

Bond Case Briefs

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WASTEWATER FEES - CALIFORNIA

Plantier v. Ramona Municipal Water District

Supreme Court of California - May 30, 2019 - P.3d - 2019 WL 2292829

Commercial property owners brought putative class action to invalidate a wastewater service charge imposed by municipal water district, seeking declaratory relief and refund of charges.

The Superior Court held bifurcated bench trial and ultimately dismissed for lack of exhaustion of administrative remedies. Property owners appealed. The Court of Appeal reversed and remanded. Review was granted.

The Supreme Court held that public hearing pursuant to Proposition 218, which placed restrictions on assessments and property-related fees and established majority protest remedy, to consider a rate increase was inadequate to resolve property owners' challenge, and thus even if hearing constituted an administrative remedy, property owners were not required to exhaust it.

Public hearing pursuant to Proposition 218, which placed restrictions on assessments and property-related fees and established majority protest remedy, to consider a rate increase was inadequate to resolve commercial property owners' challenge to method of calculating wastewater service charges, and thus even if hearing constituted an administrative remedy, property owners were not required to exhaust it prior to bringing action against municipal water district; as noticed, hearing would not have permitted agency to change method for calculating fee, since change in method was considered fee increase rather than rate increase, and Proposition 218 did not define what consideration was required to be given to protests.