



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** Erin Roseman  
Director, Finance  
Department

**SUBJECT:** SUPPLEMENTAL – Mandatory  
Delinquent Trash Fees 2021 and  
2022

**DATE:** April 22, 2022

City Administrator Approval

Date: Apr 26, 2022

## **RECOMMENDATION**

**A Resolution Accepting And Confirming Reports Of The City Administrator For Delinquent Trash Service Fees With Administrative And Special Assessment Charges As Necessary Pursuant To Chapter 8.28 Of The Oakland Municipal Code, And Directing The Notice Of Special Assessment Charges Be Turned Over To The County Tax Collector For Collection For The Monthly Periods Of July, August, September, October, November, December 2021, Quarterly Periods Of October-December 2021, and January-March 2022 (Option 1); or**

**A Resolution Overruling Protests And Objections And Accepting And Confirming Reports Of The City Administrator For Delinquent Trash Service Fees With Administrative And Special Assessment Charges As Necessary Pursuant To Chapter 8.28 Of The Oakland Municipal Code, And Directing The Notice Of Special Assessment Charges Be Turned Over To The County Tax Collector For Collection For The Monthly Periods July, August, September, October, November, December 2021, Quarterly Periods Of October-December 2021, and January-March 2022 (Option 2)**

## **REASON FOR SUPPLEMENTAL**

The focus of this supplemental report is to respond to questions and concerns raised at the March 15, 2022 City Council meeting. The specific issues below, raised by the members of the City Council and the public were associated with the notification process and the subsequent handling of inquires that took place prior to the public hearing.

### **1) What is the purpose and community benefit of the special assessment delinquency process?**

The purpose of the special assessment delinquency process, as codified in the Oakland Municipal Code Section 8.28.210 and incorporated into the contract with Waste Management, Inc, is to ensure continuation of services, as in uninterrupted weekly solid waste collection services, including recyclables and organic materials, regardless of status of payment. Absent this process, Waste Management and California Waste Solutions would suspend weekly collection services for non-payment. The consequence of not having

City Council  
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weekly collection services could have detrimental impacts to the environment and public health and safety impacts to the community.

**2) When are property owners notified of delinquent Waste Management bills by Waste Management Inc?**

Currently Waste Management notification of delinquency is on day 45 and day 61 from the initial issuance of the original invoice if left unpaid by the property owner. See Table 1 below:

**Table 1: Waste Management Agreement – Significant Noticing Dates**

<b>Dates</b>	<b>Noticing Action</b>
Day 1	Waste Management sends initial invoice to customer.
Day 45	Waste Management sends delinquency notice to customer and may apply late fees.
Day 61	Waste Management sends final delinquency notice to customer with a past due balance notifying them of the termination of service on 90 <sup>th</sup> day if account is not paid in full.
Day 91	The City subscribes on customer's behalf for the abatement of the trash nuisance and imposes a cost recovery administrative fee.
Day 100	The City sends a Special Assessment Notice to the subject property owner informing them of the City's subscription for garbage service on their behalf and notice of administrative and Council hearings. A list of subject properties is provided to the City Clerk for public viewing.
Day 190-195 (approx.)	City Council public hearing to consider adoption of resolution accepting and confirming the City Administrator's report and authorizing the placement of a special assessment and securing the lien in the amount of delinquent customer account balance against the related parcels with the County of Alameda's Assessor's office.

**3) When and what is included in the notification to the property owners upon delinquent charges become eligible for special assessment?**

Upon becoming delinquent, Waste Management Solutions, monthly, provides a list of accounts to the Finance Department. Following the receipt of the list of delinquent solid waste charges on day 90, the City then subscribes to trash service on behalf of the account holder and then the Finance Department sends a notice to the property owner on day 100. This notice outlines the following sequence of actions that property owner needs to take (example notice provided as **Attachment A**):

1. The date, time, and location of an administrative hearing to discuss their delinquency and to offer them the opportunity to provide evidence to support their position. It is at

this administrative hearing that property owner can request for a payment plan if the owner is having financial difficulty.

2. The date and time of the public hearing for City Council to consider the placement of the outstanding service fees and administrative fees on the Alameda County secured property tax roll. Staff is also available prior to the public hearing for the owner to make arrangement to resolve their delinquency and remove the placement of the special assessment on their property.

**4) What, if anything, changed that resulted in members of the public raising issues related to the latest round of noticing?**

The number of affected accounts that were represented at the March 15, 2022, City Council meeting was larger than any other meeting, due to the continuation and postponements of previous hearings. Additionally, the Council meeting start time was changed, from 1:30pm to 11:00am causing a post card notification to all 9,190 affected property owners of the time change. The sequence of events is as follows:

On October 16, 2021, notices were mailed to 4,688 the affected property owners for the periods of July 2021, August 2021, September 2021 (monthly) and October through December 2021 (quarterly). Within this notice affected property owners were notified of a December 7, 2021 public hearing date.

City Council postponed this meeting on October 27, 2021, which caused the Finance staff to issue 4,438 postcards notifying affected property owners of the postponement of this hearing. On February 22, 2022, 4,282 postcards were issued to affected property owners informing them of the new public hearing date for March 15, 2022. The decrease of postcards sent in February was due to 406 property owners resolving their delinquent subscription charges via the administrative hearing process, which was conducted on November 2, 2021 and subsequent payments or resolutions thereafter.

On January 18, 2022, notices were mailed out to 4,752 affected property owners for the periods of October 2021, November 2021, December 2021 (monthly) and January through March 2022 (quarterly). Within this notice, a public hearing time was listed for 1:30 pm.

On March 3, 2022, Oakland City Council changed the upcoming meeting to a Special Concurrent meeting of the Oakland Redevelopment Successor Agency/City Council which changed the start time to 11:00 am. The Finance staff issued 4,282 postcards notifying affected property owners of the meeting time change on March 8, 2022. The decrease in postcards sent was a result of property owners resolving their delinquent subscription charges with the City of Oakland within the administrative hearing process on February 1, 2022, of which 470 accounts were resolved.

During the City Council, public hearing of March 15, 2021, an alternate remote Zoom room was staffed by a representative from Waste Management Inc and staff from the Revenue Bureau to hear concerns and provide additional review of affected property owners. This

meeting was attended by 31 affected property owners of which 13 were removed from the special assessment.

**5) How does Finance handle incoming phone calls?**

The Finance Department’s Citywide Lien Unit, comprised of five members, answers an average of 700 phone calls a month.

When staff is not available to answer calls due to the number of simultaneous calls, the caller receives the pre-recorded message providing instructions on how staff can assist with requests related to the placement of liens on the property. The pre-recorded message is set to repeat until a staff member is available to answer the call. The current system does not have the capability of informing caller the estimated wait-time. It is during the wait-time that many callers decide to disconnect.

Since the public hearing of March 15, 2020, staff has changed the pre-recorded message with a more detailed message, informing callers of the longer wait times (without providing the actual estimated wait time) and alternative means to reach staff through email or the live chat feature available during the business hours. Callers also can leave a voice message with an expected callback within 45-60 minutes.

In addition to providing callers with other means to contact staff, Finance Department staff had also met and coordinated with members of the Waste Management team to ensure customer related inquiries are being handled promptly.

**6) How has the Covid-19 pandemic has affected delinquent solid waste charges?**

An analysis of the delinquent invoices pre-and post-pandemic reflects a decline in invoices. There has been a 14% decrease in invoice delinquency from the pre-pandemic outstanding invoices of 2019.

Calendar Year	2017	2018	2019	2020	2021
<b>Delinquent Invoices</b>	17,212	17,239	18,420	17,972	15,831

In addition to the questions and answers provided above, the following tables shows the breakdown of delinquent solid waste charges based on the City Council district and their respective outstanding amount.

**Table 2 July-September 2021**

<b>Council District</b>	<b>Total</b>	<b>Single Family</b>	<b>Multi-Family/Other</b>	<b>Admin Fee</b>	<b>Service Fee</b>	<b>Totals</b>
<b>CD1</b>	444	244	200	\$51,801.51	\$138,038.76	\$189,840.27
<b>CD2</b>	259	130	129	\$30,958.16	\$112,112.49	\$143,070.65
<b>CD3</b>	98	97	1	\$36,798.82	\$142,651.44	\$179,450.26
<b>CD4</b>	393	306	87	\$45,949.31	\$110,217.46	\$156,166.77

<u>Council District</u>	<u>Total</u>	<u>Single Family</u>	<u>Multi-Family/Other</u>	<u>Admin Fee</u>	<u>Service Fee</u>	<u>Totals</u>
<b>CD5</b>	371	215	156	\$44,176.67	\$138,820.38	\$182,997.05
<b>CD6</b>	939	719	220	\$110,314.89	\$285,407.66	\$395,722.55
<b>CD7</b>	860	831	29	\$121,824.41	\$281,340.96	\$403,165.37
<b>Unspecified</b>	6	4	2	\$812.00	\$1,906.07	\$2,718.07
<b>Total<sup>1</sup></b>	<b>3,370</b>	<b>2,546</b>	<b>824</b>	<b>\$442,635.77</b>	<b>\$1,210,495.22</b>	<b>\$1,653,130.99</b>

**Table 3 October-December 2021**

<u>Council District</u>	<u>Total</u>	<u>Single Family</u>	<u>Multi-Family/Other</u>	<u>Admin Fee</u>	<u>Service Fee</u>	<u>Totals</u>
<b>CD1</b>	480	291	189	\$55,858.56	\$144,289.90	\$200,148.46
<b>CD2</b>	295	161	134	\$34,845.17	\$110,524.48	\$145,369.65
<b>CD3</b>	314	120	194	\$42,727.17	\$176,407.72	\$219,134.89
<b>CD4</b>	451	358	93	\$52,609.77	\$121,532.36	\$174,142.13
<b>CD5</b>	404	261	143	\$47,131.51	\$127,438.18	\$174,569.69
<b>CD6</b>	1,067	945	122	\$126,539.97	\$318,777.76	\$445,317.73
<b>CD7</b>	1,211	945	266	\$140,930.64	\$318,101.16	\$459,031.80
<b>Unspecified</b>	6	5	1	\$696.00	\$1,582.19	\$2,278.19
<b>Total</b>	<b>4,228</b>	<b>3086</b>	<b>1142</b>	<b>\$501,338.79</b>	<b>\$1,318,653.75</b>	<b>\$1,819,992.54</b>

**Table 4 January-March 2022**

<u>Council District</u>	<u>Total</u>	<u>Single Family</u>	<u>Multi-family/Other</u>	<u>Admin Fee</u>	<u>Service Fee</u>	<u>Total</u>
<b>CD1</b>	469	277	192	\$54,543.12	\$135,207.90	\$189,751.02
<b>CD2</b>	307	156	151	\$36,685.25	\$117,368.28	\$154,053.53
<b>CD3</b>	341	110	231	\$41,919.76	\$142,513.64	\$184,433.40
<b>CD4</b>	451	353	98	\$52,795.80	\$113,973.97	\$166,769.77
<b>CD5</b>	451	287	164	\$52,712.97	\$134,934.25	\$187,647.22
<b>CD6</b>	1,093	856	237	\$127,267.01	\$271,611.91	\$398,878.92
<b>CD7</b>	1,217	958	259	\$141,722.50	\$300,076.84	\$441,799.34
<b>Unspecified</b>	11	0	11	\$1,276.00	\$2,655.85	\$3,931.85
<b>Total</b>	<b>4,340</b>	<b>2,997</b>	<b>1,343</b>	<b>\$508,922.41</b>	<b>\$1,218,342.64</b>	<b>\$1,727,265.05</b>

<sup>1</sup> The July-September 2021 is scheduled to be re-noticed and brought to City Council for consideration in June/July 2022.

Citywide Liens unit's staff has made efforts to contact the property owners who were present at the March 15, 2022 City Council meeting. However, to allay City Council's concerns regarding proper noticing of affected property owners, the Citywide Liens unit sent 8,458 notices on March 31, 2022 advising of an additional administrative hearing via Zoom and telephone on April 12, 2022 along with the rescheduled public hearing date of May 3, 2022. On April 5, 2022, 8,458 reminder postcards were sent to the same affected property owners.

At the April 12, 2022, Administrative Hearing, 14 affected property owners were in attendance with three properties removed from the delinquent property list. After the administrative hearing, an additional 245 properties have since been removed from the delinquent list.

As of April 18, 2022, dally in-person appointments have been available to the public with a modified walk-in schedule to begin May 2, 2022.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution Accepting And Confirming Reports Of The City Administrator For Delinquent Trash Service Fees With Administrative And Special Assessment Charges As Necessary Pursuant To Chapter 8.28 Of The Oakland Municipal Code, And Directing The Notice Of Special Assessment Charges Be Turned Over To The County Tax Collector For Collection For The Monthly Periods Of July, August, September, October, November, December 2021, Quarterly Periods Of October-December 2021 and January-March 2022.

For questions regarding this report, please contact Rogers Agaba, Acting Revenue and Tax Administrator, at (510) 238-7009.

Respectfully submitted,



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ERIN ROSEMAN  
Director of Finance  
Finance Department

Reviewed by:

Rogers Agaba  
Assistant Revenue and Tax Administrator

Prepared by:

Nicole Welch, Revenue Operations Supervisor  
Revenue Management Bureau

Attachments (1):

A: CITY – SUBSCRIBED TRASH SERVICE SPECIAL ASSESSMENT NOTICE



CITY OF OAKLAND, CITYWIDE LIEN SECTION  
 150 FRANK H. OGAWA PLAZA, SUITE 5342 OAKLAND, CA 94612  
 (510) 238-7474 [Citywideliens@oaklandca.gov](mailto:Citywideliens@oaklandca.gov)

CITY- SUBSCRIBED TRASH SERVICE SPECIAL ASSESSMENT NOTICE

SERVICE ADDRESS	[REDACTED]	NOTICE DATE	1/18/2022
PARCEL NUMBER	[REDACTED]	SUBSCRIBED PERIOD	JAN, FEB, MAR 2022 (Q1)
OWNER NAME	[REDACTED]	WM CUSTOMER#.	[REDACTED]
ADDRESS	[REDACTED]		

<b>CITY SUBSCRIPTION CHARGE</b>	<b>\$116.00</b>
<b>CITY INVOICE NUMBER</b>	[REDACTED]

Waste Management (WM) has identified your account for the service address listed above as delinquent. Because your payment for **OCT/NOV/DEC 2021** was **!!Q!** received by **12/30/2021** to **Waste Management**, the City of Oakland has subscribed to service on behalf of the property owner for the service period of **JAN, FEB, MAR 2022 (Q1)**. The City is initiating a special assessment, and imposing a City Subscription Charge of **\$116.00 or 10%** (whichever greater) for all **late and unpaid** billing period(s) on behalf of the property owner until payment is made in full.

The subscription charge above is payable to the "City of Oakland." Mail payment to the City, using the coupon below in the envelope provided **by March 11, 2022**. The amount due to Waste Management must include the current service charge, past due amount and late fees.

See the back of this notice for information about making payment to Waste Management.

To dispute these charges:

The City of Oakland will conduct an Administrative Hearing to hear protests regarding the proposed imposition of the special assessment for the service period listed above. The administrative hearing will be conducted remotely via Zoom and telephone on February 1, 2022 from 9am to 12 noon. To participate in the Administrative Hearing and protest the proposed imposition of the special assessment, please complete the enclosed Administrative Hearing questionnaire and return it to the City no later than January 28, 2022.

A Public Hearing will be conducted on **March 15, 2022** at 1aQ.PM at 1 Frank H. Ogawa Plaza, City Council Chambers in Oakland or via a remote teleconference link as indicated on the City Council meeting agenda, where the City Council will consider placing a special assessment against your property. If payment for the amount approved by City Council is **!!Q!** made prior to **August 1, 2022** this amount will be transferred to the Alameda County Tax roll and will appear as a special assessment on your property tax statement.

SERVICE ADDRESS	[REDACTED]	TOTAL AMOUNT DUE
PARCEL NUMBER	[REDACTED]	\$116.00
SUBSCRIBED PERIOD	JAN, FEB, MAR 2022 (Q1)	
INVOICE NUMBER	[REDACTED]	

[REDACTED]  
 [REDACTED]  
 [REDACTED]

CITY OF OAKLAND  
 MANDATORY GARBAGE  
 P-O- BOX 45282  
 SAN FRANCISCO, CA 94145-0282



