

**SANTA YNEZ COMMUNITY SERVICES DISTRICT
BOARD MEMORANDUM**

TO: Board of Directors

FROM: Loch A Dreizler, General Manager
Alicia Marin, Office Manager/Board Secretary

DATE: June 17, 2026

SUBJECT: Adopt Resolution 26-06B, electing to have sewer fees collected on the tax roll for the fiscal year 2026/2027.

Recommendation/Motion: Adopt Resolution 26-06B to collect sewer fees on the County tax roll for the fiscal year 2026/2027.

Policy Implications: The California Health and Safety Code Section 5473 et seq. outlines general taxes, sewer service and availability charges, specific sewer capacity fees, and other expenses to be collected on the tax roll.

Section 6066 of the Government Code requires that the public hearing notice for the collection of sewer fees on the tax roll be published in a newspaper of general circulation within the entity. If no such newspaper exists, the notice should be published in a newspaper printed in the County.

Fiscal Implications: Placing sewer fees and related charges on the tax roll is a highly efficient and reliable way to secure the District's primary annual revenue source. This method delivers predictable lump-sum payments in December and April, aligned with property tax collection cycles, and ensures the timely receipt of funds as taxes are paid. By leveraging the established tax roll system, the District benefits from proven collection mechanisms that minimize delinquencies and provide strong financial stability.

This process also significantly reduces the District's administrative workload by eliminating the need for direct customer billing and ongoing collection efforts. It is a well-established best practice among public agencies that provide sewer services exclusively, where traditional utility disconnection options are unavailable (unlike water and sewer districts, which can enforce payment through water service termination).

Alternatives Considered: Not approving the Resolution would require the District to implement a direct billing system for customers. This would impact current administrative staffing resources and likely require contracting with a collection agency to pursue unpaid accounts—resulting in higher operational costs, increased workload, and less certain revenue collection than the current streamlined and dependable tax roll approach.

History: Per Resolution 01-13 dated July 10, 2001, the District began placing sewer fees and related charges on the tax roll for the fiscal year 2001-2002. The Board and staff determined that putting the charges on the tax roll would lower administrative costs and ensure steady funding for the District. Prior to this, the District staff billed monthly and placed delinquent accounts on the tax roll annually.

Discussion: Approving this Resolution is part of the process of placing the sewer fees and other related fees on the tax roll.

- The Report is a list of parcel numbers the District serves with the proposed charges for the fiscal year 2026/2027.
- The Public Hearing notice informs the property owners what sewer fee charges will be placed on the tax roll. This notice gets published once a week for three weeks in a local newspaper.
- The public hearing notice must be published in a regularly circulated community newspaper, as required by the Government Code. The cost of publishing the public hearing notice varies by newspaper.
- The District has historically not received any public comments or protests regarding collecting sewer fees on the tax roll.
- The tax roll report is due to the County of Santa Barbara no later than August 10.

Attachment(s):

1. Resolution 26-06B
2. Public Hearing Notice

RESOLUTION NO. 26-06B

RESOLUTION OF THE BOARD OF DIRECTORS OF THE SANTA YNEZ COMMUNITY SERVICES DISTRICT ELECTING TO HAVE SEWER FEES AND CHARGES COLLECTED ON THE TAX ROLL FOR THE FISCAL YEAR 2026-2027, DIRECTING THE PREPARATION AND FILING OF REPORT, FIXING TIME AND PLACE FOR HEARING, AND PROVIDING FOR NOTICE THEREOF

WHEREAS, the Board of Directors of the Santa Ynez Community Services District, Santa Barbara County (the "District"), has passed and adopted ordinances prescribing sewer service charges, sewer availability charges, and sewer capacity fees and has approved installment payment plans providing for the deferred payment of sewer capacity fees and other expenses by certain property owners; and

WHEREAS, under California Health and Safety Code Section 5473 et seq., this Board desires to provide for the collection on the tax roll with the general taxes of (a) sewer service charges for the fiscal year 2025-2026, (b) sewer availability charges for the fiscal year 2025-2026, and (c) certain sewer capacity fees and other expenses for which the District agreed with the property owners to defer payment (collectively, the "Sewer Fees and Charges").

NOW, THEREFORE IT IS HEREBY RESOLVED AND ORDERED as follows:

According to Health and Safety Code Section 5473, the election is hereby made to have the Sewer Fees and Charges collected on the tax roll in the same manner, by the same persons, at the same time as, together with, and not separately from, the general taxes. District staff is directed to prepare and file with the Secretary of the Board a written report containing a description of each parcel of real property receiving sewer service and/or facilities and the amount of the Sewer Fees and Charges for each such parcel (the "Report").

A hearing on the Report shall be held before this Board on Wednesday, July 15, 2026, at 5:30 p.m., at 1070 Faraday Street, Santa Ynez, California.

According to Health and Safety Code Section 5473.1, the Secretary shall cause a notice of the filing of the Report and of the time and place set for the hearing, at which oral or written presentation can be made, to be published according to Government Code Section 6066 once a week for two successive weeks preceding said hearing with at least five (5) days intervening between the respective publication dates, not counting such publication dates. The first publication date is not less than fourteen (14) days before the date set for the hearing in a newspaper of general circulation printed and published within the County where the District is located.

The Secretary is hereby authorized and directed to sign and publish said notice on behalf of the Board as ordered above.

The above-mentioned notice shall be in the form outlined in Exhibit "A" attached hereto and by this reference made a part hereof.

PASSED AND ADOPTED this 17th day of June 2026 by the following vote of the Board of Directors of the Santa Ynez Community Services District.

AYES:

NOES:

ABSENT:

ABSTAIN:

Frank Redfern, President of the
Board of Directors

ATTEST:

Alicia Marin, Secretary of the Board
of Directors