

# HOLDING TANK COST REIMBURSEMENT AGREEMENT

## Riverside Public Utilities/Water

**Board of Public Utilities**  
August 10, 2026

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## BACKGROUND

1. Presented at June 9, 2025 Board of Public Utilities meeting; Board requested additional information; item continued
2. 1993 - Concerns over the developer's proposal for onsite sewage disposal at the subject site
3. 1998 - RPU refused water service for the same developer at another site in the area unless holding tanks used in lieu of a septic system
4. Efforts underway by RPU to prevent future septic installations in the North Orange Area; Source Water Assessment and request to Planning Division to deny future septic installations



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## BACKGROUND

5. December 3, 1998 – Conditional use permit approved by Planning Commission for construction of RPU's Russell C Well; construction started in 1999
6. December 7, 1999 – RPU Director issued memo to City Council requesting changes to conditions for development (holding tank in lieu of a leach field); City Council approved planning case with the requested changes
7. December 21, 1999 – Signed letter agreement
8. March 2002 – Groundwater Protection Plan taken to RPU Board, Land Use Committee, and City Council



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## BACKGROUND

9. July 2002 – Council approved septic ban ordinance
10. Letter Agreement presented at January 19, 2000 RPU Water Committee meeting; agreed that this should be placed on the Board Agenda
11. A formalized agreement prepared by the City Attorney's Office and signed by Robert Shepherd on January 30, 2001 was also found; City Clerk's Office did not find any record of agreement going to Board or City Council



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## DISCUSSION

1. RMC 14.08.030 requires connection of new developments within the North Orange Area to be connected to the sewer; new warehouse is served by the sewer main within Center St.
2. Sewer connections required to be made to the sewer main fronting the customer's property; closest viable connection would require 2,460 feet of new sewer main (~\$4.1M)
3. New development is anticipated to facilitate expansion of sewer infrastructure that will allow site to be sewerd
4. Mapped GIS data shows existing sewer lines and sites with onsite septic (Public Works and Riverside County GIS data)

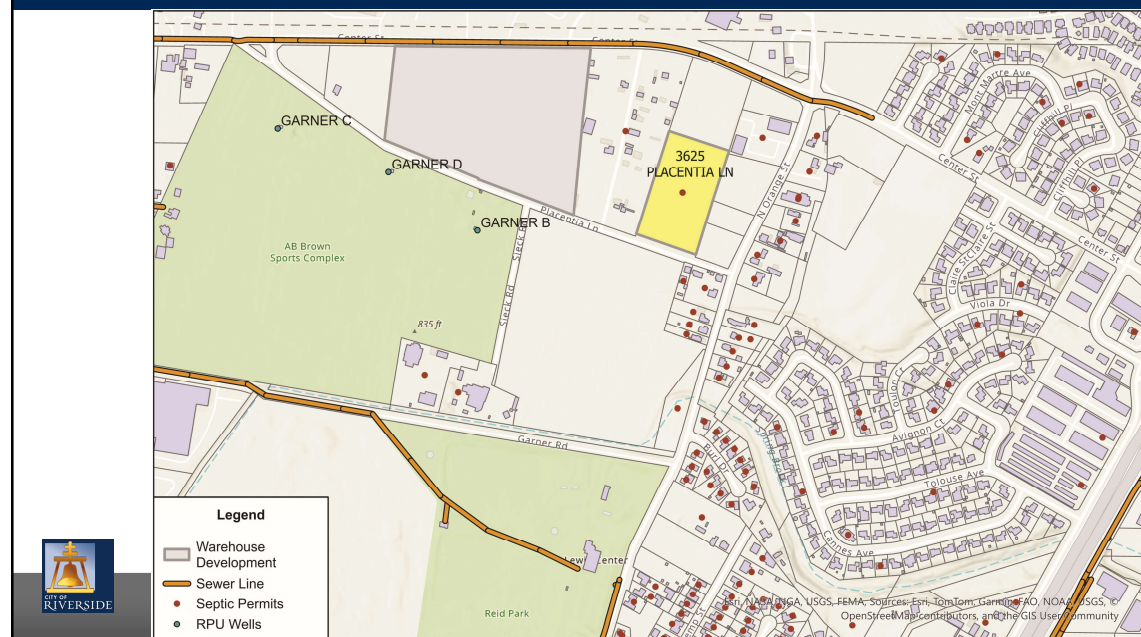


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## DISCUSSION – EXISTING SEPTIC/SEWER



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## DISCUSSION

5. Indefinite term of the letter agreement supported in a March 17, 2000 letter from RPU to Riverside County Department of Environmental Health requesting waiver of the County's two-year limit on the use of holding tanks to an indefinite period until the City constructs sewer in the vicinity of the project
6. Russell A, B and C Wells have been abandoned; under RMC 14.08.030, property owner is not allowed to revert to an on-site septic disposal system
7. Total reimbursements to date: \$92,737.47 (9/7/2001 to 6/24/2026)



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## RECOMMENDATIONS

That the Board of Public Utilities recommend that the City Council:

1. Approve a Holding Tank Cost Reimbursement Agreement between the City of Riverside and Robert Allen Shepherd, which formalizes the terms of a 1999 letter agreement for holding tank cost reimbursement for an estimated annual cost of \$7,600 in addition to \$92,737.47 that has been reimbursed to date for septic tank cost reimbursement until the time that the site can be connected to the public sewer system; and
2. Authorize the City Manager, or designee, to execute the agreement, including making minor and non-substantive changes.



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