



CHANGE TO BILLING PROCESS

Effective July 1, 2024

Billing Change: An annual fee for wastewater service will be included on a parcel's Property Tax Bill. Bi-monthly billing will stop as of July 1, 2024, and be replaced by an annual fee for wastewater service included on a parcel's annual Property Tax Bill. This change is for properties within the Monterey One Water service area and was approved by the Monterey One Water Board of Directors on October 30, 2023 after a year-long evaluation process.

Customers will begin receiving routine communication on the billing transition starting in January 2024.

Frequently Asked Questions – Wastewater Customers

1. When will this change take effect?

Starting on July 1, 2024, customers will no longer receive a bill for wastewater service from Monterey One Water. Instead, a fee for the parcel's mandatory wastewater service will be included on its Property Tax Bill issued by the County of Monterey.

2. Why can Monterey One Water implement this change and not all utilities?

Monterey One Water is a public, not-for-profit entity that exists under the laws of the State of California. Governed by a group of elected officials with a resolution process that includes opportunity for public comment, placing a fee on the Property Tax Bill is possible. Placing a fee on the Property Tax Bill is not possible for private entities, like some utility providers.

In addition, wastewater service protects human and environmental health and is therefore a required service attached to the property. Unlike other utilities, like water or power, wastewater service cannot be turned off, even if a property is vacant. This mandatory service is billed by parcel type, not usage, and therefore the bi-monthly rate can be multiplied by six to create an annual rate.

3. How will this change impact me?

A Property Tax Bill can only be paid in one or two installments. This is a notable change from the six billings per year Monterey One Water currently utilizes. However, for those who prefer monthly payments, the County has authorized Easy Smart Pay, a third-party vendor, to provide a monthly payment option for the payment of property taxes. [Enrollment details available now.](#)

Monthly Payment Option for Property Taxes: Through Easy Smart Pay, customers can set up automatic scheduled payments from a credit card or bank account to help streamline the payment of property taxes, including itemized fees like wastewater service. Per the Easy Smart Pay website, there is no fee for automatic payments from a bank account (ACH) and 1.99% on credit card transactions – be sure to check the [Easy Smart Pay website](#) for the latest details.

4. How will this change my payment options?

Payment options remain the same. Like Monterey One Water, the County offers multiple payment options including:

- Online Payment
- Payment by Telephone
- Pay In Person
- Mail Your Payment
- Aggregate Tax Payments of \$50,000 or more via Electronic Fund Transfer (EFT)

5. Will I continue to receive a bi-monthly bill from Monterey One Water?

No. Bi-monthly bills from Monterey One Water would stop after the June 2024 service bill.

6. Will this be a tax based on my property value?

No. This will not be a tax on your property. It will be a fee based on the rates set by the Monterey One Water Board of Directors.

7. Will I still be able to apply for payment assistance via Monterey One Water's Residential Low-Income Sewer Assistance Program?

Yes. Monterey One Water will still offer a low-income assistance program to help qualifying residential customers with their wastewater fees. The Agency is also evaluating this program and looking to identify modifications that will increase the program's reach and overall customer impact. More details will be available on [our website](#) in early 2024.

8. How will I know the fee on my property tax bill is correct?

Each year, Monterey One Water will mail a letter to all customers with the amount and breakdown of their sewer charges for the next fiscal year. This will occur after the Board approves the budget and rates for that fiscal year (July 1-June 30).

9. I have multiple commercial units on my property. How will I know what to charge each tenant?

The Monterey One Water Board of Directors typically approves rates each June. All customers will receive an annual rate notification and multi-tenant properties will also receive a report featuring a breakdown by user or unit. The report for commercial properties will show an annual and monthly rate. The Agency will also continue to post all rate sheets by property category on its website, and our Customer Service Team will be available to assist with additional reports throughout the year.

10. What if my property becomes vacant during the year or a new business with a different sewer rate moves into my property after I've paid my property tax bill? How will Monterey One Water reconcile the billing?

Similar to our current policy, it will be the responsibility of the property owner to notify Monterey One Water of any change in property status or billing category. If the change results in either overbilling or underbilling from the fee issued on the Property Tax Bill, Monterey One Water will have a Billing Adjustment Request Process. Approved requests will then be refunded via check or billed by Monterey One Water.

11. I pay for wastewater service through my monthly Homeowners Association (HOA) fee. How will I be charged moving forward?

Sewer service will be billed through the Property Tax Bill for each parcel or unit. HOAs and other third-party payees will no longer need to collect fees for sewer service. Included in the Communication Plan regarding this change, staff will provide personalized communications with HOAs to help work through this change.

12. My wastewater fees are currently paid through my HOA. Will my HOA fees go down?

Monterey One Water does not have jurisdiction over how payment for sewer service is passed on, and the Agency recognizes this proposal may present an opportunity for landlords, associations, and others to capitalize on the billing change. In response, staff plan to provide additional notification to HOAs and property management companies clarifying the monthly amount no longer required from each customer/unit per month to support sewer service billing.

13. Will the Agency continue to use the lien process to collect past due balances?

This will eliminate the process of Monterey One Water placing liens on delinquent property accounts moving forward. The lien process will remain in effect for delinquencies incurred for billings before July 1, 2024 and for any billing adjustments incurred after July 1, 2024.

14. Is this a way to hide rate increases?

No. This change will not impact Monterey One Water's process for setting rates. As a public utility, the Agency must follow the state-required process when proposing to increase rates.

Each property owner will receive written notification of the proposed rate change along with justification for the proposal and a process for customers to vote on the proposal. The Board will also lead a budget workshop and a public hearing with opportunities for public comment before voting to set new rates. All rates will continue to be posted to the Agency's website – www.montereyonewater.org.

15. Is it common practice to bill for utility services via the Property Tax Bill?

Yes. Sewer service cannot be turned off, even if a house is vacant and even if the property is delinquent. Many wastewater agencies consider this service part of the property and find the Property Tax Bill an effective billing avenue. Examples of entities who bill for utility services on the Property Tax Bill include: Central Contra Costa Sanitary District, Delta Diablo Sanitation District, Carmel Area Wastewater District, Pebble Beach Community Services District, Santa Cruz County Sanitation District, Napa Sanitation District.