



PUBLIC INFORMATION
COMMITTEE
AGENDA LETTER

Secretary of the Board of
Directors

4699 Hollister Avenue
Goleta, CA 93110
(805) 879-4621

Department: Administration
For Agenda Of: September 18, 2018
Estimated Time: 10 minutes
Continued Item: No
If Yes, date from:

TO: Committee Members

FROM: Department: Administration

Contact Info: Francis Chan, Administrative Manager / CFO

SUBJECT: Isla Vista Community Services District Utility Tax Communication to Customers

Legal Concurrence

As to form: N/A

Recommended Actions:

Review the proposed communication to Isla Vista area customers regarding the implementation of the Isla Vista Community Services District's (IVCSD) Utility Tax, and provide direction to staff as appropriate.

Summary Text:

IVCSD operates within the service area of the District. The voters of IVCSD recently approved a utility tax through a ballot measure to fund the services and infrastructure of IVCSD. The ballot measure requires the District to collect the utility tax from customers living within the IVCSD boundaries and remit the collected tax to IVCSD.

A letter notifying affected customers of the collection of the tax (Attachment 1) has been drafted for the Public Information Committee's (Committee) review. IVCSD provided a list of Assessor's Parcel Number's (APN) to the District that identified approximately 990 service addresses that are part of its service area and thus, only these specific service addresses that will be subjected to this IVCSD Utility Tax would receive the letter. The District has designed process modifications to incorporate the billing and remittance of this utility tax to IVCSD, and the District has been working with the General Manager of IVCSD to implement the utility tax effective for water bills generated on October 1, 2018 and beyond.

Next Steps

Based on Committee direction, the letter informing affected customers that the upcoming IVCSD Utility Tax that will be added to their water bills will be prepared for mailing during the week of September 24, 2018.

Background:

IVCSD operates within a portion of the service area of the District. Pursuant to California Government Code Section 61250(g)(5) and Section 2 of Article XIII C of the California Constitution on the utilities of gas, water, electricity, sewer, or garbage disposal services, the residents of IVCSD approved a ballot measure by a two-thirds vote on June 5, 2018 to impose an 8% tax on utilities within Isla Vista in conformance with Resolution 18-1A.

The District and IVCSD established a Utility User Tax (UUT) Agreement to formalize the process and expectations of the billings/collections and the related remittance of the utility tax to IVCSD. The draft UUT Agreement was considered by the Administration Committee at its August 29, 2018 meeting and forwarded to the Board of Directors with a recommendation to adopt the resolution. Subsequently, the Board of Directors adopted the resolution authorizing the Board President to enter into the UUT Agreement with IVCSD at its September 11, 2018 meeting.

Fiscal Analysis:

Customer communications have been included in the Board adopted Fiscal Year 2018-19 Budget.

Attachments:

1. Draft Communication Letter on the Implementation of the Isla Vista Community Services District Utility Tax

Authored by:

KK Holland, Principal Policy Analyst
Francis Chan, Administrative Manager/CFO

Attachment 1

Draft Communication Letter on the Implementation of the Isla Vista
Community Services District Utility Tax



4699 HOLLISTER AVENUE
GOLETA, CALIFORNIA 93110-1999
TELEPHONE 805/964-6761
FAX 805/964-7002

DRAFT

September 19, 2018

Name

Address

City, State, Zip

Re: *Service Address* _____

Dear Customer,

On June 5, 2018 the residents of the Isla Vista Community Services District (IVCSD) approved a ballot initiative imposing an 8% tax on utilities within the Isla Vista area. Pursuant to California Government Code Section 61250(g)(5) and Section 2 of Article XIII C of the California Constitution this tax will be assessed on the utilities of gas, water, electricity, sewer or garbage disposal services.

The ballot measure requires Goleta Water District (GWD) to collect the utility tax from customers living within the IVCSD boundaries and remit the collected tax to IVCSD. Starting next month, October 2018, your GWD bill will include an Isla Vista Community Services District (IVCSD) utility charge. The tax will appear on a separate line on the bill as “IV Community Services District Tax (8%)”.

Should you have any additional questions on this Isla Vista voter approved utility tax and GWD’s obligations on this initiative, please contact me at the information provided below.

Sincerely,

Francis Chan
Administrative Manager/CFO
fchan@goletawater.com
(805) 879-4615