

Utility Rate Study Information and FAQs

- Utility fees and charges pay for the water, sewer, and solid waste services the City provides to the residents and businesses in Ontario. The utility fees and charges are billed monthly and collected in the utility funds which are separate from the General Fund.
- These fees and charges are not taxes like property tax and sales tax that are used for other general government purposes like police and fire protection.
- In general, utility fees and charges fund the operations and maintenance activities, capital replacement of existing equipment and facilities, and projects to improve service reliability needed to provide water, sewer, and solid waste services.
- By law, a cost-of-service analysis (COSA) must be prepared at least every ten years to review the utility fees and charges. A COSA has just been completed in 2021 to help ensure that our rate structures comply with all the current legal requirements and industry standards.
- The City hired independent outside consultants to work with Ontario Municipal Utilities Company (OMUC) staff to conduct COSAs for its water, sewer and solid waste services.
- The results of the COSAs included many recommended changes to the utility rate structures and the fees the City currently charges. The current and proposed fees and charges are outlined in the Prop 218 Notice that was mailed to each Ontario property owner and utility customer. A copy of the Prop 218 Notice can be reviewed at: www.ontarioca.gov/OMUC/
- How much will my monthly bill increase and when will my bill change?
 - Customers will see a change to their bills beginning on or after October 1, 2021, and July 1, 2022.
 - Due to the changes to the rate structures for water, sewer, and solid waste services, most customers will see changes to their monthly bills. This includes residential, multifamily, commercial, and industrial customers.
 - Bills for the average residential customer will likely increase between \$6 and \$8 per month, or about 6 – 6.5 percent, depending on the services received.
 - Due to the wide variety of subscription levels for the services we provide to our business customers, we encourage you to email OMUC staff at UtilityRates@Ontarioca.gov or call Mike Sigsbee, Assistant General Manager - Administration & Customer Service, at (909) 395-2653, to discuss how the proposed changes might affect your bill.
- What is the typical service level for the average Ontario residential customer?

- The average Ontario residential customer has approximately 4 people living in the home, they use about 18 hcf/units of water each month which is supplied through a 5/8" water meter, and they have a set of three 96-gallon trash, recycling, and organics/green waste cans.
 - A typical residential customer uses about half of their monthly water indoors for drinking, cooking, and cleaning, which is an average of about 55 gallons per person per day. The other half is used for outdoor purposes like irrigation and pool maintenance.
 - About 73% of all residential customers use 18 hcf/units or less of water per month, and about 80% of all water meters are 5/8" meters.
 - Fast Facts:
 - Each hcf (hundred cubic feet) or unit of water is 748 gallons.
 - A 10-minute shower uses about 20 gallons of water (taking a 5-minute shower could save about 10 gallons).
 - Each flush of a toilet uses about 1.6 gallons of water.
 - It takes about 165 gallons to sprinkle a 500 square foot lawn area with ½ inch of water.
- Why are rate adjustments needed?
 - For the City to meet customer needs for water, sewer, and solid waste services, our rates must keep pace with our costs. This includes things like:
 - The cost of pumping and purchasing water.
 - The cost to treat our local groundwater and our imported water to meet regulatory and health requirements.
 - Operating and maintaining our water and sewer systems and providing solid waste services.
 - The cost to meet new and emerging regulations related to the collection, handling, and disposal of recyclable materials, including food and organic waste related to the State's greenhouse gas initiatives.
- When was the last time the utility rates were changed?

- The City utility rates were last increased in January of 2017. At that time the City utility rates increased about \$1.90 or 1.8% per month for the average residential customer.
- What is the IEUA charge on my bill?
 - The City's wastewater is treated by Inland Empire Utilities Agency (IEUA). The IEUA charge is the rate adopted and imposed by IEUA on the City for the cost of providing sewer treatment services. The City passes the charge through to our customers on the combined City utility bill.
- What are some of the changes to the rate structures?
 - The new proposed water rates for single family residential customers change from the current two-tier structure to a three-tier structure.
 - The first tier is set at 10 hcf (hundred cubic feet) or units of usage, which is the amount the average residential customer uses in winter.
 - The second tier is set at 18 hcf/units of usage, which is a reasonable estimate of average summer usage.
 - The third tier is for usage above 18 hcf/units and is the highest rate.
 - The new proposed water rates for multi-family and business customers change from the current two-tier structure to a single, uniform rate.
 - The monthly sewer rate for multi-family customers is changing to be based on an average of 80% of a single-family residential customer. Multi-family sewer flows have been estimated based on about 3.08 people per household.
 - The sewer rate structure for businesses is changing to a uniform rate based on billed water usage.
 - The proposed solid waste rates consider the new regulations related to organics collection and recycling, for both residents and businesses.
- Drought
 - Although Governor Newsome recently declared a "drought" state of emergency in 50 California counties, San Bernardino, along with most Southern California counties, is not targeted due to continuing conservation efforts and water supply availability.
 - While much media attention has been paid to the drought effects on the Colorado River, Ontario does not currently receive any water from the Colorado River.

- On 6/15/21 the Ontario City Council approved the 5-year update to the City's Urban Water Management Plan which includes drought responses and conservation measures.