

AGENDA ITEM 2.D.

To: Matt Rexroad, Chair
and Members of the Board of Directors

From: Mat Ehrhardt, P.E., Executive Director/APCO

Date: January 13, 2010

Subject: Agreement No. 10-01 with Yolo County for Collection Services

Recommended Action

Approve and authorize the APCO to enter into Agreement No. 10-01 between the District and Yolo County Auditor-Controller for collection services.

Reason for Recommended Action

The District has not been successful collecting judgements from small claims court. Yolo County Auditor Controller's collection services (County) has the ability to collect delinquent charges and fees in an efficient and cost effective manner.

Background

Starting in 2007, the District has used the California Small Claims process as an option to collect penalties on violations of federal, state or district rules and/or regulations when sources have refused to cooperate with the District. We have taken four cases to court and won judgement on the claims. We have collected on two, but the other two are not cooperating and have chosen to ignore the court orders. As such, we have asked the County to assist in the collection of the delinquent charges.

The County, through its collection services unit, utilizes routine collection tools, including but not limited to, mailing statements, sending dunning messages, making telephone calls and skip tracing. Other means could include wage garnishment and state tax refund.

Budget Impacts

The fiscal impact will be positive since currently we do not have the ability to collect delinquent charges or fines imposed by the courts. The County will retain 25 percent of all monies they receive on delinquent accounts referred by the District. All office-related (A-87) costs and expenses shall be included in the fee for services (25 percent of monies collected). The County will distribute the remainder to the District (75 percent).

Other Agency Involvement

District counsel has approved the agreement to form and coordinated the implementation with the Yolo County Auditor-Controller's Collection Services division.

Attachment: Agreement No. 10-01