

Agenda Item: {{section.number}}{{item.number}}

April 14, 2025

TO: THE FINANCE COMMITTEE

Director Mike Gardner
Director Laura Roughton

FROM: Richard R. Aragon, Assistant General Manager/Chief Financial Officer

ADOPT RESOLUTION 3346 ELECTING TO HAVE CHARGES FOR SEWER SERVICE COLLECTED ON THE COUNTY TAX ROLL AND SETTING A PUBLIC HEARING FOR COLLECTION OF SUCH CHARGES ON THE TAX ROLL

RECOMMENDATION:

Staff requests that the Finance Committee recommend the Board of Directors:

1. Adopt Resolution 3346, electing to have charges for sewer service collected on the Riverside County tax roll; and
2. Set July 2, 2025, at 9:30 a.m., at Western Municipal Water District's headquarters office located at 14205 Meridian Parkway, Riverside, California, as the date, time, and location of a public hearing for collection of such charges on the tax roll.

EXECUTIVE SUMMARY:

For sewer customers in the Home Gardens and nearby areas within the La Sierra Service Area, water service is provided by the City of Riverside. As such, Western Municipal Water District is unable to collect delinquent sewer charges through shutting off water service. To address this issue, sewer charges have been collected by annually placing them on the County tax roll for affected properties since Fiscal Year 1991-1992. The California Health and Safety Code 5473 et seq., requires a noticed public hearing to consider all objections or protests to the placement of proposed charges on the tax roll and approval of a two-thirds vote of the Board to collect such charges on the tax roll. Noticing of the public hearing must comply with Government Code Section 6066. Note that the requested action is to conduct a public hearing for the placement of sewer charges on the tax roll and not to adopt the sewer charge rate itself.

BUDGET IMPACT:

There is no budget impact for the election of placing sewer charges on the tax roll and for setting the public hearing.

DETAIL:

Western Municipal Water District (Western Water) provides retail domestic sewer service to customers in the Lake Hills, Victoria Grove, Cajalco/Woodcrest, Murrieta, and Home Gardens areas. With the exception of the Home Gardens area, customers also receive water service from Western Water, and both water and sewer service charges are collected through a direct monthly billing. Delinquencies resulting from failure to pay water or sewer charges are ultimately addressed by shutting off water service.

For customers in the Home Gardens area, water service is provided by the City of Riverside. Therefore, Western Water is unable to collect delinquent sewer charges through shutting off water service. To address this issue, Western Water began in Fiscal Year 1991-1992 to collect these sewer charges on the annual property tax bills pursuant to Sections 5473 and 5473.1 of the Health and Safety Code. The code requires Western to conduct a public hearing to consider all objections or protests to the proposed charges. A final report of charges and affected parcels will be available at the public hearing.

Revenue from the sewer charges of approximately \$1.4 million to be collected on the tax roll has been included in the adopted Fiscal Year 2025-2026 Operating Budget. There are approximately 1,900 customers, or about 40% of total customers in the La Sierra Service Area, where Western Water collects annual sewer charges on the tax roll.

The public may attend the hearing in person at the Board meeting or via Zoom video conference. Members of the public can watch the hearing by viewing an online live stream at <https://westernwaterca.gov>. Members of the public cannot provide public comment via the online live stream. To comment, they must attend in person or use the Zoom option. The absence of Zoom video conferencing or live stream feed due to technical difficulties beyond Western Water's control will not delay or prevent this item from being considered on July 2, 2025.

Reason for Action:

Western Water must set a public hearing date to consider electing to collect charges for sewer service on the County tax roll.

Solution:

Adopt Resolution 3346 electing to have charges for sewer service collected on the County tax roll, and set a public hearing for July 2, 2025, at 9:30 a.m., at Western Water's Meridian Parkway office.

STRATEGIC PRIORITIES REFERENCE:

This action is in alignment with Western Water's 2022-2025 strategic priority of Financial Stewardship.

PROPOSED DATE OF ACTION:

If approved by the Committee, this item is scheduled for consideration by the full Board of Directors at their meeting on May 21, 2025.

LEGAL COUNSEL REVIEW:

Legal Counsel had reviewed Resolution 3346.

Respectfully submitted by:

Richard R. Aragon, Assistant General Manager/Chief Financial Officer

Attachment:

1. Resolution 3346