

**CITY OF ONTARIO  
CITY COUNCIL AND HOUSING AUTHORITY  
AGENDA  
NOVEMBER 19, 2013**

**Paul S. Leon**  
Mayor

**Jim W. Bowman**  
Mayor pro Tem

**Alan D. Wapner**  
Council Member

**Debra Dorst-Porada**  
Council Member

**Paul Vincent Avila**  
Council Member



**Chris Hughes**  
City Manager

**John E. Brown**  
City Attorney

**Mary E. Wirtes, MMC**  
City Clerk

**James R. Milhiser**  
Treasurer

**WELCOME to a meeting of the Ontario City Council.**

- All documents for public review are on file with the Records Management/City Clerk's Department located at 303 East B Street, Ontario, CA 91764.
- Anyone wishing to speak during public comment or on a particular item will be required to fill out a blue slip. Blue slips must be turned in prior to public comment beginning or before an agenda item is taken up. The Clerk will not accept blue slips after that time.
- Comments will be limited to 3 minutes. Speakers will be alerted when they have 1 minute remaining and when their time is up. Speakers are then to return to their seats and no further comments will be permitted.
- In accordance with State Law, remarks during public comment are to be limited to subjects within Council's jurisdiction. Remarks on other agenda items will be limited to those items.
- Remarks from those seated or standing in the back of chambers will not be permitted. All those wishing to speak including Council and Staff need to be recognized by the Chair before speaking.

**ORDER OF BUSINESS:** The regular City Council and Housing Authority meeting begins with Closed Session and Closed Session Comment at 6:00 p.m., Public Comment at 6:30 p.m. immediately followed by the Regular Meeting and Public Hearings. No agenda item will be introduced for consideration after 10:00 p.m. except by majority vote of the City Council.

**(EQUIPMENT FOR THE HEARING IMPAIRED AVAILABLE IN THE RECORDS MANAGEMENT OFFICE)**

**CALL TO ORDER (*OPEN SESSION*)**

**6:00 p.m.**

***ROLL CALL***

Bowman, Wapner, Dorst-Porada, Avila, Mayor/Chairman Leon

**CLOSED SESSION PUBLIC COMMENT** The Closed Session Public Comment portion of the Council/Housing Authority meeting is limited to a maximum of 3 minutes for each speaker and comments will be limited to matters appearing on the Closed Session. Additional opportunities for further Public Comment will be given during and at the end of the meeting.

***CLOSED SESSION***

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: APN 1008-431-04, 1305 North Mountain Avenue; City/Authority Negotiator: Chris Hughes or his designee; Negotiating parties: Palm Springs Oil Company; Under negotiation: Price and terms of payment.
- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *City of Ontario vs. City of Los Angeles, Los Angeles World Airports, and Los Angeles Board of Airport Commissioners, RIC 1306498*

In attendance: Bowman, Wapner, Dorst-Porada, Avila, Mayor/Chairman Leon

***PLEDGE OF ALLEGIANCE***

Council Member Dorst-Porada

**INVOCATION**

Reverend Frank Hamilton, First Christian Church of Ontario

**REPORT ON CLOSED SESSION**

City Attorney

**PUBLIC COMMENTS**

**6:30 p.m.**

The Public Comment portion of the Council/Housing Authority meeting is limited to 30 minutes with each speaker given a maximum of 3 minutes. An opportunity for further Public Comment may be given at the end of the meeting. Under provisions of the Brown Act, Council is prohibited from taking action on oral requests.

As previously noted -- if you wish to address the Council, fill out one of the blue slips at the rear of the chambers and give it to the City Clerk.

**AGENDA REVIEW/ANNOUNCEMENTS:** The City Manager will go over all updated materials and correspondence received after the agenda was distributed to ensure Council Members have received them. He will also make any necessary recommendations regarding Agenda modifications or announcements regarding Agenda items to be considered.

**CONSENT CALENDAR**

All matters listed under **CONSENT CALENDAR** will be enacted by one motion in the form listed below – there will be no separate discussion on these items prior to the time Council votes on them, unless a member of the Council requests a specific item be removed from the Consent Calendar for a separate vote.

Each member of the public wishing to address the City Council on items listed on the Consent Calendar will be given a total of 3 minutes.

**1. APPROVAL OF MINUTES**

Minutes for the regular meeting of the City Council and Housing Authority of October 15, 2013, and approving same as on file in the Records Management Department.

**2. BILLS/PAYROLL**

**Bills** October 6, 2013 through October 19, 2013 and **Payroll** October 6, 2013 through October 19, 2013, when audited by the Finance Committee.

**3. CONSTRUCTION CONTRACT FOR THE NORTH VINEYARD AVENUE GRADE SEPARATION PROJECT/ORTIZ ENTERPRISES INCORPORATED**

That the City Council approve the plans and specifications, and award a construction contract (on file with the Records Management Department) to Ortiz Enterprises Incorporated, of Irvine, California, for the North Vineyard Avenue Grade Separation Project (ST0711) for the bid amount of \$26,440,772 plus a ten (10%) contingency in the amount of \$2,644,077 for a total authorized expenditure of \$29,084,849; authorize the City Manager to execute said contract and related documents and file a Notice of Completion at the conclusion of construction activities.

**4. ORDINANCES AMENDING CHAPTERS 3, 7 AND 8B OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATING TO SOLID WASTE, SEWER AND WATER SERVICES AND FEES**

That the City Council adopt:

- (A) Ordinances amending Chapter 3, of Title 6 of the Ontario Municipal Code related to solid waste services and authorizing increases to the rates for solid waste service charges and fees; and
- (B) Ordinances amending Chapter 7, of Title 6 of the Ontario Municipal Code related to sewer services and authorizing increases to the rates for sewer service charges and fees; and
- (C) Ordinances amending Chapter 8B, of Title 6 of the Ontario Municipal Code relating to water services and authorizing increases to the rates for water service charges and fees.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTIONS 6-3.101, 6-3.104, 6-3.105, 6-3.106, 6-3.107, 6-3.209, 6-3.301, 6-3.302, 6-3.304, 6-3.305, 6-3.307, 6-3.308, 6-3.309, 6-3.310, 6-3.312, 6-3.313, 6-3.314, 6-3.401, 6-3.406, 6-3.502, 6-3.503, 6-3.504, 6-3.505, 6-3.510, 6-3.601, 6-3.602, AND 6-3.603 OF CHAPTER 3, OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE, SECTIONS RELATED TO INTEGRATED SOLID WASTE MANAGEMENT.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING INCREASES TO THE RATES FOR ITS SOLID WASTE SERVICE FEES AND OTHER MISCELLANEOUS ONE-TIME SERVICE FEES.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTIONS 6-7.706 AND 6-7.708 OF CHAPTER 7, OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATED TO THE PUBLIC SEWER SYSTEM.



ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING INCREASES TO THE RATES FOR ITS SEWER SERVICE CHARGES.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTIONS 6-8.51, 6-8.52, AND 6-8.57 OF CHAPTER 8B, OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATED TO WATER SERVICES.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING INCREASES TO THE RATES FOR ITS WATER SERVICE FEES AND CHARGES, NEW METER CHARGES AND OTHER MISCELLANEOUS ONE-TIME WATER SERVICE FEES.

**5. FISCAL YEAR 2013-14 FIRST QUARTER BUDGET REPORT**

That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2013-14 First Quarter Budget Report.

**6. ORDINANCES TO ADOPT THE 2012 INTERNATIONAL FIRE CODE, AND 2013 CALIFORNIA STATE FIRE AND BUILDING CODES**

That the City Council:

- (A) Adopt an Ordinance amending Chapter 4, Title 4 of the Ontario Municipal Code entitled "Fire Code" adopting by reference, with certain amendments, additions, deletions, and exceptions, the 2012 International Fire Code and the 2013 California Fire Code (California Code of Regulations, Title 24, Part 9); and
- (B) Adopt an Ordinance amending Chapters 1, 2, 3, 4, 5, 6, 7, 11 and 12 of Title 8 of the Ontario Municipal Code to adopt the California Building Standards Code.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 4 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE; ADOPTING BY REFERENCE WITH CERTAIN AMENDMENTS, ADDITIONS, DELETIONS, AND CHANGES THERETO, THE 2013 CALIFORNIA FIRE CODE AND THE 2012 INTERNATIONAL FIRE CODE, REGULATING AND GOVERNING THE SAFEGUARDING OF LIFE AND PROPERTY FROM FIRE AND EXPLOSION HAZARDS ARISING FROM THE STORAGE, HANDLING, AND USE OF HAZARDOUS SUBSTANCES, MATERIALS, AND DEVICES AND FROM CONDITIONS HAZARDOUS TO LIFE OR PROPERTY IN THE OCCUPANCY OF BUILDINGS AND PREMISES; PROVIDING FOR THE ISSUANCE OF PERMITS AND COLLECTION OF FEES; AND REPEALING ORDINANCE NO. 2927 OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTERS 1, 2, 3, 4, 5, 6, 7, 11 AND 12 OF TITLE 8 OF THE ONTARIO MUNICIPAL CODE, ADOPTING BY REFERENCE THE 2013 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE, INCORPORATING THE 2013 CALIFORNIA BUILDING CODE, THE 2013 CALIFORNIA MECHANICAL CODE, THE 2013 CALIFORNIA ELECTRICAL CODE, THE 2013 CALIFORNIA RESIDENTIAL CODE, THE 2013 CALIFORNIA PLUMBING CODE, THE 2013 CALIFORNIA GREEN BUILDING STANDARDS CODE, THE 1997 EDITION OF THE UNIFORM HOUSING CODE, AND THE 1997 EDITION OF THE UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS; TOGETHER WITH CERTAIN AMENDMENTS THERETO.

**7. CONSTRUCTION CONTRACT FOR SOUND INSULATION OF 67 HOUSES UNDER THE ONTARIO QUIET HOME PROGRAM/SPEC CONSTRUCTION CO., INC.**

That the City Council:

- (A) Reject any and all non-responsive bids;
- (B) Award Contract No. P150-1314-01 (on file with the Records Management Department) to Spec Construction Co., Inc. of Rancho Cucamonga, California, in the bid amount of \$1,667,713, plus a 15% contingency of \$250,157 for a total not-to-exceed amount of \$1,917,870 to sound insulate 67 houses; and
- (C) Authorize the City Manager, or his designee, to execute the contract, other related documents necessary to implement said contract, and file a Notice of Completion at the conclusion of all construction activities related to this contract.

**8. EVERY 15 MINUTES GRANT PROGRAM FROM THE DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**

That the City Council authorize the acceptance of grant funds in the amount up to \$10,000 for the Every 15 Minutes Grant Program from the Department of California Highway Patrol.

**PUBLIC HEARINGS**

**9. CONSIDERATION OF A SPENDING PLAN FOR THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND/CITIZEN'S OPTION FOR PUBLIC SAFETY GRANT PROGRAM**

That the City Council receive public comment on the proposed spending plan for the Fiscal Year 2013-14 Supplemental Law Enforcement Services Fund (SLESF)/Citizen's Option for Public Safety (COPS) Grant; and approve the proposed spending plan.

Notice of public hearing has been duly given and affidavits of compliance are on file in the Records Management Department.

Written communication.

Oral presentation.

Public hearing closed.

**10. A PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN WARM SPRINGS NMC, LLC, AND THE CITY OF ONTARIO TO PROVIDE FOR THE CONSTRUCTION OF UP TO 190 RESIDENTIAL UNITS AND REQUIRED INFRASTRUCTURE ON 40 ACRES OF LAND WITHIN PLANNING AREA 3 OF THE SUBAREA 29 SPECIFIC PLAN, LOCATED AT THE SOUTHEAST CORNER OF ARCHIBALD AND EUCALYPTUS AVENUES**

That the City Council introduce and waive further reading of an ordinance approving the Development Agreement (File No. PDA13-001) between Warm Springs NMC, LLC, and the City of Ontario to provide for the construction of up to 190 residential units on 40 acres within the Subarea 29 Specific Plan, located at the southwest corner of Archibald and Eucalyptus Avenues (APNs: 0218-281-15 and 16).

Notice of public hearing has been duly given and affidavits of compliance are on file in the Records Management Department.

Written communication.

Oral presentation.

Public hearing closed.

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING AN ADDENDUM TO THE SUBAREA 29 SPECIFIC PLAN ENVIRONMENTAL IMPACT REPORT (SCH#200411009) ADOPTED FOR FILE NO. PSP03-003, PREPARED FOR FILE NO. PDA13-001, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, AND MAKING FINDINGS IN SUPPORT THEREOF (APN: 0218-281-15 AND 16).

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND WARM SPRINGS NMC, LLC., FILE NO. PDA13-001, TO PROVIDE FOR THE CONSTRUCTION OF UP TO 190 RESIDENTIAL UNITS ON 40 ACRES WITHIN PLANNING AREA 3 OF THE SUBAREA 29 SPECIFIC PLAN, LOCATED AT THE SOUTHWEST CORNER OF ARCHIBALD AND EUCALYPTUS AVENUES (APNS: 0218-281-15 AND 16).

## **COUNCIL MATTERS**

Mayor Leon  
Mayor pro Tem Bowman  
Council Member Wapner  
Council Member Dorst-Porada  
Council Member Avila

## **STAFF MATTERS**

City Manager Hughes

## **ADJOURNMENT**

**CITY OF ONTARIO  
CLOSED SESSION REPORT**  
City Council // Housing Authority //  
Other // (GC 54957.1)  
**November 19, 2013**

**ROLL CALL:** Bowman \_\_, Wapner \_\_, Dorst-Porada \_\_, Avila \_\_  
Mayor / Chairman Leon \_\_.

**STAFF:** City Manager / Executive Director \_\_, City Attorney \_\_

In attendance: Bowman \_\_, Wapner \_\_, Dorst-Porada \_\_, Avila \_\_, Mayor / Chairman Leon \_\_

- GC 54956.8, CONFERENCE WITH REAL PROPERTY NEGOTIATORS  
Property: APN: 1008-431-04, 221 1305 North Mountain Avenue; City/Authority Negotiator:  
Chris Hughes or his designee; Negotiating parties: Palm Springs Oil Company; Under  
negotiation: Price and terms of payment.

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: \_\_\_\_\_

In attendance: Bowman \_\_, Wapner \_\_, Dorst-Porada \_\_, Avila \_\_, Mayor / Chairman Leon \_\_

- GC 54956.9 (d)(1), CONFERENCE WITH LEGAL COUNSEL, EXISTING LITIGATION: *City of Ontario vs. City of Los Angeles, Los Angeles World Airports, and Los Angeles Board of Airport Commissioners, RIC 1306498*

No Reportable Action	Continue	Approved
/ /	/ /	/ /

Disposition: \_\_\_\_\_

# CITY OF ONTARIO

## Agenda Report

November 19, 2013

## SECTION: CONSENT CALENDAR

**SUBJECT: CONSTRUCTION CONTRACT FOR THE NORTH VINEYARD AVENUE  
GRADE SEPARATION PROJECT**

**RECOMMENDATION:** That the City Council approve the plans and specifications, and award a construction contract (on file with the Records Management Department) to Ortiz Enterprises Incorporated, of Irvine, California, for the North Vineyard Avenue Grade Separation Project (ST0711) for the bid amount of \$26,440,772 plus a ten (10%) contingency in the amount of \$2,644,077 for a total authorized expenditure of \$29,084,849; authorize the City Manager to execute said contract and related documents and file a Notice of Completion at the conclusion of construction activities.

**COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health**  
**Pursue City's Goals and Objectives by Working with Other Governmental Agencies**  
**Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public)**

**FISCAL IMPACT:** The FY 2013-14 Budget includes appropriations for the construction of the North Vineyard Avenue Grade Separation Project. Per the Cooperative Funding Agreement with San Bernardino Associated Governments (SANBAG), the City's share is 20% of the actual expenses and is split in accordance with the City's adopted DIF Program and SANBAG's approved Measure I Nexus Study.

**BACKGROUND:** The North Vineyard Avenue Grade Separation Project will consist of constructing a railroad bridge at the Union Pacific Railroad Alhambra Line at Vineyard Avenue crossing south of Holt Boulevard. The railroad tracks will be raised approximately 4 feet and Vineyard Avenue will be depressed approximately 22 feet. A location map is attached for reference as Exhibit "A".

In September 2013, the City solicited bids for this project; and one bid was received by Ortiz Enterprises Incorporated of Irvine, California. Ortiz has completed similar work for SANBAG in a satisfactory manner. The submitted bid of \$26,440,772 is \$7 million below the advertised engineer's estimate.

**STAFF MEMBER PRESENTING:** Louis Abi-younes, P.E., City Engineer

Prepared by: Cindy Hackett, P.E.  
Department: Engineering

City Manager  
Approval: 

Submitted to Council/O.H.A. 11/19/2013

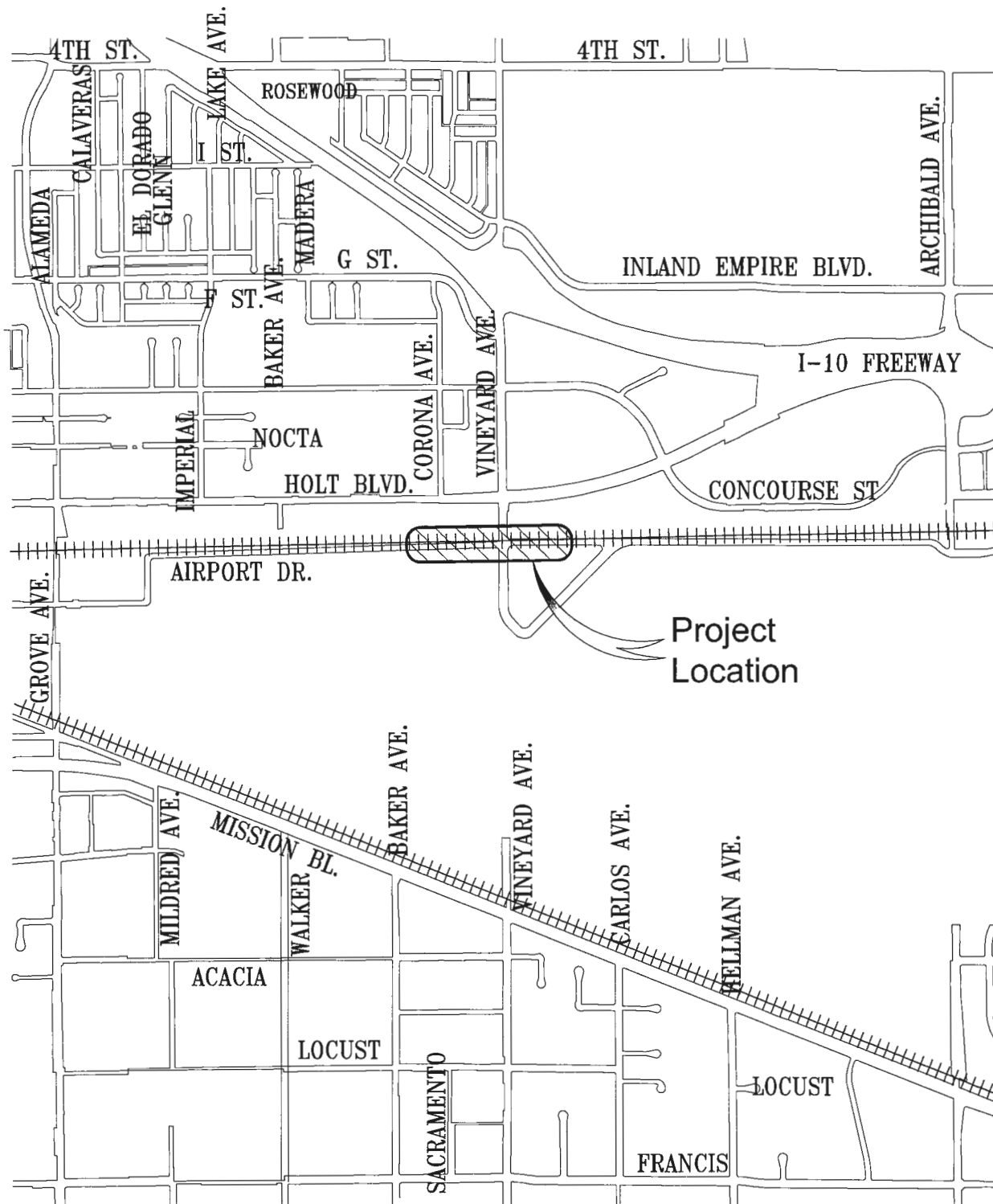
Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_



EXHIBIT A  
CITY OF ONTARIO  
VINEYARD AVENUE / UPRR GRADE SEPARATION  
(NORTH OF AIRPORT DRIVE)



# CITY OF ONTARIO

*Agenda Report*  
November 19, 2013

## SECTION: CONSENT CALENDAR

**SUBJECT: ORDINANCES AMENDING CHAPTERS 3, 7 AND 8B OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATING TO SOLID WASTE, SEWER AND WATER SERVICES AND FEES**

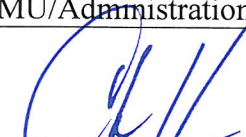
**RECOMMENDATION:** That the City Council adopt:

- (A) Ordinances amending Chapter 3, of Title 6 of the Ontario Municipal Code related to solid waste services and authorizing increases to the rates for solid waste service charges and fees; and
- (B) Ordinances amending Chapter 7, of Title 6 of the Ontario Municipal Code related to sewer services and authorizing increases to the rates for sewer service charges and fees; and
- (C) Ordinances amending Chapter 8B, of Title 6 of the Ontario Municipal Code relating to water services and authorizing increases to the rates for water service charges and fees.

**COUNCIL GOALS: Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health**  
**Operate in a Businesslike Manner**  
**Invest in the City's Infrastructure (Water, Streets, Sewers, Parks, Storm Drains and Public Facilities)**

**FISCAL IMPACT:** A review of the service charges for the Utilities Enterprise Funds (Solid Waste, Sewer and Water) has been prepared covering Fiscal Year 2014-15 and Fiscal Year 2015-16. This review is provided as Exhibit "A" to the related ordinances and is incorporated by reference as part of the administrative record. Current service charges and fees for solid waste, sewer and water will not provide adequate revenues to meet operational needs through Fiscal Year 2015-16; therefore, rate increases are recommended for each of these services on January 1, 2014 and January 1, 2015. Adopting the recommended solid waste, sewer and water service charges will provide adequate revenues to meet operational and capital facility needs through Fiscal Year 2015-16. The current average residential combined utility bill (solid waste, sewer and water) for City charges is \$115.22 per month. These

**STAFF MEMBER PRESENTING:** Scott Burton, Utilities General Manager

Prepared by: Michael Sigsbee  
Department: MU/Administration  
City Manager Approval: 

Submitted to Council/O.H.A. 11/19/2013  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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recommendations will result in an average monthly increase of \$2.45, or 2.1%, in the first year and \$2.45, or 2.1%, in the second year.

**BACKGROUND:** On November 5, 2013, the City Council held a public hearing to consider all written protests against the proposed increase to solid waste, sewer and water service charges and fees in accordance with California Constitution, Article XIII D, Section 6(a). At conclusion of the hearing, it was determined that the seven (7) written protests out of 39,359 parcels did not constitute a majority protest. The public hearing was closed and City Council introduced six ordinances amending Chapters 3, 7 and 8B of Title 6, of the Ontario Municipal Code and amending solid waste, sewer and water service charges and fees.

Pursuant to Proposition 218 (California Constitution, Article XIII D, Section 6), the City is required to comply with the following procedures prior to increasing solid waste, sewer and water services charges and fees:

### **Proposition 218 Procedure**

1. Parcels upon which the increased fee or charge is proposed to be imposed have been identified, and Proposition 218 Notice "Notice" was mailed on September 19, 2013 to (a) the record owner (as defined in California Government Code Section 53750(j) (the "Owner") of each identified parcel (as defined in California Government Code Section 53750(g); and (b) any customer of record who, at the time the notice is mailed, has a billing account with the City and is directly liable to pay the fee ("Customer") for an identified parcel.
2. The Notice contained (a) the amount of the fee or charge; (b) the basis on which it was calculated; (c) reason for the increase; and (d) the date, time, and location the City Council will conduct a public hearing on the proposed increase.
3. A public hearing was scheduled for November 5, 2013 (at least 45 days after the Notice was mailed) to consider all written protests against the proposed increase to the fee or charge. If at the conclusion of the hearing written protests against the proposed increased fee are presented by a majority of Owners/Customers of parcels to be charged, the City may not increase the fee.

Resolution 2007-097 (Adopted on August 21, 2007) established the following procedures for considering protests against proposed rate increases in accordance with California Constitution, Article XIII D, Section 6(a):

1. Each Owner or Customer may submit one written protest per parcel. Each protest must be submitted to the City Clerk at 303 East "B" Street, Ontario, California 91764, or in person at the public hearing.
2. All protests must be received by the City Clerk by the close of the public hearing. Any protest received after the close of the public hearing, even if postmarked prior to that time, will not be accepted or counted.
3. Each protest must be in writing and provide the location of the identified parcel (by assessor's parcel number or street address) and include the signature of the Owner or Customer. Protests submitted by e-mail will not be accepted. Although oral comments or testimony at the public hearing will not qualify as a formal written protest, the City Council welcomes input from the public during the public hearing on the proposed fee.

4. To be valid, a protest must (a) state that it is in opposition to the proposed fee; and (b) contain the original signature of an Owner or Customer of the identified parcel. Any protest that does not contain this information or an original signature of either an Owner or Customer shall not be tabulated.
5. Any Owner or Customer who submits a protest may withdraw it by submitting a written request to withdraw the protest. The request must be submitted to the City Clerk prior to the close of the public hearing either at 303 East "B" Street, Ontario, California 91764, or in person at the public hearing. The withdrawal of a protest must include the location of the identified parcel (by assessor's parcel or street address) and include the original signature of the Owner or Customer who submitted the protest. Only the Owner or Customer who submitted the protest may withdraw it. A request to withdraw a protest submitted by e-mail will not be accepted.
6. If an identified parcel is owned by more than a single Owner or more than one name appears on the City's records as the Customer for the identified parcel, or if the Customer is not the Owner, each Owner or Customer may submit a protest; provided, however, only one protest will be counted per identified parcel. Any one protest submitted in accordance with these procedures shall be sufficient to count as a protest for that identified parcel.
7. The City Clerk shall determine the validity of all protests. The City Clerk shall not accept as valid any protest if the City Clerk determines that any of the following conditions exist:
  - a. The protest is not in writing.
  - b. The protest does not provide the location of the identified parcel by either assessor's parcel number or street address.
  - c. The protest does not contain an original signature of an Owner or Customer of the property identified on the protest.
  - d. The protest does not state its opposition to the proposed fee which is the subject of the protest proceeding.
  - e. The protest is not received by the City Clerk prior to the close of the public hearing on the proposed fee.
  - f. A valid request to withdraw the protest is received prior to the close of the public hearing on the proposed fee.
8. The City Clerk's decision regarding the validity of a protest or a request for the withdrawal of a protest of shall constitute a final action of the City and shall not be subject to any internal appeal.
9. The City Clerk may begin to tabulate protests at any time after the close of the public hearing on the proposed fee. In the event the City Clerk cannot complete the tabulation of the protests before the conclusion of the City Council meeting, the City Council may continue the action to impose or not impose the fee to another City Council meeting date. The continuation of the action on the item to another meeting does not reopen the public hearing on the proposed fee.
10. A majority protest exists if valid written protests are timely submitted and not withdrawn by the Owners of or Customers with respect to, a majority of the identified parcels.

## **Proposed Rates**

Utility services for solid waste, sewer and water are operated as separate Enterprise Funds and are not commingled with the City's General Fund or each other. These utility services are funded by fees and charges (rates) and the budgets are set annually. Rates and services are reviewed periodically (see Exhibit "A" to the related ordinances, incorporated by reference as part of the administrative record) to ensure that the established service rates are:

- a. Adequate to recover costs reasonably borne in providing the services;
- b. Equitable to all customer classes;
- c. In compliance with all State and Federal regulations; and
- d. Easily explained to customers.

The basis and reasons for the proposed increases are to enable the City to recover operating expenses, and to maintain the operational and financial stability of the utilities, while maintaining our commitment to provide the highest quality services at the lowest possible rates for our customers. The proposed rate increases will occur over two years. The current and proposed rates are set forth in the attached ordinances amending Chapters 3, 7 and 8B of Title 6, of the Ontario Municipal Code relating to services and fees for solid waste, sewer and water services. The proposed rates are based on multi-year financial plans. The multi-year financial plans assess the City's revenue requirements for both operations and capital facilities for solid waste, sewer and water using information from the most recent master plans and operational cost projections.

## **Solid Waste**

The solid waste service charges have not been increased in five years, since January 1, 2009, as a result of the following cost avoidance and cost cutting measures:

- Expanded the recycling program to reduce the cost of landfill disposal;
- Extended the useful life of solid waste vehicles to reduce capital replacement cost; and
- Increased operational efficiencies.

Solid waste expenses consist of material recovery processing and landfill disposal costs, operation and maintenance (O&M) expenses including general overhead costs related to supervision, utility billing and customer service, cost allocations to the General Fund for City provided services, purchase of new and replacement vehicles and equipment, street sweeping and illegal dumping clean up services; and, a capital improvement program.

As a result of increasing costs, the City's current solid waste rates will not generate adequate revenue to cover the City's projected expenditures for solid waste services. The recommended solid waste rate increases will increase the average residential solid waste bill by \$0.52 per month or 2% from the current rate of \$26.09 effective on bills sent on or after January 1, 2014, and by \$0.53 per month or 2% to the rate of \$27.14 effective on bills sent on or after January 1, 2015.



## **Sewer**

The Sewer Utility Fund faces many challenges in the coming years that continue to increase the cost of providing sewer services. Some of these challenges are:

- Increased sewer treatment cost (IEUA Pass-Through);
- Aging sewer system, which requires more frequent maintenance, repairs and replacement; and
- Legislative mandates to ensure adequate sewer capacity and maintenance.

To offset some of the cost increases associated with increasing regulatory requirements and the maintenance and replacement of aging infrastructure, the following cost avoidance and cost cutting measures have been implemented which will limit the proposed rate increase to a minimum:

- Extending the useful life of vehicles and equipment to reduce capital replacement cost; and
- Increasing operational efficiencies.

The City maintains the sewer collection system to provide a high level of customer service and comply with Federal, State and local laws and regulations, particularly Waste Discharge Requirement (WDR) and Sanitary Sewer Overflow (SSO) regulations. These regulations require that the collection system be properly managed, operated, and maintained at all times and adequate capacity to convey base flows and peak flows for all parts of the collection system is provided. The SSO regulations require video inspecting of all sewer lines and taking all feasible steps to stop and mitigate the impact of sanitary sewer overflows.

The City contracts with the Inland Empire Utilities Agency (IEUA) for sewer treatment at regional sewer treatment facilities owned and operated by IEUA. The IEUA Board of Directors sets the treatment rate per EDU (equivalent dwelling unit = one single-family residence) which is a pass-through charge on the City utility bills.

The recommended increases in the City monthly sewer service charge are needed to fund capital construction replacement projects to correct system deficiencies and improve system reliability, meet operational needs, and comply with mandated regulations related to SSO.

The City sewer monthly rate is recommended to increase by \$0.38 per EDU or 3% from the current \$12.60 per EDU to \$12.98 per EDU effective on bills sent on or after January 1, 2014 and by \$.039 or 3% to \$13.37 per EUD effective on bills sent on or after January 1, 2015.

## **Water**

The water industry throughout California faces many challenges in the coming years that continue to increase the cost of providing water services. Some of these challenges are:

- Increased costs of imported water, which constitutes approximately one third of the City's water supply. The increase in imported water cost also impacts the cost of acquiring additional groundwater production rights needed to supplement the City production rights;
- Increased costs to replace and reconstruct aging water facilities and to construct new facilities to correct existing system deficiencies; and



- Legislative mandates related to more stringent Drinking Water Standards and the presence of various plumes of groundwater contaminants, such as nitrates, volatile organics and perchlorate, which reduce the useful life of some of the existing wells, limit the areas where new wells can be drilled, or require expensive water treatment.

To offset some of the cost increases to meet increasing regulatory requirements, pay for more expensive imported water and replace and maintain aging infrastructure, the following cost avoidance and cost cutting measures have been implemented which will limit the proposed rate increase to a minimum:

- Expand the use of recycled water to reduce the overall water supply cost;
- Reduce energy cost by controlling time of pumping and use of more efficient motors; and
- Increasing operational efficiency to reduce labor cost.

The recommended water rate will increase the average residential water bill by \$1.55 per month or 2% from the current \$76.53 per month to \$78.08 per month effective on bills sent on or after January 1, 2014, and by \$1.53 per month or 2% to \$79.61 per month effective on bills sent on or after January 1, 2015. The recommended increase in water charges is needed to fund increased imported water costs, capital construction replacement projects and the increased cost of operations and water treatment.

As a result of the updated cost of service study for water service and fees, it is recommended that the rate differential for the potable water commodity rates for the OMC and NMC be eliminated. The current projections for NMC potable water demand and available supply, along with the current and anticipated future unit cost of this supply, from groundwater rights and pumping as a result of agricultural land conversion for example, support the elimination of the rate differential.

While still inexpensive, there is a rapid escalation in the cost to purchase recycled water from IEUA. As a result, the cost to provide recycled water to Ontario's customers has increased. In response to the escalating cost of recycled water, it is recommended to eliminate the lower cost second tier rate for recycled water; and it is recommended that the recycled water rate be increased by \$0.08 (6%) from the current rate of \$1.35 per hundred cubic feet (hcf) to \$1.43 per hcf on January 1, 2014, and by \$0.13 (9%) per hcf to \$1.56 on January 1, 2015.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTIONS 6-3.101, 6-3.104, 6-3.105, 6-3.106, 6-3.107, 6-3.209, 6-3.301, 6-3.302, 6-3.304, 6-3.305, 6-3.307, 6-3.308, 6-3.309, 6-3.310, 6-3.312, 6-3.313, 6-3.314, 6-3.401, 6-3.406, 6-3.502, 6-3.503, 6-3.504, 6-3.505, 6-3.510, 6-3.601, 6-3.602, AND 6-3.603 OF CHAPTER 3, OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE, SECTIONS RELATED TO INTEGRATED SOLID WASTE MANAGEMENT.

WHEREAS, it is the policy of the City of Ontario (the "City") that the accumulation, collection, removal, disposal, composting, and recycling of refuse shall be controlled by the City for the protection of the public health, safety, and welfare and to contribute toward the diminution of health hazards and pollution in the City; and

WHEREAS, the City Council finds that to give practical effect to this policy, a comprehensive system for the periodic collection, removal, disposal, composting and/or recycling of refuse from all premises in the City is essential and benefits all residents of the City; and

WHEREAS, the City currently has in place uniform requirements and regulations for direct and indirect users of the refuse and recycling collection services of the City which allow the City to comply with all applicable state and federal laws, including, but not limited to, The Integrated Waste Management Act of 1989, State Assembly Bill 75, Public Resources Code §§ 49520-49524, California Code Title 14 Division 7 and any subsequent amendments to each; and

WHEREAS, the City has determined that it is appropriate to amend certain provisions of the Ontario Municipal Code related to solid waste services to further accomplish these purposes.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that the recitals discussed above are true and correct and are hereby incorporated and adopted as findings and determinations by the City Council as if fully set forth herein.

SECTION 2. Section 6-3.101 of Chapter 3, of Title 6, Subsection 6-3.101(a), 6-3.101(b), and 6-3.101(f) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.101. Declaration of policy.

(a) The intent and purpose of this chapter is to comply with state law on solid waste management as it is found in California Public Resources Code § 40000 *et seq.*

(b) State law requires local agencies such as the City to control and reduce their waste streams, and meet per capita waste generation goals each year, pursuant to Assembly Bill 939 (Pub. Res. Code § 41780) and Senate Bill 1016 (Pub. Res. Code Sec. 42920-42927). This reduction requires an ongoing evolution of the practices within the City to include elements that reduce waste generation, promote reuse, and require collection of recyclable and organic material. Pursuant to A.B. 939 requirements, the City shall require mandatory refuse and recycling collection.

(f) The City Manager or his or her authorized designee shall be responsible for reviewing refuse and recycling collection services, contracts, permits, fees and rates and for making recommendations on the administration of the above to the City Council for final approval.

SECTION 3. Section 6-3.104 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.104. Applicability.

This chapter shall apply to all users of the City's refuse, recycling, green waste and other organics collection services within the City and to users outside the City who are by permit, contract, or agreement with the City, users of the City's refuse, recycling and green waste collection services or are conducting business or activities within the City which fall under the provisions of this chapter.

SECTION 4. Section 6-3.105 of Chapter 3, of Title 6, Subsections 6-3.105(a) through 6-3.105(c) and 6-3.105(e) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.105. Exclusive jurisdiction.

(a) The collection of all refuse and waste within the City shall be performed under the direction of the City Manager, and for such purposes, the City may use City personnel, enter into contract agreements with private hauling firms or approve franchise agreements to perform such collection. Solid waste enterprises operating pursuant to such a contract or franchise agreement shall meet the terms, rates, standards and services specified in the contract or franchise agreement which shall be comparable to services established by the City. However, the City Manager may authorize any person to collect, remove, and disperse refuse, recyclables, green waste and other organics under such terms, conditions, and limitations deemed necessary in the interests of the public health, safety, and welfare. The City may, at its option, enter into contracts with solid waste enterprises for some or all services related to the disposal, transfer, recycling, collection, billing or customer service related activities.

(b) Residential integrated waste management and recycling services and commercial integrated waste management and refuse services shall be provided exclusively under the direction of the City. A solid waste enterprise may not provide waste collection services except as authorized by the City pursuant to § 6-3.105(a). This section does not prohibit the commercial collection of recyclables pursuant to §§ 6-3.502 through 6-3.505, provided all such commercial collection of recyclables complies with the provisions of this chapter.

(c) No person, solid waste enterprise or the agents, servants or employees thereof, shall provide collection or integrated waste services within the City without the City's approval, which approval shall be issued only on a vote of the City Council and may be removed for failure to comply with the health and sanitation regulations of the City and San Bernardino County.

(e) Each violation of this section will be considered an infraction and subject to the penalties listed in § 1-2.01.

SECTION 5. Section 6-3.106 of Chapter 3, of Title 6 of the Municipal Code is hereby repealed in its entirety.

SECTION 6. Section 6-3.107 of Chapter 3, of Title 6, of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.107. Definitions.

For the purpose of this chapter, unless otherwise apparent from the context, certain words and phrases used in this chapter shall have the meanings hereinafter designated. The definitions in this chapter are included for reference purposes only and are not intended to narrow the scope of definitions set forth in federal or state laws or regulations. Words used in this chapter in the singular may include the plural and the plural may include the singular. Use of the masculine shall also mean feminine and neuter.

(a) "Administrative Services Director" means the Administrative Services Director of the City of Ontario.

(b) "Applicant" means any individual, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever who applies to the City for the applicable permits to undertake any construction, demolition, or renovation project within the City or to provide recycling collection services within the City.

(c) "Authorized recycling agent" means a person with whom the City authorizes by contract or permit to collect its recyclable waste material. An authorized recycling agent may be a municipal collection service, private refuse hauler, private recycling enterprise, or private nonprofit corporation or association.

(d) "Bulky item" means any item unable to be collected through normal collection method, such as appliance, furniture or bundled brush.

(e) "Business recycling plan" means a completed business recycling plan form, approved by the City for the purpose of compliance with this article, submitted by the applicant for any large project.

(f) "C & D" or "construction and demolition materials" means lumber, paper, cardboard, metals, masonry (brick, concrete, and the like), carpet, plastic, pipe (plastic, metal, and clay), drywall, rocks, dirt, and green waste related to land development. These materials produce debris that is not hazardous waste, defined by Public Resources Code § 40141.

(g) "City" means the City of Ontario, California.

(h) "City Manager" means the chief administrative officer of the City of Ontario or his or her designee.

(i) "Collection" means the operation of gathering together and transporting of garbage, solid waste and refuse to a point of disposal and/or recycling or composting center/facility.

(j) "Collector" means a person employed by the City or any other person (or the agents or employees thereof) whom the City shall have duly licensed, franchised, granted a permit to, or contracted with, to collect, carry, transport, compost, and/or recycle garbage, refuse and solid waste within the City.

(k) "Combustible solid waste matter" means matter which includes all magazines, newspapers, hats, minor trimmings from lawns, trees, shrubs, and flower gardens, pasteboard boxes, rags, paper, straw, sawdust, manure, packing material, shavings, boxes, and other solid waste matter that may incinerate through contact with flames of ordinary temperature.

(l) "Commingled" means mixed in one mass; blended.

(m) "Commercial" means any apartment house with four (4) or more units, business, industry, commercial establishment, or construction site, but shall not include residential dwellings.

(o) "Commercial recycler" means a business that the City shall have duly licensed, granted a permit to, or contracted with, to collect, carry, transport, compost, and/or recycle commodities within the City.

(p) "Compost" means the product resulting from the controlled biological decomposition of organic wastes that are source separated from the municipal solid waste stream or which are separated at a centralized facility. "Compost" includes organic material such as sludge, vegetable, yard, green, or wood wastes, that is not hazardous waste.

(q) "Construction" means the building of any facility or structure or any portion thereof including any tenant improvements to an existing facility or structure.

(r) "Construction and demolition debris" means used or discarded materials removed from premises during construction or renovation of a structure resulting from construction, remodeling, repair, or demolition operations on any pavement, house, commercial building, or other structure.

(s) "Container" means the City-provided ninety-six (96)-gallon, sixty-four (64)-gallon, or thirty-two (32)-gallon receptacle, collected by automated side-loading residential collection vehicle.

(t) "Conversion rate" means the rate set forth in the standardized Conversion Rate Table approved by the City pursuant to this chapter for use in estimating the volume or weight of materials identified in a Waste Management Plan.

(u) "Customer" means the owner and/or occupant of any property within the City that is required to participate in the City's solid waste, including green waste, other organics and recyclables, collection program.

(v) "Deconstruction" means the careful dismantling of buildings and structures in order to salvage as much as possible.

(w) "Demolition" means the decimating, razing, ruining, tearing down or wrecking of any facility, structure, pavement or building, whether in whole or in part, whether interior or exterior.

(x) "Designated recycling collection location" means the place where an authorized recycling agent has contracted with either the City or other public agency, or a private entity to pick up recyclable material segregated from other waste material. "Designated recycling collection location" includes, but is not limited to, the curbside or service alley of a residential neighborhood or the service alley or designated area of a commercial enterprise.

(y) "Diversion requirement" means the diversion of at least fifty percent (50%) of the total construction and demolition debris generated by a project via reuse or recycling, unless the applicant has been granted an infeasibility exemption pursuant to § 6-3.603, in which case the diversion requirement shall be the maximum feasible diversion rate possible for the circumstances.

(z) "Divert" means to use material for any purpose other than disposal in a landfill or transformation facility.

(aa) "Dwelling, multiple" means a residential building designed for occupancy by more than one (1) family, consisting of more than one (1) living unit, even where there is no more than one (1) water meter on such premises, but excluding hotels, motels and lodges.

(ab) "Dwelling, single-family" means a detached building designed for occupancy by one (1) family and consisting of a solitary living unit.

(ac) "Fire Department" means the Fire Department of the City of Ontario.

(ad) "Garbage" means material which includes, but is not restricted to, every accumulation of animal, vegetable, or other material:



(1) Resulting from the preparation and consumption of edible foodstuffs;

(2) Resulting from decay, dealing, or storage of meats, fish, fowl, fruits or vegetables, including the cans, containers, or wrappers wasted along with such materials;

(3) Such industrial, domestic and organic refuses or residue of animals sold for meat;

(4) Fruit, vegetable and animal matter from kitchens, dining rooms, markets, food establishments or any other place using, dealing in or handling meats, fish, fowl, fruits, vegetables, grains, or other foodstuffs; or

(5) Offal, animal excrement or the carcasses of animals, fish or fowl.

(ae) "Green building" means the use of materials in a more efficient manner. Green building practices can include salvaging dimensional lumber from structures, using reclaimed aggregates, or designing the structure in way that requires less material.

(af) "Green waste" means tree and shrubbery trimmings, tree roots less than six (6) inches in diameter, vegetation matter resulting from land clearing, grass, weeds, straw, or leaves, wood chips, sawdust and other household garden organic materials which have been segregated from other refuse materials for the purpose of deposit at a designated collection location, including curbside location, for collection and transportation to a compost facility. Green waste does not include palm fronds, cactus or tree limbs, roots or stumps larger than six (6) inches in diameter.

(ag) "Hazardous waste" means a waste, or combination of wastes, which because of its quantity, concentration or physical, chemical, or infectious characteristics may do either of the following:

(1) Cause or significantly contribute to an increase in mortality or an increase in serious irreversible, or incapacitating reversible illness; or

(2) Pose a substantial present or potential hazard to human health or environment when improperly treated, stored, transported, or disposed of, or otherwise managed. Unless expressly provided otherwise, "hazardous waste" includes extremely hazardous waste and acutely hazardous waste.

(ah) "Large project" shall have the meaning set forth in § 6-3.602(a).

(ai) "Municipal Code" means the City of Ontario Municipal Code.

(aj) "Ontario Municipal Utilities Company" means the Ontario Municipal Utilities Company of the City of Ontario.

(ak) “Noncombustible solid waste matter” means matter which includes crockery, bottles, metal vessels, glass, broken brick, tin cans, ashes, and other solid waste matter that shall not incinerate through contact with flames of ordinary temperature.

(al) “Occupant” means one who has certain legal rights to or control over the premises occupied; a tenant or owner.

(am) “Organics” means material of related to or derived from living organisms.

(an) “Person” means an individual, firm, limited liability company, association, partnership, political subdivision, government agency, municipality, industry, public or private corporation, or any other entity whatsoever.

(ao) “Post-consumer recycled materials” means a finished material or product that has served its intended use and would normally be disposed of as solid waste. Examples of post-consumer recycled materials include, but are not limited to old newspaper, office paper, yard waste, steel, glass, aluminum cans, plastic bottles, oil, asphalt, concrete, and tires.

(ap) “Pre-consumer” means materials or by-products generated after manufacturing of a product is completed, but before the product reaches the end-use consumer.

(aq) “Project” means any activity which requires an application for a building or demolition permit, or any similar permit from the City.

(ar) “Property owner” means the record owner of a property and includes the homeowner/business owner association of a residential/business condominium project.

(as) “Receptacle” means a container that holds items or matter.

(at) “Recyclable materials” or “recyclables” means reusable waste materials, including but not limited to, metal, glass, plastic and paper, and green waste, that are to be collected, separated or processed and used as raw materials. “Recyclable material” does not include refuse, hazardous waste or hazardous waste materials.

(au) “Recycle” or “recycling” means the process of collecting, sorting, cleansing, treating, and reconstructing materials that would otherwise become refuse or garbage, and returning them to the economic mainstream in the form of raw material for new, revised, or reconstituted products which meet the quality standards necessary to be used in the marketplace. This includes, without limitation, items intended for “reuse” or “personal use,” irrespective of their intended return to economic mainstream or marketplace.

(av) “Recycled material” or “recycled product” means waste material and by-products that have been recovered or diverted from the solid waste stream and that can be utilized in place of raw or virgin material in the production of a product.

“Recycled materials” may consist of material derived from post-consumer waste, manufacturing waste, industrial scrap, agricultural waste, and other items, all of which can be used in the manufacture of new products.

(aw) “Refuse” means the designated all-inclusive term for all putrescible and non-putrescible solid and semi-solid waste including, but not limited to: garbage, solid waste matter, trash, ashes, industrial wastes, construction and demolition wastes, bulky item waste, manure, vegetable or animal solid and semisolid wastes, combustible and non-combustible wastes. “Refuse” does not include hazardous or household hazardous waste, medical waste, low-level radioactive waste or recyclable materials and green waste.

(ax) “Renovation” means any change, addition, or modification in an existing structure.

(ay) “Residential” means any residential or single-family dwelling or apartment house not utilizing commercial bins.

(az) “Reuse” means further or repeated use of construction or demolition debris.

(ba) “Roll-off, temporary service” means placement of roll-off bin or drop body on the public right-of-way, not on private property.

(bb) “Salvage” means the controlled removal of construction or demolition debris from a permitted building or demolition site for the purpose of recycling, reuse, or storage for later recycling or reuse.

(bc) “Scavenging” means the removal of any recyclable and/or waste material without authorization of the property owner and/or the City.

(bd) “Small project” shall have the meaning set forth in § 3-3.602(b).

(be) “Solid waste matter” means solid waste matter which is “combustible” and “non-combustible” as defined in this section. “Solid waste matter” shall not include dirt, rocks, building materials, and tree trunks or limbs (as differentiated from minor trimmings), which shall be considered as rubbish or refuse.

(bf) “Street” means all streets, highways, avenues, lanes, alleys, courts, places, squares or other public ways in the City which have been or may hereafter be dedicated or open to public use, or such other public property so designated in any law of this state.

(bg) “Utilities General Manager” means the General Manager of the Ontario Municipal Utilities Company, or his or her authorized representative.

**SECTION 7.** Section 6-3.209 of Chapter 3, of Title 6, Subsection 6-3.209(b) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.209.     Unauthorized receptacles.

(b)     Receptacles violating this section of the chapter shall be tagged by Code Enforcement, or Solid Waste Department management, for removal within twenty-four (24) hours. If the receptacle is not removed within twenty-four (24) hours, the receptacle will be impounded by the City without granting any further notice or warning. The confiscated receptacle will be placed in a storage facility and the hauler shall be responsible for all fees incurred as a result of the impoundment.

SECTION 8.     Section 6-3.301 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.301.     Responsibility to provide for collection.

The property owner or occupant of any residential unit within the City is responsible to provide for the removal of refuse, recyclables, green waste or other organics from such premises in accordance with provisions of this chapter.

SECTION 9.     Section 6-3.302 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.302.     Placement of refuse, recycling and green waste in receptacles.

(a)     All refuse, recycling, green waste and other organic materials shall be placed in suitable receptacles furnished by the City.

(b)     Ashes shall be thoroughly moistened to prevent them from scattering and starting the receptacle on fire.

(c)     All refuse shall be placed in receptacles as specified in this chapter and shall be drained and securely wrapped before being placed into the receptacle. Paper or other material shall be used as is necessary to confine the garbage in a package that may be handled without the loss of contents.

(d)     Dog droppings, sanitary napkins, and items that are unsanitary and offensive shall be securely wrapped and placed in the City's regular refuse receptacle.

(e)     Hazardous wastes such as, but not limited to, pesticides, used motor oil and other lubricants, car batteries, television and computer monitors, and tires shall not be placed into the City's containers. Household hazardous waste may be disposed of properly by being taken to household hazardous waste collection centers or any other designated collection points.

(f)     All lubricants, such as motor oil, shall be disposed of in the proper manner by being taken to a household hazardous waste drop-off center or any other officially designated collection point.

(g)     All refuse placed in a receptacle shall be placed loosely in such receptacle so as to ensure the ease of disposal.

(h) All materials placed into receptacles shall be contained within said receptacle and lid shall be shut completely. Until removed by the collector, the customer shall be responsible for the clean-up of any and all discards which the customer has generated, dumped, spilled or otherwise lost or littered, notwithstanding human and animal interference, wind or other natural forces and weather during storage, collection, removal or transfer. The collector shall be responsible for any discards spilled during collection, removal or transfer by the collector.

SECTION 10. Section 6-3.304 of Chapter 3, of Title 6, Subsection 6-3.304(b) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.304. Responsibility to provide for and use integrated waste, recycling and green waste collection services.

(b) It shall be unlawful for the owner or occupant of any residential unit within the City to fail or neglect to provide for the removal of refuse, recyclables, green waste or other organics from such premises in accordance with provisions of this chapter.

SECTION 11. Section 6-3.305 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.305. Exemption from service.

Any customer may make an application for exemption from integrated waste collection services on the basis that a developed property is unoccupied, and that no refuse, green waste, other organics or recyclable materials shall be placed or offered for collection by the City or its authorized collector, from such property. The City Manager or his or her designee may temporarily exempt such property from participation in the City's integrated waste collection program for the limited period while the property is unoccupied; provided, that any such statement or representation shall be made in affidavit form, fully sworn to by the person making such statement or representation and filed with the Ontario Municipal Utilities Company. An exemption shall be valid only for the time that the statements made in the affidavit continue to be true. Any violation of provisions of the exemption shall result in termination of the exemption and shall require the customer to subscribe to the integrated waste collection services in accordance with this chapter.

SECTION 12. Section 6-3.307 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.307. Residential collection frequency.

All refuse, recycling, green waste and other organics shall be collected from residential units a minimum of one (1) time per week.

SECTION 13. Section 6-3.308 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.308. Residential receptacles, placement.

(a) Residential refuse, recycling, green waste or other organics receptacles shall be placed for collection by 6:00 a.m. on the scheduled collection day, but not prior to the evening preceding the collection day. Receptacles shall be removed no later than the evening after collection day. Such receptacles shall be placed for collection along the alley where a useable alley exists. Where there is no useable alley, such receptacles shall be placed for collection near the street curb. Where no curbs or walks exist, such receptacles shall be placed in a location convenient for collection along the street right-of-way and placed at least three (3) feet from any mailboxes, cars, or any other obstructions for safety and efficiency.

(b) Any obstructing object(s) that prevent the solid waste collector from collecting residential refuse will be reported to Code Enforcement. The Code Enforcement officer will tag the obstructing object(s) (e.g. basketball hoop) with a notice of violation requiring immediate removal. If the property owner is issued two (2) notice of violations for the same obstructing object(s), the City will impound the object(s) without granting any further notice or warning. The confiscated object(s) will be placed in a storage facility and the property owner shall be responsible for all fees incurred as a result of the impoundment.

(c) If the provisions of this section are not fully complied with, the solid waste collector shall place a tag indicating a violation on the container. No collection shall be made until the provisions of this section are complied with. The resident may request a collection prior to the next scheduled collection date and shall be charged as listed in § 6-3.401(f) of this chapter.

(d) It shall be the customer's responsibility to provide means of entering and exiting premises, adequate collection vehicle turning radius, and vertical and horizontal clearance for the solid waste collectors and equipment.

(e) In all cases of dispute or complaints arising from or concerning the place where receptacles from residential units shall be placed while awaiting the removal of their contents, the City Manager shall forthwith designate the place and his or her decision shall be final.

SECTION 14. Section 6-3.309 of Chapter 3, of Title 6, Subsection 6-3.309(c) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.309. Residential collections of bulky items.

(c) If the bulky item pick-up exceeds the resident's bulky item collection limits as specified in subsection (b), the City may pick up the bulky item and charge the resident according to fees listed in § 6-3.401(f).

SECTION 15. Section 6-3.310 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:



Sec. 6-3.310. Responsibility to provide for and use collection services.

(a) The property owner or occupant of any commercial or industrial establishment within the City shall make arrangements for the removal of refuse, recyclables, green waste and other organics from such premises in accordance with provisions of this chapter.

(b) It shall be unlawful for the owner or occupant of any commercial or industrial establishment within the City to fail or neglect to provide for the removal of refuse, recyclables, green waste or other organics from such premises in accordance with provisions of this chapter.

SECTION 16. Section 6-3.312 of Chapter 3, Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.312. Commercial collection frequency.

All commercial establishments generating refuse shall be collected a minimum of one (1) time per week. The City Manager, or designee, may require a greater number of collections per week for commercial establishments as deemed necessary to comply with the provisions of this chapter or when he or she deems it necessary or expedient for efficient handling or for the protection of the public health, safety, and welfare.

SECTION 17. Section 6-3.313 of Chapter 3, Title 6, Subsection 6-3.313 (b) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.313. Commercial receptacles, placement.

(b) In all cases of disputes or complaints arising from or concerning the placement of bins or drop bodies, a written notice shall be given to the City. In all cases of disputes or complaints, the City Manager, or designee, shall designate the placement, and his or her decision shall be final.

SECTION 18. Section 6-3.314 of Chapter 3, of Title 6, Subsection 6-3.314(1)(iii) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.314. Commercial storage standards.

(iii) The exterior doors of the enclosure(s) for recyclables shall be posted with permanent, reflectorized signs stating "Recyclables Only" and "Solamente Reciclajes" in letters a minimum of one and one-half (1.5) inches in height for a total sign area within a minimum width of ten (10) inches and a minimum length of fourteen (14) inches. Each receptacle shall be labeled, identifying which material is to be recycled in it. General instructions about how to recycle shall be posted within the enclosure or near the receptacle area; the instructions shall be visible to the users of the receptacles. The name of the person or business responsible for maintenance of the receptacle shall be posted within the enclosure.

SECTION 19. Section 6-3.401 of Chapter 3, of Title 6, Subsections 6-3.401(c) and 6-3.401(d) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.401. Solid waste collection charges.

(c) The City Council may require any person liable for payment of a refuse, recycling, green waste or other organics service charges to make a reasonable advanced payment with the Revenue Services Department as security for the payment of such charges.

(d) All monies received from the collection of refuse, recyclables, green waste and other organics shall be deposited in the refuse fund of the City.

SECTION 20. Section 6-3.406 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.406. Excess tonnage, weight violations.

All roll-off refuse containers and compactors are limited to a maximum of twelve (12) tons. It is the customer's responsibility to ensure that the containers are not overloaded, and the load contents are balanced for safe collection. If the contents are not balanced, or excess tonnage is apparent, the City may require excess tonnage to be off-loaded by the customer prior to City collection. In the event the City hauls excess tonnage, charges for violation of weight limitations in excess of twelve (12) tons of refuse matter per commercial roll-off shall be imposed in addition to the existing disposal charges in effect at the time of disposal for actual weight over twelve (12) tons.

SECTION 21. Section 6-3.502 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.502. Commercial collection of recyclables and other commodities.

Written authorization to collect recyclables within the City is required. This written authorization shall be in the form of a Commercial Recycler Collection Permit. No vested right shall be given by issuance of permits provided for in this section. The City reserves the right to establish by Municipal Code or in Commercial Recycler Collection Permits, requirements on collection for recyclables if deemed appropriate by the Administrator.

SECTION 22. Section 6-3.503 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.503. Permit required.

Businesses seeking to conduct business as a commercial collection recycler to collect and haul recyclables within the City shall obtain a Commercial Recycler Collection Permit.

SECTION 23. Section 6-3.504 of Chapter 3, of Title 6, Subsection 6-3.504(a) and Subsection 6-3.504(d) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.504. Permit application.

(a) Businesses seeking to obtain a Commercial Recycler Collection Permit shall complete and file with the City, prior to commencing collection efforts, an application on the forms prescribed by the City, and pay any applicable application fees. Any such business collecting recyclables in the City shall have a business license pursuant to OMC § 3-1.105 and if applicable, be registered with the Department of Conservation, Division of Recycling.

(d) After evaluation of the data, the City Manager or his or her designee may issue a Commercial Recycler Collection Permit, subject to terms and conditions set forth in this chapter and as otherwise determined by the Administrator to be appropriate to comply with AB 939.

SECTION 24. Section 6-3.505 of Chapter 3, of Title 6, Subsections 6-3.505(a), 6-3.505(c), 6-3.505(d), 6-3.505(e) and 6-3.505(f) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.505. Permit conditions.

(a) All permits shall be expressly subject to all provisions of this chapter and all other regulations, charges for use, term and fees established by the City. Commercial Recycler Collection Permit conditions shall be enforced by the City in accordance with this chapter and all applicable county, state and federal regulations.

(c) All such businesses holding a Commercial Recycler Collection Permit shall keep recycling containers in good condition and free from graffiti. Recycling containers must be kept in a clean and sanitary condition and must be appropriately sanitized upon notification from the City.

(d) Such recycling containers, roll-offs, drop bodies or any other vessel to collect recyclables by businesses holding a Commercial Recycler Collection Permit must be placed according to the standards set by the City. Such commercial recycling containers shall not be placed in the public right-of-way. The recycling containers shall be placed in enclosure(s) which meet City standards when applicable.

(e) Recycling containers, roll-offs, drop bodies or any other vessel to collect recyclables by businesses holding a Commercial Recycler Collection Permit must be used exclusively for the collection of recyclable materials. Residual non-recyclable material must not exceed five percent (5%) in any vessel, as determined at the discretion of the Administrator.

(f) Each violation of this section will be considered an infraction and subject to penalties listed in OMC § 1-2.01, and will be considered by the City cause for revocation of the Commercial Recycler Collection Permit.

SECTION 25. Section 6-3.510 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.510. Disposal of recyclable materials.

No person, expressly including, but not limited to, anyone possessing a current, valid Commercial Recycler Collection Permit issued pursuant to this chapter, may charge a fee or receive any compensation for the collection, transport, disposal, processing or recycling of recyclable materials, or any other materials including solid waste, or charge a rental fee for a container of any items to be collected within the city, and shall collect only those materials that are sold or donated by the generator thereof. Nothing in this chapter limits the right of any person to donate, sell, or otherwise dispose of his or her recyclable materials.

SECTION 26. Section 6-3.601 of Chapter 3, of Title 6, Subsection 6-3.601(c) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.601. Business recycling plan.

(c) All customers subject to the provisions of this chapter shall submit a business recycling plan to the Ontario Municipal Utilities Agency within thirty (30) days of receipt of written notice. Business recycling plans shall be considered complete once final approval is made by the Ontario Municipal Utilities Agency.

SECTION 27. Section 6-3.602 of Chapter 3, of Title 6, Subsections 6-3.602(a), 6-3.602(b), 6-3.602(c), 6-3.602(e), 6-3.602(g) and 6-3.602(g)(2) of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.602. Construction and Demolition Recycling Plan.

(a) A construction and demolition recycling plan shall be submitted for conducting the following types of development activities:

- (1) The construction of any non-residential structure;
- (2) The demolition or renovation of and/or additions of tenant improvements to any structure whereby the total costs are projected to be greater than or equal to One Hundred Thousand Dollars (\$100,000);
- (3) The construction of any residential structure three (3) stories or less.

(b) A Construction and Demolition Recycling Plan is not required for smaller demolition, and renovation projects within the City whose total costs are less than One Hundred Thousand Dollars (\$100,000.00). Customers performing these types of projects shall be encouraged to divert at least fifty percent (50%) of all project-related construction and demolition debris from landfill to recycling or reuse operations.

(c) In preparing the Construction and Demolition Recycling Plan, customers for building or demolition permits involving the removal of all or part of an existing structure shall consider deconstruction, to the maximum extent feasible.

(e) All customers with projects subject to the provisions of this chapter shall implement, at a minimum, the measures identified in the Construction and Demolition Recycling Plan and shall demonstrate compliance with the following construction site requirements:

(g) The issuance of the certificate of occupancy will be conditional on submittal of a report that documents the construction and demolition debris recycled. The report shall be submitted to the Utilities General Manager and shall contain the following information:

(2) Copies of recycling receipts or other pertinent documentation that demonstrates waste diversion and recycling in conformance with the approved Construction and Demolition Recycling Plan. Customers shall make reasonable efforts to ensure that all construction and demolition debris diverted for recycling or hauled to landfill are measured and recorded using the most accurate method of measurement available. To the extent practical, all construction and demolition debris shall be weighed by measurement on scales in compliance with all regulatory requirements for accuracy and maintenance. For construction and demolition debris for which weighing is not practical due to small size or other considerations, a volumetric measurement shall be used. For conversion of volumetric measurements to weight, customers shall use the standardized conversion rates approved by the City for this purpose; and

SECTION 28. Section 6-3.603 of Chapter 3, of Title 6 of the Municipal Code is hereby amended to read as follows:

Sec. 6-3.603. Infeasibility exemption.

If a customer subject to this chapter experiences unique circumstances or emergency conditions that make it infeasible to comply with the diversion requirement, the City may waive the diversion requirements required under § 6-3.602(a). The customer shall indicate on the Construction and Demolition Recycling Plan the maximum rate of diversion feasible for each material and the specific circumstances that make it infeasible to comply with the diversion requirement.

SECTION 29. If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this ordinance or any part thereof. The City Council hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

SECTION 30. A full reading of this Ordinance is hereby waived. This Ordinance was introduced at a regular meeting of the City Council of the City of Ontario, California, on November 5, 2013, and thereafter adopted at a regular meeting of the City Council held on the 19<sup>th</sup> day of November 2013.

SECTION 31. This Ordinance shall become effective thirty (30) calendar days after its adoption by the City Council.

SECTION 32. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held \_\_\_\_\_ and adopted at the regular meeting held \_\_\_\_\_, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held \_\_\_\_\_ and that Summaries of the Ordinance were published on \_\_\_\_\_ and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING INCREASES TO THE RATES FOR ITS SOLID WASTE SERVICE FEES AND OTHER MISCELLANEOUS ONE-TIME SERVICE FEES.

WHEREAS, it is the policy of the City of Ontario (the "City") that the accumulation, collection, removal, disposal, composting, and recycling of refuse shall be controlled by the City for the protection of the public health, safety, and welfare and to contribute toward the diminution of health hazards and pollution in the City; and

WHEREAS, the City Council finds that to give practical effect to this policy, a comprehensive system for the periodic collection, removal, disposal, composting and/or recycling of refuse from all premises in the City is essential and benefits all residents of the City; and

WHEREAS, the City currently has in place uniform requirements and regulations for direct and indirect users of the refuse and recycling collection services of the City which allow the City to comply with all applicable state and federal laws, including, but not limited to, the Integrated Waste Management Act of 1989, State Assembly Bill 75, Public Resources Code §§ 49520-49524, California Code Title 14 Division 7 and any subsequent amendments to each; and

WHEREAS, the City determined to undertake a rate study to analyze the revenue requirements, and the rate structure necessary to proportionately allocate the costs of providing solid waste services (including recyclable material) to its solid waste customers; and

WHEREAS, the rate study demonstrates that existing solid waste revenues are and will be insufficient to cover current and projected operations and maintenance and equipment replacement costs of the City's Solid Waste Services (the "Services"); and

WHEREAS, a report of the results of the rate study (the "Rate Report"), attached hereto as Exhibit "A" and by this reference incorporated herein, has been prepared which includes the proposed rates for the solid waste service charges and documents the estimated and reasonable costs of providing the Services to property owners and tenants directly liable for payment of such service fees (collectively "customers") in the City; and

WHEREAS, the findings and determinations contained herein are based upon the Rate Report documenting the estimated reasonable costs of providing the Services to customers in the City; and

WHEREAS, the rate structure for solid waste service charges is comprised of a charge for operations and maintenance, billing, customer service, and other related costs ("City Charge"); and



WHEREAS, the City has determined to adopt a two-year schedule of rate increases to the City Charge, commencing January 1, 2014 and January 1, 2015, respectively; and

WHEREAS, the schedule of proposed rates for the solid waste service charges is attached hereto as Exhibit "B" and by this reference incorporated herein and by this reference made an operative part hereof; and

WHEREAS, the City made available to the public the Rate Report documenting the estimated costs required to provide the Services for which the fees are proposed to be increased and the revenue sources anticipated to provide such Services; and

WHEREAS, the City Council hereby finds and determines the following with regard to the proposed solid waste service charges:

1. The revenues derived from the proposed solid waste (including recyclable material) service charges will not exceed the funds required to provide the Services and shall be used exclusively for providing these Services;
2. The amount of the proposed solid waste service charges will not exceed the proportional cost of the Services attributable to each customer;
3. The proposed solid waste service charges are imposed for Services which are immediately available to the customer;
4. The proposed solid waste service charges are imposed on the basis of the amount of solid waste generated by the customer;
5. The proposed solid waste charges will not be used for any other purpose than that for which they are imposed;
6. The proposed solid waste charges are not levied for general governmental services;
7. The proposed solid waste service charges are not calculated or developed on the basis of any parcel map, including an assessor's parcel map, but are based upon reasonable estimates of the demand placed upon the City in its role as a provider of the Services; and
8. The proposed solid waste service charges represent increases in the charges needed to provide the Services and to operate the City's solid waste system and facilities.

WHEREAS, the City hereby finds and determines that in accordance with the provisions of California Constitution Article XIII D, Section 6 ("Article XIII D"):

1. The City identified the parcels upon which the increased solid waste service charges are proposed to be imposed, and calculated the amount of the fees or charges proposed to be imposed on each parcel;

2. On September 19, 2013, the City mailed written Notice to customers of each parcel upon which the proposed increase to the solid waste service charges are proposed for imposition, which explained: (a) the amount of the charges; (b) the basis on which they were calculated; (c) the reason for the increases; and (d) the date, time, and location of the public hearing on the proposed increases; and

3. On November 5, 2013, (more than 45 days after mailing the Notice), the City conducted a public hearing and considered all written protests against the proposed increases to the solid waste service charges; and

4. At the conclusion of the public hearing, written protests against the proposed increases to the solid waste service charges were not presented by a majority of customers subject to the proposed charges; and

WHEREAS, the City has also determined to increase the rates for other miscellaneous one-time solid waste service fees that are imposed as a request for service or product; and

WHEREAS, the Rate Report also includes the proposed rates for the new miscellaneous one-time solid waste service fees and charges and documents the estimated and reasonable costs of providing the Services related thereto; and

WHEREAS, the City hereby finds and determines that in accordance with the provisions of California Constitution Article XIII C, Section 1(e)(2), the new miscellaneous one-time solid waste service fees that are imposed as a request for service or product and are imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and do not exceed the reasonable costs to the City of providing the service or product; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines, the City Staff has determined that the amendments to the Municipal Code, and the increases in sewer service charges are exempt from CEQA pursuant to Section 15378 and Section 15273 of the CEQA Guidelines because: (a) the increased charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services; and (b) the charges constitute the creation of a funding mechanism/other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

NOW, THEREFORE, IT IS HEREBY RESOLVED AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that the recitals discussed above are true and correct and are hereby incorporated and adopted as findings and determinations by the City Council as if fully set forth herein.

SECTION 2. The current rates for solid waste service fees and charges as set forth in Exhibit B shall remain in full force and effect in accordance with the schedule set forth in Exhibit B. Commencing January 1, 2014 and January 1, 2015, respectively, the City Council hereby authorizes and establishes the rates for solid waste service fees and charges and the miscellaneous one-time service fees as more fully set forth in Exhibit B.

SECTION 3. The current rates for the miscellaneous one-time solid waste service fees as set forth in Exhibit B shall remain in full force and effect in accordance with the schedule set forth in Exhibit B. Commencing January 1, 2014, and January 1, 2015, respectively, the City Council hereby authorizes and establishes the rates for the miscellaneous one-time service fees as more fully set forth in Exhibit B.

SECTION 4. The rate for excess tonnage and weight violation charges authorized pursuant to Ontario Municipal Code section 6-3.406 adopted by the City Council pursuant to Ordinance No. 2880, on February 4, 2008, and as set forth in Exhibit B, attached hereto and by this reference incorporated herein, shall remain in full force and effect until otherwise amended by an ordinance duly adopted the City Council.

SECTION 5. If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

SECTION 6. This Ordinance shall supersede all other previous City Council resolutions and ordinances that may conflict with, or be contrary to, this Ordinance.

SECTION 7. A full reading of this Ordinance is hereby waived. This Ordinance was introduced at a regular meeting of the City Council of the City of Ontario, California, on November 5, 2013, and thereafter adopted at a regular meeting of the City Council held on November 19, 2013.

SECTION 8. This Ordinance shall become effective thirty (30) calendar days after its adoption by the City Council.

SECTION 9. City staff is directed to file a Notice of Exemption within five (5) days of the adoption of this Ordinance.

SECTION 10. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held \_\_\_\_\_ and adopted at the regular meeting held \_\_\_\_\_, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held \_\_\_\_\_ and that Summaries of the Ordinance were published on \_\_\_\_\_ and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

**EXHIBIT B TO ORDINANCE NO. \_\_\_\_\_**  
**RATE SCHEDULE**

(a) Residential. A monthly charge for collection of refuse, recyclable materials and green waste shall be made again the occupants of each residential unit within the City. "Each residential unit" shall mean each placed used for residential purposes for a single family. The residential monthly charges are as follows:

1. Automated Collection – Residential service includes a set of three cans, one each refuse, green waste and recycling at the following monthly rates.

Includes 1 each Refuse, Green and Recycle Cans				
	Gallons	Current	1/1/2014	1/1/2015
Old Model Colony	96	26.09	26.61	27.14
	64	22.68	23.13	23.60
	32	19.28	19.68	20.07
New Model Colony	96	29.48	30.07	30.67
	64	25.63	26.14	26.67
	32	21.79	22.23	22.67

2. Automated Collection – Extra Cans for refuse, green waste, and/or recycling are provided at the following additional monthly charges:

	Refuse/Each Extra Trash Can				Green or Recycle/Each Extra Trash Can		
	Gallons	Current	1/1/2014	1/1/2015	Current	1/1/2014	1/1/2015
Old Model Colony	96	\$23.82	\$24.30	\$24.78	2.00	2.00	2.00
	64	\$20.42	\$20.83	\$21.24	2.00	2.00	2.00
	32	\$17.01	\$17.35	\$17.70	2.00	2.00	2.00
New Model Colony	96	\$26.91	\$27.45	\$28.00	2.00	2.00	2.00
	64	\$23.07	\$23.53	\$24.00	2.00	2.00	2.00
	32	\$19.22	\$19.60	\$20.00	2.00	2.00	2.00

3. Automated Collection – Other services are provided to residential customers at the following rates:

Service	Current	1/1/2014	1/1/2015
Special collection – Late set-out per trip	23.00	23.50	24.00
Cancellation Charge for additional cans if removed in < six months	10.00	10.20	10.40
Elective auto can replacement per can	10.00	10.20	10.40
Restore service after bin removal for non-payment	44.00	45.00	46.00
Extra Bulky item (4 Free pickups per year are included in the rate)	54.00	55.00	56.00
Temporary 4-yard bin (7-day rental)	87.00	89.00	91.00
Charge for each additional empty during 7-day rental	65.00	66.50	68.00
Temporary Greenwaste/Recycle (7-day rental)	57.00	58.00	59.00
Charge for each additional empty during 7-day rental	28.50	29.00	29.50
Compost bin (purchased through Backyard Compost Workshop)	50.00	51.00	52.00

(b) Commercial. A monthly charge for the collection of garbage, refuse and recyclable materials from commercial establishments shall be made and monthly charges are as follows:

1. Commercial bins (Special Empty is half the rate listed below for each bin size).

Commercial Bins Monthly Rates						
Cubic Yards	One Pickup/Week			For Each Extra Pickup/Week		
	Current	1/1/2014	1/1/2015	Current	1/1/2014	1/1/2015
1.5	100.00	102.00	104.00	91.00	92.82	94.68
3	119.00	121.38	123.81	105.00	107.10	109.24
4	147.00	149.94	152.94	130.00	132.60	135.25
6	207.00	211.14	215.36	188.00	191.76	195.60

2. Compactors (Special Empty is half the rate listed below for each Compactor size):

Compactors Monthly Rates			
Cubic Yards	For Each Extra Pickup/Week		
	Current	1/1/2014	1/1/2015
1.5	169.00	172.38	175.83
2	191.00	194.82	198.72
3	235.00	239.70	244.49
4	280.00	285.60	291.31
6	369.00	376.38	383.91

3. Roll Off (Compactor/Open Top) Service rates per load with a minimum charge for one pick up per week:

Service	Current	1/1/2014	1/1/2015
Refuse per load up to 5 tons	479.00	489.00	499.00
Charge per ton over 5 tons	48.21	49.20	50.20
Excess Weight Charge per ton over 12 tons	107.00	110.00	113.00
Recycle per load-single commodity. Actual disposal costs additional <sup>(a,b)</sup>	148.00	151.00	154.00
Recycle per load-inert, co-mingled recycling or green waste. Actual disposal costs additional <sup>(b)</sup>	186.00	190.00	194.00
Dead Run Charge	94.00	96.00	98.00
Copies of Weight Slips (ea)	14.00	14.25	14.50
(a) Maximum 5% contamination			
(b) Actual disposal costs are billed in addition to the per load charge.			

#### 4. Other Commercial services and charges:

Other Services	Current	1/1/2014	1/1/2015
96 Gallon - Refuse (Commercial/Weekly pickup)	\$ 26.09	\$ 26.61	\$ 27.14
96 Gallon – Co-mingled Recyclables/Green Waste (Commercial/Weekly pickup)	17.00	17.35	17.70
1.5 Cubic Yard - Co-mingled Recyclables/Green Waste (Commercial/weekly/pickup)	34.00	34.50	35.00
3 Cubic Yard - Co-mingled Recyclables/Green Waste (Commercial/weekly pickup)	48.00	49.00	50.00
4 Cubic Yard - Co-mingled Recyclables/Green Waste (Commercial/weekly pickup)	57.00	58.00	59.00
6 Cubic Yard - Co-mingled Recyclables/Green Waste (Commercial/weekly pickup)	75.00	76.50	78.00
Additional collection for 4-Cubic Yard, per bin, per collection	65.00	66.30	67.60
Elective Commercial Bin Replacement	39.00	40.00	41.00
Re-delivery Charge (per bin)	39.00	40.00	41.00
Restore service after commercial bin removal for non-payment	100.00	102.00	104.00
Bin Scouting Service (for pickup with no direct access to the bin) per bin/pickup	9.00	9.15	9.30
Locked Access per lock per month/weekly pickup	10.00	10.20	10.40
Bulky Item Pickup Charge for Additional/Commercial pickups	54.00	55.00	56.00
Tilt Hopper per Month	43.00	43.85	44.70



ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTIONS 6-7.706 AND 6-7.708 OF CHAPTER 7, OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATED TO THE PUBLIC SEWER SYSTEM.

WHEREAS, the City pays the Inland Empire Utilities Agency ("IEUA") to treat wastewater discharged and collected within the City; and

WHEREAS, pursuant to the Regional Sewerage Service Contract with IEUA, the City is required to finance the capital expansion of the regional sewerage facilities serving the City and operated by IEUA; and

WHEREAS, the City collects Capital Capacity Reimbursement Account ("CCRA") fees to meet its obligation to finance the capital expansion of the regional sewerage facilities serving the City and operated by IEUA; and

WHEREAS, the CCRA fees are capacity charges within the meaning of California Government Code Section 66013; and

WHEREAS, the City Council of the City of Ontario (the "City") has determined that certain amendments to the City Municipal Code governing the City's public sewer system are necessary, including renaming the CCRA fees as Regional Sewer Capacity Fees to reflect that the fees are collected for the purpose of funding capital expansion of the regional sewerage facilities serving the City and operated by IEUA; and

WHEREAS, the Regional Sewer Capacity Fees are necessary to finance these public regional sewerage facilities and to pay for regional sewerage public facilities in existence at the time Regional Sewer Capacity Fees are imposed or for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including, real property interests, and entitlements and other rights of the City involving capital expense relating to its use of existing or new public facilities.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that the recitals discussed above are true and correct and are hereby incorporated and adopted as findings and determinations by the City Council as if fully set forth herein.

SECTION 2. Section 6-7.706 of Chapter 7, of Title 6, the entire section of the Municipal Code shall be amended and is hereby amended to read as follows:

Sec. 6-7.706. Regional Sewer Capacity Fees.

(a) The Regional Sewer Capacity Fees are capacity charges within meaning of California Government Code Section 66013.

(b) The City is required to deposit Regional Sewer Capacity Fees in a separate capital facilities fund with other charges received, and account for the charges in a manner to avoid any commingling with other moneys of the City, except for investments, and shall expend those charges solely for the purposes for which the charges were collected. Any interest income earned from the investment of moneys in the capital facilities fund shall be deposited in that fund.

(c) The City is a party to the Regional Sewerage Service Contract, the obligations of which include financing the capital expansion of the regional sewerage facilities serving the City. These regional sewerage facilities are operated by the Inland Empire Utilities Agency (IEUA).

(d) IEUA has prepared a Ten (10) Year Capital Improvement Program which includes a study of the impact of anticipated development within the jurisdiction of each of the contracting agencies, including the City, upon the need for and cost of sufficient wastewater interceptor and treatment capacity.

(e) Purpose and findings.

(1) In order to implement the goals and objectives of the City of Ontario's General Plan and the Chino Basin Regional Sewerage Service Contract, a Ten (10) Year Capital Improvement Program is prepared annually by IEUA for those expansions of the regional sewerage facilities to be needed by the contracting agencies to mitigate sewage impacts caused by new development in the City of Ontario and within the spheres of each of the contracting agencies.

(2) The Ten (10) Year Capital Improvement Program, which is hereby incorporated by reference, establishes that certain public sewerage treatment facilities must be or had to be constructed to provide adequate treatment capacity to service anticipated new development within the jurisdiction of each of the contracting agencies. The cities and agencies contracting for sewage treatment with the IEUA are Cucamonga Valley Water District, and the cities of Ontario, Chino, Chino Hills, Fontana, Montclair and Upland.

(3) The contracting agencies and IEUA have determined that a capacity charge is needed in order to completely finance these public improvements and to pay for public facilities in existence at the time capacity charges are imposed or for new public facilities to be acquired or constructed in the future that are of proportional benefit to the person or property being charged, including, real property interests, and entitlements and other rights of the local agency involving capital expense relating to its use existing or new public facilities.

(4) IEUA's Ten (10) Year Capital Improvement Program identifies the need for new regional wastewater interceptor, treatment and disposal facilities and sets forth the relationship between new development, needed facilities and estimated costs of the facilities. This report is annually updated by IEUA. The report utilizes the

contracting agencies' forecasted growth and an analysis of IEUA's financial projection of being able to provide capacity. Those projections have been examined and have been found to be reasonable estimates of the projected growth within the City and the regional service area of the IEUA.

(5) The Regional Sewer Capacity Fees collected pursuant to this section shall be used to finance only the regional wastewater interceptor, treatment and disposal facilities identified in the IEUA Ten (10) Year Capital Improvement Program in accordance with the terms of the Regional Contract.

(6) New development within the City of Ontario will generate additional need for sewage treatment capacity within the regional service area and will contribute to the degradation of treatment facility capacity within the regional service area of the IEUA.

(7) The amount of the Regional Sewer Capacity Fees does not exceed the estimated reasonable cost of providing the service for which the fees are imposed.

(8) There is a need in the City for sewage treatment capacity which has not been constructed or has been constructed in anticipation of new development which has not contributed its fair share towards these facility costs and said facilities have been called for in or are consistent with the City's General Plan.

(i) There is a reasonable relationship between the need for the wastewater interceptor, treatment and disposal facilities and the types of development considered in the forecasts submitted by the contracting agencies, including the City of Ontario, for which a CCRA fee is hereby imposed;

(ii) There is a reasonable relationship between the use of such fee and each type of development project upon which the fee is imposed;

(iii) There is a reasonable relationship between the IEUA amount of the fee and the cost of the facilities to be built to service new development projects for which the fee is imposed; and

(iv) The procedures used to determine these relationships are described in more detail in the "Agreement Amending and Supplementing Chino Basin Regional Sewage Service Contract" and the Ten (10) Year Capital Improvement Program.

(9) There is a need in this City for sewage treatment capacity which has not now been constructed or has been constructed in anticipation of new development which has not contributed its fair share towards these facility costs and said facilities have been called for in or are consistent with the City's General Plan.

(10) The cost estimates set forth in IEUA's Ten (10) Year Capital Improvement Program are reasonable cost estimates for constructing wastewater interceptor, treatment and disposal facilities necessitated by projected new development, and the development fees collected by the City from any affected development project will not exceed the total of these costs attributable to the increased capacity necessary to serve that project.

(f) “Equivalent Dwelling Unit (EDU)” is a numerical value designation where one EDU represents the sewage flow from a single-family residential household. Every developer constructing any new residential, commercial, or industrial structure which will be connected to the City's public sewer shall pay to the City a Regional Sewer Capacity Fee calculated by multiplying the number of EDUs by the current IEUA rate per EDU. The Regional Sewer Capacity Fee will automatically be adjusted each year on July 1 to the amount adopted by the IEUA Board of Directors.

(g) For the purposes of computing uniform financial obligations for each Contracting Agency in the Regional Sewerage System, the following computation shall be used to determine EDUs for residential, commercial and industrial units:

(1) Residential is a structure or part of a structure which is designed for the purpose of providing permanent housing for one family or tenant shall be one EDU. This includes, but is not limited to, a single family detached residence, an apartment, a townhouse, a condominium, or mobile home space within a mobile home park.

(2) Commercial is a structure which is designed for the purpose of providing permanent housing for enterprises engaged in the exchange of goods and services. This shall include, but is not limited to, all private business and service establishments, schools, churches, and public facilities. EDUs shall be determined by multiplying the fixture units, as defined in the Uniform Plumbing Code, shown on the approved building plans by the appropriate sewage factor. Total EDUs for commercial centers with various use categories will be the sum of the EDUs computed for each category use as follows:

#### **COMMERCIAL USE CATEGORIES LISTING**

<b><u>No.</u></b>	<b><u>Type of Commercial</u></b>	<b><u>Gallons Per Fixture</u></b>	<b><u>BOD/TSS</u></b>	<b><u>Sewage Factor</u></b>
I	Motel/Hotel ..... Recreation/Amusement Restaurant (Fast Food) Office Retail Store Market (without Butcher Shop) Bar Tavern	12	230/220	0.0444
II	Market (with Butcher Shop)..... Bakery Mortuary	24	250/350	0.1081
III	Convalescent Home ..... Hospital Health Spa (with Pool) Restaurant (Full Service)	42	250/300	0.178
IV	Laundromat ..... Laundry Dry Cleaner (Processor)	43	350/500	0.2499
V	Car Wash (Coin Operated)	102	150/500	0.491

VI	Church ..... School Public Facility	17	230/220	0.063
VII	Health Spa (without Pool).....	42	230/220	0.1555

(3) Industrial is a structure which is designed for the purpose of providing permanent housing for enterprises engaged in the production, manufacturing, or processing of material. EDUs for industrial users shall be determined as follows:

(i) For domestic type wastewater, multiply the fixture units, as defined by the Uniform Plumbing Code, as shown on the approved building plans by a sewer factor of 0.0741 based on a twenty (20) gallons per fixture unit flow per day.

(ii) For industrial wastewater, compute the number of EDUs from information contained on the industrial waste permit, as set forth in § 6-7.702 of this chapter.

(iii) Combine the resultant EDUs derived from (i) and (ii) above.

(4) The Sewage Factor formula used for Commercial and Industrial Categories is as follows:

Sewage Factor = Gallons per Fixture

$((0.37 + (0.31 \text{ BOD}/230) + (0.32 \text{ SS}/220)) / 270$

(h) Exempt from the Regional Sewer Capacity Fee shall be the following:

(1) Any residential, commercial or industrial structure which is or will be connected exclusively to another agency's sewer system or to a private sewage disposal system; and

(2) That portion of a newly constructed commercial and/or industrial development's waste which is discharged into the non-reclaimable waste system.

(i) For residential structures with a building permit issued prior to July 1, 1979, no Regional Sewer Capacity Fees will be levied at the time of connection to the regional system. If the original permit was issued after July 1, 1979, then the Regional Sewer Capacity Fees established at the time of permit issuance will apply.

(j) The Regional Sewer Capacity Fees will apply to all commercial and industrial development regardless of when the structure was constructed. When a non-residential user requests to connect to the regional system or to modify its use, if already connected, the Regional Sewer Capacity Fee shall be based on the current fee in effect at the time the connection or modified use is made.

(k) Additional Regional Sewer Capacity Fees shall be levied on existing commercial and industrial users who expand or revise their use. The additional Regional Sewer Capacity Fee shall be based on the additional number of EDUs according to the following criteria:

(1) Regional Sewer Capacity Fees will only be levied on the fixture unit (FU) count difference between existing FUs and new FUs.

(2) The Regional Sewer Capacity Fee will be determined based on the fee in effect at the time of building or sewer permit issuance for the revised or expanding development.

(3) A change in use, placing a commercial development in a different commercial category, will not result in the recalculation of the CCRA obligation for the existing FUs. Only the Regional Sewer Capacity Fees for the new added FUs will be levied based on the commercial category which best defines the proposed use.

(l) All sewer use rights and capacity shall remain with the existing building and shall be sold to building owners rather than tenants. In cases where an existing building is completely demolished, the transfer of capacity rights can be permitted provided that:

(1) Proof of building demolition can be documented;  
(2) Payment for original system capacity can be documented;  
(3) The demolition occurs simultaneously with the transfer; and  
(4) The transfer occurs within the contracting agency who originally sold the capacity.

(5) The capacity rights shall be determined based on number of EDUs of the demolished structure.

(m) Regional Sewer Capacity Fees shall be paid at the time of the application for a building permit.

(n) Regional Sewer Capacity Fees collected shall be deposited in the City of Ontario's Sanitary Sewerage Collection and Treatment Fund and used to finance construction of wastewater interceptor, treatment.

(o) **Delete**

SECTION 3. Section 6-7.708 of Chapter 7, of Title 6, of the Municipal Code shall be amended and is hereby amended to read as follows:

Exhibit A. **Delete** Exhibit A.

Sec. 6-7.708. Interagency wastewater connection requirements and agreement.

SECTION 4. If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

SECTION 5. This Ordinance shall supersede all other previous City Council resolutions and ordinances that may conflict with, or be contrary to, this Ordinance.

SECTION 6. A full reading of this Ordinance is hereby waived. This Ordinance was introduced at a regular meeting of the City Council of the City of Ontario, California, on November 5, 2013, and thereafter adopted at a regular meeting of the City Council held on November 19, 2013.

SECTION 7. This Ordinance shall become effective thirty (30) calendar days after its adoption by the City Council.

SECTION 8. City staff is directed to file a Notice of Exemption within five (5) days of the adoption of this Ordinance.

SECTION 9. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held \_\_\_\_\_ and adopted at the regular meeting held \_\_\_\_\_, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held \_\_\_\_\_ and that Summaries of the Ordinance were published on \_\_\_\_\_ and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)



ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO,  
CALIFORNIA, AUTHORIZING INCREASES TO THE RATES FOR ITS  
SEWER SERVICE CHARGES.

WHEREAS, the City pays the Inland Empire Utilities Agency ("IEUA") to treat wastewater discharged and collected within the City; and

WHEREAS, the City determined to undertake a rate study to analyze the revenue requirements, and the rate structure necessary to proportionately allocate the costs of providing sewer services to its sewer customers, including the cost of the treatment of City sewer services by the IEUA; and

WHEREAS, the rate study demonstrates that existing sewer system revenues are and will be insufficient to cover: (i) current and projected operations and maintenance costs of the City's sewer system (the "System"); and (ii) the capital infrastructure improvements needed to repair, replace, and update the System; and

WHEREAS, a report of the results of the rate study (the "Rate Report"), attached hereto as Exhibit "A" and by this reference incorporated herein, has been prepared which includes the proposed rates for the sewer service charges and documents the estimated and reasonable costs of providing sewer services to property owners and tenants directly liable for payment of such service fees (collectively "customers") in the City; and

WHEREAS, the findings and determinations contained herein are based upon the Rate Report documenting the estimated reasonable costs of providing sewer services to customers in the City; and

WHEREAS, the rate structure for sewer service charges is comprised of two components: (i) a charge for capital replacement, operations and maintenance, billing, customer service, and other related costs ("City Charge"); and (ii) a charge for wastewater treatment ("IEUA Charge"); and

WHEREAS, the City has determined to: (i) adopt a two-year schedule of rate increases to the City Charge; and (ii) authorize a two-year schedule of rate increases to the IEUA Charge for the cost of any future rate increases adopted by the IEUA Board of Directors and imposed on the City for the treatment of sewer discharged and collected within the City (each such rate increase by IEUA is referred to herein as a "Pass Through"); and

WHEREAS, the schedule of proposed rates for the sewer service charges is attached hereto as Exhibit "B" and by this reference incorporated herein and by this reference made an operative part hereof; and

WHEREAS, the City made available to the public the Rate Report documenting the estimated costs required to provide the sewer services for which the fees are proposed to be increased and the revenue sources anticipated to provide such services; and

WHEREAS, the City Council hereby finds and determines the following with regard to the proposed rate increases to the sewer service charges:

1. The revenues derived from the proposed sewer service charges will not exceed the funds required to provide the sewer services and shall be used exclusively for the System;

2. The amount of the proposed sewer service charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition;

3. The proposed sewer service charges will not be imposed on a parcel unless the sewer services are actually used by, or immediately available to, the customer of the parcel;

4. The proposed sewer service charges will not be used for any other purpose than that for which they are imposed;

5. The proposed sewer service charges are not levied for general governmental services;

6. The proposed sewer service charges are not calculated or developed on the basis of any parcel map, including an assessor's parcel map, but are based upon reasonable estimates of the demand placed upon the City in its role as a provider of the sewer services; and

7. The proposed sewer service charges represent increases in the charges needed to operate sewer collection and treatment facilities; and

WHEREAS, the City hereby finds and determines that in accordance with the provisions of California Constitution Article XIII D, Section 6 ("Article XIII D"):

1. The City identified the parcels upon which the increased sewer service charges are proposed to be imposed, and calculated the amount of the fees or charges proposed to be imposed on each parcel;

2. On September 19, 2013, the City mailed written Notice to customers of each parcel upon which the proposed increase to the sewer service charges are proposed for imposition, which explained: (a) the amount of the charges; (b) the basis on which they were calculated; (c) the reason for the increases; and (d) the date, time, and location of the public hearing on the proposed increases; and

3. On November 5, 2013, (more than 45 days after mailing the Notice), the City conducted a public hearing and considered all written protests against the proposed increases to the sewer service charges; and

4. At the conclusion of the public hearing, written protests against the proposed increases to the sewer service charges were not presented by a majority of customers subject to the proposed charges; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines, the City Staff has determined that the amendments to the Municipal Code, and the increases in sewer service charges are exempt from CEQA pursuant to Section 15378 and Section 15273 of the CEQA Guidelines because: (a) the increased charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services; and (b) the charges constitute the creation of a funding mechanism/other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that the recitals discussed above are true and correct and are hereby incorporated and adopted as findings and determinations by the City Council as if fully set forth herein.

SECTION 2. The current rates for the City sewer service charges as set forth in Exhibit B shall remain in full force and effect in accordance with the schedule set forth in Exhibit B. Commencing January 1, 2014, and January 1, 2015, respectively, the City Council hereby authorizes and establishes the rates for the City Charge component of the sewer service charges at the rates and in the amounts as set forth in Exhibit B.

SECTION 3. Except as otherwise authorized and provided in this Section 3, the current rates for the IEAU Charge as set forth in Exhibit B shall remain in full force and effect. The City Council hereby authorizes the imposition of future rate increases to the IEUA Charge component of its sewer service charges required as a result of any Pass Through. Such Pass Through rate increases may be imposed annually for a two-year period, beginning on July 1, 2014, and July 1, 2015, respectively, at the rates, in the amounts, and in accordance with the authorizations and limitations set forth in Exhibit B.

SECTION 4. The City Council hereby authorizes and directs the City Manager to implement and take all actions necessary to effectuate the rates for the sewer service charges set forth herein.

SECTION 5. If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part

thereof. The City Council hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

SECTION 6. This Ordinance shall supersede all other previous City Council resolutions and ordinances that may conflict with, or be contrary to, this Ordinance.

SECTION 7. A full reading of this Ordinance is hereby waived. This Ordinance was introduced at a regular meeting of the City Council of the City of Ontario, California, on November 5, 2013, and thereafter adopted at a regular meeting of the City Council held on November 19, 2013.

SECTION 8. This Ordinance shall become effective thirty (30) calendar days after its adoption by the City Council.

SECTION 9. City staff is directed to file a Notice of Exemption within five (5) days of the adoption of this Ordinance.

SECTION 10 The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held \_\_\_\_\_ and adopted at the regular meeting held \_\_\_\_\_, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held \_\_\_\_\_ and that Summaries of the Ordinance were published on \_\_\_\_\_ and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

## EXHIBIT B RATE SCHEDULES

(a) The rate structure for City sewer service charges is comprised of two components: (1) a charge for capital replacement, operations and maintenance, billing, customer service, and other related costs ("City Charge"); and (2) a treatment charge for costs imposed on the City by Inland Empire Utilities Agency ("IEUA Charge") that is passed through by the City to its sewer customers.

(b) The monthly charges for sewer services shall be the sum of the IEUA Charge as listed under sub-section (c) below plus the City Charge as listed under sub-section (d) below.

(c) The current rates for the IEUA Charge per equivalent dwelling unit ("EDU") is \$13.39, and the projected rates for the IEUA Charge per EDU in 2014 and 2015 are \$14.39 and \$15.64, respectively. Future rate increases adopted by the IEUA Board of Directors and imposed on the City for the treatment of wastewater discharged and collected in the City will be passed through to City customers at the rates adopted by IEUA (each such rate increase by the IEUA is referred to herein as a "Pass Through"). Once adopted by the IEUA Board of Directors, the actual Pass Through will be applied to the rates for the IEUA Charges as follows:

1. The IEUA Charge per unit for single-family residential property shall be equal to the charge per one (1) EDU.

2. The IEUA Charge per unit for multiple-family residential property shall be equal to the charge per seven tenths of one (0.7) EDU.

3. The IEUA Charge for non-residential customers shall be equal to the charge per one (1) EDU times the customer's number of EDUs.

4. Notwithstanding the forgoing, any increase in the rates to the IEUA Charge above the projected rates set forth in the table below shall not exceed five percent (5% per year), and in no event shall such rates be increased in any year as a result of a Pass Through by more than the cost of providing sewer service. Prior to implementing any increase in the IEUA Charge as a result of a Pass Through, the City will provide written notice of the rate increase to customers not less than 30 days prior to its effective date.

(d) The rates for the City Charge shall be as follows:

Customer Classification	City Charge Rates		
	Current Rates (\$)	Rates (\$) Effective 1/1/2014	Rates (\$) Effective 1/1/2015
Single Family Residential per Month per Unit	12.60	12.98	13.37
Multiple Family Residential per Month per Unit	12.10	12.46	12.84
Non-Residential per Month per EDU (1)	12.60	12.98	13.37

1. The rates for the City Charge for non-residential customers shall be the sum of the per unit charges listed below and the number of EDUs times the EDU rate listed under subsection (d) above. With the exception of hotels and motels, one (1) unit equals one (1) building unit. For hotels and motels, one (1) unit equals one (1) room.

<b>Per Unit Sewer Service Collection Charges for Non-Residential Customers</b>	<b>Current Rates (\$)</b>	<b>Rates (\$) Effective 1/1/2014</b>	<b>Rates (\$) Effective 1/1/2015</b>
Hotel/Motel per room charge	7.90	8.14	8.38
Professional Offices per building unit charge	12.40	12.77	13.16
Other Commercial per building unit charge	30.40	31.31	32.25
Categorical/Significant Industry per permitted unit	113.70	117.11	120.62
Class II Industry per permitted unit	113.70	117.11	120.62
Other Industries per permitted unit	56.90	58.61	60.37

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING SECTIONS 6-8.51, 6-8.52, AND 6-8.57 OF CHAPTER 8B, OF TITLE 6 OF THE ONTARIO MUNICIPAL CODE RELATED TO WATER SERVICES.

WHEREAS, the City Council of the City of Ontario (the "City") has determined that certain amendments to the City Municipal Code are necessary in order to reflect changes in the organizational management of the City, and to authorize the adoption of rates for certain water service fees and charges for agricultural use; and

WHEREAS, the City proposes to amend Sections 6-8.51, 6-8.52, and 6-8.57 to reflect these changes and to authorize the adoption of rates for certain water service fees for agricultural use in accordance with the rates established by the Chino Basin Watermaster for replenishment assessments; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that the recitals discussed above are true and correct and are hereby incorporated and adopted as findings and determinations by the City Council as if fully set forth herein.

SECTION 2. Section 6-8.51 of Chapter 8B, of Title 6, Subsection 6-8.51(i) of the Municipal Code is hereby amended to read as follows:

Sec. 6-8.51. Service fees and charges.

(i) Charges for agricultural use. Charges for use of recycled water for agricultural service where the agricultural use provides assignment of water production rights to the City shall be determined by the Utilities General Manager; provided, however, such charges will be consistent with the most recent rate study and current rates charged by the Chino Basin Watermaster for replenishment assessments.

SECTION 3. Section 6-8.52 of Chapter 8B, of Title 6, Subsection 6-8.52(o) of the Municipal Code is hereby amended to read as follows:

Sec. 6-8.52. Water service connection.

(o) Service connection maintained by Ontario Municipal Utilities Company. The Ontario Municipal Utilities Company shall maintain the service connection extending from the water main to the meter. All pipes and fixtures extending or lying on the outlet side of the meter, excluding a City provided customer shutoff valve, 12-inch brass nipple and coupling shall be installed and maintained by the applicant. The Ontario Municipal Utilities Company shall set and maintain a meter on each service connection and the consumer shall be held liable for any damage to the meter due to his or her negligence.



Every service connection shall be equipped with a curb stop or valve on the inlet side of the meter. Such valve or curb stop is intended for the exclusive use of the Ontario Municipal Utilities Company to control the water supply through a service connection. If the curb stop or valve is damaged due to the consumer's use or negligence, the consumer shall be liable for replacement costs.

SECTION 4. Section 6-8.57 of Chapter 8B, of Title 6, Subsection 6-8.57(b) of the Municipal Code is hereby amended to read as follows:

Sec. 6-8.57. Water quality control.

(b) Backflow prevention devices. The Utilities General Manager shall make the determination as to where and what kind of backflow prevention devices shall be required for services. The backflow prevention devices required by the Utilities General Manager shall be installed by and at the expense of the consumer. The consumer shall test and service these devices to maintain them in a satisfactory operating condition and shall overhaul or replace such devices if they are found defective. The frequency of testing shall be determined by the Utilities General Manager, but in no case shall the backflow prevention device be tested less than once every year. Records of such test, repairs, and overhauling shall be submitted by the consumer, on forms provided by the Ontario Municipal Utilities Company, to the Ontario Municipal Utilities Company. Tests shall be conducted and reported in the manner as prescribed by the City Manager.

SECTION 5. If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

SECTION 6. This Ordinance shall supersede all other previous City Council resolutions and ordinances that may conflict with, or be contrary to, this Ordinance.

SECTION 7. A full reading of this Ordinance is hereby waived. This Ordinance was introduced at a regular meeting of the City Council of the City of Ontario, California, on November 5, 2013, and thereafter adopted at a regular meeting of the City Council held on November 19, 2013.

SECTION 8. This Ordinance shall become effective thirty (30) calendar days after its adoption by the City Council.

SECTION 9. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held \_\_\_\_\_ and adopted at the regular meeting held \_\_\_\_\_, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held \_\_\_\_\_ and that Summaries of the Ordinance were published on \_\_\_\_\_ and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AUTHORIZING INCREASES TO THE RATES FOR ITS WATER SERVICE FEES AND CHARGES, NEW METER CHARGES AND OTHER MISCELLANEOUS ONE-TIME WATER SERVICE FEES.

WHEREAS, approximately one third of the City's water supply is imported from Northern California via the California Aqueduct and is purchased indirectly from the Metropolitan Water District of Southern California ("MWD") through the Inland Empire Utility Agency ("IEUA"); and

WHEREAS, this water is delivered to the Water Facilities Authority ("WFA") for treatment and sale to the City; and

WHEREAS, the City is subject to certain regulatory requirements and charges imposed by the Chino Basin Watermaster (the "Watermaster") to protect the groundwater basin within the City, and costs of such regulatory requirements are passed on to City water customers through its water service fees and charges; and

WHEREAS, the City has experienced and anticipates future increases in the costs to operate and maintain the water system ("System") and to provide ongoing repairs, replacements, and upgrades to the System, including costs imposed on the City by MWD, IEUA, WFA, and the Watermaster; and

WHEREAS, the City determined to undertake a rate study to analyze the revenue requirements, and the rate structure necessary to proportionately allocate the costs of providing ongoing water services to its water customers; and

WHEREAS, the rate study demonstrates that existing System revenues are and will be insufficient to cover: (i) current and projected operations and maintenance costs of the System; and (ii) the capital infrastructure improvements needed to repair, replace, and update the System; and

WHEREAS, a report of the results of the rate study (the "Rate Report"), attached hereto as Exhibit "A" and by this reference incorporated herein, has been prepared which includes the proposed rates for the water service fees and charges and documents the estimated and reasonable costs of providing water services to property owners and tenants directly liable for payment of such service fees and charges (collectively referred to herein as "customers") in the City; and

WHEREAS, the findings and determinations contained herein are based upon the Rate Report documenting the estimated reasonable costs of providing water services to customers in the City; and

WHEREAS, the rate structure for water service charges is comprised of a charge for capital replacement, operations and maintenance, billing, customer service, and other related costs ("City Charge"); and

WHEREAS, the City has determined to increase the rates for its water service fees and charges for a two-year period, commencing January 1, 2014 and January 1, 2015, respectively; and

WHEREAS, the City has also determined to increase the rates for new meter charges and other miscellaneous one-time service fees that are imposed as a request for service or product and are not based on any property parcel map, including an assessor's parcel map; and

WHEREAS, the Rate Report also includes the proposed rates for the new meter charges and other miscellaneous one-time water service fees and charges and documents the estimated and reasonable costs of providing the water services related thereto; and

WHEREAS, the schedule of proposed rates for the water service fees and charges for ongoing water service, the new meter charges and other miscellaneous one-time service fees is attached hereto as Exhibit "B" and by this reference incorporated herein; and

WHEREAS, the City made available to the public the Rate Report documenting the estimated costs required to provide the water services for which the fees and charges are proposed to be increased and the revenue sources anticipated to provide such services; and

WHEREAS, the City Council hereby finds and determines the following with regard to the proposed rate increases to the water service fees and charges:

1. The monthly water service charges consist of two components: (a) a fixed monthly service charge (the "Readiness-to-Serve Charge"), which is imposed only as a condition of extending or initiating service upon the request of a customer; and (b) a variable monthly water usage charge (the "Commodity Charge"), which is imposed on the basis of the amount of water used or consumed by the customer;

2. The rates for the Readiness-to-Serve Charge are established on the basis of the meter size of the property receiving water service from the City and are calculated to recover the City's fixed costs of water facilities repairs and replacements, as well as the cost of meter reading, billing and customer service. The rates for the Commodity Charge are calculated on the basis of the cost of providing water, including purchasing water, managing the City's water resources, and deterring water waste and encouraging water use efficiency, and consists of two tiers which will impose higher rates per unit of water as the level of consumption increases.

3. The private fire service fee is imposed only as a condition of extending or initiating such service by the installation of a private fire hydrant and upon the request of the consumer or property owner for the delivery of water to the property for the purpose of private fire service protection.

4. The proposed water service fees and charges referenced above and those included in Exhibit B represent increases in such fees and charges;

5. The revenues derived from the proposed water service fees and charges will not exceed the funds required to provide the water services and shall be used exclusively for the System;

6. The amount of the proposed water service fees and charges will not exceed the proportional cost of the service attributable to each parcel upon which they are proposed for imposition;

7. The proposed water service fees and charges will not be imposed on a parcel unless the water services are actually used by, or immediately available to, the customer of the parcel;

8. The proposed water service fees and charges will not be used for any other purpose than that for which they are imposed;

9. The proposed water service fees and charges are not levied for general governmental services;

10. The proposed water service fees and charges are not calculated or developed on the basis of any parcel map, including an assessor's parcel map, but are based upon reasonable estimates of the demand placed upon the City in its role as a provider of the water services; and

11. The proposed water service fees and charges represent increases in the fees and charges needed to provide water services and to operate the City's potable and reclaimed water system and facilities; and

WHEREAS, the City hereby finds and determines that in accordance with the provisions of California Constitution Article XIII D, Section 6 ("Article XIII D") :

1. The City identified the parcels upon which the increased water service fees and charges are proposed to be imposed, and calculated the amount of the fees and charges proposed to be imposed on each parcel;

2. On September 19, 2013, the City mailed written notice to customers of each parcel upon which the proposed increases to the water service fees and charges are proposed for imposition, which explained: (a) the amount of the fees and charges; (b) the basis on which they were calculated; (c) the reason for the increases; and (d) the date, time, and location of the public hearing on the proposed increases; and

3. On November 5, 2013, (more than 45 days after mailing the notice), the City conducted a public hearing and considered all written protests against the proposed increases to the water service fees and charges; and

4. At the conclusion of the public hearing, written protests against the proposed increases to the water service fees and charges were not presented by a majority of customers subject to the proposed fees and charges; and

WHEREAS, the City hereby finds and determines that in accordance with the provisions of California Constitution Article XIII C, Section 1(e)(2), the new meter charges and other miscellaneous one-time service fees that are imposed as a request for service or product and are not based on any property parcel map, including an assessor's parcel map, are imposed for a specific government service or product provided directly to the payer that is not provided to those not charged, and do not exceed the reasonable costs to the City of providing the service or product; and

WHEREAS, in accordance with the California Environmental Quality Act ("CEQA") and the CEQA Guidelines, the City Staff has determined that the amendments to the Municipal Code, and the increases in water service fees and charges, the new meter charges and other miscellaneous one-time service fees are exempt from CEQA pursuant to Section 15378 and Section 15273 of the CEQA Guidelines because: (a) the increased fees and charges are for the purpose of meeting operational and maintenance expenses of the aforementioned services; and (b) the charges constitute the creation of a funding mechanism/other governmental fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO DOES ORDAIN AS FOLLOWS:

SECTION 1. The City Council hereby finds and determines that the recitals discussed above are true and correct and are hereby incorporated and adopted as findings and determinations by the City Council as if fully set forth herein.

SECTION 2. The current rates for water service fees and charges as set forth in Exhibit B shall remain in full force and effect in accordance with the schedule set forth in Exhibit B. Commencing January 1, 2014, and January 1, 2015, respectively, the City Council hereby authorizes and establishes the rates for water service fees and charges as more fully set forth in Exhibit B.

SECTION 3. The current rates for the new meter charges and other miscellaneous one-time service fees as set forth in Exhibit B shall remain in full force and effect in accordance with the schedule set forth in Exhibit B. Commencing January 1, 2014, and January 1, 2015, respectively, the City Council hereby authorizes and establishes the rates for the new meter charges and other miscellaneous one-time service fees as more fully set forth in Exhibit B.

SECTION 4. The City Council hereby authorizes and directs the City Manager to implement and take all actions necessary to effectuate the rates for the water service fees and charges, the new meter charges and other miscellaneous one-time service fees set forth in Exhibit B.

SECTION 5. If any section, subsection, subdivision, sentence, clause, or phrase in this Ordinance or any part thereof is for any reason held to be unconstitutional or invalid, ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have adopted each section irrespective of the fact that any one or more subsections, subdivisions, sentences, clauses, or phrases be declared unconstitutional, invalid, or ineffective.

SECTION 6. This Ordinance shall supersede all other previous City Council resolutions and ordinances that may conflict with, or be contrary to, this Ordinance.

SECTION 7. A full reading of this Ordinance is hereby waived. This Ordinance was introduced at a regular meeting of the City Council of the City of Ontario, California, on November 5, 2013, and thereafter adopted at a regular meeting of the City Council held on November 19, 2013.

SECTION 8. This Ordinance shall become effective thirty (30) calendar days after its adoption by the City Council.

SECTION 9. City staff is directed to file a Notice of Exemption within five (5) days of the adoption of this Ordinance.

SECTION 10. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

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PAUL S. LEON, MAYOR

ATTEST:

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MARY E. WIRTES, MMC, CITY CLERK



APPROVED AS TO FORM:

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BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held \_\_\_\_\_ and adopted at the regular meeting held \_\_\_\_\_, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held \_\_\_\_\_ and that Summaries of the Ordinance were published on \_\_\_\_\_ and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

**EXHIBIT A**

**City of Ontario**



**Solid Waste, Sewer, & Water Rate Report**

## **EXECUTIVE SUMMARY**

The City recently evaluated the service and infrastructure needs, programs, operation and maintenance costs of the City's solid waste, sewer and water enterprises. The City has determined that water, sewer and solid waste service charges are and will be insufficient to cover (i) current and projected operations and maintenance costs for providing solid waste, water and sewer and (ii) the cost of capital infrastructure improvements needed to cover anticipated costs repair and update the City's water and sewer systems. Accordingly, the City has determined that rate increases are necessary to address the need for infrastructure and sewer and water quality improvements, and to avoid operational deficits and depletion of reserves.

The following table illustrates the combined effect of the proposed rate increases on the monthly utility bill for City charges for "Typical Residential" and "Typical Commercial – Industrial" customers over the next two years.

### **Combined Utility Rate**

#### **Typical Residential**

Service	Current	January 2014	January 2015
Solid Waste	\$ 26.09	\$ 26.61	\$ 27.14
Sewer	\$ 12.60	\$ 12.98	\$ 13.37
Water	\$ 76.53	\$ 78.08	\$ 79.61
Combined	\$115.22	\$117.67	\$120.12

#### **Typical Commercial - Industrial**

Service	Current	January 2014	January 2015
Solid Waste	\$ 277	\$ 283	\$ 288
Sewer	\$ 219	\$ 226	\$ 233
Water	\$ 948	\$ 967	\$ 986
Combined	\$1,444	\$1,476	\$1,507

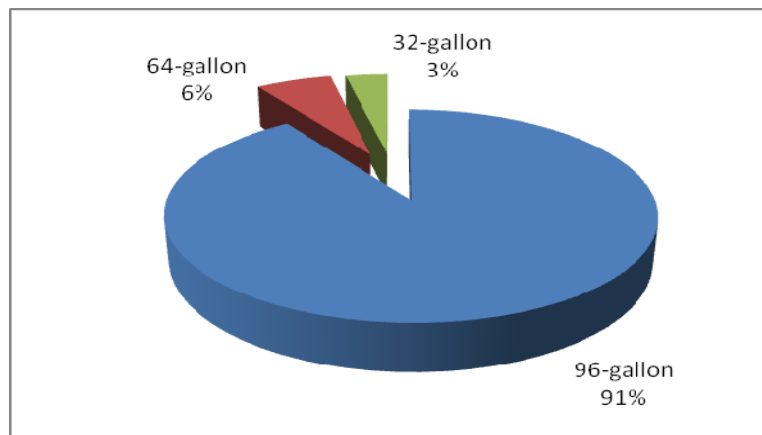
## **SOLID WASTE ENTERPRISE**

A review of the solid waste service charges indicates that current and projected revenue estimates based on the current rates are not sufficient to cover the anticipated cost of providing solid waste services. Therefore, staff recommends changes to the solid waste rates that the City should charge its customers in calendar years 2014 and 2015. The rates for solid waste services have not been increased in five (5) years. This was achieved primarily as a result of implementing cost cutting measures to reduce the cost of landfill disposal, by expanding the recycling programs, and extending the useful life of solid waste vehicles.

The City provides the following three types of collection service to its customers:

**Automated curbside:** The City offers three sizes of containers to automated service customers, 32-gallon, 64-gallon and 96-gallon. The charges are based on the size of containers. In FY 2012-13, the City served approximately 31,070 automated service customers, about 91 percent of automated service customers used the 96-gallon containers, about six percent used the 64-gallon containers and about three percent used the 32-gallon containers.

**Figure 1**  
**FY 2012-13 Residential Curbside Service**

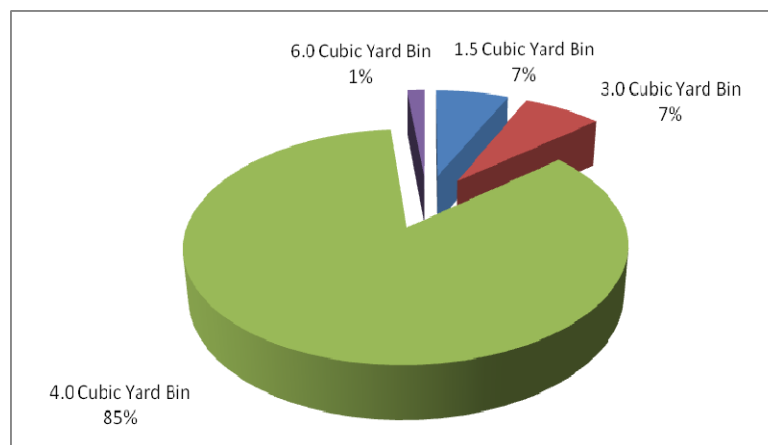


For residential automated service customers, the rates for service are different in the “Old Model Colony” (OMC) and the “New Model Colony” (NMC) based on a differential cost of service. The difference in the cost of service is primarily driven by 1) greater collection times servicing stops; and 2) greater transportation distances. It takes approximately 20% longer to service a typical residential route in the NMC than it does in the OMC due to the increased housing densities as well as access. Also, the average distance of travel per day for the collection vehicles is approximately 30% greater than in the OMC.

Together, these factors result in a higher cost of service (e.g., more collection vehicles, more personnel, fuel costs, etc.) for the NMC when compared to the OMC.

**Commercial bins:** Commercial bin service includes collection of 1.5 cubic-yard, 3.0 cubic-yard, 4.0 cubic-yard, and 6.0 cubic-yard standard and compactor bins for refuse, greenwaste, and co-mingled recycling. In FY 12-13, the City serviced approximately 4,700 commercial bin customers and about 85 percent of these were 4.0 cubic-yard bins.

**Figure 2**  
**FY 2012-13 Commercial Bin Service**

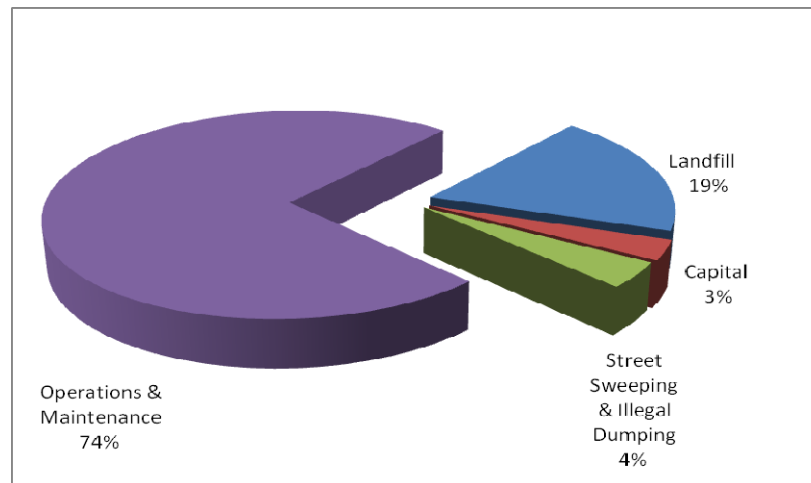


**Roll-off bins:** Roll-off service includes open-top and compactor service for refuse, single-commodity recycling, greenwaste, and inert material. In FY 2012-13, the City serviced approximately 12,700 roll-off loads.

The City continues to exceed the State mandated diversion rate for recyclable materials. To further encourage recycling, the City offers specific services and rates for co-mingled recycling and greenwaste collection services for automated service customers, co-mingled recycling and greenwaste collection services for commercial bin customers, and single-commodity recycling, greenwaste, and inert collection services for roll-off customers.

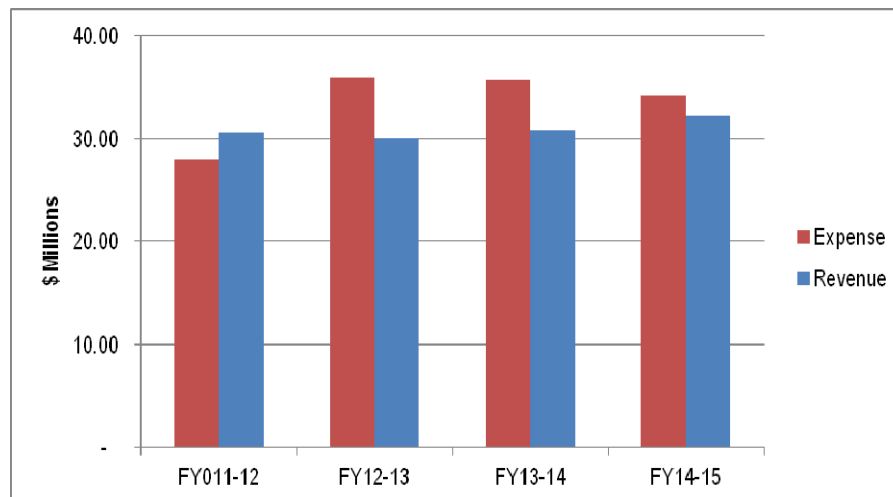
Solid waste expenses consist of landfill disposal costs; operation and maintenance (O&M) expenses including general overhead costs related to supervision, utility billing and customer service, cost allocations to the General Fund for City provided services; street sweeping and illegal dumping clean up services; and a capital improvement program, as illustrated by Figure 3.

**Figure 3**  
**FY 2012-13 Expenses - \$36 million**



The City's current solid waste rates will not generate adequate revenue to cover the City's projected expenditures, as illustrated by Figure 4.

**Figure 4**



Since revenues generated by the existing solid waste service charges included in Table 1 are not adequate to cover the anticipated expenditures to provide solid waste services, staff recommends the following solid waste rates that the City should charge its customers in calendar years 2014 and 2015. Staff will continue to periodically review the financial plan to ensure continued financial stability.

**Table 1**  
**Proposed Solid Waste Rate Schedule**

<b>Automated Collection Rates</b>										
<b>Old Model Colony</b>	Gallons	\$/First Can Set			\$/Each Extra Trash Can					
		Current	1/1/2014	1/1/2015	Current	1/1/2014	1/1/2015			
	96	\$26.09	\$26.61	\$27.14	\$23.82	\$24.30	\$24.78			
	64	\$22.68	\$23.13	\$23.60	\$20.42	\$20.83	\$21.24			
	32	\$19.28	\$19.68	\$20.07	\$17.01	\$17.35	\$17.70			
<b>New Model Colony</b>	Gallons	\$/First Can Set			\$/Each Extra Trash Can					
		Current	1/1/2014	1/1/2015	Current	1/1/2014	1/1/2015			
	96	\$29.48	\$30.07	\$30.67	\$26.91	\$27.45	\$28.00			
	64	\$25.63	\$26.14	\$26.67	\$23.07	\$23.53	\$24.00			
	32	\$21.79	\$22.23	\$22.67	\$19.22	\$19.60	\$20.00			

<b>Commercial Bins Monthly Rates</b>							<b>Compactors Monthly Rates</b>			
Cubic Yards	\$/One Pickup/Week			\$/Each Extra Pickup/Week			Cubic Yards	\$/Each Pickup/Week		
	Current	1/1/2014	1/1/2015	Current	1/1/2014	1/1/2015		Current	1/1/2014	1/1/2015
1.5	\$100.00	\$102.00	\$104.00	\$91.00	\$92.82	\$94.68	1.5	\$169.00	\$172.38	\$175.83
3	\$119.00	\$121.38	\$123.81	\$105.00	\$107.10	\$109.24	2	\$191.00	\$194.82	\$198.72
4	\$147.00	\$149.94	\$152.94	\$130.00	\$132.60	\$135.25	3	\$235.00	\$239.70	\$244.49
6	\$207.00	\$211.14	\$215.36	\$188.00	\$191.76	\$195.60	4	\$280.00	\$285.60	\$291.31
Special Empty is half the rate listed above for each Bin or Compactor size							6	\$369.00	\$376.38	\$383.91

<b>Roll Off (Compactor/Open Top) Service Rates <sup>(a)</sup></b>				
<u>Service</u>		<u>Current</u>	<u>1/1/2014</u>	<u>1/1/2015</u>
Refuse per Load up to 5 tons. Charges apply for additional weight		\$479.00	\$489.00	\$499.00
Charge per ton over 5 tons		\$48.21	\$49.20	\$50.20
Excess Weight Charge per ton over 12 tons		\$107.00	\$109.00	\$111.00
Recycle per Load – Single Commodity. Actual Disposal Charge Additional <sup>(b, c)</sup>		\$148.00	\$151.00	\$154.00
Recycle per Load – Inert/Co-mingled/Greenwaste. Actual Disposal Charge Additional <sup>(c)</sup>		\$186.00	\$190.00	\$194.00
(a) A minimum of one pick per week (if no service, the per load charge is assessed)				
(b) Maximum 5% contamination				
(c) Actual disposal costs are billed in addition to the per load charge				

<b>Co-mingled Recyclables or Green Waste Service Rates</b>			
<u>Cubic Yards</u>	<u>\$/Each Pickup/Week</u>		
	Current	1/1/2014	1/1/2015
<u>1.5</u>	<u>\$34.00</u>	<u>\$34.50</u>	<u>\$35.00</u>
<u>3.0</u>	<u>\$48.00</u>	<u>\$49.00</u>	<u>\$50.00</u>
<u>4.0</u>	<u>\$57.00</u>	<u>\$58.00</u>	<u>\$59.00</u>
<u>6.0</u>	<u>\$75.00</u>	<u>\$76.50</u>	<u>\$78.00</u>



## **SEWER ENTERPRISE**

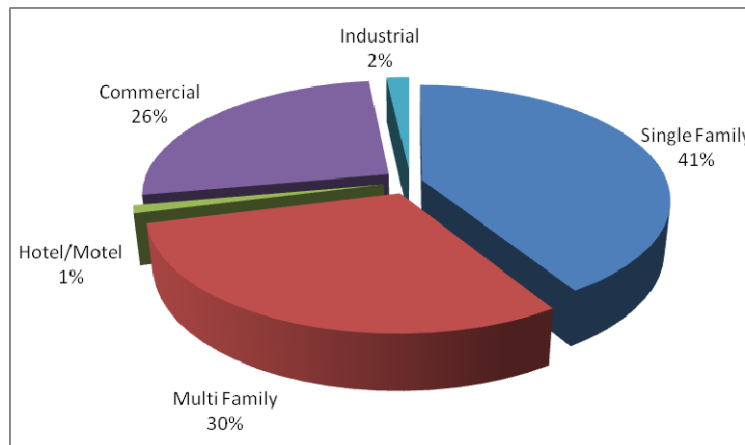
A review of the sewer service charges indicates that current and projected revenue estimates based on the current rates are not sufficient to cover the anticipated cost of providing sewer services. Therefore, staff recommends changes to sewer rates that the City should charge its customers in calendar years 2014 and 2015.

Sewer service charges are billed on a monthly basis. The rate structure for sewer service charges has two customer classifications – (1) residential, which includes single-family and multi-family residential customers; and (2) non-residential, which includes commercial and industrial customers. The rate structure is comprised of two components: (1) a charge for capital replacement, operations and maintenance, billing, customer service, and other related costs (“City Charge”); and (2) a treatment charge for costs imposed on the City by Inland Empire Utilities Agency (IEUA) (“IEUA Charge”) that is passed through by the City to its sewer customers. The rates are calculated to proportionately allocate capital replacement, operations, maintenance, and treatment costs to each customer class.

The City Charge for sewer service is a flat charge per unit for residential customers. For non-residential customers, the City Charge consists of a flat rate based on the number of building units, and a variable amount based on the amount of sewer flow in equivalent dwelling units (EDU) [EDU = sewer flow from a single family residential unit]. Sewer flows for non-residential customers are estimated based on water consumption.

The IEUA Charge for residential and non-residential is based on the number of EDUs. For residential customers, this charge is fixed at one (1) EDU of a single family residence, and seven tenths of one (0.7) EDU for a multi-family unit. For non-residential customers, the charge varies from month to month based on the number of EDUs as determined by sewer flow and water consumption.

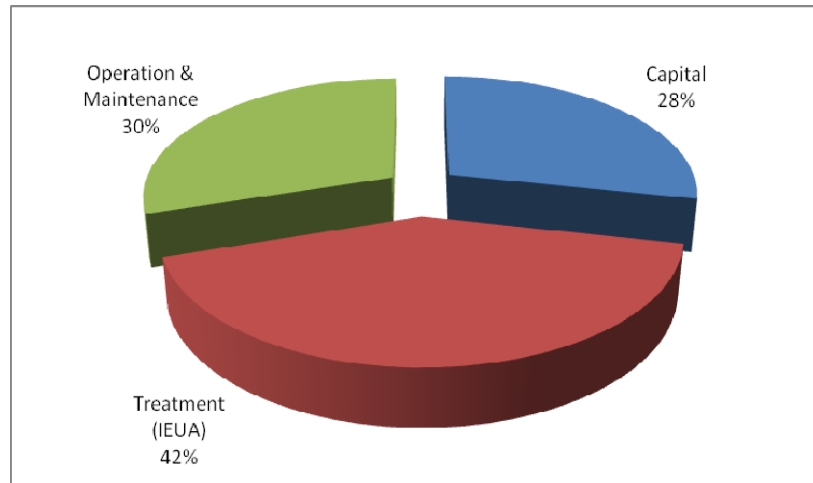
**Figure 5**  
**FY 2012-13 EDUs by Customer Class**



The City sewer expenses consist of the cost of operation and maintenance (O&M) including sewer line cleaning, video inspection, repairs, and environmental programs. In accordance with the City's Sewer System Management Plan (SSMP), approximately 1.2 million linear feet of sewer collection pipelines are inspected and cleaned in order to prevent the buildup of debris, such as sand, silt, grease, roots and rocks that can significantly reduce the capacity of the pipes causing blockages and overflows. Environmental program responsibilities include issuance of industrial discharge permits, monitoring sewer discharge data, conducting compliance inspections of commercial grease interceptors as part of the City's "FOG" (Fats, Oils & Grease) program and inspections of permitted industrial facilities, as well as monitoring and reporting on sanitary sewer overflows (SSO). Other costs covered by the City charges for sewer services include general overhead costs related to supervision, utility billing and customer service, cost allocations to the General Fund for City provided services, and a capital improvement program, as shown in Figure 6.

The City's sewer system consists of more than 350 miles of sewer pipes along with 7,500 manholes and cleanouts, and the average age of pipelines throughout Ontario is about 45 years, with some sections still in use today that date back to the 1890's. The sewer master plan estimates the cost to replace the entire system today at more than \$215 million. Additionally, the master plan identifies more than \$95 million in capital improvement projects that are needed to correct existing system deficiencies where peak sewer flows are greater than the capacity of the pipelines. The overall age and condition of the sewer system creates a significant liability for the sewer fund. The capital improvement program is developed in order to prioritize projects within available funding, currently averaging about \$4 million per year, in order to address this liability on an annual basis.

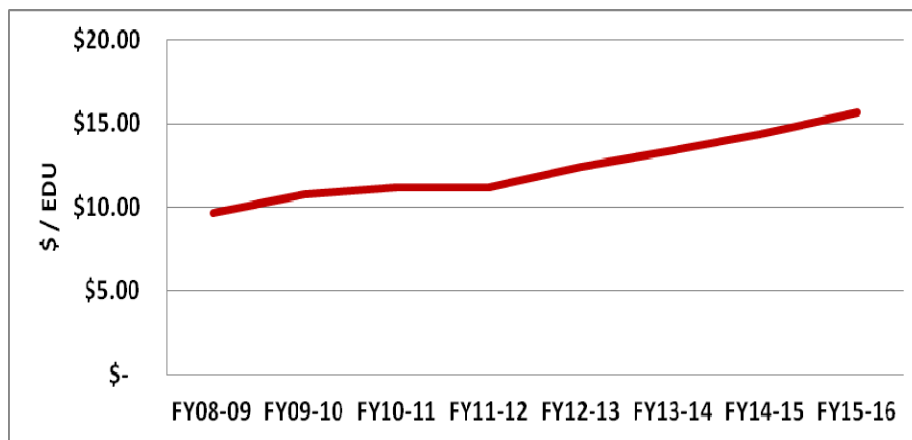
**Figure 6**  
**FY 2012-13 Expenses - \$21 million**



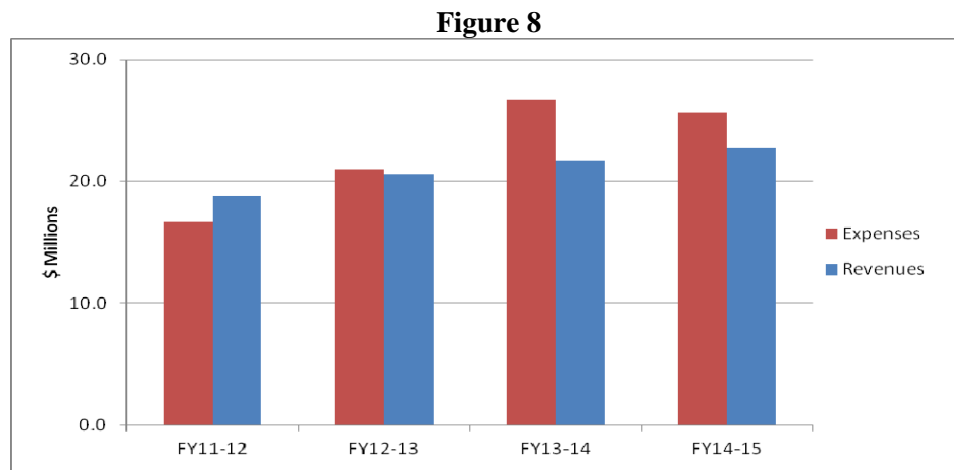
The graph includes the cost of treatment provided by IEUA. The City pays IEUA to treat its sewer and these costs are passed on to City sewer customers through the IEUA Charge.

Based on IEUA projections, the current IEUA charge will not generate adequate revenues to cover the treatment cost. The IEUA Charge is anticipated to be increased from the current charge of \$13.39 per EDU to \$14.39 per EDU in 2014 and \$15.64 per EDU in 2015 (see Figure 7). If approved by the City Council, the proposed IEUA Charges may be imposed for the periods commencing on July 1, 2014 and July 1, 2015, respectively, following adoption by IEUA Board. Prior to implementing any increase in the IEUA Charge, the City will provide written notice of the rate increase not less than 30 days prior to its effective date.

**Figure 7**  
**IEUA Pass Through Charge (Historical & Projected)**



The City's current sewer rates will not provide adequate revenue to cover the City's costs for O&M and the capital improvement program, as illustrated by Figure 8.



As a result of the anticipated increases in the costs of providing sewer service, the City is proposing to increase the City Charges for sewer services in January 2014 and January 2015 and to pass through future IEUA Charges for treatment over the two-year period. The proposed rates for the sewer service charges are set forth below for the different customer classes are summarized in Table 2.

**Table 2**  
**Proposed Rates for Sewer Services**

Sewer Service	City Charge			IEUA Charge <sup>(a)</sup>		
	Current	1/1/2014	1/1/2015	Current	7/1/2014	7/1/2015
Single Family Residential per Month per Unit	\$12.60	\$12.98	13.37	\$13.39	\$14.39	\$15.64
Multiple Family Residential per Month per Unit	\$12.10	\$12.46	12.84	\$9.37	\$10.07	10.95
Non-Residential per Month per EDU <sup>(b)</sup>	\$12.60	\$12.98	13.37	\$13.39	\$14.39	\$15.64
(a) IEUA Charge is a pass through treatment charge. The rates for 2014 and 2015 are estimates provided by IEUA. Sewer bills will be adjusted by the actual amounts once adopted by the IEUA Board. (b) EDU (Equivalent Dwelling Unit) is a term used to compare the flows from non-residential units in terms of flows generated by a single family residential unit. Non-residential customers are also charged a per unit charge as shown in the table below:						
Per Unit Sewer Service Charges for Non-Residential Customers			Current	1/1/2014	1/1/2015	
Hotel/Motel per Room Charge			\$7.90	\$8.14	\$8.38	
Professional Offices per Building Unit Charge			\$12.40	\$12.77	\$13.16	
Other Commercial per Building Unit Charge			\$30.40	\$31.31	\$32.25	
Categorical/Significant Industry per Permitted Unit			\$113.70	\$117.11	\$120.62	
Class II Industry per Permitted Unit			\$113.70	\$117.11	\$120.62	
Other Industries per Permitted Unit			\$56.90	\$58.61	\$60.37	

## **WATER ENTERPRISE**

A review of the water service charges indicates that current and projected revenue estimates based on the current rates are not sufficient to cover the anticipated cost of providing water services. Therefore, staff recommends changes to water rates that the City should charge its customers in calendar years 2014 and 2015.

As a result of the updated cost of service study for water service and fees, it is also recommended that the rate differential for the potable water commodity rates for the OMC and NMC be eliminated. The current projections for NMC potable water demand and available supply, along with the current and anticipated future unit cost of this supply, from groundwater rights and pumping as a result of agricultural land conversion for example, support the elimination of the rate differential.

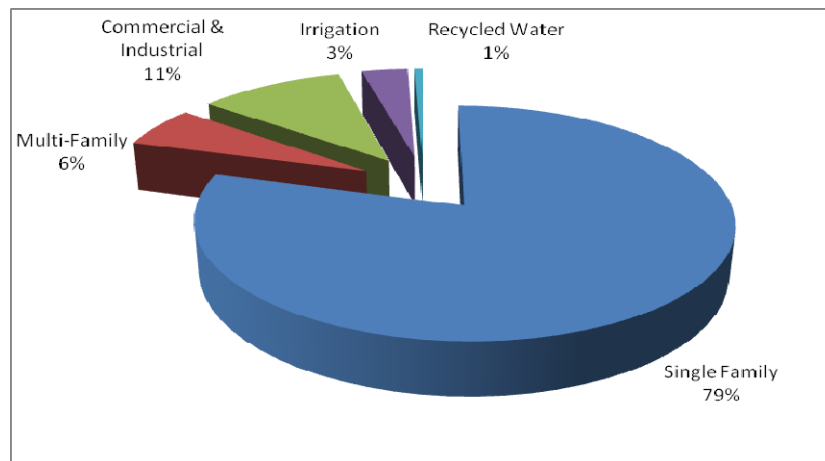
Water service charges are billed on a monthly basis. The proposed water rate structure for water service charges has two customer classes – (1) residential, which includes single-family and multi-family customers; and (2) non-residential, which includes, commercial and industrial customers. The rate structure is comprised of two components: (1) a fixed monthly service charge (the “Readiness to Serve Charge”); and (2) a variable monthly water usage charge (the “Commodity Charge”). The Readiness to Serve Charge is a fixed charge established on the basis of the meter size of the property receiving water service from the City and is calculated to recover the City’s fixed costs of water facilities repairs and replacements as well as the cost of meter reading, billing and customer service. The Commodity Charge is calculated on the basis of the cost of providing water and consists of two tiers which will impose higher rates per unit of water as the level of consumption increases. The first tier cut-off is 15 hundred cubic feet (hcf) per month. Together, the two components are structured in such a way as to proportionately allocate capital replacement, operations and maintenance costs to each customer class, while managing the City’s water resources.

In addition to the general water service charge imposed on property owners, the City also imposes a monthly private fire service fee on certain properties. The private fire service fee is imposed only as a condition of extending or initiating water service by (i) the installation of a private fire hydrant, or (ii) upon the request of the consumer or property owner for the delivery of water to the property for the purpose of private fire service protection.

The City serves approximately 32,870 individual water customer accounts. Single family accounts make up the largest customer group with approximately 79 percent of the total accounts (see Figure 9). The average water usage for a single family residence is approximately 23 hcf per month (575 gallons per day), and single family residents accounted for about 36 percent of the total water consumed in the City.

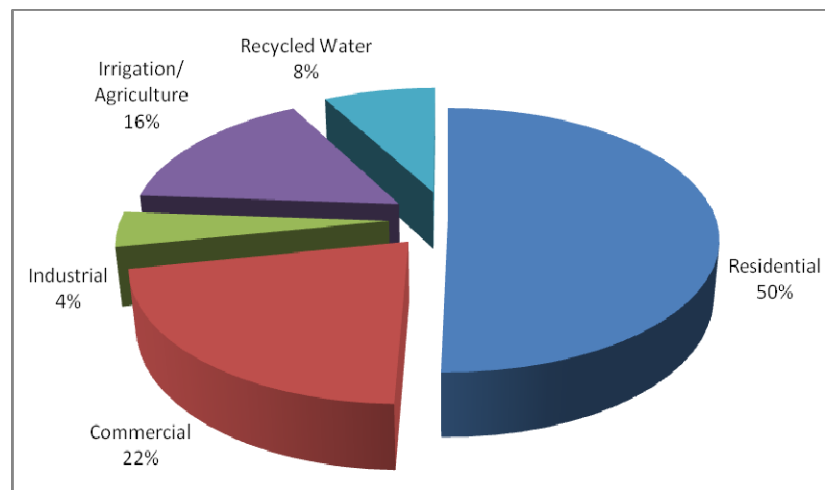
**Figure 9**

**FY 2012-13 Water Meters by Customer Class**



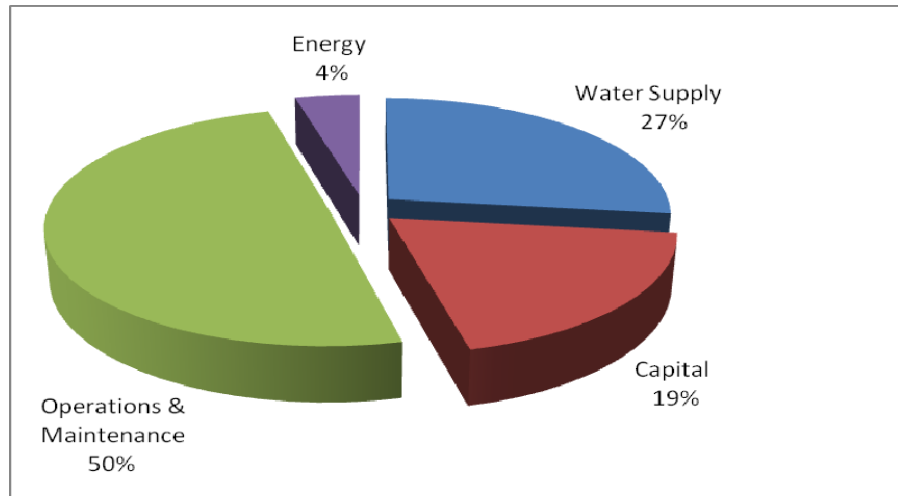
**Figure 10**

**FY 2012-13 Water Usage by Customer Class**



Water expenses consist of water supply costs including the cost to purchase imported water and supplemental water production rights, cost of energy for water production; other operation and maintenance (O&M) expenses including cost of system maintenance, general overhead costs related to supervision, utility billing and customer service, and cost allocations to the General Fund for City provided services; and a capital improvement program, as illustrated by Figure 11.

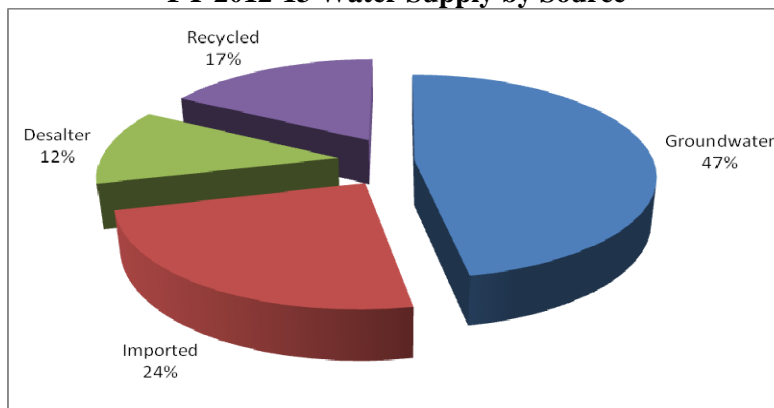
**Figure 11**  
**FY 2012-13 Expenses - \$57.4 million**



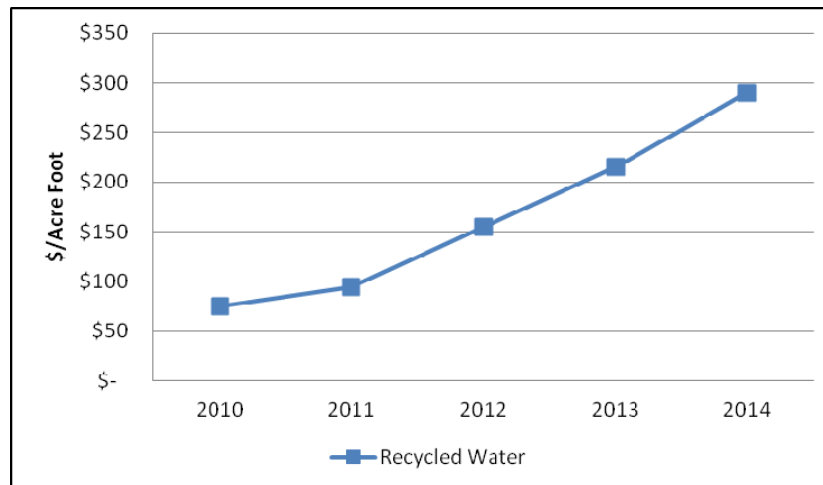
The City's potable water supply includes imported water from Metropolitan Water District (MWD), groundwater pumped from its wells in the Chino Basin, and desalted water from the Chino Basin Desalter Authority (CDA). The Desalter expansion that is currently underway is anticipated to provide 3,533 acre feet (AF) of additional potable water per year. In addition to these potable water sources, the City uses recycled water for groundwater replenishment and for direct use in landscape irrigation and some industrial applications.

While still relatively inexpensive, there is a rapid escalation in the cost to purchase recycled water from IEUA. As a result, the cost to provide recycled water to Ontario's customers has increased. In response to the escalating cost of recycled water, it is recommended to eliminate the lower cost second tier rate for recycled water.

**Figure 12**  
**FY 2012-13 Water Supply by Source**



**Figure 13**  
**Recycled Water Cost (\$/AF)**



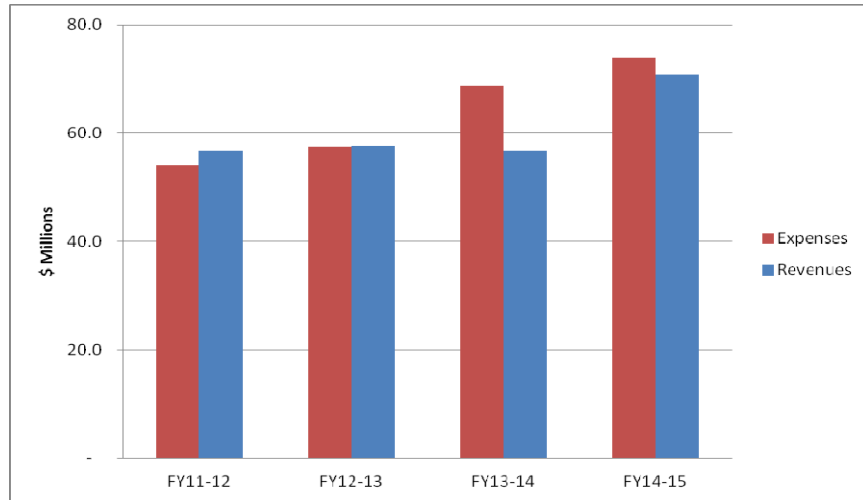
The water and recycled water master plans establish the basis and cost for new and replacement capital infrastructure required to maintain reliable water service for existing users and to expand the water systems for future users. The City maintains about 556 miles of main water pipelines, and the average age of the pipelines throughout Ontario is about 35 years, with about 115 miles (21%) of these being 50 years and older. The water system also consists of 24 active groundwater wells, 12 water reservoirs that store 75 million gallons of water, pressure reducing stations, booster stations, and water treatment facilities. The water master plan estimates the cost to replace the entire system today at more than \$410 million. Additionally, the master plans identify more than \$158 million in capital improvements that are needed to correct existing deficiencies primarily related to meeting fire flow requirements. Planned infrastructure improvements include ongoing meter replacement, additional water storage capacity, replacement of aging water production wells (five out of the City's twenty-four active wells are more than 40 years old), additional water treatment, and projects that will provide site security and system reliability such as seismic retrofits for existing water facilities.

The City's projected expenditures will exceed the available resources under the existing rates, as illustrated by Figure 14.



**Figure 14**

(FY 2013-14 & FY 2014-15 include some grant funded projects)



The City has experienced and anticipates future increases in the costs to operate and maintain the water system and to provide ongoing water system repairs, replacements, and upgrades. As a result of the anticipated increases in the costs of providing water service, the City is proposing to increase the City Charges for water services over the two-year period, commencing January 2014 and January 2015. Included in the proposed rates are the cost of imported water from wholesale agencies and fees imposed by regulatory agencies. The proposed rates for water service charges for the different customer classes are summarized in Table 3 below:

**Table 3***Commodity Rates/HCF/Month*

Monthly Water Use (Potable)	Commodity Charge Rates \$/HCF (Hundred Cubic Feet = 748 gallons)		
	Current	1/1/2014	1/1/2015
0-15 HCF	\$2.25	\$2.30	\$2.34
More than 15 HCF	\$2.61	\$2.66	\$2.72

Monthly Water Use (Recycled)	Commodity Charge Rates \$/HCF (Hundred Cubic Feet = 748 gallons)		
	Current*	1/1/2014	1/1/2015
Per HCF	\$1.35	\$1.43	\$1.56
*Current rate shown is the "Up to 1000 HCF". Future rates are applicable to all water serviced per HCF.			

Fire Service Charge Rates \$/Month				Readiness-to-Serve Charge Rates \$/Month						
Pipe Size	Current	1/1/2014	1/1/2015	Meter Size	Potable Water Rates			Recycled Water Rates		
2"	\$11.70	\$11.90	\$12.10	5/8"	Current	1/1/2014	1/1/2015	Current	1/1/2014	1/1/2015
4"	\$23.70	\$24.15	\$24.65	3/4"	NA	\$30.10	\$30.70	NA	\$15.65	\$17.10
6"	\$47.20	\$48.10	\$49.05	1"	\$38.90	\$39.65	\$40.40	\$19.45	\$20.60	\$22.45
8"	\$66.70	\$68.00	\$69.35	1.5"	\$86.20	\$87.90	\$89.65	\$43.10	\$45.65	\$49.75
10"	\$90.40	\$92.20	\$94.05	2"	\$124.30	\$126.75	\$129.25	\$62.15	\$65.85	\$71.75
12"	\$176.50	\$180.00	\$183.60	3"	\$242.30	\$247.15	\$252.05	\$121.15	\$128.40	\$139.95
16"	\$351.40	\$358.40	\$365.55	4"	\$384.10	\$391.80	\$399.60	\$192.05	\$203.55	\$221.85
				6"	\$794.00	\$808.85	\$826.05	\$397.00	\$420.80	\$458.65
				8"	\$1,178.30	\$1,201.85	\$1,225.85	\$589.15	\$624.50	\$680.70
				10"	\$1,817.80	\$1,854.15	\$1,891.20	\$908.90	\$963.40	\$1,050.10

## Appendix A

### Solid Waste Tables

Table 1 - Solid Waste Customers

Descriptions	<i>Actual</i> FY 2012	<i>Estimated</i> FY 2013	<i>Projected</i> FY 2014	<i>Projected</i> FY 2015
<b>AUTOMATED COLLECTION</b>				
<b><u>96-Gallon Containers (OMC)</u></b>				
Single-family residential service	24,495	24,593	24,777	25,521
Multi-family residential service	2,508	2,518	2,537	2,613
Commercial service - Refuse	891	895	901	928
All other residential service	53	53	54	55
<b><i>Subtotal</i></b>	<b><i>27,947</i></b>	<b><i>28,059</i></b>	<b><i>28,269</i></b>	<b><i>29,117</i></b>
<b><u>64-Gallon Containers (OMC)</u></b>				
Single-family residential service	1,181	1,186	1,195	1,230
Multi-family residential service	611	613	618	637
Commercial service	6	6	6	6
All other residential service	1	1	1	1
<b><i>Subtotal</i></b>	<b><i>1,799</i></b>	<b><i>1,806</i></b>	<b><i>1,820</i></b>	<b><i>1,874</i></b>
<b><u>32-Gallon Containers (OMC)</u></b>				
Single-family residential service	947	951	958	987
Multi-family residential service	37	37	37	39
Commercial service	32	32	32	33
All other residential service	0	0	0	0
<b><i>Subtotal</i></b>	<b><i>1,016</i></b>	<b><i>1,020</i></b>	<b><i>1,028</i></b>	<b><i>1,059</i></b>
<b>Total Automated Collection (OMC)</b>	<b>30,762</b>	<b>30,885</b>	<b>31,117</b>	<b>32,050</b>

**Table 1 - Solid Waste Customers (continued)**

<b><u>96-Gallon Containers (NMC)</u></b>				
New Model Colony (SFR)	40	40	139	437
New Model Colony (MFR)	3	3	10	33
New Model Colony (COMM)	0	0	0	0
<b><i>Subtotal</i></b>	<b><i>43</i></b>	<b><i>43</i></b>	<b><i>150</i></b>	<b><i>470</i></b>
 <b><u>64-Gallon Containers (NMC)</u></b>				
New Model Colony (SFR)	104	104	362	1,136
New Model Colony (MFR)	24	24	84	262
New Model Colony (COMM)	1	1	3	11
<b><i>Subtotal</i></b>	<b><i>129</i></b>	<b><i>130</i></b>	<b><i>449</i></b>	<b><i>1,409</i></b>
 <b><u>32-Gallon Containers (NMC)</u></b>				
New Model Colony (SFR)	38	38	132	415
New Model Colony (MFR)	28	28	98	306
New Model Colony (COMM)	13	13	45	142
<b><i>Subtotal</i></b>	<b><i>79</i></b>	<b><i>79</i></b>	<b><i>275</i></b>	<b><i>863</i></b>
 <b>Total Automated Collection (NMC)</b>	 <b>251</b>	 <b>252</b>	 <b>875</b>	 <b>2,742</b>
 <b><u>Additional Service</u></b>				
Extra 96 gallon refuse container	1,464	1,470	1,481	1,525
Extra 64 gallon refuse container	44	44	45	46
Extra 32 gallon refuse container	9	9	9	9
NMC - Extra 96 gallon refuse container	1	1	3	11
NMC - Extra 64 gallon refuse container	1	1	3	11
NMC - Extra 32 gallon refuse container	1	1	3	11
Extra 96 gallon greenwaste container	1,023	1,027	1,035	1,066
Extra 96 gallon recycling container	549	551	555	572
 <b>Total Refuse Containers (OMC)</b>	 32,279	 32,408	 32,651	 33,631
<b>Total Refuse Containers (NMC)</b>	<b>254</b>	<b>255</b>	<b>885</b>	<b>2,775</b>
<b>Total Greenwaste Containers (OMC)</b>	<b>31,785</b>	<b>31,912</b>	<b>32,151</b>	<b>33,116</b>
<b>Total Greenwaste Containers (NMC)</b>	<b>251</b>	<b>252</b>	<b>875</b>	<b>2,742</b>
<b>Total Recycling Containers (OMC)</b>	<b>31,311</b>	<b>31,436</b>	<b>31,672</b>	<b>32,622</b>
<b>Total Recycling Containers (NMC)</b>	<b>251</b>	<b>252</b>	<b>875</b>	<b>2,742</b>
<hr/>				
<b>Total Automated Containers</b>	<b>96,131</b>	<b>96,516</b>	<b>99,109</b>	<b>107,628</b>

**Table 1 - Solid Waste Customers (continued)**

**COMMERCIAL**

**First Pickup**

Monthly Collection

1.5 Cubic Yard Bin	250	253	255	258
3.0 Cubic Yard Bin	282	285	288	291
4.0 Cubic Yard Bin	3,275	3,308	3,341	3,374
6.0 Cubic Yard Bin	54	55	55	56

Monthly Compactor

1.5 Cubic Yard Bin	0	0	0	0
2.0 Cubic Yard Bin	2	2	2	2
3.0 Cubic Yard Bin	4	4	4	4
4.0 Cubic Yard Bin	10	10	10	10
6.0 Cubic Yard Bin	1	1	1	1

GreenWaste or Co-Mingled Recyclables

1.5 Cubic Yard Bin	55	56	56	57
3.0 Cubic Yard Bin	40	40	41	41
4.0 Cubic Yard Bin	637	643	650	656
6.0 Cubic Yard Bin	7	7	7	7

<b>Total Commercial Bins Count</b>	<b>4,617</b>	<b>4,663</b>	<b>4,710</b>	<b>4,757</b>
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**Additional Pickups**

Monthly Collection

1.5 Cubic Yard Bin	7	7	7	7
3.0 Cubic Yard Bin	107	108	109	110
4.0 Cubic Yard Bin	2,874	2,903	2,932	2,961
6.0 Cubic Yard Bin	38	38	39	39

Monthly Compactor

1.5 Cubic Yard Bin	0	0	0	0
2.0 Cubic Yard Bin	8	8	8	8
3.0 Cubic Yard Bin	5	5	5	5
4.0 Cubic Yard Bin	2	2	2	2
6.0 Cubic Yard Bin	1	1	1	1

GreenWaste or Co-Mingled Recyclables

1.5 Cubic Yard Bin	1	1	1	1
3.0 Cubic Yard Bin	12	12	12	12
4.0 Cubic Yard Bin	293	296	299	302
6.0 Cubic Yard Bin	4	4	4	4

<b>Total Additional Pickups</b>	<b>3,352</b>	<b>3,386</b>	<b>3,419</b>	<b>3,454</b>
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**Table 1 - Solid Waste Customers (continued)**

**Saturday Pickups**

Monthly Collection

1.5 Cubic Yard Bin	0	0	0	0
2.0 Cubic Yard Bin	0	0	0	0
3.0 Cubic Yard Bin	17	17	17	18
4.0 Cubic Yard Bin	160	162	163	165
6.0 Cubic Yard Bin	0	0	0	0

Monthly Compactor

1.5 Cubic Yard Bin	0	0	0	0
2.0 Cubic Yard Bin	2	2	2	2
3.0 Cubic Yard Bin	3	3	3	3
4.0 Cubic Yard Bin	2	2	2	2
6.0 Cubic Yard Bin	0	0	0	0

<b>Total Saturday Pickups</b>	<b>184</b>	<b>186</b>	<b>188</b>	<b>190</b>
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<b>Total Commercial Pickups</b>	<b>8,153</b>	<b>8,235</b>	<b>8,317</b>	<b>8,400</b>
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**Roll Off**

Refuse Service (# of loads)

Compactor Service	966	976	986	995
Open Top Service	10,109	10,210	10,312	10,415

Recycling Service (# of loads)

Compactor - Single commodity	350	354	357	361
Compactor - Inert, diverted/greenwaste	1,151	1,163	1,175	1,186

<b>Total Roll Off Loads</b>	<b>12,577</b>	<b>12,702</b>	<b>12,829</b>	<b>12,958</b>
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Number of Loads Over 5 tons

Compactor Service	687	693	700	707
Open Top Service	7,511	7,586	7,662	7,739

Other Services

Redelivery (dry run)	420	424	429	433
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<b>Total Roll Off</b>	<b>21,194</b>	<b>21,406</b>	<b>21,620</b>	<b>21,837</b>
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**Table 2 - Solid Waste Revenues (under existing rates)**

	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>Operating Revenues</b>				
Residential	\$10,018,776	\$10,058,036	\$10,323,893	\$11,193,905
Commercial/Industrial	\$18,462,873	\$18,563,983	\$18,834,750	\$19,023,097
Recycling	\$429,808	\$353,912	\$356,566	\$367,263
<b>Total Operating Revenues</b>	<b>\$28,911,457</b>	<b>\$28,975,931</b>	<b>\$29,515,208</b>	<b>\$30,584,265</b>
<b>Other/Miscellaneous Revenues</b>				
Rental of City Property	\$9,059	\$0	\$0	\$0
Change in Fair Value	-\$111,967	-\$279,180	\$64,310	\$66,239
Gain/Loss on Securities	\$97,944	-\$55,321	\$99,073	\$102,045
DMV A.B 2766	\$0	\$0	\$0	\$0
CAL EPA Used Oil	\$52,717	\$68,789	\$47,338	\$48,759
Bottlebill Grant	\$33,381	\$25,967	\$44,605	\$45,943
Multi-Fam Bev Container Rec	\$196,165	\$0	\$2,647	\$0
Bev Container Recyn Progr 08/09	\$0	\$0	\$0	\$0
Waste Tire Amnesty Grant	\$0	\$0	\$22,904	\$23,591
Used Oil Payment Program	\$2,673	\$0	\$0	
Household Hazardous Waste Program			\$45,767	
Interdepartmental	\$409,808	\$436,674	\$425,000	\$437,750
Re-service/Tag Fees	\$11,036	\$8,984	\$10,000	\$10,300
Real and Personal Property	\$9,059	\$22,020	\$0	\$0
State Highway Reimbursement	\$5,788	\$5,788	\$5,855	\$6,031
Misc Reimbursement	-\$6	\$923	\$218	\$224
Misc Receipts	\$1,948	\$1,321	\$1,142	\$1,177
Discount	\$0	\$0	\$0	\$0
Bad Check Charges	\$50		\$51	\$52
Late Charges - Customer Billing	\$482,637	\$459,886	\$403,000	\$415,090
PERS Credit	\$0	\$0	\$0	\$0
<b>Total Other/Misc Revenues</b>	<b>\$1,200,292</b>	<b>\$695,853</b>	<b>\$1,171,910</b>	<b>\$1,157,201</b>
<b>TOTAL REVENUES</b>	<b>\$30,111,749</b>	<b>\$29,671,784</b>	<b>\$30,687,119</b>	<b>\$31,741,466</b>

**Table 3 - Solid Waste Expenses**

<b>Descriptions</b>		<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>Automated Collection (149)</b>					
51010	Salaries- Full Time	\$1,067,070	\$1,066,391	\$1,110,482	\$1,166,006
51030	Salaries- Overtime	\$169,979	\$182,039	\$239,000	\$250,950
51100	Fringe Benefits	\$553,726	\$589,847	\$650,513	\$683,039
51210	Auto Allowance	\$651	\$651	\$651	\$671
52010	Computer Supplies	\$181	\$33	\$0	\$0
52020	Office Supplies	\$533	\$880	\$1,500	\$1,545
52110	Materials	\$95,183	\$355,085	\$300,000	\$309,000
52160	Equipment under \$5,000	\$0	\$856	\$2,000	\$2,060
52190	Misc Materials/Supplies	\$3,338	\$3,773	\$7,000	\$7,210
52330	Telecommunication Services	\$1,997	\$1,575	\$2,000	\$2,060
52341	City Utilities Services	\$1,379	\$1,408	\$2,500	\$2,575
52410	Advertising/Promotional	\$5,221	\$610	\$25,000	\$25,750
52510	Travel/Conference/Training	\$734	\$210	\$2,000	\$2,060
52520	Dues and Memberships	\$0	\$0	\$500	\$515
52710	Duplicating Expense	\$8,212	\$763	\$25,000	\$25,750
52720	Postage Expense	\$14	\$0	\$12,000	\$12,360
52740	Landfill Disposal	\$2,287,021	\$2,281,607	\$2,350,000	\$2,552,007
52750	S.B. County Household Hazard	\$242,160	\$242,160	\$270,000	\$278,100
52990	Miscellaneous Services	\$9,518	\$41,059	\$30,000	\$30,900
52991	Maintenance Services	\$1,603	\$1,480	\$2,000	\$2,060
53990	Other Expense	\$5,164	\$350	\$10,000	\$10,300
55140	Environmental Remediation	\$5,736	\$6,658	\$45,000	\$46,350
55310	Other Professional Services	\$0	\$19,210	\$30,000	\$30,900
57010	Equipment Services - City	\$2,165,042	\$2,165,042	\$2,165,042	\$2,229,993
57110	Information Services - City	\$118,985	\$118,985	\$118,985	\$122,555
57210	Risk Liability - City	\$69,983	\$69,983	\$69,983	\$72,082
57310	Workers Compensation	\$70,427	\$94,887	\$100,110	\$103,113
57410	Disability/Unemployment	\$8,610	\$8,378	\$19,433	\$20,016
<b>Subtotal</b>		<b>\$6,892,467</b>	<b>\$7,253,920</b>	<b>\$7,590,699</b>	<b>\$7,989,927</b>



**Table 3 - Solid Waste Expenses (continued)****Commercial Bin Collection (151)**

51010	Salaries- Full Time	\$2,106,491	\$1,963,212	\$2,326,855	\$2,443,198
51030	Salaries- Overtime	\$261,063	\$279,506	\$390,000	\$409,500
51100	Fringe Benefits	\$1,067,658	\$1,075,005	\$1,306,448	\$1,371,770
51210	Auto Allowance	\$1,302	\$1,302	\$1,302	\$1,341
52020	Office Supplies	\$185	\$20	\$500	\$515
52110	Materials	\$62,425	\$138,821	\$200,000	\$206,000
52160	Equipment under \$5,000	\$2,198	\$0	\$0	\$0
52190	Misc Materials/Supplies	\$32,924	\$42,120	\$40,000	\$41,200
52210	Maintenance & Repair	\$0	\$0	\$25,000	\$25,750
52330	Telecommunication Services	\$942	\$1,464	\$1,500	\$1,545
52341	City Utilities Service	\$6,268	\$3,455	\$12,000	\$12,360
52410	Advertising/Promotional	\$1,658	\$175	\$25,000	\$25,750
52510	Travel/Conference/Training	\$477	\$715	\$2,000	\$2,060
52520	Dues and Memberships	\$0	\$0	\$200	\$206
52610	Rental/Lease Expense	\$9,165	\$10,171	\$10,000	\$10,300
52710	Duplicating Expense	\$1,660	\$1,193	\$5,000	\$5,150
52720	Postage Expense	\$3,068	\$0	\$20,000	\$20,600
52740	Landfill Disposal	\$3,131,094	\$3,020,784	\$3,200,000	\$3,232,000
52990	Miscellaneous Services	\$9,850	\$10,147	\$20,000	\$20,600
53990	Other Expense	\$7,711	\$3,225	\$25,000	\$25,750
55140	Environmental Remediation	\$1,704	\$7,181	\$50,000	\$51,500
55310	Other Professional Services	\$52,863	\$160,956	\$90,000	\$92,700
57010	Equipment Services - City	\$2,142,519	\$2,142,519	\$2,142,519	\$2,206,795
57110	Information Services - City	\$287,828	\$287,828	\$287,828	\$296,463
57210	Risk Liability - City	\$167,320	\$167,320	\$167,320	\$172,340
57310	Workers Compensation	\$132,587	\$166,277	\$206,189	\$212,375
57410	Disability/Unemployment	\$17,221	\$15,903	\$40,720	\$41,942

**Subtotal****\$9,508,181****\$9,499,300****\$10,595,381****\$10,929,708****Drop Body Collection (152)**

51010	Salaries- Full Time	\$467,660	\$466,708	\$502,393	\$527,513
51030	Salaries- Overtime	\$57,943	\$64,881	\$80,000	\$84,000
51100	Fringe Benefits	\$221,806	\$232,476	\$270,636	\$284,168
51210	Auto Allowance	\$651	\$651	\$651	\$671
52110	Materials	\$892	\$589	\$10,000	\$10,300
52190	Misc Materials/Supplies	\$2,661	\$6,224	\$0	\$0
52210	Maintenance & Repair	\$0	\$0	\$45,000	\$46,350
52330	Telecommunication Services	\$974	\$608	\$1,000	\$1,030
52710	Duplicating Expense	\$0	\$0	\$4,000	\$4,120
52740	Landfill Disposal	\$1,527,543	\$1,642,301	\$1,950,000	\$1,969,500
52990	Miscellaneous Services	\$2,525	\$2,224	\$10,000	\$10,300
53990	Other Expense	\$14,513	\$12,861	\$15,000	\$15,450

**Table 3 - Solid Waste Expenses (continued)**

57010	Equipment Services - City	\$915,705	\$915,705	\$915,705	\$943,176
57110	Information Services - City	\$62,660	\$62,660	\$62,660	\$64,540
57210	Risk Liability - City	\$33,868	\$33,868	\$33,868	\$34,884
57310	Workers Compensation	\$29,265	\$39,669	\$44,105	\$45,428
57410	Disability/Unemployment	\$3,834	\$3,662	\$8,792	\$9,056
<b>Subtotal</b>		<b>\$3,342,500</b>	<b>\$3,485,087</b>	<b>\$3,953,810</b>	<b>\$4,050,485</b>

**Street Sweep/Debris Removal (146)**

51010	Salaries- Full Time	\$286,975	\$291,159	\$286,501	\$300,826
51030	Salaries- Overtime	\$37,010	\$31,579	\$55,000	\$57,750
51100	Fringe Benefits	\$138,468	\$149,826	\$159,672	\$167,656
52020	Office Supplies	\$36	\$642	\$0	\$0
52110	Materials	\$0	\$623	\$5,500	\$5,665
52160	Equipment under \$5,000	\$43	\$223	\$2,000	\$2,060
52190	Misc Materials/Supplies	\$4,351	\$852	\$0	\$0
52330	Telecommunication Services	\$4,057	\$2,099	\$4,200	\$4,326
52341	City Utility Service	\$510	\$530	\$0	\$0
52510	Travel/Conference/Training	\$815	\$521	\$0	\$0
52740	Landfill Disposal	\$210,578	\$225,786	\$210,000	\$210,000
52990	Miscellaneous Services	\$879,756	\$905,228	\$950,000	\$978,500
57010	Equipment Services - City	\$75,427	\$75,427	\$75,427	\$77,690
57110	Information Services - City	\$28,866	\$28,866	\$28,866	\$29,732
57210	Risk Liability - City	\$17,357	\$17,357	\$17,357	\$17,878
57310	Workers Compensation	\$16,304	\$22,455	\$22,204	\$22,870
57410	Disability/Unemployment	\$2,286	\$2,262	\$5,014	\$5,164
<b>Subtotal</b>		<b>\$1,702,838</b>	<b>\$1,755,435</b>	<b>\$1,821,741</b>	<b>\$1,880,117</b>

**Solid Waste Supervision (147)**

51010	Salaries- Full Time	\$343,372	\$332,170	\$492,306	\$516,921
51030	Salaries- Overtime	\$6,984	\$8,900	\$16,000	\$16,800
51050	Compensated Absences	-\$34,108	\$4,904	\$0	\$0
51100	Fringe Benefits	\$158,591	\$175,194	\$254,416	\$262,048
51210	Auto Allowance	\$4,889	\$4,846	\$5,004	\$5,154
52010	Computer Supplies	\$6,504	\$1,858	\$0	\$0
52020	Office Supplies	\$5,649	\$8,113	\$9,000	\$9,270
52030	Books/Publications	\$0	\$20	\$0	\$0
52160	Equipment under \$5,000	\$0	\$250	\$2,000	\$2,060
52190	Misc Materials/Supplies	\$315	\$1,874	\$2,000	\$2,060
52210	Maintenance & Repair	\$0	\$75	\$0	\$0
52330	Telecommunication Services	\$460	\$0	\$2,000	\$2,060
52410	Advertising/Promotional	\$111	\$0	\$0	\$0
52510	Travel/Conference/Training	\$3,804	\$6,179	\$6,000	\$6,180

**Table 3 - Solid Waste Expenses (continued)**

52520	Dues and Memberships	\$1,207	\$1,023	\$1,500	\$1,545
52710	Duplicating Expense	\$146	\$13	\$0	\$0
52990	Miscellaneous Services	\$0	\$693	\$1,500	\$1,545
53510	Depreciation	\$127,822	\$117,171	\$130,000	\$133,900
53610	Bad Debt Expense	\$91,847	\$44,247	\$95,000	\$97,850
53990	Other Expense	\$666	\$6,300	\$14,000	\$14,420
55010	Legal Services	\$0	\$2,117	\$6,000	\$6,180
57110	Information Services - City	\$27,598	\$29,286	\$33,088	\$34,081
57210	Risk Liability - City	\$16,217	\$16,217	\$18,464	\$19,018
57310	Workers Compensation	\$5,072	\$5,050	\$3,102	\$3,195
57410	Disability/Unemployment	\$2,778	\$2,960	\$8,615	\$8,873
<b>Subtotal</b>		<b>\$769,925</b>	<b>\$769,459</b>	<b>\$1,099,995</b>	<b>\$1,143,161</b>
<b>TOTAL O&amp;M EXPENSES</b>		<b>\$27,495,546</b>	<b>\$34,792,056</b>	<b>\$32,054,512</b>	<b>\$33,828,510</b>

**Table 4 - Solid Waste Capital & Grant Expenses**

<b>Project #</b>	<b>Project Name</b>	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
PF9920	NPDES Water Clarifier System	\$84,065	\$256,627	\$351,593	\$0
PF0010	Public Works Service Center (029)	\$125,808	\$240,747	\$124,634	\$125,000
PF0010	Public Works Service Center (031)	\$31,030	\$0	\$63,838	\$0
PF0302	Public Works Service Center Security	\$24,533	\$245,705	\$40,848	\$75,000
GR0101	Bottle Bill Grant	\$30,187	\$453	\$0	\$0
GR0805	Multi-Family Bev Container Recycle	\$105,494	\$0	\$2,648	\$0
GR0902	Bev Container Recy Program 08/09	\$90,671	\$0	\$0	\$0
GR0923	2009-2010 Used Oil Block 15th	\$22,658	\$0	\$0	\$0
GR1011	2010-11 Used Oil Payment Prog	\$55,333	\$0	\$0	\$0
GR1112	2010-11 Bottle Bill Grant	\$6,490	\$24,490	\$18,113	\$0
GR1113	2011-12 Used Oil (OPP2)	\$7,861	\$45,922	\$0	\$0
GR1212	2011-12 Bottle Bill Grant	\$0	\$1,025	\$43,511	\$0
GR1213	2012-13 Used Oil (OPP3)	\$0	\$137	\$46,696	\$48,759
GRXXXX	2012-13 Bottle Bill Grant	\$0	\$0	\$44,605	\$45,943
GRXXXX	2013-14 Tire Amnesty Grant	\$0	\$0	\$22,904	\$23,591
GRXXXX	2012-13 Household Hazardous Waste	\$0	\$0	\$45,767	\$0
PF1204	NPDES Bioswale	\$0	\$370,000	\$0	\$0
MS1002	Climate Action Plan EIR	\$0	\$0	\$30,000	\$0
MSXXXX	Pavement Rehabilitation	\$0	\$0	\$3,000,000	\$0
MS1303	Automatic Vehicle Location Pgm	\$0	\$0	\$121,037	\$0
<b>Total CIP</b>		<b>\$584,129</b>	<b>\$1,185,107</b>	<b>\$3,956,194</b>	<b>\$318,293</b>

**Table 5 - Solid Waste Revenue & Expense Summary**

			<i>Actual</i>	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
			<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>REVENUES</b>						
<b>Revenues from Existing Rates</b>			<b>\$28,481,649</b>	<b>\$28,622,019</b>	<b>\$29,158,642</b>	<b>\$30,217,002</b>
Residential			\$10,018,776	\$10,058,036	\$10,323,893	\$11,193,905
Commercial/Industrial			\$18,462,873	\$18,563,983	\$18,834,750	\$19,023,097
<b>Revenue Adjustments</b>						
<b>Year</b>	<b>%</b>	<b>Effective Month</b>				
FY 2014	0%	Jan 6			\$0	\$0
FY 2015	0%	Jan 6				\$0
<i>Subtotal Revenue Adjustments</i>			<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<b>Total Revenues from Rates</b>			<b>\$28,481,649</b>	<b>\$28,622,019</b>	<b>\$29,158,642</b>	<b>\$30,217,002</b>
Recycling			\$429,808	\$353,912	\$356,566	\$367,263
Miscellaneous Revenues			\$1,200,292	\$695,853	\$1,171,910	\$1,157,201
Interest Income			\$520,484	\$352,456	\$171,275	\$498,744
<b>TOTAL REVENUES</b>			<b>\$30,632,232</b>	<b>\$30,024,239</b>	<b>\$30,858,394</b>	<b>\$32,240,210</b>
<b>REVENUE REQUIREMENTS</b>						
<b>Direct O&amp;M Expenses</b>			<b>\$19,743,149</b>	<b>\$20,238,307</b>	<b>\$22,139,890</b>	<b>\$22,970,120</b>
<i>Automated Collection (149)</i>			<i>\$6,892,467</i>	<i>\$7,253,920</i>	<i>\$7,590,699</i>	<i>\$7,989,927</i>
Salaries- Full Time			\$1,067,070	\$1,066,391	\$1,110,482	\$1,166,006
Salaries- Overtime			\$169,979	\$182,039	\$239,000	\$250,950
Fringe Benefits			\$553,726	\$589,847	\$650,513	\$683,039
Landfill Disposal			\$2,287,021	\$2,281,607	\$2,350,000	\$2,552,007
Other O&M Expenses			\$2,814,671	\$3,134,035	\$3,240,704	\$3,337,925
<i>Commercial Bin Collection (151)</i>			<i>\$9,508,181</i>	<i>\$9,499,300</i>	<i>\$10,595,381</i>	<i>\$10,929,708</i>
Salaries- Full Time			\$2,106,491	\$1,963,212	\$2,326,855	\$2,443,198
Salaries- Overtime			\$261,063	\$279,506	\$390,000	\$409,500
Fringe Benefits			\$1,067,658	\$1,075,005	\$1,306,448	\$1,371,770
Landfill Disposal			\$3,131,094	\$3,020,784	\$3,200,000	\$3,232,000
Other O&M Expenses			\$2,941,875	\$3,160,793	\$3,372,078	\$3,473,240
<i>Drop Body Collection (152)</i>			<i>\$3,342,500</i>	<i>\$3,485,087</i>	<i>\$3,953,810</i>	<i>\$4,050,485</i>
Salaries- Full Time			\$467,660	\$466,708	\$502,393	\$527,513
Salaries- Overtime			\$57,943	\$64,881	\$80,000	\$84,000
Fringe Benefits			\$221,806	\$232,476	\$270,636	\$284,168
Landfill Disposal			\$1,527,543	\$1,642,301	\$1,950,000	\$1,969,500
Other O&M Expenses			\$1,067,548	\$1,078,721	\$1,150,781	\$1,185,304
<i>Annual Operating Impact from CIP</i>			<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>

<b>SS/Supervision/Transfer to Other Funds</b>	<b>\$7,752,398</b>	<b>\$14,553,748</b>	<b>\$9,914,622</b>	<b>\$10,858,390</b>
Street Sweep/Debris Removal (146)	\$1,702,838	\$1,755,435	\$1,821,741	\$1,880,117
Solid Waste Supervision (147)	\$769,925	\$769,459	\$1,099,995	\$1,143,161
CAP General Fund Allocation	\$4,048,730	\$4,641,621	\$5,748,334	\$6,482,514
Billing & Collection	\$967,372	\$860,520	\$980,999	\$1,078,579
Pavement Preservation	\$213,533	\$6,476,713	\$213,553	\$224,020
Communication/Radio Repl. Reserve	\$50,000	\$50,000	\$50,000	\$50,000
<b>CIP Funded by Fund 029</b>	<b>\$553,099</b>	<b>\$1,185,107</b>	<b>\$3,716,460</b>	<b>\$325,555</b>
<b>TOTAL REVENUE REQUIREMENTS</b>	<b>\$28,048,645</b>	<b>\$35,977,162</b>	<b>\$35,770,972</b>	<b>\$34,154,065</b>
 <b>NET ANNUAL CASH BALANCES</b>	 <b>\$2,583,588</b>	 <b>(\$5,952,923)</b>	 <b>(\$4,912,579)</b>	 <b>(\$1,913,856)</b>

## Appendix B

### Sewer Tables

Table 1

#### Billable EDU Projections

	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>Class Description</b>				
SFR	323,116	322,832	326,060	329,321
MFR (1)	127,291	234,000	236,340	238,703
H/Motel	9,246	8,720	8,808	8,896
OFF/RTL	119,919	110,700	111,807	112,925
COMM	102,153	94,300	95,243	96,195
CAT/SIG	14,610	5,151	5,203	5,255
Class II	19,430	6,850	6,919	6,988
OTHIND	5,152	1,814	1,833	1,851
<b>Total</b>	<b>720,916</b>	<b>784,368</b>	<b>792,212</b>	<b>800,134</b>

(1) 1 MF unit = 0.96 EDU

Table 2

#### Billing Unit Projections

	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>Class Description</b>				
SFR				
MFR				
H/Motel	5,620	5,620	5,676	5,733
OFF/RTL	3,321	3,321	3,354	3,388
COMM	1,820	1,820	1,838	1,857
CAT/SIG	17	17	17	17
Class II	63	63	64	64
OTHIND	88	88	89	90
<b>Total</b>	<b>10,929</b>	<b>10,929</b>	<b>11,038</b>	<b>11,149</b>

**Table 3 - Sewer Revenue Under Existing Rates**

	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>City</b>				
Calculated Revenue				
SFR	\$ 3,951,711	\$ 4,007,958	\$ 4,108,359	\$ 4,149,442
MFR	\$ 1,495,666	\$ 2,790,450	\$ 2,859,714	\$ 2,888,311
H/Motel	\$ 113,077	\$ 108,265	\$ 110,977	\$ 112,087
OFF/RTL	\$ 1,466,605	\$ 1,374,341	\$ 1,408,768	\$ 1,422,856
COMM	\$ 1,249,330	\$ 1,170,735	\$ 1,200,062	\$ 1,212,062
CAT/SIG	\$ 178,680	\$ 63,956	\$ 65,558	\$ 66,213
Class II	\$ 237,629	\$ 85,043	\$ 87,174	\$ 88,045
OTHIND	\$ 63,009	\$ 22,527	\$ 23,091	\$ 23,322
<b>Total</b>	<b>\$ 8,755,709</b>	<b>\$ 9,623,273</b>	<b>\$ 9,863,702</b>	<b>\$ 9,962,339</b>
<b>Building Units</b>				
Calculated Revenue				
SFR	\$ -	\$ -	\$ -	\$ -
MFR	\$ -	\$ -	\$ -	\$ -
H/Motel	\$ 512,544	\$ 522,660	\$ 538,104	\$ 543,485
OFF/RTL	\$ 477,228	\$ 486,194	\$ 499,106	\$ 504,098
COMM	\$ 644,280	\$ 654,108	\$ 660,649	\$ 657,230
CAT/SIG	\$ 22,517	\$ 22,858	\$ 23,087	\$ 22,974
Class II	\$ 83,444	\$ 84,710	\$ 85,557	\$ 85,140
OTHIND	\$ 58,291	\$ 59,189	\$ 60,687	\$ 61,294
<b>Total</b>	<b>\$ 1,798,303</b>	<b>\$ 1,829,719</b>	<b>\$ 1,867,190</b>	<b>\$ 1,874,221</b>
<b>IEUA</b>				
Calculated Revenue				
SFR	\$ 3,599,515	\$ 3,999,887	\$ 4,365,946	\$ 4,738,926
MFR	\$ 992,613	\$ 2,029,482	\$ 2,215,215	\$ 2,404,459
H/Motel	\$ 102,999	\$ 108,047	\$ 117,935	\$ 128,010
OFF/RTL	\$ 1,335,894	\$ 1,371,573	\$ 1,497,096	\$ 1,624,992
COMM	\$ 1,137,984	\$ 1,168,377	\$ 1,275,304	\$ 1,384,252
CAT/SIG	\$ 162,755	\$ 63,827	\$ 68,978	\$ 74,130
Class II	\$ 216,450	\$ 84,872	\$ 91,722	\$ 98,572
OTHIND	\$ 57,393	\$ 22,481	\$ 24,296	\$ 26,110
<b>Total</b>	<b>\$ 7,605,604</b>	<b>\$ 8,848,546</b>	<b>\$ 9,656,492</b>	<b>\$ 10,479,452</b>

**Table 3 - Sewer Revenue Under Existing Rates (continued)**

**Summary by class**

SFR	\$	7,551,226	\$	8,007,845	\$	8,474,305	\$	8,888,368
MFR	\$	2,488,279	\$	4,819,932	\$	5,074,929	\$	5,292,770
H/Motel	\$	728,621	\$	738,972	\$	767,015	\$	783,581
OFF/RTL	\$	3,279,727	\$	3,232,108	\$	3,404,970	\$	3,551,945
COMM	\$	3,031,594	\$	2,993,220	\$	3,136,015	\$	3,253,545
CAT/SIG	\$	363,952	\$	150,641	\$	157,623	\$	163,318
Class II	\$	537,523	\$	254,625	\$	264,452	\$	271,757
OTHIND	\$	178,693	\$	104,197	\$	108,074	\$	110,726
<b>Total</b>	<b>\$</b>	<b>18,159,615</b>	<b>\$</b>	<b>20,301,538</b>	<b>\$</b>	<b>21,387,384</b>	<b>\$</b>	<b>22,316,011</b>

		<i>Actual</i>	<i>Actual</i>	<i>Projected</i>	<i>Projected</i>
		<b>FY 2012</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<hr/>					
Account					
51010	Salaries-Full Time	\$ 881,090	\$ 900,589	\$ 1,064,688	\$ 1,096,629
51030	Salaries-Overtime	\$ 56,142	\$ 54,654	\$ 86,016	\$ 88,597
51050	Compensated Absences	\$ 12,016	\$ (15,555)	\$ (16,022)	\$ (16,502)
51100	Fringe Benefits	\$ 412,096	\$ 440,084	\$ 580,870	\$ 598,296
51210	Auto Allowance	\$ 1,504	\$ 1,200	\$ 1,291	\$ 1,330
52010	Computer Supplies	\$ 766	\$ 775	\$ 5,400	\$ 5,562
52020	Office Supplies	\$ 439	\$ 172	\$ 7,900	\$ 8,137
52030	Books/Publications	\$ 102	\$ -	\$ -	\$ -
52120	Fuel & Oil	\$ -	\$ -	\$ 500	\$ 515
52160	Equipment Under \$5,000	\$ 4,588	\$ -	\$ 43,000	\$ 44,290
52190	Misc Materials/Supplies	\$ 34,277	\$ 21,028	\$ 63,067	\$ 64,959
52330	Telecommunication Services	\$ 3,747	\$ 1,759	\$ 6,000	\$ 6,180
52410	Advertising/Promotional	\$ 629	\$ -	\$ 2,000	\$ 2,060
52510	Travel/Conference/Training	\$ 2,635	\$ 3,664	\$ 5,500	\$ 5,665
52520	Dues and Memberships	\$ 1,003	\$ 1,748	\$ 3,550	\$ 3,657
52710	Duplicating Expense	\$ 159	\$ -	\$ -	\$ -
52740	Landfill Disposal	\$ 3,000	\$ 6,559	\$ 3,000	\$ 3,090
55310	Other Professional Services	\$ 27,187	\$ 3,501	\$ 135,000	\$ 139,050
57010	Equipment Services-City	\$ 152,375	\$ 152,375	\$ 152,105	\$ 156,668
57110	Information Services-City	\$ 84,908	\$ 86,595	\$ 86,595	\$ 89,193
57210	Risk Liability-City	\$ 49,921	\$ 49,921	\$ 49,921	\$ 51,419
57310	Workers Compensation	\$ 40,870	\$ 55,057	\$ 54,840	\$ 56,485
57410	Disability/Unemployment	\$ 7,117	\$ 7,189	\$ 18,633	\$ 19,192
53510	Depreciation	\$ 882,648	\$ 1,126,288	\$ 1,225,000	\$ 1,261,750
53610	Bad Debt Expense	\$ 38,096	\$ 22,822	\$ 40,000	\$ 41,200
55010	Legal Services	\$ 126,650	\$ 103,220	\$ 250,000	\$ 257,500
52110	Materials	\$ 8,252	\$ 4,211	\$ 50,000	\$ 51,500
52140	Chemicals	\$ 965	\$ -	\$ 12,500	\$ 12,875



**Table 4 - Sewer Expenses (continued)**

52210	Maintenance & Repairs	\$ 44,555	\$ 22,264	\$ 40,000	\$ 41,200
52310	Electric Services	\$ 11,252	\$ 12,237	\$ 20,000	\$ 20,600
52340	Sewage Treatment Services	\$ 7,771,242	\$ 8,782,140	\$ 9,707,750	\$ 10,479,452
52990	Miscellaneous Services	\$ 15,821	\$ 10,911	\$ 20,700	\$ 21,321
52991	Maintenance Services	\$ 27,353	\$ 34,867	\$ 155,000	\$ 159,650
53990	Other Expense	\$ 944	\$ 5,605	\$ 16,700	\$ 17,201
55120	Construction Contracts	\$ 270,903	\$ 344,867	\$ 840,000	\$ 865,200
62010	Other Equipment	\$ -	\$ 41,016	\$ 40,000	\$ 41,200
	Transfers Out	\$ 3,955,276	\$ 2,785,384	\$ 3,988,426	\$ 4,108,079
<b>Total</b>		<b>\$ 14,930,529</b>	<b>\$ 15,067,147</b>	<b>\$ 18,759,931</b>	<b>\$ 19,803,198</b>

		<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
Proj #	<b>Project Title</b>				
PF0010	Expansion of Sewer, Solid Waste Facilities	\$ 32,344	\$ 1,850	\$ 90,376	\$ 212,180
PF9920	NPDES Facilities	\$ -	\$ 125,704	\$ 2,364	\$ -
PF0302	Public Works Service Center Security	\$ 7,641	\$ 102,360	\$ -	\$ 53,045
PF1204	NPDES Bioswale	\$ -	\$ 35,000	\$ -	\$ -
SE1001	Removal Abandon Sewer Lift Station	\$ -	\$ -	\$ 131,995	\$ -
MS1002	Climate Action EIR	\$ 7,287	\$ 7,244	\$ 10,257	\$ -
SE0802	27-Inch Haven Sewer Relocation	\$ -	\$ -	\$ 309,000	\$ -
SE0402	Sewer Master Plan Update	\$ 5,924	\$ -	\$ -	\$ -
SE0303	Sewer System Evaluation/Enhancements	\$ 16,200	\$ 25,000	\$ 77,250	\$ 79,568
SE1102	Boulder-Holt Sewer Diversion	\$ 61,430	\$ 1,048,680	\$ 126,216	\$ -
SE0601	Holt Line (Towncenter Project)	\$ 121,928	\$ -	\$ -	\$ -
SE0801	Sewer Main Replacement Program	\$ 356,203	\$ 2,185,846	\$ 4,816,963	\$ 3,182,700
SE1101	Magnolia Lift Station Improvements	\$ 57,482	\$ -	\$ -	\$ -
<b>Total CIP Projects (inflated)</b>		<b>\$ 666,439</b>	<b>\$ 3,531,684</b>	<b>\$ 5,564,421</b>	<b>\$ 3,527,493</b>

**Engineering Costs (Dept 085)**

Salaries-Full Time	\$ 359,051	\$ 342,867	\$ 382,054	\$ 393,516
Salaries-Temp/Part Time	\$ 989	\$ 570	\$ -	\$ -
Salaries-Overtime	\$ 9	\$ 105	\$ -	\$ -
Fringe Benefits	\$ 158,297	\$ 154,131	\$ 184,180	\$ 189,705
Auto Allowance	\$ 1,305	\$ 1,302	\$ 1,302	\$ 1,341
Office Supplies	\$ -	\$ -	\$ 1,955	\$ 2,014
Equipment Under \$5,000	\$ -	\$ -	\$ 1,235	\$ 1,272
Travel/Conference/Training	\$ 299	\$ -	\$ 925	\$ 953
Other Professional Svcs	\$ 287	\$ -	\$ 20,000	\$ 20,600
Equipment Services-City	\$ 12,875	\$ 12,875	\$ 12,875	\$ 13,261
Information Services-City	\$ 57,533	\$ 57,533	\$ 57,533	\$ 59,259
Risk Liability-City	\$ 11,462	\$ 11,462	\$ 11,462	\$ 11,806

**Table 5 - Sewer Capital Expenses (continued)**

Workers Compensation	\$ 9,747	\$ 9,766	\$ 11,575	\$ 11,922
Unemployment Insurance	\$ 2,899	\$ 2,712	\$ 6,686	\$ 6,887
<b>Subtotal Engineering Costs</b>	<b>\$ 614,753</b>	<b>\$ 593,323</b>	<b>\$ 691,782</b>	<b>\$ 712,535</b>
<b>Municipal Utilities Admin (Dept 087)</b>				
Salaries-Full Time	\$ 33,217	\$ 52,688	\$ -	\$ -
Fringe Benefits	\$ 15,924	\$ 26,137	\$ -	\$ -
Information Services-City	\$ 6,195	\$ 6,195	\$ -	\$ -
Risk Liability-City	\$ 3,647	\$ 3,647	\$ -	\$ -
Workers Compensation	\$ 210	\$ 317	\$ -	\$ -
Unemployment Insurance	\$ 279	\$ 397	\$ -	\$ -
<b>Subtotal Municipal Utilities Admin Costs</b>	<b>\$ 59,471</b>	<b>\$ 89,382</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Sewer Capital/Utilities (Dept 130)</b>				
Salaries-Full Time	\$ 110,417	\$ 124,971	\$ 195,062	\$ 200,914
Overtime	\$ 24	\$ -	\$ -	\$ -
Fringe Benefits	\$ 49,630	\$ 57,194	\$ 93,044	\$ 95,835
Auto Allowance	\$ 11,544	\$ -	\$ 300	\$ 309
Computer Supplies	\$ -	\$ 500	\$ 5,000	\$ 5,150
Office Supplies	\$ -	\$ 379	\$ 1,000	\$ 1,030
Telecommunication Svcs	\$ -	\$ -	\$ 500	\$ 515
Travel/Conference/Training	\$ -	\$ -	\$ 4,000	\$ 4,120
Other Professional Svcs	\$ -	\$ 32,775	\$ 25,000	\$ 25,750
Equipment Services-City	\$ 17,582	\$ 17,582	\$ 17,582	\$ 18,109
Information Services-City	\$ 9,011	\$ 9,011	\$ 9,011	\$ 9,281
Risk Liability-City	\$ 5,308	\$ 5,308	\$ 5,308	\$ 5,467
Workers Compensation	\$ 1,257	\$ 1,106	\$ 2,275	\$ 2,343
Unemployment Insurance	\$ 986	\$ 1,067	\$ 3,414	\$ 3,516
<b>Subtotal Administrative Costs</b>	<b>\$ 205,759</b>	<b>\$ 249,893</b>	<b>\$ 361,496</b>	<b>\$ 372,341</b>
<b>Transfers to General Fund</b>				
CAP General Fund Allocation	\$ 231,725	\$ 1,481,359	\$ 1,431,050	\$ 1,473,982
<b>Subtotal Transfers</b>	<b>\$ 231,725</b>	<b>\$ 1,481,359</b>	<b>\$ 1,431,050</b>	<b>\$ 1,473,982</b>
<b>TOTAL CIP</b>	<b>\$ 1,778,147</b>	<b>\$ 5,945,640</b>	<b>\$ 7,944,178</b>	<b>\$ 5,883,858</b>

	<i>Actual</i> FY 2012	<i>Actual</i> FY 2013	<i>Projected</i> FY 2014	<i>Projected</i> FY 2015
<b>Revenue from city rates</b>				
City rates	\$ 8,755,709	\$ 9,623,273	\$ 9,863,702	\$ 9,962,339
Billing Units	\$ 1,798,303	\$ 1,829,719	\$ 1,867,190	\$ 1,874,221
<b>Additional revenue required:</b>				
	FY	Percent	Months Effective	
	2014	0.00%	6	\$ -
	2015	0.00%	6	\$ -
Total Revenue from City Rates	\$ 10,554,011	\$ 11,452,992	\$ 11,730,892	\$ 11,836,560
IEUA Rates	\$ 7,771,242	\$ 8,848,546	\$ 9,707,750	\$ 10,479,452
Misc. Operating Revenue	\$ 489,160	\$ 338,031	\$ 280,000	\$ 278,293
<b>Total Operating Revenue</b>	<b>\$ 18,814,413</b>	<b>\$ 20,639,569</b>	<b>\$ 21,718,642</b>	<b>\$ 22,594,304</b>
<b>Revenue Requirements</b>				
O&M Less Transfers	\$ 3,204,011	\$ 3,499,623	\$ 5,063,755	\$ 5,215,667
IEUA Treatment	\$ 7,771,242	\$ 8,782,140	\$ 9,707,750	\$ 10,479,452
Capital Replacement	\$ 1,778,147	\$ 5,945,640	\$ 7,944,178	\$ 5,883,858
Transfers Out	\$ 3,955,276	\$ 2,785,384	\$ 3,988,426	\$ 4,108,079
<b>Total Revenue Requirements</b>	<b>\$ 16,708,676</b>	<b>\$ 21,012,787</b>	<b>\$ 26,704,109</b>	<b>\$ 25,687,056</b>
<b>Net Annual Cash Balance</b>	\$2,105,737	(\$373,218)	(\$4,985,467)	(\$3,092,752)

## Appendix C

### Water Tables

**Table 1 – Water Meter Summary**

<b>Descriptions</b>	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>POTABLE - OMC</b>				
5/8"	26,761	26,790	27,317	27,854
3/4"	0	0	0	0
1 "	2,067	2,036	2,070	2,104
1 1/2"	1,293	1,301	1,324	1,347
2"	1,894	1,907	1,941	1,975
3"	179	194	197	200
4"	92	91	93	94
6"	49	49	50	50
8"	52	50	51	51
10"	3	3	3	3
<i>Subtotal</i>	<b>32,390</b>	<b>32,422</b>	<b>33,044</b>	<b>33,678</b>
<b>POTABLE - NMC</b>				
5/8"	71	71	246	773
3/4"	0	0	0	0
1"	115	143	491	1,536
2"	37	36	38	40
<i>Subtotal</i>	<b>223</b>	<b>250</b>	<b>776</b>	<b>2,349</b>
<b>RECYCLED WATER</b>				
1"	16	16	18	19
1 1/2"	24	24	26	29
2"	115	115	126	138
3"	16	16	17	19
4"	12	12	13	14
6"	8	8	9	10
8"	7	7	8	8
<i>Subtotal</i>	<b>198</b>	<b>199</b>	<b>217</b>	<b>236</b>
<b>TOTAL METERS</b>	<b>32,811</b>	<b>32,871</b>	<b>34,037</b>	<b>36,263</b>

**Table 2 – Water Usage Summary**

<b>Descriptions</b>	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>POTABLE - OMC</b>				
<u><b>Single Family</b></u>				
Tier 1	3,627,521	3,700,071	3,774,073	3,849,554
Tier 2	1,959,179	1,998,363	2,038,330	2,079,096
 <u><b>Multi-Family</b></u>				
Tier 1	339,937	343,337	346,770	350,238
Tier 2	2,024,385	2,044,628	2,065,075	2,085,725
 <u><b>Commercial</b></u>				
Tier 1	351,666	358,699	365,873	373,191
Tier 2	2,709,315	2,763,501	2,818,771	2,875,147
 <u><b>Industrial</b></u>				
Tier 1	30,427	30,427	30,427	30,427
Tier 2	654,355	654,355	654,355	654,355
 <u><b>Irrigation</b></u>				
Tier 1	172,483	175,933	179,452	183,041
Tier 2	2,306,254	2,352,379	2,399,426	2,447,415
 <u><b>City</b></u>				
Tier 1	34,536	34,881	34,881	34,881
Tier 2	252,691	255,218	255,218	255,218
 <u><b>Hydrants</b></u>				
Tier 1	2,755	2,755	2,755	2,755
Tier 2	47,224	47,224	47,224	47,224
 <b>TOTAL POTABLE - OMC</b>	<b>14,512,728</b>	<b>14,761,772</b>	<b>15,012,630</b>	<b>15,268,267</b>
 <b>POTABLE - NMC</b>				
<u><b>Single Family</b></u>				
Tier 1	11,824	13,006	45,137	141,528
Tier 2	6,386	7,025	24,378	76,438
 <u><b>Multi-Family</b></u>				
Tier 1	1,060	1,081	1,189	1,308
Tier 2	6,309	6,436	7,079	7,787

**Table 2 – Water Usage Summary (continued)**

<b><u>Commercial</u></b>				
Tier 1	31	32	32	33
Tier 2	239	244	249	254
<b><u>Irrigation</u></b>				
Tier 1	2,053	2,094	2,136	2,178
Tier 2	27,446	27,995	28,555	29,126
<b><u>Hydrant</u></b>				
Tier 1	281	286	292	298
Tier 2	4,812	4,908	5,007	5,107
<hr/>				
<b>TOTAL POTABLE - NMC</b>	<b>60,441</b>	<b>63,107</b>	<b>114,053</b>	<b>264,056</b>
<hr/>				
<b>TOTAL POTABLE</b>	<b>14,573,169</b>	<b>14,824,878</b>	<b>15,126,684</b>	<b>15,532,324</b>
<hr/>				
<b>RECYCLED WATER</b>				
<b><u>Recycled Water</u></b>				
Tier 1	569,197	626,117	688,728	757,601
Tier 2	496,971	546,668	601,335	661,468
<b><u>City Paid RW</u></b>				
Tier 1	80,496	84,521	84,521	84,521
Tier 2	31,029	32,580	32,580	32,580
<hr/>				
<b>TOTAL RECYCLED WATER</b>	<b>1,177,693</b>	<b>1,289,886</b>	<b>1,407,165</b>	<b>1,536,171</b>
<hr/>				

**Table 3 – Water Revenue Under Existing Rates**

	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>Revenues from Existing Rates</b>				
Single Family	\$20,352,210	\$21,307,806	\$21,468,835	\$22,867,871
Multi-Family	\$7,740,088	\$8,050,246	\$8,016,014	\$8,100,337
Commercial	\$19,720,446	\$20,645,322	\$20,308,227	\$20,710,144
Industrial	\$1,989,442	\$1,766,131	\$1,880,016	\$1,880,016
Interdepartmental	\$1,279,793	\$1,420,425	\$1,104,600	\$1,104,600
Recycled Water	\$1,721,360	\$1,901,224	\$2,093,095	\$2,284,180
<b>Subtotal</b>	<b>\$52,803,339</b>	<b>\$55,091,154</b>	<b>\$54,870,786</b>	<b>\$56,947,147</b>
<b>Misc Revenues</b>				
Rental Of City Property	\$13,813	\$17,237	\$0	\$0
Change in Fair Value	\$50,522	-\$305,149	\$0	\$0
Gain/Loss On Securities	\$83,032	-\$65,476	\$0	\$0
Gain/Loss - Joint Venture	\$95,169	\$0	\$0	\$0
Re-service/Tag Fees	\$232,372	\$212,175	\$210,000	\$216,300
Misc Reimbursements	\$15,068	\$754,444	\$0	\$0
Reimbursement Agreement	\$107,193	\$113,973	\$0	\$0
Damage to City Property	\$3,197	\$1,994	\$0	\$0
Miscellaneous Receipts	\$14,705	\$13,175	\$0	\$0
Cash Over/Short	\$0	\$1,261	\$0	\$0
Bad Check Charges	\$0	\$25	\$0	\$0
Late Charges-Customer Billing	\$883,564	\$895,422	\$500,000	\$515,000
<b>Subtotal (excl Interest)</b>	<b>\$1,498,633</b>	<b>\$1,639,081</b>	<b>\$710,000</b>	<b>\$731,300</b>
<b>Total Operating Revenues</b>	<b>\$54,301,972</b>	<b>\$56,730,235</b>	<b>\$55,580,786</b>	<b>\$57,678,447</b>

**Table 4 – Water Expenses**

<b>Descriptions</b>		<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>PW Environmental Eng/Water</b>		<b>\$313,251</b>	<b>\$245,302</b>	<b>\$643,703</b>	<b>\$663,014</b>
51010	Salaries-Full Time	\$38,793	\$40,318	\$106,956	\$110,165
51030	Salaries-Overtime	\$0	\$0	\$2,000	\$2,060
	Non-Salary Expenses	\$274,458	\$204,984	\$534,747	\$550,789
<b>Water Administration</b>		<b>\$4,729,131</b>	<b>\$4,489,302</b>	<b>\$5,412,397</b>	<b>\$5,574,769</b>
51010	Salaries-Full Time	\$171,994	\$162,594	\$277,366	\$285,687
51030	Salaries-Overtime	\$80	\$42	\$0	\$0
53510	Depreciation	\$4,091,095	\$3,981,281	\$4,330,000	\$4,459,900
	Other Expenses	\$465,963	\$345,386	\$805,031	\$829,182
<b>Pumping Operation</b>		<b>\$19,136,594</b>	<b>\$19,446,358</b>	<b>\$26,113,363</b>	<b>\$30,150,281</b>
51010	Salaries-Full Time	\$479,836	\$383,516	\$415,014	\$427,464
51030	Salaries-Overtime	\$44,664	\$36,318	\$80,000	\$82,400
52150	Water Purchases	\$15,008,332	\$15,490,632	\$19,900,000	\$23,657,214
52310	Electric Services	\$2,065,559	\$2,245,430	\$3,218,000	\$3,403,423
	Other Pumping Operating Expenses	\$1,538,202	\$1,290,463	\$2,500,349	\$2,579,779
<b>Water Line Maintenance</b>		<b>\$4,019,357</b>	<b>\$4,151,894</b>	<b>\$6,471,900</b>	<b>\$6,666,057</b>
51010	Salaries-Full Time	\$1,516,030	\$1,599,109	\$1,816,592	\$1,871,090
51030	Salaries-Overtime	\$81,615	\$84,115	\$120,000	\$123,600
	Other O&M Expenses	\$2,421,712	\$2,468,670	\$4,535,308	\$4,671,367
<b>Debt Payments</b>		<b>\$4,291,832</b>	<b>\$4,296,394</b>	<b>\$4,297,679</b>	<b>\$5,665,286</b>
<b>Transfers to Other Funds</b>		<b>\$6,908,760</b>	<b>\$8,050,879</b>	<b>\$8,524,511</b>	<b>\$8,791,075</b>
	CAP General Fund Allocation	\$5,921,386	\$7,067,679	\$7,523,511	\$7,749,216
	Billing & Collection	\$967,374	\$963,200	\$981,000	\$1,021,859
	Communication/Radio Repl. Reserve	\$20,000	\$20,000	\$20,000	\$20,000
<b>TOTAL O&amp;M EXPENSES</b>		<b>\$39,398,925</b>	<b>\$40,680,129</b>	<b>\$51,463,553</b>	<b>\$57,510,482</b>



**Table 5 – Water Capital Expenses**

<b>Project #</b>	<b>Project Name</b>	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
025-303-PF0010	PWA Service Center Renovation	\$170,874	\$89,253	\$165,000	\$1,000,000
025-303-PF0302	Public Works Service Center Security		\$18,471	\$200,400	\$0
025-303-PF1204	NPDES Bioswale (1425 S Bon View)		\$0	\$370,000	\$0
025-303-WA0208	Recy Water Srv Main Ext	\$1,701,337	\$605,424	\$1,000,000	\$1,000,000
025-303-WA0701	Chino Basin Desalter Facilities Phase III		\$5,855,581	\$2,826,298	\$29,000,000
025-303-WA1002	13th St Underground Reser Retr*	\$422,260	\$276,388	\$300,000	\$4,700,000
025-303-WA1201	San Antonio Avenue (1212' PZ)	\$0	\$2,590,188	\$0	\$0
025-303-WA1202	New Well No. 41	\$0	\$333,207	\$3,900,000	\$0
025-303-WA1101	Water Rights Purchases	\$1,407,265	\$1,500,000	\$1,000,000	\$1,000,000
025-303-WA1102	Pressure Reducing Stations (OMC)	\$0	\$76,400	\$300,000	\$300,000
025-303-WA1103	Emergency Interconnections	\$0	\$0	\$250,000	\$0
025-303-WA1104	Abandon existing wells in OMC (3,4,16,19 & 26)		\$0	\$38,235	\$100,000
025-303-WA1106	Monitoring Wells	\$4,899	\$246,905	\$300,000	\$0
025-303-MS1002	Climate Action Plan EIR	\$0	\$0	\$30,000	\$0
025-303-WXXXXX	1212' PZ Reservoir & Transmission Main				\$1,500,000
025-303-WXXXXX	Watermaster OBMP	\$0	\$0	\$0	\$2,000,000
025-303-WXXXXX	Wellhead Treatment	\$0	\$0	\$0	\$0
025-324-WA0102	Well Facility Backup Power	\$14,958	\$10,962	\$750,000	\$750,000
025-324-WA0205	Facility Site Security Improvement	\$1,831	\$45,653	\$150,000	\$0
025-324-WA0206	Reservoir Recoat/Paint & Repair	\$411,159	\$2,065	\$0	\$0
025-324-WA0210	Water Resources Consulting	\$35,403	\$52,366	\$100,000	\$100,000
025-324-WA0309	Water System Evaluation/Enhancements		\$68,143	\$45,694	\$100,000
025-324-WA0406	Water System Planning	\$10,938	\$0	\$50,000	\$50,000
025-324-WA0602	Water Meter Replacement	\$94,321	\$122,324	\$250,000	\$250,000
025-324-WA0605	New Meter Installation - NMC	\$35,379	\$56,441	\$75,000	\$75,000
025-324-WA0801	Water Pipeline Replacement (Distribution)		\$311,443	\$2,334,766	\$3,500,000
025-324-WXXXXX	Water Pipeline Replacement (Transmission)		\$0	\$0	\$2,000,000
<b>Total CIP</b>		<b>\$10,564,262</b>	<b>\$11,822,969</b>	<b>\$44,820,000</b>	<b>\$29,825,000</b>

	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>Engineering</b>				
Salaries-Full Time	\$346,236	\$358,759	\$369,522	\$380,607
Salaries-Temp/Part Time	\$1,812	\$0	\$0	\$0
Fringe Benefits	\$151,808	\$172,030	\$177,191	\$182,507
Auto Allowance	\$1,708	\$1,719	\$1,771	\$1,824
Office Supplies	\$0	\$4,015	\$4,135	\$4,260
Equipment Under \$5,000	\$0	\$1,030	\$1,061	\$1,093
Misc Materials/Supplies	\$0	\$620	\$639	\$658

**Table 5 – Water Capital Expenses (continued)**

Travel/Conference/Training	\$0	\$930	\$958	\$987
Dues and Memberships	\$0	\$270	\$278	\$286
Other Professional Svcs	\$525	\$25,000	\$25,750	\$26,523
Equipment Services-City	\$12,584	\$12,584	\$12,962	\$13,350
Information Services-City	\$56,295	\$56,295	\$57,984	\$59,723
Risk Liability-City	\$11,203	\$11,203	\$11,539	\$11,885
Workers Compensation	\$8,922	\$9,757	\$10,050	\$10,351
Unemployment Insurance	\$2,813	\$6,278	\$6,466	\$6,660
<b>Subtotal</b>	<b>\$593,916</b>	<b>\$660,490</b>	<b>\$680,305</b>	<b>\$700,714</b>
<b>Administrative</b>				
Salaries-Full Time	\$568,293	\$567,677	\$633,787	\$652,801
Overtime	\$794	\$10,109	\$10,109	\$10,412
Fringe Benefits	\$250,869	\$272,845	\$310,803	\$320,127
Auto Allowance	\$0	\$0	\$860	\$886
Computer Supplies	\$12,199	\$8,000	\$8,000	\$8,240
Office Supplies	\$1,470	\$17,000	\$17,000	\$17,510
Books/Publications	\$523	\$2,500	\$2,500	\$2,575
Equipment Under \$5,000	\$0	\$4,000	\$4,000	\$4,120
Misc Materials/Supplies	\$2	\$1,000	\$1,000	\$1,030
Telecommunication Svcs	\$1,353	\$4,000	\$4,000	\$4,120
Advertising/Promotional	\$0	\$1,000	\$1,000	\$1,030
Travel/Conference/Training	\$2,956	\$9,000	\$9,000	\$9,270
Dues and Memberships	\$1,379	\$2,500	\$2,500	\$2,575
Duplicating Expense	\$1,835	\$0	\$0	\$0
Postage Expense	\$805	\$0	\$0	\$0
Debt Issuance Expense	\$23,965	\$0	\$0	\$0
Other Expense	\$0	\$2,000	\$2,000	\$2,060
Legal Services	\$14,690	\$15,000	\$15,000	\$15,450
Other Professional Svcs	\$103,176	\$120,009	\$100,000	\$103,000
Equipment Services-City	\$47,861	\$47,861	\$47,861	\$49,297
Information Services-City	\$24,501	\$24,501	\$24,501	\$25,236
Risk Liability-City	\$14,427	\$14,427	\$14,427	\$14,860
Workers Compensation	\$6,856	\$4,607	\$5,023	\$5,174
Unemployment Insurance	\$4,528	\$9,934	\$11,091	\$11,424
<b>Subtotal</b>	<b>\$1,082,482</b>	<b>\$1,137,970</b>	<b>\$1,224,462</b>	<b>\$1,261,196</b>
<b>Transfers to General Fund</b>				
CAP General Fund Allocation	\$2,540,203	\$3,138,068	\$4,918,235	\$3,820,627
<b>Subtotal</b>	<b>\$2,540,203</b>	<b>\$3,138,068</b>	<b>\$4,918,235</b>	<b>\$3,820,627</b>
<b>TOTAL CAPITAL RELATED COSTS</b>	<b>\$4,216,601</b>	<b>\$4,936,528</b>	<b>\$6,823,002</b>	<b>\$5,782,536</b>

**Table 6 – Water Revenue & Expense Summary**

	<i>Actual</i> <b>FY 2012</b>	<i>Actual</i> <b>FY 2013</b>	<i>Projected</i> <b>FY 2014</b>	<i>Projected</i> <b>FY 2015</b>
<b>REVENUES</b>				
<b>Revenues from Existing Rates</b>	<b>\$51,081,979</b>	<b>\$53,189,931</b>	<b>\$52,777,691</b>	<b>\$54,662,967</b>
Single Family	\$20,352,210	\$21,307,806	\$21,468,835	\$22,867,871
Multi-Family	\$7,740,088	\$8,050,246	\$8,016,014	\$8,100,337
Commercial	\$19,720,446	\$20,645,322	\$20,308,227	\$20,710,144
Industrial	\$1,989,442	\$1,766,131	\$1,880,016	\$1,880,016
Interdepartmental	\$1,279,793	\$1,420,425	\$1,104,600	\$1,104,600
<b>Revenue Adjustments</b>				
<b>Year</b>	<b>%</b>	<b>Effective Month</b>		
FY 2014	0%	Jan	6	\$0
FY 2015	0%	Jan	6	\$0
<i>Subtotal Revenue Adjustments</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>	<i>\$0</i>
<b>Total Revenues from Rates</b>	<b>\$51,081,979</b>	<b>\$53,189,931</b>	<b>\$52,777,691</b>	<b>\$54,662,967</b>
Miscellaneous Revenues	\$1,498,633	\$1,639,081	\$710,000	\$731,300
Interest Income	\$418,908	\$397,550	\$170,000	\$542,074
<b>TOTAL REVENUES</b>	<b>\$52,999,520</b>	<b>\$55,226,562</b>	<b>\$53,657,691</b>	<b>\$55,936,341</b>
<b>REVENUE REQUIREMENTS</b>				
<b>O&amp;M Expenses</b>	<b>\$30,494,083</b>	<b>\$30,319,579</b>	<b>\$41,788,867</b>	<b>\$45,992,041</b>
<i>PW Environmental Eng/Water</i>	<i>\$303,854</i>	<i>\$237,943</i>	<i>\$624,392</i>	<i>\$643,124</i>
Salaries-Full Time	\$37,629	\$39,108	\$103,747	\$106,860
Non-Salary Expenses	\$266,225	\$198,834	\$518,705	\$534,266
<i>Water Administration excl Depreciation</i>	<i>\$618,895</i>	<i>\$492,781</i>	<i>\$1,049,925</i>	<i>\$1,081,423</i>
Salaries-Full Time	\$166,834	\$157,716	\$269,045	\$277,116
Other Expenses	\$451,984	\$335,024	\$780,880	\$804,306
<i>Pumping Operation</i>	<i>\$18,763,797</i>	<i>\$18,925,052</i>	<i>\$25,312,296</i>	<i>\$29,010,344</i>
Salaries-Full Time	\$465,441	\$372,011	\$402,564	\$414,640
Salaries-Overtime	\$43,324	\$35,228	\$77,600	\$79,928
Water Purchases	\$14,697,417	\$15,020,635	\$19,188,794	\$22,609,966
Electric Services	\$2,065,559	\$2,245,430	\$3,218,000	\$3,403,423
Other Pumping Operating Expenses	\$1,492,056	\$1,251,749	\$2,425,339	\$2,502,385
<i>Water Line Maintenance</i>	<i>\$3,898,777</i>	<i>\$4,027,337</i>	<i>\$6,277,743</i>	<i>\$6,466,075</i>
Salaries-Full Time	\$1,470,549	\$1,551,136	\$1,762,094	\$1,814,957
Salaries-Overtime	\$79,167	\$81,591	\$116,400	\$119,892
Other O&M Expenses	\$2,349,061	\$2,394,610	\$4,399,249	\$4,531,226
<i>Transfers to Other Funds</i>	<i>\$6,908,760</i>	<i>\$6,636,466</i>	<i>\$8,524,511</i>	<i>\$8,791,075</i>

**Table 6 – Water Revenue & Expense Summary (continued)**

CAP General Fund Allocation	\$5,921,386	\$5,755,948	\$7,523,511	\$7,749,216
Billing & Collection	\$967,374	\$860,518	\$981,000	\$1,021,859
Communication/Radio Repl. Reserve	\$20,000	\$20,000	\$20,000	\$20,000
<b>Debt Service</b>				
Current Debt Service	\$4,291,832	\$4,296,394	\$4,297,679	\$5,665,286
<b>Recycled Water O&amp;M Expenses</b>	<b>\$521,916</b>	<b>\$2,082,875</b>	<b>\$1,047,007</b>	<b>\$1,393,256</b>
<b>Capital Expenses</b>	<b>\$12,400,456</b>	<b>\$15,901,286</b>	<b>\$46,108,771</b>	<b>\$33,278,712</b>
<b>Capital Revenue (Grants &amp; Debt Financing)</b>	<b>\$1,876,627</b>	<b>\$518,397</b>	<b>\$30,884,230</b>	<b>\$17,725,062</b>
<b>TOTAL EXPENSES</b>	<b>\$45,831,660</b>	<b>\$52,081,737</b>	<b>\$62,358,094</b>	<b>\$68,604,232</b>

**EXHIBIT B TO ORDINANCE NO. \_\_\_\_\_**  
**RATE SCHEDULES**

(a) The water rate schedule within the City limits shall include a readiness to serve charge and a commodity charge. All water furnished by the City for use within the City shall be subject to the following monthly water rate schedule:

1. The readiness-to-serve charge per month per meter size for potable and recycled water shall be as follows:

<b>Readiness-to-Serve Charge Rates (\$/Month)</b>						
<b>Meter Size</b>	<b>Potable Water</b>			<b>Recycled Water</b>		
	<b>Current Rates in Effect</b>	<b>Rates Effective 1/1/2014</b>	<b>Rates Effective 1/1/2015</b>	<b>Current Rates in Effect</b>	<b>Rates Effective 1/1/2014</b>	<b>Rates Effective 1/1/2015</b>
<b>5/8"</b>	21.90	22.30	22.75	10.95	11.60	12.60
<b>3/4"</b>	NA	30.10	30.70	NA	15.65	17.10
<b>1"</b>	38.90	39.65	40.40	19.45	20.60	22.45
<b>1.5"</b>	86.20	87.90	89.65	43.10	45.65	49.75
<b>2"</b>	124.30	126.75	129.25	62.15	65.85	71.75
<b>3"</b>	242.30	247.15	252.05	121.15	128.40	139.95
<b>4"</b>	384.10	391.80	399.60	192.05	203.55	221.85
<b>6"</b>	794.00	808.85	826.05	397.00	420.80	458.65
<b>8"</b>	1,178.30	1,201.85	1,225.85	589.15	624.50	680.70
<b>10"</b>	1,817.80	1,854.15	1,891.20	908.90	963.40	1,050.10

2. The monthly volume commodity charge per hundred cubic feet (HCF) per unit (748 gallons) for potable water shall be as follows:

<b>Monthly Water Use (Potable)</b>	<b>Commodity Charge Rates \$/HCF (Hundred Cubic Feet = 748 gallons)</b>		
	Current	1/1/2014	1/1/2015
0-15 HCF	2.25	2.30	2.34
More than 15 HCF	2.61	2.66	2.72

The monthly volume commodity charge per HCF unit for recycled water shall be as follows:

<b>Monthly Water Use (Recycled)</b>	<b>Commodity Charge Rates \$/HCF (Hundred Cubic Feet = 748 gallons)</b>		
	Current*	1/1/2014	1/1/2015
Per HCF	1.35	1.43	1.56
*Current rate shown is the "Up to 1000 HCF". Future rates are applicable to all water serviced per HCF.			

(b) Private fire service rates. The monthly rates for private fire service protection shall be at the following flat rates:

<b>Fire Service Rates (\$/Month)</b>			
<b>Pipe Size</b>	<b>Current Rates in Effect</b>	<b>Rates in Effect 1/1/2014</b>	<b>Rates in Effect 1/1/2015</b>
2"	11.70	11.90	12.10
4"	23.70	24.15	24.65
6"	47.20	48.10	49.05
8"	66.70	68.00	69.35
10"	90.40	92.20	94.05
12"	176.50	180.00	183.60
16"	351.40	358.40	365.55

(c) Charges for new water meters shall be at City's actual cost:

<b>New Water Meter Rates (\$/Meter)</b>			
<b>Meter Size</b>	<b>Current Rates in Effect</b>	<b>Rates in Effect 1/1/2014</b>	<b>Rates in Effect 1/1/2015</b>
5/8"	250	City's Actual Cost	City's Actual Cost
3/4"	NA	City's Actual Cost	City's Actual Cost
1"	295	City's Actual Cost	City's Actual Cost
1.5"	495	City's Actual Cost	City's Actual Cost
2"	600	City's Actual Cost	City's Actual Cost
Larger meters at City's actual cost			

(d) Miscellaneous one-time service fees. All miscellaneous one-time service fees are imposed as a request for service and are not based on any property parcel map, including an assessor's parcel map. The rates for fees imposed for the following services are as follows:

<b>Other Water Services</b>	<b>Current Rates in Effect (\$/Service)</b>	<b>Rates in Effect 1/1/2014 (\$/Service)</b>	<b>Rates in Effect 1/1/2015 (\$/Service)</b>
Restore Water Service (requested before 3:30 pm)	50.00	51.00	52.00
Restore Water Service (requested after 3:30 pm)	100.00	102.00	104.00
Broken Meter Lock	134.00	137.00	139.00
Install meter same day	250.00	255.00	260.00
Install meter next day	146.00	149.00	152.00
Meter tampering	624.00	636.00	649.00
Fire Hydrant Meter Deposit	2,340.00	2,387.00	2,435.00
Fire Hydrant Meter Moved without Notice	172.00	175.00	179.00
Bacteriological Test	42.00	43.00	44.00
Backflow Prevention per Device	4.95	5.00	5.10
Other City provided services not listed above are charged at Actual Cost			

# CITY OF ONTARIO

*Agenda Report*  
November 19, 2013

**SECTION:**  
**CONSENT CALENDAR**

**SUBJECT: FISCAL YEAR 2013-14 FIRST QUARTER BUDGET REPORT**

**RECOMMENDATION:** That the City Council approve the budget adjustments and recommendations as listed in the Fiscal Year 2013-14 First Quarter Budget Report.

**COUNCIL GOALS:** Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Operate in a Businesslike Manner

**FISCAL IMPACT:** The recommended actions will affect several fund budgets as outlined in the FY 2013-14 First Quarter Budget Report and supporting schedules.

**BACKGROUND:** This first quarterly budget report for Fiscal Year 2013-14 reflects the Administrative Services Agency's continued efforts to provide timely, accurate, and understandable financial information to assist the City Council with decision making and achieve their core goals. All funds have been reviewed in preparing this report. The emphasis of this report is on the General Fund, which funds most of the government services including public safety, recreation, library, museum, parks, building, and planning. This report also discusses prior year results, budget trends, and the economic outlook that may impact the City's resources.

The primary purposes of this report are to:

- Provide a reconciliation of budgeted-to-actual financial data from the prior fiscal year;
- Address annual carryforward appropriations across all funds;
- Recognize budgetary carryforward amounts for prior year approved Capital Improvement Projects and Grant appropriations, which are ongoing;
- Revise the City's budget to reflect the City Council's actions taken since the beginning of the current fiscal year;
- Recommend personnel and organizational changes to enhance program operations and efficiency;

**STAFF MEMBER PRESENTING:** Grant D. Yee, Administrative Services/Finance Director

Prepared by: Doreen M. Nunes  
Department: Fiscal Services

City Manager  
Approval: 

Submitted to Council/O.H.A. 11/19/2013

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

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- Recommend budget changes to align the budget with projected year-end results; and
- Comment on significant budget and economic trends which may impact next fiscal year's budget development.

### **Fiscal Year 2012-13 Results**

The General Fund activity for the year resulted in a favorable unallocated balance of \$5,556,848. The favorable year-end balance was primarily due to increased revenue from sales tax, property taxes, and development related fees, as well as overall expenditure savings. In addition, the fiscal year also included a one-time settlement payment of approximately \$2.3 million from the County of San Bernardino for overcharged Property Tax Administration Fees.

### **First Quarter Budget Recommendations**

First Quarter Budget recommendations are routine in nature and comprised predominately by City Council actions taken since the beginning of the fiscal year, encumbrance carryforward items to rollover purchase orders that have not yet been expended, and Capital Improvement Program (CIP) carryforward items to rollover budget from approved projects that have not yet been completed. For the General Fund, these actions will bring the General Fund estimated ending unreserved fund balance to \$37,302,849 or 22.3 percent of the General Fund operating budget. This amount achieves the 18 percent goal set by City Council. Major items proposed for the First Quarter in the General Fund are: an approximate \$5.7 million transfer-out to fund various capital projects; \$240,132 additional revenue from non-refundable developer deposits to fund installation of new street lights; \$225,000 for sales taxation consulting services; and \$115,000 to refurbish the electronic LED sign at the Ontario Auto Center.

Noteworthy budget adjustments in Other Funds include: \$34.3 million for 2013 Water Bond to fund various water related capital improvement projects; \$8.7 million for a fiber optic communication backbone system for City facilities; \$1.7 million for various police grants; \$500,000 funding toward the Emergency Operations Center project (Housing and Community Development-Catalyst Community Grant); \$330,000 for various Police facility improvements; \$264,121 for installation of new street lights (funding from \$240,132 non-refundable developer deposits and prior CIP project savings); \$160,719 for the disposal of hazardous waste, used oil, tires, and recycling of containers (California Department of Resources, Recycling and Recovery Grant); and \$72,604 for the design of the G Street-Crosstown Bike Route (SANBAG-Transportation Development Act Grant).

Quarterly budget reports also present recommendations for current personnel and organizational changes necessary to enhance program operations and efficiency. Current recommendations include organizational changes to the City Administration, Administrative Services, and Municipal Utilities agencies. The proposed recommendations will result in a net increase of one position and an overall annual savings of \$16,840 across all funds (annual General Fund savings of \$28,330 and an increase of \$11,490 across other funds).

### **Economic Outlook**

The local economy is continuing to show signs of improvement, with the continued growth of sales tax revenues, and gains in home prices and sales. Although the unemployment rate for the City of Ontario has increased slightly in August 2013 at 10.7 percent, it is still a decline of 1.5 percent from a year ago. Sales Tax revenues for the second quarter 2013 grew approximately 9.3 percent. This growth is primarily attributed to higher consumer spending in new auto sales. Home sales in July and August rose to the highest levels in more than six years as buyers were trying to lock in near record low interest rates. In August 2013, the median home prices for the San Bernardino County area increased to \$183,240 from \$143,470 a year earlier. This significant increase of 27.7 percent over the prior year is attributed to lower mortgage rates and limited inventory.

Although the economy is improving, there are still concerns relating to the continuing progress. In October 2013, the federal government temporarily shut-down for 16 days due to lack of consensus regarding the federal deficit. As a result of this gridlock over the federal budget and debt ceiling, the Consumer Confidence Index (CCI) sharply declined to 71.2 for October 2013 compared to August's index of 81.8. The recent agreement to end the standoff is only a brief respite, for the federal government will need to address the budget issue again in mid-January.

In addition, the declining passenger traffic at the Ontario International Airport is of utmost concern for the City. The airport has lost over 40 percent of passenger traffic since 2007, which equates to a loss of approximately \$540 million dollars of regional economic impact and 10,000 local jobs. The transfer of Ontario Airport management decisions to local control is in the best interest for the region and will help the airport regain its status as the economic engine for the Inland Empire while ensuring sufficient airport capacity in the long-term for all of Southern California.

Overall the economy's performance shows signs of recovery, especially with the revival of the housing and automotive sectors. However, the latest economic data suggests that the economy may not sustain this growth momentum due to the sluggish labor market and delayed spending by consumers until personal income increases. The continued progress of this economic recovery will be dependent on the federal government's ability to address the federal budget deficit, increase jobs in the private sector and create wage growth.

### **CalPERS**

The California State Public Employees Retirement System (CalPERS) is considerably underfunded, primarily due to lower than projected earning rates combined with significant investment losses incurred during the Great Recession. All of this has contributed to dramatic increases to the City's CalPERS contribution rates. With the recent adoption of amortization and smoothing policy changes by the CalPERS Board to address the severity of the underfunding, significant employer contribution rate increases will begin in Fiscal Year 2015-16. CalPERS' proposed rates will increase by approximately 50 percent by Fiscal Year 2019-20. These rates are dependent upon CalPERS earning a 7.5 percent return on their investments in the future.

### **Conclusion**

In summary, while the City is experiencing improvement during the economic recovery, challenges still remain. The economy is projected to grow slowly over the next couple of years due to a continued sluggish job market, the potential negative impact to the economy resulting from the federal deficit, and the Federal Reserve's potential actions to begin tapering back its bond purchases (quantitative easing) which has kept borrowing costs low. The City still needs to be attentive during this economic recovery stage to ensure that the City of Ontario is positioned to take advantage of opportunities in the next economic growth cycle.

The Adopted Operating Budget for FY 2013-14, as modified through this First Quarter Budget Report, continues to reflect the City Council's commitment to foster steady, controlled growth and to provide the highest level of service to the community within the City's fiscal constraints. With the City Council's leadership and their prudent fiscal policies, the City's long-term fiscal health will further solidify its standing as the economic leader in the Inland Empire, and formidable player in California and the nation.

# **CITY OF ONTARIO**

*Agenda Report*

**November 19, 2013**

**SECTION:  
CONSENT CALENDAR**

**SUBJECT: ORDINANCES TO ADOPT THE 2012 INTERNATIONAL FIRE CODE, AND  
2013 CALIFORNIA STATE FIRE AND BUILDING CODES**

**RECOMMENDATION:** That the City Council:

- (A) Adopt an Ordinance amending Chapter 4, Title 4 of the Ontario Municipal Code entitled "Fire Code" adopting by reference, with certain amendments, additions, deletions, and exceptions, the 2012 International Fire Code and the 2013 California Fire Code (California Code of Regulations, Title 24, Part 9); and
- (B) Adopt an Ordinance amending Chapters 1, 2, 3, 4, 5, 6, 7, 11 and 12 of Title 8 of the Ontario Municipal Code to adopt the California Building Standards Code.

**COUNCIL GOALS:** Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Maintain the Current High Level of Public Safety  
Operate in a Businesslike Manner

**FISCAL IMPACT:** None. Adoption of the proposed Ordinances will not impact the current permit or plan check fees. The proposed Ordinances provide that future fee revisions may be enacted by City Council resolution.

**BACKGROUND:** On November 5, 2013, the City Council introduced the proposed ordinances at a duly noticed public hearing.

**STAFF MEMBER PRESENTING:** Floyd Clark, Fire Chief  
Kevin Shear, Building Official

Prepared by: Art Andres / Kevin Shear  
Department: Fire / Building

City Manager  
Approval: 

Submitted to Council/O.H.A. 11/19/2013

Approved: \_\_\_\_\_

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Denied: \_\_\_\_\_

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Every three years, the California Building Standards Commission adopts the California Building Standards Code, which consists of the codes that regulate building construction. The California Health and Safety Code mandates that all public agencies responsible for administering Building and Safety and Fire Codes comply with the State adopted Building and Safety and Fire Codes; and local agencies are required to adopt and enforce the State codes. Local agencies may also adopt amendments to the State Codes based on findings relative to local geological or topographic conditions. Staff recommends amendments to the Codes based upon certain local conditions to ensure compliance with State mandates, to assure that Ontario's Codes continue to address the latest technological advances, and to provide for the use of companion Fire and Building Codes.

Fire Codes: The proposed Ordinance adopts the 2012 International Fire Code and the 2013 California Fire Code and provides for certain local amendments. These amendments are consistent with other provisions that are in the current version of the City's Fire Code. The State Codes incorporate, by reference, the Model Codes published by the International Code Council (ICC).

Building Codes: The California Building Standards Commission has adopted the 2012 edition of the International Building Code as the State Building Code. The proposed Ordinance adopts the 2013 edition of the State Building, Electrical, Plumbing, Mechanical, Residential, and Green Building Standards Codes. The Dangerous Building Code – Chapter 11 and the Uniform Housing Code – Chapter 2 are being readopted without amendments. The summary below outlines key points involving the new State Building Codes:

- All the subject State Codes must be enforced by local agencies effective January 1, 2014.
- The State Building Standards Commission has held numerous hearings related to adoptions of the codes, hearing public testimony from all stakeholders. All public testimony endorsed the use of International Codes.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTER 4 OF TITLE 4 OF THE ONTARIO MUNICIPAL CODE; ADOPTING BY REFERENCE WITH CERTAIN AMENDMENTS, ADDITIONS, DELETIONS, AND CHANGES THERETO, THE 2013 CALIFORNIA FIRE CODE AND THE 2012 INTERNATIONAL FIRE CODE, REGULATING AND GOVERNING THE SAFEGUARDING OF LIFE AND PROPERTY FROM FIRE AND EXPLOSION HAZARDS ARISING FROM THE STORAGE, HANDLING, AND USE OF HAZARDOUS SUBSTANCES, MATERIALS, AND DEVICES AND FROM CONDITIONS HAZARDOUS TO LIFE OR PROPERTY IN THE OCCUPANCY OF BUILDINGS AND PREMISES; PROVIDING FOR THE ISSUANCE OF PERMITS AND COLLECTION OF FEES; AND REPEALING ORDINANCE NO. 2927 OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA.

WHEREAS, pursuant to Government Code Section 50022.1 *et seq.*, the City of Ontario, California ("City") may adopt by reference the 2013 edition of the California Building Standards Code as provided in Title 24 of the California Code of Regulations; and

WHEREAS, pursuant to California Government Code Section 50022.2, the City desires to adopt by reference, the 2013 California Fire Code and the 2012 International Fire Code (California Code of Regulations, Title 24, Part 9); and

WHEREAS, California Health and Safety Code Sections 17958.7 and 18941.5 authorize cities to adopt the California Building Standards Code with modifications that are determined to be reasonably necessary because of local climatic, geological, or topographical conditions; and

WHEREAS, prior to making modifications permitted under California Health and Safety Code Sections 17958.7 and 18941.5, the City Council is required to make express findings that such modifications are needed in accordance with California Health and Safety Code Sections 17958.7; and

WHEREAS, the City Council desires to amend the following provisions of the 2013 California Fire Code and the 2012 International Fire Code:

- |                               |  |
|-------------------------------|--|
| 1. Section 103.1              | General                                    |
| 2. Section 103.2              | Appointment                                |
| 3. Section 103.3              | Deputies                                   |
| 4. Sections 103.4 and 103.4.1 | Liability and Legal Defense                |
| 5. Section 104.10             | Investigations                             |
| 6. Section 105.6.48           | Pallets                                    |
| 7. Section 107.6              | Owner/Occupant Responsibility              |
| 8. Section 109.4              | Penalties                                  |
| 9. Section 503.4              | Obstruction of Fire Apparatus Access Roads |

10.	Section 505.3	Directories
11.	Section 806.1.1	Restricted Occupancies
12.	Section 901.11	Large Buildings
13.	Section 903.3.8	Floor Control Valves
14.	Section 2308.1	General
15.	Section 2804.5	Water Supply
16.	Section 2808.1	General
17.	Section 2808.3	Size of Piles
18.	Section 2808.4	Pile Separation
19.	Section 2808.5	Combustible Waste
20.	Section 2808.10	Emergency Plan
21.	Section 5001.7	Unattended Parking
22.	Section 6104.5	Container Positioning
23.	Appendix B Section B105.2	Buildings Other Than One- and Two-Family Dwellings

WHEREAS, the City held a public hearing on November 5, 2013 at which time all interested persons had the opportunity to appear and be heard on the matter of adopting the Codes as amended herein; and

WHEREAS, the City published notice of the aforementioned public hearing pursuant to California Government Code Section 6066 on October 23, 2013; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

**SECTION 1.** The City Council hereby finds that the following proposed amendments to the 2013 California Fire Code and the 2009 International Fire Code (1) are necessary because of local climatic, geological, or topographical conditions, or (2) are of an administrative or procedural nature, and/or do not modify building standards and are reasonably necessary to safeguard life and property within the City.

<b>Amendment</b>	<b>Applicable Findings from Listing Below</b>
Sections 103.1, 103.2, 103.3, 103.4, 103.4.1, 104.10, 105.6.48, 107.6, 109.4	D-1
Section 503.4	D-2
Section 505.3	B-2, B-5, C-1, C-3 & C-4
Section 806.1.1	D-2
Section 901.11	A-1, A-2, B-2, B-3, B-4, B-5, B-6, C-1, C-2, C-3 & C-4
Section 903.3.8	D-1
Section 2308.1	A-1, B-2, B-4, B-6 & C-1
Section 2804.5	B-1, B-2, B-3, C-1, C-2 & C-3
Sections 2808.1, 2808.3, 2808.4, 2808.5, 2808.10	C-1, C-2, C-3 & C-4

Section 5001.7	A-1, A-2, B-2, B-3, B-6, C-1, C-3 & C-4
Section 6104.5	A-2, B-2, C-1, C-2 & C-3
Appendix B Section B105.2	A-1, B-2, B-3, B-4 & B-5

A. Local Geological Conditions.

A-1. The City of Ontario is subject to moderately strong to severe shaking and surface ruptures resulting from five earthquake faults located within or near the City. These local earthquake faults have the potential to cause severe personal and property damage and fire hazards. Moreover, there is also a potential for damage to roadways, water supplies, and the impairment of access allowing fire equipment to respond to emergencies in the event of a severe earthquake.

A-2. Adverse geological conditions exist in portions of the City that may cause excessive flooding. Flood control facilities are not adequate to handle the water flow that occurs during major storms or prolonged rains. Some of the streets in the City are actually designed and used for flood control purposes, thus making the fire and emergency access difficult during flood conditions. As a consequence, many of the streets within the City are impaired during such flood conditions and such flooding causes physical damage to the streets and the accumulation of debris, all of which hinder access to fire equipment for the purposes of responding to fire and other emergencies.

B. Local Topographical Conditions.

B-1. The topography of the City of Ontario is generally that of a gently sloping inclined plane that slopes in a southerly direction from an elevation of 1,190 feet to an elevation of 730 feet at the southern boundary of the City resulting in several water pressure zones to serve the City. The elevation changes caused by the mountains and hills creates the geological foundation upon which the City is built and will continue to build.

B-2. Located within the City are two major interstate freeways and a major state highway that provide for limited under crossing access points to traverse the City. These highways also restrict the ability of the water supply grid to provide water from multiple points to all areas of the City and necessitates the use of dead-end water mains to many areas adjacent to highways.

B-3. The City is bisected from east to west by two very active railroad main route tracks used by the Southern Pacific and Union Pacific Railroads. These lines are used for both commuter and large freight transport trains, including the transporting of large quantities of hazardous materials. Limited undercrossings and overcrossings exist within the City for uninterrupted emergency vehicle passage. Moreover, emergency vehicles are routinely delayed at grade crossings until passenger trains or passing freight trains clear the grade crossings.

B-4. Two large petroleum product pipelines bisect the City along the Southern Pacific Railroad right-of-way. The pipelines are used to transport large quantities of gasoline, diesel fuel, and jet fuels under high pressures. Another petroleum

pipeline intersects the City along the east side en-route to the Etiwanda electrical generating station north and east of the City. While generally underground, these pipelines pass overhead at several overpasses located over main thoroughfares in the City. Damage to these pipelines during seismic events poses the dual potential of creating a time emergency and at the same time restricting emergency vehicle access within the City.

B-5. Two large, high pressure, natural gas transmission pipelines traverse the easterly part of the City, along the I-15 Freeway and on the west side along Benson Avenue. These 36" transmission mains transport natural gas at pressures exceeding 500 psi and pass through developed residential and industrial areas. These transmission pipelines also intersect the previously mentioned petroleum pipelines. Interruption of these pipelines due to flooding or seismic events is possible and would result in reduced resources to protect the balance of the City.

B-6. A large commercial airport is located within the central portion of the City providing limited emergency vehicle access from the north to the south central portions of the City. A majority of the City is located within the approach and/or departure paths of large commercial aircraft exposing a large part of the City to potential aircraft related emergencies. Moreover, Santa Ana Winds frequently require the flight paths of arriving and departing aircraft to be reversed.

#### C. Local Climatic Conditions.

C-1. The City is subject to extremely strong winds, commonly referred to as "Santa Ana Winds," which can reach speeds in excess of 80 miles per hour and approach the basin from the desert via the Devore Pass. Extensive damage often occurs during such winds, including downed electric wires, downed poles, fallen trees, blowing debris, sand, and dust. Blowing dust experienced during these winds has reduced visibility near zero and impacted the response times of emergency vehicles.

C-2. During the summer months, the Santa Ana Winds produce period of extremely low humidity causing an increase in the threat of fire from dry vegetation and other common fuels. These conditions have, in the past, resulted in vegetation and structure fires.

C-3. The City experiences summer temperatures in excess of 100 degrees Fahrenheit. When coupled with severe Santa Ana Winds these conditions can cause a fire to spread quickly throughout portions of the City.

C-4. Weather conditions, coupled with flammable vegetation in bordering cities results in numerous wildland rims, which draw existing fire fighting forces from their structure protection duties for extended periods of time. This results in increased response times to structure fires when fire department personnel and equipment are committed to nonstructural fire protection activities.



D. Administrative/Procedural/Public Safety Amendments.

D-1. This amendment is necessary for administrative or procedural clarification and to establish administrative standards for the effective enforcement of the building standards of the City of Ontario and does not modify a building standard pursuant to California Health & Safety Code sections 17958, 17958.7, and/or 18941.5.

D-2. This amendment does not modify a building standard pursuant to California Health and Safety Code sections 17958, 17958.7, and/or 18941.5 and is reasonably necessary to safeguard life and property within the City of Ontario.

SECTION 2. Chapter 4 of Title 4 of the Ontario Municipal Code is hereby amended in its entirety to read as follows:

Chapter 4: Fire Code

Sections:

- 4-4.01 Adoption of International Fire Code
- 4-4.02 Cost Recovery
- 4-4.03 Establishment of the Limits of Districts in Which Stationary Containers of Flammable Cryogenic Fluids are Prohibited
- 4-4.04 Establishment of the Limits of Districts in Which Storage of Class I and Class II Liquids in Unprotected Aboveground Tanks and in Below Grade Vaulted Tanks is Prohibited
- 4-4.05 Establishment of the Limits in Which Storage of Liquefied Petroleum Gases is Restricted for the Protection of Heavily Populated or Congested Areas
- 4-4.06 Amendments to the 2013 California Fire Code and 2012 International Fire Code, Generally
- 4-4.07 Amendment: General
- 4-4.08 Amendment: Appointment
- 4-4.09 Amendment: Deputies
- 4-4.10 Amendment: Liability and Legal Defense
- 4-4.11 Amendment: Investigations
- 4-4.12 Amendment: Pallets
- 4-4.13 Amendment: Owner/Occupant Responsibility
- 4-4.14 Amendment: Violation Penalties
- 4-4.15 Amendment: Obstruction of Fire Apparatus Access Roads
- 4-4.16 Amendment: Directories
- 4-4.17 Amendment: Restricted Occupancies
- 4-4.18 Amendment: Large Buildings
- 4-4.19 Amendment: Floor Control Valves
- 4-4.20 Amendment: General
- 4-4.21 Amendment: Water Supply
- 4-4.22 Amendment: General
- 4-4.23 Amendment: Size of Piles
- 4-4.24 Amendment: Pile Separation
- 4-4.25 Amendment: Combustible Waste

- 4-4.26 Amendment: Emergency Plan
- 4-4.27 Amendment: Unattended Parking
- 4-4.28 Amendment: Container Positioning
- 4-4.29 Amendment: Buildings Other Than One- and Two-Family Dwellings

Section 4-4.01. Adoption of the International Fire Code

The City Council of the City of Ontario hereby adopts by reference with certain amendments, additions, deletions and exceptions, the 2012 International Fire Code, with errata, incorporating therein the 2013 California Fire Code, Part 9 of Title 24 of the California Code of Regulations, including Appendix Chapters B, E, and F of the 2012 International Fire Code, as compiled and published by the International Code Council (collectively the "Ontario Fire Code"), for the purpose of prescribing regulations governing conditions hazardous to life and property from fire, hazardous materials or explosion. One copy of the Ontario Fire Code is on file in the Office of the City Clerk and is hereby adopted and made a part of this Chapter as if fully set forth at length herein. From the date on which this Ordinance shall take effect, the provisions of the Ontario Fire Code shall be controlling within the City limits of the City of Ontario.

Section 4-4.02. Cost Recovery.

(A) Expense for Securing an Emergency.

1. Fire suppression, investigation and rescue or emergency medical costs shall be recoverable in accordance with Health & Safety Code Sections 13009 and 13009.1.

2. Any person or entity who negligently or intentionally, or in violation of law, causes an emergency response, including but not limited to, a traffic accident or spill of toxic or flammable fluids or chemicals, is liable for the costs of securing and investigating such emergency, including those costs set out in Health & Safety Code Section 13009 *et seq.* and Government Code Section 53150 *et seq.* Any expense incurred by the Fire Department for securing such an emergency situation shall constitute a debt of the person or entity responsible and shall be subject to collection by the City in the same manner as an obligation under contract, expressed or implied.

3. The expense of securing and investigating any emergency or hazard which is the result of a violation of this Code or any other code, ordinance or state law, or any damages caused by malicious mischief requiring any corrective or preventive actions by the Fire Department shall be a charge against the person(s) or entity whose violation caused the emergency and/or damage. Damages caused by such emergency or action may constitute a debt of such person(s) or entity responsible and shall be collectible as provided below:

i. Liability for Hazardous Activities and Conditions. The Chief may also impose the reasonable cost of fire prevention, fire suppression, incident investigation and protection of the public from other safety hazards when a fire or hazardous condition results from any of the following activities or conditions:

- (1) The manufacture, transportation, storage, handling, or spilling, of hazardous chemicals, flammable or combustible liquids, explosives, or blasting agents as defined in this Code; and
- (2) The failure to correct a hazardous condition for which a "Notice of Violation," or equivalent notice, has been previously given by the Chief; and
- (3) The use of welding equipment, cutting torches, tar pot, or other open flame devices; and
- (4) Permitting or causing the accumulation of hazardous or flammable materials on property; and
- (5) Setting of a fire or allowing a fire to be set in violation of any code, ordinance, law or regulation; and
- (6) The possession of, or causing illegal fireworks, explosive devices or destructive devices to ignite, explode or detonate; and
- (7) Creating, allowing, or maintaining a hazard as stated in Ontario Fire Code Section 109.1.

ii. **Determination of Costs.** Whenever the Chief determines that the fire department or other public agency has incurred costs for fire suppression, fire prevention, or protection of the public from a fire or other hazardous condition that results from the activities or conditions described in subsection (a), the Chief shall:

- (1) Calculate the costs incurred;
- (2) Identify the person(s) or entity to be charged for those costs;
- (3) Send a report with this information to the City Clerk.

iii. **Method of Calculation.** In determining costs to be charged a responsible person or entity, the Chief shall include all necessary expenditures to correct the hazardous condition or extinguish the fire, including, but not limited to the following:

- (1) The cost of personnel;
- (2) The cost of extinguishing agents;
- (3) The reasonable value of the use of City equipment;
- (4) The cost incurred for the use of any private contractors to mitigate or remove the hazard or condition; and
- (5) Any and all administrative costs incurred pursuant to the fee schedule as set by resolution duly adopted by the City Council.

iv. **Reimbursement Hearing.** The City Clerk shall, thereupon, set the report and account received by the Chief for hearing before the City Council at a regular or adjourned regular meeting to be held at least 14 calendar days after the date the Clerk mails the notice to the responsible person(s) or entity. The City Clerk shall send by regular mail a Notice of said hearing to the person or entity to be charged at the person's or entity's address as shown on the latest equalized tax assessor's roll, or as otherwise known to the City.

v. Notice to Person Charged. The Notice sent by the City Clerk to the responsible person(s) or entity shall contain:

- (1) The name of the person(s) or entity sought to be charged; and
- (2) The location, date and time of the incident upon which the claim for reimbursement is based; and
- (3) The amount of, and the basis upon which the claim for reimbursement is made; and
- (4) The date, time and place of the hearing to be held on the claim for reimbursement with a statement describing the rights of the person or entity charged and the procedures for presenting evidence at said hearing; and
- (5) The Chief's account of the sum claimed to be due.

vi. Procedure for Hearing Before the City Council. At the hearing on the Chief's accounting of the costs and other evidence upon which reimbursement is sought, the City Council shall hear and consider evidence by the person or entity against which reimbursement is sought. The City Council shall thereafter confirm or disallow the account, all or in part, and set forth in a resolution the amount of the account confirmed, if any. Thereafter, any amount confirmed by resolution of the City Council shall become a debt owing to the City of Ontario and shall be collectible by the City in the same manner as in the case of an obligation under contract expressed or implied.

(B) Service Fees.

1. Permit Fees. Any person, establishment, business, occupancy, or process requiring any permit or utilizing any special service or activity performed by or under the direction of the Fire Department shall compensate the City for the cost of such service or activity, in accordance with the adopted fee and charge schedule and any departmental policy.

2. Service Fee Refunds. The Fire Chief is authorized to refund any fee paid hereunder which is determine to be erroneously paid or collected.

i. The Fire Chief is authorized to refund eighty percent (80%) of the service fee paid when the permittee has performed no work under a permit issued in accordance with this Ordinance.

ii. The Fire Chief is authorized to refund eighty percent (80%) of the plan review fee paid when an application for a permit for which a plan review fee has been paid is withdrawn or canceled before any plan review is completed.

iii. The Fire Chief shall not authorize the refund of any fee paid except upon written application filed by the original permittee not later than one hundred eighty (180) days after the date the fee was paid. Such written application shall state the reasons for the refund request and be accompanied with a receipt of payment.

Section 4-4.03. Establishment of the Limits of Districts in Which Stationary Containers of Flammable Cryogenic Fluids Are Prohibited.

The limits referred to in Section 5806.2 of the 2013 California Fire Code in which the storage of flammable cryogenic fluids in stationary containers is prohibited are hereby established as follows:

1. All areas and zoning districts of the City except the General Industrial District of the City zoning ordinance, and with the specific approval of the Fire Chief.

Section 4-4.04. Establishment of the Limits of Districts in Which Storage of Flammable or Combustible Class I and Class II Liquids in Outside Unprotected Aboveground Tanks is Prohibited.

The limits referred to in Sections 5704.2.9.6.1 and 5706.2.4.4 of the 2013 California Fire Code in which the storage of flammable or combustible liquids in outside aboveground unprotected tanks are prohibited in all areas unless upon specific written findings, the Chief determines that the installation of flammable and combustible aboveground storage tanks or below grade vaulted tanks will not create a hazard to occupants and property owners in the area.

Section 4-4.05. Establishment of the Limits in Which Storage of Liquefied Petroleum Gases is Restricted for the Protection of Heavily Populated or Congested Areas.

The limits referred to in Section 6104.2 of 2013 California Fire Code, in which storage of liquefied petroleum gas is restricted, are hereby established as follows:

1. All areas and zoning districts of the City except the General Industrial District of the City zoning ordinance, and with the specific approval of the Fire Chief.

Section 4-4.06. Amendments to the 2013 California Fire Code (CFC) and 2012 International Fire Code (IFC), Generally.

Designated portions of the 2013 California Fire Code (CFC) and 2012 International Fire Code (IFC) are amended and changed as set forth in Sections 4-4.07 through 4-4.30.

Section 4-4.07. Amendment: General.

Section 103.1 of the IFC is amended to read as follows:

“103.1 General. The Fire Code as adopted and amended herein shall be enforced by the Bureau of Fire Prevention of the Fire Department of the City of Ontario which is hereby established and shall be operated under the supervision of the Chief of the Fire Department.”

Section 4-4.08. Amendment: Appointment.

Section 103.2 of the IFC is amended to read as follows:

“103.2 Appointment. The Fire Marshal shall be responsible for operating the Bureau of Fire Prevention and shall be appointed by the Fire Chief on the basis of examination to determine his or her qualifications.”

Section 4-4.09.      Amendment: Deputies.

Section 103.3 of the IFC is amended to read as follows:

“103.3 Deputies. The Chief of the Fire Department shall recommend to the City Manager the employment of technical inspectors, who, when such authorization is made, shall be selected through an examination to determine their fitness for the position. The examination shall be open to members and/or nonmembers of the Fire Department, and appointments made after examination shall be for an indefinite term with removal only for cause.”

Section 4-4.10.      Amendment: Liability and Legal Defense.

Section 103.4.1 of the IFC is hereby deleted and Section 103.4 of the IFC is amended to read as follows:

“103.4 Liability and legal defense. The Chief and other individuals charged by the Chief with the control or extinguishment of any fire, the enforcement of this Code or any other official duties, acting in good faith and without malice in the discharge of their duties, shall not thereby be rendered personally liable for any damage that may accrue to persons or property as a result of any act or by reason of any act or omission in the discharge of their duties. Any suit brought against the Chief or such individuals because of such act or omission performed in the enforcement of any provision of such Code or other pertinent laws or ordinances implemented through the enforcement of this Code or enforced by the code enforcement agency shall be defended by this jurisdiction until final termination of such proceedings, and any judgment resulting there from shall be assumed by this jurisdiction subject to the provisions of Government Code Section 825.”

Section 4-4.11.      Amendment: Investigations.

Section 104.10 of the CFC is amended to read as follows:

“104.10 Investigations. The Fire Department is authorized to investigate promptly the cause, origin and circumstances of each and every fire or explosion occurring in the jurisdiction involving loss of life or injury to any person or destruction or damage to property and, if it appears to the Fire Prevention Bureau that such fire or explosion is of suspicious origin, is authorized to take immediate charge of all physical evidence relating to the cause of the fire or explosion and is authorized to pursue the investigation to its conclusion. Fire investigators shall have the powers of a police officer in performing their duties under this code. The Chief is authorized to investigate the cause, origin and circumstances of unauthorized releases of hazardous materials. The Police Department is authorized to assist the Fire Department in its investigations when requested to do so.”

Section 4-4.12.      Amendment: Pallets.

Section 105.6.48 is added to the IFC to read as follows:

"105.6.48 Pallets. An operational permit is required for idle storage, handling, repair or manufacturing of combustible pallets having in excess of 1,000 units at any one site."

Section 4-4.13.      Amendment: Owner/Occupant Responsibility.

Section 107.6 is added to the IFC to read as follows:

"107.6 Owner/Occupant responsibility. This code shall not be construed to relieve or lessen the responsibility of any person owning, operating or controlling any building or structure for any damages to persons or property caused by defects, nor shall the code enforcement agency or its parent jurisdiction be held as assuming any such liability by reason of the inspections authorized by this code or any permits or certificates issued under this code."

Section 4-4.14.      Amendment: Violation penalties.

Section 109.4 of the IFC is amended to read as follows:

"109.4 Violation penalties. Any person who violates any of the provisions of the Fire Code as adopted and amended herein or fails to comply therewith, or who violates or fails to comply with any order made thereunder, or who builds in violation of any detailed statement of specifications or plans submitted and approved thereunder, or any certificate or permit issued thereunder, and from which no appeal has been taken, or who fails to comply with such an order as affirmed or modified by the Board of Appeals or by a court of competent jurisdiction, within the required time, shall severally for each and every such violation and noncompliance, respectively, be guilty of a misdemeanor, punishable as set forth in Chapter 2 of Title I of the Ontario Municipal Code. The imposition of one penalty for any violation shall not excuse the violation or permit it to continue; and all such persons shall be required to correct or remedy such violations or defects within a reasonable time; and when not otherwise specified, each day that a prohibited condition is maintained shall constitute a separate offense. The application of this penalty shall not be held to prevent the enforced removal of prohibited conditions."

Section 4-4.15.      Amendment: Obstruction of Fire Apparatus Access Roads.

Section 503.4 of the CFC is amended to read as follows:

"503.4 Obstruction of fire apparatus access roads. The required width of a fire apparatus access road shall not be obstructed in any manner, including parking of vehicles. Access roads, private roadways and public roadways shall be provided and maintained in a passable condition at all times. Any obstruction or impediment to reasonable access may be removed by any public safety agency with the expense of such removal to be borne by the owner of the roadway, or in the case of an obstructing vehicle or object, by the owner of said vehicle or object."

Section 4-4.16.      Amendment: Directories.

Section 505.3 of the CFC is added to read as follows:

"505.3 Directories. When required by the Chief, an approved directory shall be provided at designated vehicular and/or pedestrian entrances to facilities, complexes or buildings."

Section 4-4.17.      Amendment: Restricted occupancies.

Section 806.1.1 of the CFC is amended to read as follows:

"806.1.1 Restricted occupancies. Natural cut trees shall be prohibited in Group A, B occupancies 4 or more stories in height, E, I-1, I-2, I-3, I-4, M, R-1, R-2 and R-4 occupancies.

Exceptions:

1. Trees shall be allowed when they have been treated with a flame retardant in accordance with California Code of Regulations, Title 19.
2. Trees shall be allowed within dwelling units in Group R-2 occupancies."

Section 4-4.18.      Amendment: Large buildings.

Section 901.11 of the CFC is added to read as follows:

"901.11 Large buildings. Any building encompassing 100,000 square feet aggregate floor area or larger may be required to provide special fire protection features, such as, but not limited to, looped underground fire mains, multiple points of connection to an approved public water supply, fire pumps, on-site water supply, interior/roof hose outlets, and exterior standpipe systems. Where such systems are installed, they shall be installed in accordance with appropriate recognized standards."

Section 4-4.19.      Amendment: Floor Control Valves

Item number 2 in Section 903.3.8 of the CFC is hereby amended to read as follows:

"903.3.8 Floor Control Valves.

2. Buildings that are three or more stories in height."

Section 4-4.20.      Amendment: General.

Section 2308.1 of the CFC is amended to read as follows:

"2308.1 General. Automotive, marine and aircraft motor vehicle fuel-dispensing stations utilizing CNG shall be in accordance with Section 2308 and Chapter 53. Facilities utilizing unodorized CNG shall have additional fire protection features as required by the Chief."



Section 4-4.21.      Amendment: Water Supply.

Section 2804.5 of the CFC is added to read as follows:

"2804.5 Water supply. An approved water supply and fire hydrant system complying with Section 508 and capable of supplying 1,500 g.p.m. fire flow for two hours shall be provided within 150 feet of all portions of the yard. In areas without adequate fire flow, the Chief may modify requirements by requiring additional separation for storage of combustible material."

Section 4-4.22.      Amendment: General.

Section 2808.1 of the CFC is amended to read as follows:

"2808.1 General. The storage and processing of wood chips, hogged materials, fines, compost and raw product produced from yard waste, debris, recycling, and green waste processing facilities shall comply with Sections 2808.2 through 2808.10."

Section 4-4.23.      Amendment: Size of piles.

Section 2808.3 of the CFC is amended to read as follows:

"2808.3 Size of piles. Piles shall not exceed 15 feet (4572 mm) in height, 25 feet (7620 mm) in width and 250 feet (76 200 mm) in length.

Exception: The fire code official is authorized to allow the pile size to be increased when additional fire protection is provided in accordance with Chapter 9. The increase shall be based up on the capabilities of the system installed."

Section 4-4.24.      Amendment: Pile separation.

Section 2808.4 of the CFC is amended to read as follows:

"2808.4 Pile separation. Piles shall be separated from adjacent piles by approved fire apparatus access roads. Apparatus roads shall be a minimum of 20 feet (6096 mm)."

Section 4-4.25.      Amendment: Combustible waste.

Section 2808.5 of the CFC is amended to read as follows:

"2808.5 Combustible waste. The storage, accumulation and handling of combustible materials and control of vegetation shall comply with Chapter 3. All incoming materials shall be ground or incorporated within 10 days. All incoming materials shall be incorporated into windrows within 15 days. Internal temperatures of stockpiles shall be monitored prior to incorporation into windrows."

Section 4-4.26.      Amendment: Emergency plan.

Section 2808.10 of the CFC is amended to read as follows:

"2808.10 Emergency plan. The owner or operator shall develop a plan for monitoring, controlling and extinguishing spot fires and submit the plan to the Ontario Fire Department Fire Prevention Bureau for review and approval. The plan shall include, but not be limited to methods and policies for:

1. Monitoring, controlling and extinguishing spot fires.
2. Emergency contact information for personnel who are able to respond to location 24 hours a day, 7 days a week.
3. Onsite equipment to assist with firefighting operations, such as dozers, water tenders, and large tractors.
4. Special considerations for fire safety during extreme weather conditions.
5. Method of providing adequate onsite water supply for firefighting operation. Water system shall have a minimum delivery/replenish capability of 500 gallons per minute for 2 hours.

Section 4-4.27.      Amendment: Unattended parking.

Section 5001.7 of the CFC is added to read as follows:

"5001.7 Unattended parking. Parking of tank vehicles containing hazardous materials or any vehicle containing highly toxic materials shall comply with the requirements for tank vehicles as specified in Section 5706.6.2."

Section 4-4.28.      Amendment: Container Positioning.

Section 6104.5 of the CFC is added to read as follows:

"6104.5 Container Positioning. Liquefied petroleum gas containers and tanks shall be positioned in relation to one another in such a manner so that the length axis of each tank is parallel to other tanks."

Section 4-4.29.      Amendment: Buildings other than one- and two-family dwellings.

Appendix B Section B105.2 of the CFC is amended to read as follows:

"B105.2 Buildings other than one- and two-family dwellings. The minimum fire-flow and flow duration for buildings other than one- and two-family dwellings shall be as specified in Table B105.1.

Exceptions:

1. A reduction in required fire-flow of up to 50 percent, as approved, is allowed when the building is provided with an approved sprinkler system installed in accordance with Section 903.3.1.1 or 903.3.1.2. The resulting fire-flow shall not be less than 1,500 gallons per minute (5678 L/min) for the prescribed duration as specified in Table B105.1.

2. [SFM] Group B, S-2 and U occupancies having a floor area not exceeding 1,000 square feet, primarily constructed of noncombustible exterior walls with wood or steel roof framing, having a Class A roof assembly, with uses limited to the following or similar uses:

- 2.1. California State Parks buildings of an accessory nature (restrooms).
- 2.2. Safety roadside rest areas, (SRRA), public restrooms.
- 2.3. Truck inspection facilities, (TIF), CHP office space and vehicle inspection bays.
- 2.4. Sand/salt storage buildings, storage of sand and salt.”

SECTION 3. The Fire Marshal shall transmit a copy of this Ordinance to the California Building Standards Commission, pursuant to Health and Safety Code Section 17958.7.

SECTION 4. Repeal of Conflicting Ordinances. Ordinance No. 2927, all former Ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance or of the Fire Code, as adopted and amended herein, are hereby repealed.

SECTION 5. Severability. The City Council of the City of Ontario hereby declares that should any section, paragraph, sentence or word of this ordinance or of the Fire Code as adopted and amended herein be declared for any reason to be invalid, it is the intent of the City Council that it would have passed all other portions of this ordinance independent of the elimination therefrom of any such portion as may be declared invalid.

SECTION 6. Effect. This ordinance shall take effect and be in force thirty (30) days after its final passage.

SECTION 7. CEQA. The City Council finds that the changes made to the California Fire Code and the International Fire Code are enacted to mitigate threats to public peace, health and safety from earthquakes, high winds and fire. Moreover, the amendments are substantially similar to those provisions previously enacted and contained in the current version of the City's Fire Code. Therefore, it can be seen with certainty that the adoption of this Ordinance will not have a significant adverse effect on the environment and is therefore exempt from the California Environmental Quality Act (CEQA) pursuant to section 15061(b)(3) of the CEQA Guidelines. Staff is directed to file a Notice of Exemption within five (5) days of the adopting of this Ordinance.

SECTION 8. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 19<sup>th</sup> day of November 2013.

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PAUL S. LEON, MAYOR

ATTEST:

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MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

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BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. 2976 was duly introduced at a regular meeting of the City Council of the City of Ontario held November 5, 2013 and adopted at the regular meeting held November 19, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 2976 duly passed and adopted by the Ontario City Council at their regular meeting held November 19, 2013 and that Summaries of the Ordinance were published on November 12, 2013 and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, AMENDING CHAPTERS 1, 2, 3, 4, 5, 6, 7, 11 AND 12 OF TITLE 8 OF THE ONTARIO MUNICIPAL CODE, ADOPTING BY REFERENCE THE 2013 EDITION OF THE CALIFORNIA BUILDING STANDARDS CODE, INCORPORATING THE 2013 CALIFORNIA BUILDING CODE, THE 2013 CALIFORNIA MECHANICAL CODE, THE 2013 CALIFORNIA ELECTRICAL CODE, THE 2013 CALIFORNIA RESIDENTIAL CODE, THE 2013 CALIFORNIA PLUMBING CODE, THE 2013 CALIFORNIA GREEN BUILDING STANDARDS CODE, THE 1997 EDITION OF THE UNIFORM HOUSING CODE, AND THE 1997 EDITION OF THE UNIFORM CODE FOR THE ABATEMENT OF DANGEROUS BUILDINGS; TOGETHER WITH CERTAIN AMENDMENTS THERETO.

WHEREAS, pursuant to Government Code Section 50022.1 *et seq.*, the City of Ontario, California ("City") may adopt by reference the 2013 Edition of the California Building Standards Code as provided in Titles 24 and 25 of the California Code of Regulations and other codes, including, without limitation, the Uniform Housing Code and the Uniform Code for the Abatement of Dangerous Buildings; and

WHEREAS, the California Building Standards Commission recently adopted the 2013 edition of the California Building Standards Code; and

WHEREAS, California Health and Safety Code Sections 17958.7 and 18941.5 authorize cities to adopt the California Building Standards Code with modifications that are determined to be reasonably necessary because of local climatic, geological, or topographical conditions; and

WHEREAS, prior to making modifications permitted under California Health and Safety Code Sections 17958.7 and 18941.5, the City Council is required to make express findings that such modifications are needed in accordance with California Health and Safety Code Sections 17958.7; and

WHEREAS, the City desires to adopt the California Building Standards Code with the necessary amendments to assure it is tailored to the particular safety needs of the City as required by its unique climatic, geological, and topographical conditions; and

WHEREAS, the City held a public hearing on November 5, 2013 at which time all interested persons had the opportunity to appear and be heard on the matter of adopting the Codes as amended herein; and

WHEREAS, all legal prerequisites to the adoption of this Ordinance have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, DOES ORDAIN AS FOLLOWS:

SECTION 1. Findings. The City Council hereby finds that the proposed amendments to Sections 113.4 and 903.3.8 of the 2013 California Building Code set forth below are necessary because of local climatic, geologic and topographical conditions and are reasonably necessary to safeguard life and property within the City. This finding is supported and based upon the following express finding and determination: these amendments are necessary for administrative or procedural clarification and to establish administrative standards for the effective enforcement of the building standards of the City of Ontario and does not modify a building standard pursuant to California Health & Safety Code Section 17958, 17958.7, and/or 18941.5.

SECTION 2. Chapter 1 of Title 8 of the Ontario Municipal Code is amended in its entirety to read as follows:

#### Chapter 1 — Building Code

##### Section 8-1.01 Adoption of the Building Code

The 2013 Edition of the California Building Code, which incorporates and amends the 2012 Edition of the International Building Code, as published by the International Code Council, subject to the amendments set forth in this chapter, is hereby adopted by reference and made a part of this chapter as if fully set forth at length herein. One (1) copy of said code is on file in the office of the City Clerk for public review.

##### Section 8-1.02. Amendment: Section 113.4

Section 113.4 is added to the California Building Code to read as follows:

113.4 Ontario Building Appeals Board. The City Manager shall recommend to the City Council five (5) individuals desirous to serve on the Building Appeals Board who are qualified by experience and training to pass on matters pertaining to building construction and are not employees of the jurisdiction. Each Board Member's term on the Building Appeals Board shall remain indefinite unless the Board Member resigns, or the City Council wishes to designate a new Board Member. Should any Board Member be unable to continue serving on the Building Appeals Board, he or she shall submit a written resignation to the City Manager as soon as possible. The City Manager shall in turn present a recommended replacement to the City Council for appointment.

##### Section 8-1.03. Amendment: Section 903.3.8 Floor Control Valves

Item number 2 in Section 903.3.8 of the California Building Code is amended to read as follows:

##### 903.3.8 Floor Control Valves

2. Buildings that are three or more stories in height.

SECTION 3. Chapter 2 of Title 8 of the Ontario Municipal Code is amended in its entirety to read as follows:

Chapter 2 — Mechanical Code

Section 8-2.01 Adoption of the Mechanical Code

The 2013 Edition of the California Mechanical Code, which incorporates and amends the 2012 Edition of the Uniform Mechanical Code, as published by the International Association of Plumbing and Mechanical Officials, is hereby adopted by reference and made a part of this chapter as if fully set forth at length herein. One (1) copy of said code is on file in the office of the City Clerk for public review.

SECTION 4. Chapter 3 of Title 8 of the Ontario Municipal Code is amended in its entirety to read as follows:

Chapter 3 — Housing Code

Section 8-3.01. Adoption of Housing Code

The 1997 edition of the Uniform Housing Code, as published by the International Conference of Building Officials, one (1) copy of which is on file for public review in the office of the City Clerk, is hereby adopted by reference and made a part of this chapter as if fully set forth at length herein.

SECTION 5. Chapter 4 of Title 8 of the Ontario Municipal Code is amended in its entirety to read as follows:

Chapter 4 — Electrical Code

Section 8-4.01. Adoption of the Electrical Code

The 2013 Edition of the California Electrical Code, which incorporates and amends the 2011 Edition of the National Electrical Code, as published by the National Fire Protection Association, is hereby adopted by reference and made a part of this chapter as if fully set forth at length herein. One (1) copy of said code is on file in the office of the City Clerk for public review.

SECTION 6. Chapter 5 of Title 8 of the Ontario Municipal Code is hereby amended in its entirety to read as follows:

Chapter 5 — Residential Code

Section 8-5.01 Adoption of the Residential Code

The 2013 Edition of the California Residential Code, which incorporates and amends the 2012 Edition of the International Residential Code, as published by the International Code Council, is hereby adopted by reference and made a part of this chapter as if fully set forth at length herein. One (1) copy of said code is on file in the office of the City Clerk for public review.



SECTION 7. Chapter 6 of Title 8 of the Ontario Municipal Code is amended in its entirety to read as follows:

Chapter 6 — General Provisions

Section 8-6.01 Fees.

Fees for any permit, license or other approval issued pursuant to any of the codes adopted by this title shall be as set forth by resolution of the City Council.

Section 8-6.02 Violations.

Violation of any provision of any of the codes adopted by this title shall subject the violator to any or all of the penalties provided in this code or applicable law.

SECTION 8. Chapter 7 of Title 8 of the Ontario Municipal Code is hereby amended in its entirety to read as follows:

Chapter 7 — Plumbing Code

Section 8-7.01 Adoption of the Plumbing Code

The 2013 Edition of the California Plumbing Code, which incorporates and amends the 2012 Uniform Plumbing Code, as published by the International Association of Plumbing & Mechanical Officials, is hereby adopted by reference and made a part of this chapter as if fully set forth at length herein. One (1) copy of said code is on file in the office of the City Clerk for public review.

SECTION 9. Chapter 11 of Title 8 of the Ontario Municipal Code is hereby amended in its entirety to read as follows:

Chapter 11 — Dangerous Building Code

Section 8-11.01 Adoption of Uniform Code for the Abatement of Dangerous Buildings

The 1997 Edition of the Uniform Code for the Abatement of Dangerous Buildings, as published by the International Conference of Building Officials, is hereby adopted by reference and made a part of this chapter as if fully set forth at length herein. One (1) copy of said code is on file in the office of the City Clerk for public review.

SECTION 10. Chapter 12 of Title 8 of the Ontario Municipal Code is hereby amended in its entirety to read as follows:

Chapter 12 — California Green Building Standards Code

Section 8-12.01      Adoption of California Green Building Standards Code

The 2013 Edition of the California Green Building Standards Code is hereby adopted by reference and made a part of this chapter as if fully set forth as length herein. One (1) copy of said code is on file in the office of the City Clerk for public review.

SECTION 11.    Repeal of Conflicting Ordinances. All former ordinances or parts thereof conflicting or inconsistent with the provisions of this ordinance, as adopted and amended herein, are hereby repealed.

SECTION 12.    Severability. If any section, subsection, subdivision, paragraph, sentence, clause or phrase added by this Ordinance, or any part thereof, is for any reason held to be unconstitutional or invalid or ineffective by any court of competent jurisdiction, such decision shall not affect the validity or effectiveness of the remaining portions of this Ordinance or any part thereof. The City Council hereby declares that it would have passed each section, subsection, subdivision, paragraph, sentence, clause or phrase thereof irrespective of the fact that any one or more subsections, subdivisions, paragraphs, sentences, clauses or phrases are declared unconstitutional, invalid or ineffective.

SECTION 13.    CEQA. The City Council finds that the changes made to the California Building Code and the International Building Code are enacted to mitigate threats to public peace, health and safety from earthquakes, high winds and fire. Moreover, the amendments are substantially similar to those provisions previously enacted and contained in the current version of the City's Building Code. Therefore, it can be seen with certainty that the adoption of this Ordinance will not have a significant adverse effect on the environment and is therefore exempt from the California Environmental Quality Act (CEQA) pursuant to section 15061(b)(3) of the CEQA Guidelines. Staff is directed to file a Notice of Exemption within five (5) days of the adopting of this Ordinance.

SECTION 14.    The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this 19<sup>th</sup> day of November 2013.

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PAUL S. LEON, MAYOR

ATTEST:

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MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

---

BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. 2977 was duly introduced at a regular meeting of the City Council of the City of Ontario held November 5, 2013 and adopted at the regular meeting held November 19, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. 2977 duly passed and adopted by the Ontario City Council at their regular meeting held November 19, 2013 and that Summaries of the Ordinance were published on November 12, 2013 and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

# **CITY OF ONTARIO**

## *Agenda Report*

**November 19, 2013**

## **SECTION: CONSENT CALENDAR**

**SUBJECT: CONSTRUCTION CONTRACT FOR SOUND INSULATION OF 67 HOUSES  
UNDER THE ONTARIO QUIET HOME PROGRAM**

**RECOMMENDATION:** That the City Council:

- (A) Reject any and all non-responsive bids;
- (B) Award Contract No. P150-1314-01 (on file with the Records Management Department) to Spec Construction Co., Inc. of Rancho Cucamonga, California, in the bid amount of \$1,667,713, plus a 15% contingency of \$250,157 for a total not-to-exceed amount of \$1,917,870 to sound insulate 67 houses; and
- (C) Authorize the City Manager, or his designee, to execute the contract, other related documents necessary to implement said contract, and file a Notice of Completion at the conclusion of all construction activities related to this contract.

**COUNCIL GOALS:** Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Pursue City's Goals and Objectives by Working with Other Governmental Agencies  
Focus Resources in Ontario's Commercial and Residential Neighborhoods

**FISCAL IMPACT:** The Federal Aviation Administration (FAA) and Los Angeles World Airports (LAWA) awarded sound insulation grants to fund the specified work under the proposed contract. The adopted Fiscal Year 2013-14 Quiet Home Program budget includes appropriations to implement the contract. Therefore, there will be no impact to the City's General Fund.

**BACKGROUND:** The City solicited bids for Contract No. P150-1314-01 as part of a 67-house sound insulation project under the Quiet Home Program. On October 7, 2013, five (5) bids were received for the proposed contract. The project architect, The Jones Payne Group, estimated the cost of construction as \$2,084,000.

**STAFF MEMBER PRESENTING:** Brent Schultz, Housing & Municipal Services Director

Prepared by: Ivette Iraheta  
Department: Housing Agency

City Manager  
Approval: 

Submitted to Council/O.H.A. 11/19/2013

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

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The bid results are summarized as follows:

<b>Company</b>	<b>Location</b>	<b>Bid Amount</b>
<b>Spec Construction Co., Inc</b>	<b>Rancho Cucamonga, CA</b>	<b>\$1,667,713</b>
S&L Specialty Contracting, Inc.	Syracuse, NY	\$1,746,000
G and G Specialty Contracting, Inc.	Gilbert, AZ	\$1,940,040
Harry H. Joh Construction, Inc.	Paramount, CA	\$1,965,720
NSA Construction Group, Inc.	Tarzana, CA	\$2,188,000

City staff and the project architect reviewed all bid submittals and determined that Spec Construction Co., Inc. is the lowest responsive and responsible bidder to perform the specified sound insulation work. Two of the bids received were deemed non-responsive for failure to acknowledge and sign required bid forms. The five bids ranged from 20% below architect's probable cost to .05% above the architect's probable cost of construction.

Spec Construction Co., Inc. has recent sound insulation construction experience in the region and has performed sound insulation work for the Community Development Commission of L.A. County and for the City of Inglewood. During the last two years, Spec has completed seven (7) sound insulation projects totaling over 200 houses. Spec's bid is 20 percent below the architect's probable cost of construction. Based on the bid analysis, Spec's other residential sound insulation work currently underway in the region may be contributing to their competitive advantage in obtaining favorable vendor rates/pricing, along with an experienced tradesmen pool in the region. References were checked and no unsatisfactory issues were noted regarding their work performance. Spec has listed one (1) certified Disadvantaged Business Enterprise (DBE) firm for the project, for a total of 2.5% participation. This contributes towards achieving the Quiet Home Program's overall annual DBE goal of 2.9%. The contractor is required to maintain an office and a warehouse in the City of Ontario for the duration of the contract. Construction work is anticipated to start by spring of 2014 and be completed by summer of 2014.

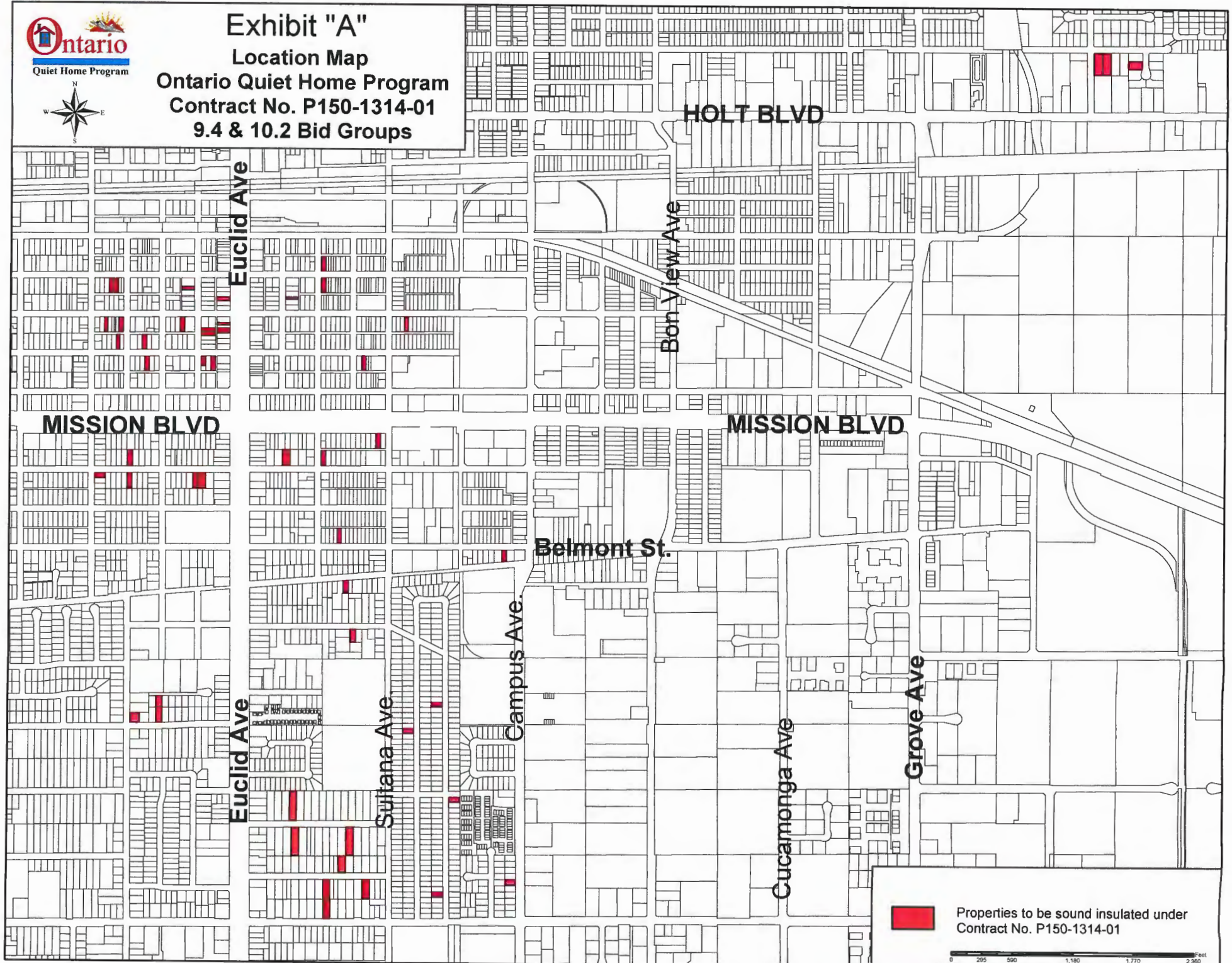
The houses in this project are located throughout neighborhoods generally bounded on the north by State Street, on the south by Francis Street, on the west by Vine Avenue, and on the east by Bon View Avenue. A location map is provided as Exhibit "A." Sound insulation work includes installation of acoustic doors and windows, central air conditioning, heating and ventilation systems, attic insulation, vent baffles and other noise reducing improvements. These improvements help enhance the quality of life of the homeowners, eliminate certain health and safety conditions, and enhance the energy efficiency of the homes. Safety is improved by installing new electrical panels, smoke detectors, carbon monoxide detectors, acoustic windows that meet emergency egress requirements and removing unsafe electrical wiring from sound insulation work areas. Energy efficiency benefits include the incorporation of SEER (Seasonal Energy Efficiency Ratio) 14 rated condensing units, 90% efficiency-rated force air units, and Energy Star windows with heat-resistant glass coating. All sound insulation and related work is done at no cost to the homeowners.

To date, the program has sound insulated 1,469 units and expended over \$30 million in construction funds, using FAA and LAWA sound insulation grants. After completion of this proposed project, and upcoming projects, the program will have sound insulated over 1,600 housing units.





**Exhibit "A"**  
**Location Map**  
**Ontario Quiet Home Program**  
**Contract No. P150-1314-01**  
**9.4 & 10.2 Bid Groups**



# CITY OF ONTARIO

*Agenda Report*  
November 19, 2013

**SECTION:**  
**CONSENT CALENDAR**

**SUBJECT: EVERY 15 MINUTES GRANT PROGRAM FROM THE DEPARTMENT OF CALIFORNIA HIGHWAY PATROL**

**RECOMMENDATION:** That the City Council authorize the acceptance of grant funds in the amount up to \$10,000 for the Every 15 Minutes Grant Program from the Department of California Highway Patrol.

**COUNCIL GOALS:** Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Maintain the Current High Level of Public Safety  
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

**FISCAL IMPACT:** In August 2013, the Department of California Highway Patrol (CHP) invited the Ontario Police Department to apply for participation in the Every 15 Minutes Program. CHP will provide reimbursement of materials, supplies, motivational speakers, lodging costs and transportation as needed to implement a successful program. The approximate grant funding reimbursement is \$10,000. The City is not required to provide matching funds for the grants. If awarded, the revenue and associated expenditure adjustments will be included in the Fiscal Year 2013-14 Mid-Year Budget Report.

**BACKGROUND:** The Every 15 Minutes Program is a nationwide program dedicated to raising awareness of high school students about the dangers of drinking and driving. The program's name was derived from the fact that every fifteen minutes someone in the United States dies in an alcohol-related traffic collision.

This program has been successful over the past ten years with Ontario's public high schools. Using these grant funds, the Every 15 Minute Program will be conducted at Ontario High School on April 1-2, 2014.

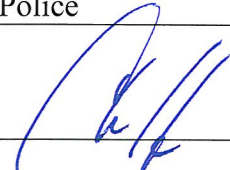
The two-day event will conduct demonstrations of automobile extrication, rescue, and victim medical treatment. The program challenges high school juniors and seniors to think about the consequences of

**STAFF MEMBER PRESENTING:** Eric V. Hopley, Chief of Police

Prepared by: Donna Bailey

Department: Police

City Manager

Approval: 

Submitted to Council/O.H.A. 11/19/2013

Approved: \_\_\_\_\_

Continued to: \_\_\_\_\_

Denied: \_\_\_\_\_

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drinking/distracted driving, personal safety and the responsibility of making mature decisions. The Police Department is one of many agencies participating in this event. Other agencies invited include the Ontario Fire Department, American Medical Response, CHP, Coroner's Office, District Attorney's Office, local hospitals, and various civic and business entities.

# CITY OF ONTARIO

*Agenda Report*  
November 19, 2013

SECTION:  
PUBLIC HEARINGS

**SUBJECT: CONSIDERATION OF A SPENDING PLAN FOR THE SUPPLEMENTAL LAW ENFORCEMENT SERVICES FUND/CITIZEN'S OPTION FOR PUBLIC SAFETY GRANT PROGRAM**

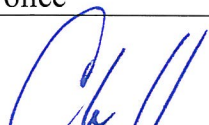
**RECOMMENDATION:** That the City Council receive public comment on the proposed spending plan for the Fiscal Year 2013-14 Supplemental Law Enforcement Services Fund (SLESF)/Citizen's Option for Public Safety (COPS) Grant; and approve the proposed spending plan.

**COUNCIL GOALS:** Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Maintain the Current High Level of Public Safety  
Pursue City's Goals and Objectives by Working with Other Governmental Agencies

**FISCAL IMPACT:** On October 15, 2013, the County of San Bernardino announced the estimated funding allocation amounts to be awarded to each participating agency under the SLESF/COPS grant program. The City of Ontario is eligible to receive a maximum grant award of \$266,234. Since this amount is based on an estimation of the FY2013-14 State of California's Vehicle License Fee (VLF) revenues, the allocation may be re-calculated and adjusted by the Auditor/Controller's Office. The grant funds will be distributed to the City in four installments: September, December 2013 and March, June 2014. The City is not required to provide matching funds for this grant. If approved, the associated revenue and expenditure adjustments will be presented in the next quarterly budget report to the City Council.

**BACKGROUND:** Beginning in FY 2002-03, the State of California allocated grant monies (SLESF/COPS) to counties, who in turn, granted those monies to cities for the purpose of supporting front-line law enforcement needs. A public hearing is required for public input before the grant funds can be utilized.

**STAFF MEMBER PRESENTING:** Eric V. Hopley, Chief of Police

Prepared by: Donna Bailey  
Department: Police  
City Manager Approval: 

Submitted to Council/O.H.A. 11/19/2013  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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Based on current front-line operational needs, the Police Department proposes the following grant spending plan:

• License Plate Reader Intelligence System	\$266,234
<b>TOTAL</b>	<b><u>\$266,234</u></b>

# CITY OF ONTARIO

*Agenda Report*

November 19, 2013

SECTION:  
PUBLIC HEARINGS

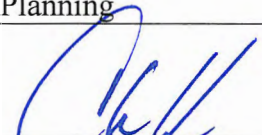
**SUBJECT: A PUBLIC HEARING TO CONSIDER AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT BETWEEN WARM SPRINGS NMC, LLC, AND THE CITY OF ONTARIO TO PROVIDE FOR THE CONSTRUCTION OF UP TO 190 RESIDENTIAL UNITS AND REQUIRED INFRASTRUCTURE ON 40 ACRES OF LAND WITHIN PLANNING AREA 3 OF THE SUBAREA 29 SPECIFIC PLAN, LOCATED AT THE SOUTHEAST CORNER OF ARCHIBALD AND EUCALYPTUS AVENUES**

**RECOMMENDATION:** That the City Council introduce and waive further reading of an ordinance approving the Development Agreement (File No. PDA13-001) between Warm Springs NMC, LLC, and the City of Ontario to provide for the construction of up to 190 residential units on 40 acres within the Subarea 29 Specific Plan, located at the southwest corner of Archibald and Eucalyptus Avenues (APNs: 0218-281-15 and 16).

**COUNCIL GOALS:** Develop Strategies and Take Actions, Including Regaining Local Control of the Ontario International Airport, to Minimize the Negative Impacts of the Global Financial Downturn on Ontario's Economy and the City's Fiscal Health  
Invest in the Growth and Evolution of the City's Economy  
Operate in a Businesslike Manner  
Invest in the City's Infrastructure (Water, Streets, Sewer, Parks, Storm Drains, and Public Facilities)  
Ensure the Development of a Well Planned, Balanced, and Self-Sustaining Community in the New Model Colony

**FISCAL IMPACT:** The proposed Development Agreement will provide funding from a community facilities district (CFD) for additional City services required to support the Subarea 29 Specific Plan development, thereby mitigating the increased cost associated with such services. In addition, the City will receive Public Service Funding fees plus development impact, compliance processing, licensing, and permitting fees. No Original Model Colony revenue will be used to support the New Model Colony development.

**STAFF MEMBER PRESENTING:** Jerry L. Blum, Planning Director

Prepared by: Scott Murphy  
Department: Planning  
City Manager Approval: 

Submitted to Council/O.H.A. 11/19/2013  
Approved: \_\_\_\_\_  
Continued to: \_\_\_\_\_  
Denied: \_\_\_\_\_

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**BACKGROUND:** Warm Springs NMC, LLC (“Warm Springs”) and the City recognized that the financial commitment required for construction in the New Model Colony (“NMC”) is substantial. To adequately forecast these costs and gain assurance that the project may proceed under the existing policies, rules and regulations, Warm Springs is entering into a Development Agreement with the City providing for the development of up to 190 dwelling units. The Development Agreement provides funding for new City expenses created by the project, including operational costs related to the review, approval and administration of the Warm Springs project, additional project related services, infrastructure and affordable housing requirements.

The Development Agreement proposes to include 40 acres of residential development as shown in Exhibit A (Specific Plan Map). The Agreement grants to the Warm Springs a vested right to develop their project as long as the Warm Springs complies with the terms and conditions of the Subarea 29 Specific Plan and EIR.

The main points of the Development Agreement are as follows:

Term: Ten (10) years with a five (5) year option.

Assignment: Assignable with all terms and conditions applying to the assignee. The City has conditional approval and City will assess a processing fee.

Fees:

Development Impact: Varies by category (i.e.; Streets and Bridges, Police, Fire, Open Space/Parks etc.). This is a separate fee from existing City licensing fees and permits.

Public Services Funding: \$1,800/unit fee due in two (2) installments:

- 1) \$900 within 30 days following the City’s start of construction of Fire Station No. 9.
- 2) \$900 upon issuance of remaining building permits, the cost of which shall increase each January 1, beginning January 1, 2014.

Community Facilities:

District (CFD): City will cooperate with Warm Springs to form a CFD to reimburse costs of eligible infrastructure construction and maintenance of public facilities.

Parks/Open Space:

As required by the General Plan, Warm Springs will supply five (5) acres per 1,000 projected population through park dedication and/or the payment of in-lieu fees.

Housing:

Provide affordable housing as required by the General Plan through construction, rehabilitation, or by paying an In-Lieu Fee.

Compliance:

Warm Springs will submit an annual monitoring report which the City will review for compliance. The City will assess a review/approval processing fee. If Warm Springs is found to be in compliance, the City

will issue a Certificate of Compliance. If noncompliance is identified, a letter of correction will be issued.

Schools: Must satisfy Mountain View Elementary School District and Chaffey High School District school facilities requirements.

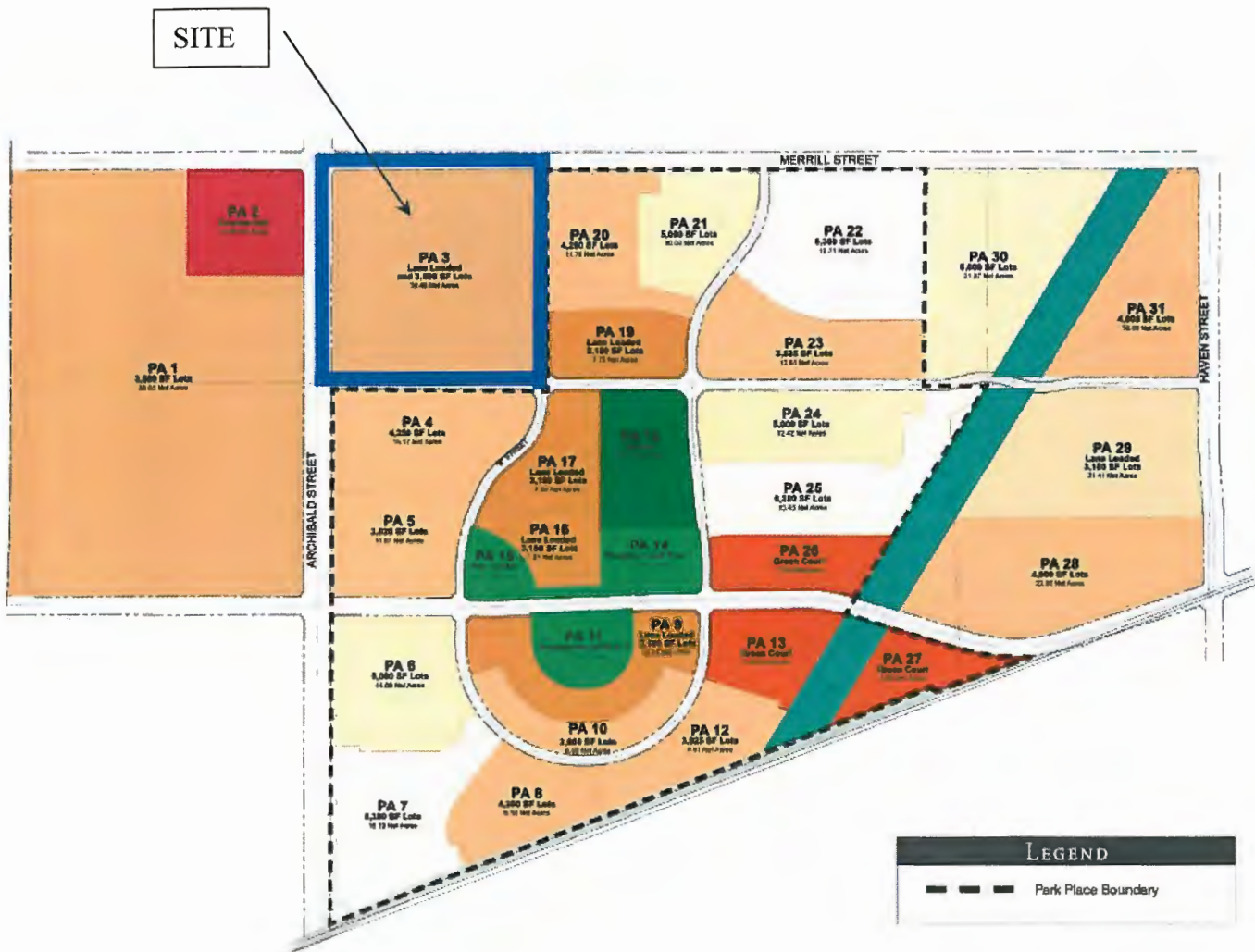
Termination: The City may terminate the Agreement if substantial evidence is found of noncompliance.

In considering the application at their meeting of October 22, 2013, the Planning Commission found that the Development Agreement was consistent with State law, The Ontario Plan, the City's Development Agreement policies, and other Development Agreements previously approved for NMC development, and unanimously recommended approval of the Development Agreement to the City Council.

**ENVIRONMENTAL REVIEW:** Pursuant to CEQA section 21166 and sections 15162 and 15163 of the CEQA Guidelines, an Addendum to the Certified Environmental Impact Report for the Subarea 29 Specific Plan (SCH# 2004011009) was prepared by the City with regard to the Project ("Addendum"). The Addendum incorporates, by reference, the analysis contained in the Certified Environmental Impact Report for the Subarea 29 Specific Plan, and addresses only those issues specific to the Project. As described in the Addendum and the Initial Study, the Certified Environmental Impact Report for the Subarea 29 Specific Plan adequately describes the activity proposed. The Addendum concludes that the Project will not result in new or substantially more adverse, significant environmental impacts than those disclosed in the Certified Environmental Impact Report for the Subarea 29 Specific Plan.



# SUBAREA 29 SPECIFIC PLAN MAP



RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, ADOPTING AN ADDENDUM TO THE SUBAREA 29 SPECIFIC PLAN ENVIRONMENTAL IMPACT REPORT (SCH#200411009) ADOPTED FOR FILE NO. PSP03-003, PREPARED FOR FILE NO. PDA13-001, FOR WHICH AN INITIAL STUDY WAS PREPARED, ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, AND MAKING FINDINGS IN SUPPORT THEREOF (APN: 0218-281-15 AND 16).

WHEREAS, prior to the adoption of this Resolution, the Planning Director of the City of Ontario prepared an Initial Study and an Addendum to the Subarea 29 Specific Plan Environmental Impact Report (EIR) File No. PSP03-003 for Planning File No. PDA13-001 (the "Addendum"), all in accordance with the requirements of the California Environmental Quality Act of 1970, together with state and local guidelines implementing said Act, all as amended to date (collectively "CEQA"); and

WHEREAS, Planning File No. PDA13-001 (the "Project") analyzed under the Addendum consists of a Development Agreement and related Tentative Tract Map request to subdivide 40.19 acres of land into 190 numbered lots and 10 lettered lots, within Planning Area 3 (Single Family Conventional – 4,500 SF Minimum Lots) of the Subarea 29 Specific Plan, located at the southeast corner of Archibald Avenue and Eucalyptus Avenue, with a street frontage of approximately 1,300 feet along Archibald Avenue and 1,320 feet along Eucalyptus Avenue; and

WHEREAS, the Application is a Project pursuant to the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) ("CEQA"); and

WHEREAS, on October 17, 2006, the City Council certified an EIR (SCH#2004011009) and a related Mitigation Monitoring and Reporting Program for File No. PSP03-003; and

WHEREAS, pursuant to Public Resources Code Section 21166 and Sections 15162 and 15163 of the State CEQA Guidelines, the Addendum to the Subarea 29 Specific Plan EIR for File No. PSP03-003 was prepared by the City with regard to the Project (File No. PDA13-001). The Addendum incorporates, by reference, the analysis contained in the certified EIR and related Mitigation Monitoring and Reporting Program for File No. PSP03-003, and addresses only those issues specific to the Project. The Addendum concludes that the Project will not result in impacts beyond what was previously analyzed in the certified EIR, because the Project does not have new or substantially more severe significant environmental impacts, either directly or indirectly; and



WHEREAS, the City of Ontario is the lead agency on the Project, and the City Council is the decision-making body for the proposed approval to construct and otherwise undertake the Project; and

WHEREAS, the City Council has reviewed and considered the Addendum for the Project, and intends to take actions on the Project in compliance with CEQA, and state and local guidelines implementing CEQA; and

WHEREAS, the Addendum for the Project and the certified EIR for File No. PSP03-003 are on file in the Planning Department, located at 303 East B Street, Ontario, CA 91764, and are available for inspection by any interested person at that location and are, by this reference, incorporated into this Resolution as if fully set forth herein;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ONTARIO AS FOLLOWS:

SECTION 1. THAT THE CITY COUNCIL does hereby make the following findings: (1) it has independently reviewed and analyzed the Addendum/Initial Study and other information in the record and has considered the information contained therein, prior to acting upon or approving the Project, (2) the Addendum prepared for the Project has been completed in compliance with CEQA and is consistent with state and local guidelines implementing CEQA, and (3) the Addendum represents the independent judgment and analysis of the City of Ontario, as lead agency for the Project.

SECTION 2. THAT THE CITY COUNCIL does hereby find that based upon the entire record of proceedings before it and all information received and pursuant to State CEQA Guidelines Section 15162 and 15164, that there is no substantial evidence that the Project will result in any new, increased, or substantially different significant impacts, other than those previously considered and addressed in the Subarea 29 Specific Plan EIR for File No. PSP03-003 and that no changes or additions to the adopted EIR analyses are necessary, nor is there a need for any additional mitigation measures and that none of the conditions described in State CEQA Guidelines Section 15162 that would require subsequent or supplemental CEQA review for the Project otherwise exist.

SECTION 3. Based upon the findings and conclusions set forth in Sections 1 and 2 above, the City Council approves the Project.

SECTION 4. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

The City Clerk of the City of Ontario shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 19<sup>th</sup> day of November 2013.

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PAUL S. LEON, MAYOR

ATTEST:

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MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO LEGAL FORM:

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BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                    )  
COUNTY OF SAN BERNARDINO        )  
CITY OF ONTARIO                        )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Resolution No. 2013-        was duly passed and adopted by the City Council of the City of Ontario at their regular meeting held November 19, 2013 by the following roll call vote, to wit:

AYES:            COUNCIL MEMBERS:

NOES:            COUNCIL MEMBERS:

ABSENT:          COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

The foregoing is the original of Resolution No. 2013-       duly passed and adopted by the Ontario City Council at their regular meeting held November 19, 2013.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ONTARIO, CALIFORNIA, APPROVING THE DEVELOPMENT AGREEMENT BETWEEN THE CITY OF ONTARIO AND WARM SPRINGS NMC, LLC., FILE NO. PDA13-001, TO PROVIDE FOR THE CONSTRUCTION OF UP TO 190 RESIDENTIAL UNITS ON 40 ACRES WITHIN PLANNING AREA 3 OF THE SUBAREA 29 SPECIFIC PLAN, LOCATED AT THE SOUTHWEST CORNER OF ARCHIBALD AND EUCALYPTUS AVENUES (APNS: 0218-281-15 AND 16).

WHEREAS, California Government Code Section 65864 now provides, in pertinent part, as follows:

“The Legislature finds and declares that:

(a) The lack of certainty in the approval process of development projects can result in a waste of resources, escalate the cost of housing and other developments to the consumer, and discourage investment in and commitment to comprehensive planning which would make maximum efficient utilization of resources at the least economic cost to the public.

(b) Assurance to the Applicant for a development project that upon approval of the project, the Applicant may proceed with the project in accordance with existing policies, rules and regulations, and subject to conditions of approval, will strengthen the public planning process, encourage private participation in comprehensive planning, and reduce the economic costs of development.”

WHEREAS, California Government Code Section 65865 provides, in pertinent part, as follows:

“Any city ... may enter into a Development Agreement with any person having a legal or equitable interest in real property for the development of such property as provided in this article ...”

WHEREAS, California Government Code Section 65865.2. provides, in part, as follows:

“A Development Agreement shall specify the duration of the Agreement, the permitted uses of the property, the density of intensity of use, the maximum height and size of proposed buildings, and provisions for reservation or dedication of land for public purposes. The Development Agreement may include conditions, terms, restrictions, and requirements for subsequent discretionary actions, provided that such conditions, terms, restrictions, and requirements for discretionary actions shall not prevent development of the land for the uses and to the density of intensity of development set forth in this Agreement ...”

WHEREAS, on the 4<sup>th</sup> day of April 1995, the City Council of the City of Ontario adopted Resolution No. 95-22 establishing procedures and requirements whereby the City of Ontario may consider Development Agreements.

WHEREAS, on the 10<sup>th</sup> day of September 2002, the City Council of the City of Ontario adopted Resolution No. 2002-100 which revised the procedures and requirements whereby the City of Ontario may consider Development Agreements.

WHEREAS, attached to this resolution, marked Exhibit "A" and incorporated herein by this reference, is the proposed Development Agreement between Warm Springs NMC, LLC, and the City of Ontario, File No. PDA13-001. Hereinafter in this Resolution, the Development Agreement is referred to as the "Agreement"; and

WHEREAS, on October 22, 2013, the Planning Commission of the City of Ontario conducted a hearing to consider the Agreement and concluded said hearing on that date. After considering the public testimony, the Planning Commission voted unanimously to recommend approval of the Agreement to the City Council; and

WHEREAS, as the first action on the Project, on November 19, 2013, the City Council approved a Resolution adopting an Addendum to the Subarea 29 Specific Plan Environmental Impact Report (SCH #2004011009) certified by City Council on October 19, 2006, for File No. PSPA03-003. The Addendum finds that the proposed project introduces no new, significant environmental impacts, and all previously adopted mitigation measures are incorporated into the Project by reference; and

WHEREAS, on November 19, 2013, the City Council of the City of Ontario conducted a hearing to consider the Agreement and concluded said hearing on that date; and

WHEREAS, all legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED, AND ORDAINED by the City Council of the City of Ontario, as follows:

SECTION 1. Based upon substantial evidence presented to the City Council during the above-referenced hearing on November 19, 2013, including written and oral staff reports, together with public testimony, the City Council hereby specifically finds as follows:

a. The Agreement applies to 40 acres of residential land within the Subarea 29 Specific Plan, located at the southeast corner of Archibald and Eucalyptus Avenues and is presently utilized for dairy and agriculture uses; and

b. The properties to the north of the Project site are within the proposed Grand Park Specific Plan, are designated for open space uses and are developed with dairy uses. The property to the south of the project site is within planning area 4 of the Subarea 29 Specific Plan, is designated for residential

development, and is vacant. The properties to the east are within planning areas 19 and 20 of the Subarea 29 Specific Plan, are designated for residential uses and are vacant. The properties to the west are within planning areas 1 and 2 of the Subarea 29 Specific Plan, are designated for single family residential and commercial uses, respectively, and are vacant and developed with a dairy; and

c. The Agreement establishes parameters for the development of the Subarea 29 residential projects. The Development Agreement also grants Warm Springs NMC, LLC, the right to develop, the ability to quantify the fees; and establish the terms and conditions that apply to those projects. These terms and conditions are consistent with The Ontario Plan Policy plan (General Plan), design guidelines and development standards for the Subarea 29 Specific Plan; and

d. The Agreement will provide for the phasing of various improvements established by the Subarea 29 Specific Plan; and

e. The Agreement has been prepared in conformance with the goals and policies of The Ontario Plan Policy Plan (General Plan); and

f. The Agreement does not conflict with the Land Use Policies of The Ontario Plan Policy Plan (General Plan) and will provide for development, within the district, in a manner consistent with the Policy Plan and with related development; and

g. The Agreement will promote the goals and objectives of the Land Use Element of the Policy Plan; and,

h. The Agreement will not be materially injurious or detrimental to the adjacent properties and will have a significant impact on the environment or the surrounding properties but the benefits of the project outweigh the potential environmental impacts and the mitigation of these impacts were addressed in the Subarea 29 Specific Plan EIR certified by the City Council on October 19, 2006.

SECTION 2. Based upon the findings and conclusions set forth in Sections 1 above, the City Council hereby approves the Project.

SECTION 3. The Applicant shall agree to defend, indemnify and hold harmless, the City of Ontario or its agents, officers, and employees from any claim, action or proceeding against the City of Ontario or its agents, officers or employees to attack, set aside, void or annul this approval. The City of Ontario shall promptly notify the applicant of any such claim, action or proceeding, and the City of Ontario shall cooperate fully in the defense.

SECTION 4. Custodian of Records. The documents and materials that constitute the record of proceedings on which these findings have been based are located at the City of Ontario City Hall, 303 East "B" Street, Ontario, California 91764. The custodian for these records is the City Clerk of the City of Ontario.

SECTION 5. Severability. If any section, sentence, clause or phrase of this Ordinance or the application thereof to any entity, person or circumstance is held for any reason to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this Ordinance are severable. The People of the City of Ontario hereby declare that they would have adopted this Ordinance and each section, sentence, clause or phrase thereof, irrespective of the fact that any one or more section, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 6. Effective Date. This Ordinance shall become effective 30 days following its adoption.

SECTION 7. The Mayor shall sign this Ordinance and the City Clerk shall certify as to the adoption and shall cause a summary thereof to be published at least once, in a newspaper of general circulation in the City of Ontario, California within fifteen (15) days of the adoption. The City Clerk shall post a certified copy of this ordinance, including the vote for and against the same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

PASSED, APPROVED, AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

\_\_\_\_\_  
PAUL S. LEON, MAYOR

ATTEST:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

APPROVED AS TO FORM:

\_\_\_\_\_  
BEST BEST & KRIEGER LLP  
CITY ATTORNEY

STATE OF CALIFORNIA                     )  
COUNTY OF SAN BERNARDINO         )  
CITY OF ONTARIO                         )

I, MARY E. WIRTES, City Clerk of the City of Ontario, DO HEREBY CERTIFY that foregoing Ordinance No. \_\_\_\_\_ was duly introduced at a regular meeting of the City Council of the City of Ontario held \_\_\_\_\_ and adopted at the regular meeting held \_\_\_\_\_, 2013 by the following roll call vote, to wit:

AYES:           COUNCIL MEMBERS:

NOES:           COUNCIL MEMBERS:

ABSENT:        COUNCIL MEMBERS:

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)

I hereby certify that the foregoing is the original of Ordinance No. \_\_\_\_\_ duly passed and adopted by the Ontario City Council at their regular meeting held \_\_\_\_\_ and that Summaries of the Ordinance were published on \_\_\_\_\_ and \_\_\_\_\_, in the Inland Valley Daily Bulletin newspaper.

\_\_\_\_\_  
MARY E. WIRTES, MMC, CITY CLERK

(SEAL)