant; and

WHEREAS, on July 21, 2022 at the regular meeting of the SCSD Board of Directors, the Appeal Hearing was continued to a special meeting of the SCSD Board of Directors on August 9, 2022; and

WHEREAS, as of August 9, 2022, Appellant's SCSD account was delinquent in the amount of \$38,107.69, which includes an adjustment of -\$7,188.57 for meter read errors, as follows:

Deposit	\$100.00
New Account Fee:	\$35.00
BOD Charges:	\$208.37
Late Fees:	\$ 32,109.46 (10% compounded monthly)
Park and Recreation Assessments:	\$636.49
Reconnection Fee:	\$40.00
Sewer Base Charges:	\$7,287.30
Storm Drainage Charges:	\$71.08
Streets and Lighting Assessments:	\$168.79
TSS Charges:	\$311.66
Water Base Charges:	\$5,240.11
Adjustments:	-\$7,188.57
Payment Received:	\$912.00
Total:	
	\$38,107.69 ; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Scotia Community Service District finds and determines that:

- 1. The facts set forth above are true and correct.
- 2. The SCSD's determination of Appellant's delinquent account is correct, except as follows: the TSS and BOD assessments, totaling \$520.03, are found to be specific to water and wastewater/sewer consumption, and are hereby removed, resulting in a recalculation of Appellant's account delinquency and late fees in the amount of \$37,587.66.
- 3. In the event Appellant does not bring his SCSD account current, or otherwise enter into and comply with the terms of a monthly repayment plan for a period of up to twelve (12) months from the date of this Decision, the SCSD is authorized to seek recovery of the delinquent account fees, charges, assessments, and penalties by seeking a County tax roll lien against the Subject Property, and/or taking any other legal or equitable action available to seek and obtain recovery of the account delinquency.

This resolution shall be effective upon its adoption.

Dated: August 9, 2022

APPROVED:

Paul Newmaker, Board President, Scotia CSD

ATTEST:

Board Clerk, Scotia CSD

## **CLERK'S CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of Resolution No. 2022-9, passed and adopted at a regular meeting of the Scotia Community Service District Board of Directors, County of Humboldt, State of California, held on the ninth day of August, 2022 by the following vote:

AYES: Ansted, Black, Newmaker, Pryor, Sellen

NOES: None

**ABSENT: None** 

**ABSTENTIONS: None** 

Board Clerk, Scotia CSD

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