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USER FEES - CALIFORNIA

Raja Development Co., Inc. v. Napa Sanitary District

Court of Appeal, First District, Division 4, California - November 8, 2022 - Cal.Rptr.3d - 2022 WL 16757563 - 2022 Daily Journal D.A.R. 11,512

Condominium owners brought action for declaratory and injunctive relief against sanitary district alleging that the use-fee portion of sewer service charge, which also included a capacity-fee portion, was an unlawful tax.

The Superior Court sustained sanitary district's demurrer. Owners appealed.

In a case of first impression, the Court of Appeal held that putative inseverability of ordinances authorizing sewer charge did not make a challenge to use-fee portion of charge subject to shorter limitations period for challenging capacity fees.

Putative inseverability of county ordinances authorizing sewer service charge did not make condominium owners' challenge to the use-fee component of service charge, as an illegal tax, subject to the 120-day limitations period for challenging capacity fees, which were captured in the capacity-fee component of charge; regardless of whether ordinances were severable, owners did not allege any wrongful conduct by sanitary district with respect to capacity fee, the invasion of any right or interest that owners possessed related to capacity fee, or any legal injury from capacity fee.