

Recycled Water	<u>Units*</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>
	Uniform	\$1.71	\$2.07	\$2.07

*Water "Units" measured in HCF (One Hundred Cubic Feet = 748 gallons)

Readiness to Serve (Base Charges):								Fire Service			
Potable Water				Recycled Water				Pipe Size	Current	October 2021	July 2022
Meter Size	Current	October 2021	July 2022	Meter Size	Current	October 2021	July 2022				
5/8"	\$23.85	\$27.32	\$28.69	5/8"	\$13.90	\$11.24	\$11.24	2"	\$12.70	\$10.87	\$11.42
3/4"	\$32.20	\$36.55	\$38.38	3/4"	\$18.85	\$12.56	\$12.56	4"	\$25.85	\$21.25	\$22.32
1"	\$42.35	\$54.99	\$57.74	1"	\$24.80	\$15.20	\$15.20	6"	\$51.45	\$44.81	\$47.06
1 1/2"	\$94.00	\$101.11	\$106.17	1 1/2"	\$54.85	\$21.79	\$21.79	8"	\$72.70	\$85.44	\$89.72
2"	\$135.00	\$156.46	\$164.28	2"	\$79.00	\$29.71	\$29.71	10"	\$98.60	\$146.57	\$153.90
3"	\$264.00	\$331.70	\$348.29	3"	\$154.00	\$54.77	\$54.77	12"	\$193.00	\$231.29	\$242.86
4"	\$419.00	\$589.95	\$619.45	4"	\$245.00	\$91.70	\$91.70	16"	\$383.00	\$482.85	\$507.00
6"	\$866.00	\$1,207.93	\$1,268.34	6"	\$506.00	\$180.08	\$180.08				
8"	\$1,285.00	\$2,222.51	\$2,333.64	8"	\$750.00	\$325.17	\$325.17				
10"	\$1,938.00	\$3,513.80	\$3,689.50	10"	\$1,155.00	\$509.83	\$509.83				

Included in the proposed rates are the cost of imported water from wholesale agencies and regulatory fees imposed by the Watermaster.

PROPOSED SEWER RATE INCREASES

Based on the Study, and in light of current revenues, reserve balances, and projected expenses and capital improvements, the Study does not recommend a rate increase at this time for wastewater service. However, the City is proposing to adopt a new rate structure to take into account the City's current costs of providing wastewater service. The proposed rate structure will change the billing for all non-residential customers to be based on billed water usage instead of equivalent dwelling units. Additionally, the City proposes to continue passing through a treatment charge for costs imposed on the City by Inland Empire Utilities Agency ("IEUA Charge"). The revised rate structure is proposed to allocate costs of service to sewer customers based on current circumstances, and to fairly and proportionately allocate capital replacement, operations, maintenance, and treatment costs to each customer class.

The proposed rate structure for the sewer rates includes two customer classes – Residential and Non-Residential. Residential customers, including single-family and multi-family, are charged based on equivalent dwelling units ("EDU") assigned to the property. EDUs are calculated based on the average single family residential household size of 3.83 people, each using 55 gallons per day. In order to come up with the rate for multi-family residential customers, which are projected to have 3.08 people per household, the EDU is multiplied by 80% of a single family residential customer (3.08/3.83 equals approximately 80%). Non-residential customers are proposed to be charged based on 90% of water usage for the applicable billing period. The 90% multiplier represents a return-to-sewer factor, which estimates the amount of water usage that enters the wastewater system based on City data.

The proposed wastewater service fees proportionately allocate the costs of providing wastewater service to each of the customer classifications.

CURRENT AND PROPOSED RATES FOR SEWER SERVICE CHARGES

City Sewer Service Charges				IEUA Charge	
<u>Customer Class</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>	<u>Monthly Rates</u>	<u>Current</u>
Single Family Residential per Unit	\$13.63	\$13.63	\$13.63	Rate per EDU***	\$21.22
Multi-family Residential per Unit	\$13.10	\$10.96	\$10.96		
Non-Residential per EDU * (Current)	\$13.63				
Non-Residential per HCF ** (Proposed)		\$1.44	\$1.44		

(*) EDU (Equivalent Dwelling Unit) is a term used to compare the flows generated by a single family residential unit for non-residential customers.

(**) HCF (One Hundred Cubic Feet) is used to measure water consumption. Non-residential customers' sewer service charge will be calculated based on billed water usage and the 90% return-to-sewer factor.

(***) IEUA multi-family is currently calculated at 0.7 EDU (70%).

IEUA Pass Through Treatment Charge: The City’s wastewater is treated by Inland Empire Utilities Agency (“IEUA”) and IEUA in turn imposes the IEUA Charge. In addition to the rates described above, the City is also proposing to authorize for a five-year period, commencing July 1, 2022, through and including July 1, 2026, passing through to its wastewater service customers any increases in the IEUA Charge that are imposed on the City by IEUA. Any such annual pass through will only increase the IEUA Charge component of the sewer service fees, shall not exceed 10% in any calendar year, and in no event shall the rates for the sewer service fees be increased by more than the cost of providing sewer treatment services. Prior to implementing any increase in the sewer service fees as a result of passing through increases to the IEUA Charge, the City will provide written notice of the rate increase at least 30 days in advance of the effective date.

PROPOSED SOLID WASTE RATE INCREASES

The City’s Integrated Waste Division provides solid waste, recycling, and organics collection and related transportation, material processing, and disposal services to City residents and businesses. The City currently has a contract with Burrtec for the processing of its recyclables and organics and a contract with Waste Management for the processing, transfer and disposal of refuse at the El Sobrante Landfill. The existing rates are insufficient to meet the City’s costs. The City’s last solid waste rate adjustment was in January 2017. Since then, there have been significant increases to the cost of providing service, including increased costs of operating the system, maintaining solid waste infrastructure, and ensuring ongoing financial stability. Additionally, as a result of the implementation of the new state-mandated waste diversion programs and organic waste diversion regulations promulgated in response to Senate Bill 1383 (“SB 1383”) that take effect January 1, 2022, the City will experience increased costs relating to legal requirements associated with combining food waste and yard waste in organic carts. To establish a plan to help ensure that future revenues are sufficient to meet future costs and to maintain financial stability, the City retained HF&H Consultants, LLC, an independent rate consultant, to conduct a solid waste cost of service analysis and rate study (the “Solid Waste Study”). Based on the Solid Waste Study, and in light of increased costs, increases to the rates for solid waste service fees are required to meet increased costs of service.

The rate structure for the solid waste service fees has three customer classes – residential, commercial, and industrial. For residential customers, the City currently offers a monthly rate for bundled solid waste, recycling, and organics. The fees are calculated based on the size of containers and type of service, which includes bin, cart, and roll-off service. For commercial customers, the City offers monthly rates for subscription service and per pick-up rates for on-call service for solid waste, recycling, and organics bin service. The fees are calculated based on the type and size of containers used, and the frequency of collection service. For industrial customers, the fees are calculated based on the size of roll-off containers and the material type collected.

The fixed collection costs include such items as City administration and City-wide programs. The volumetric collection costs depend on subscribed level of service and are charged based on a full-time equivalent route factor that calculates collection truck capacity, average route hours, and disposal trip time based on each container size, an equivalent container factor (“ECF”) that calculates the variable costs per load, and an equivalent container unit (“ECU”) that is calculated by multiplying the number of containers by size, by the applicable ECF. A 3% inflationary increase was applied to operating and overhead costs. Annual growth factors were applied to residential, commercial, and industrial customers. The City is proposing increased rates and an adjusted rate structure for the solid waste fees. The proposed solid waste fees are determined based on the type of customer, and type of service provided to the customer, all as more fully described in the tables below.

CURRENT AND PROPOSED RATES FOR SOLID WASTE SERVICES CHARGES

Automated Collection Rates				Automated Extra Refuse Carts			
Old Model Colony (OMC) 3-cart Set				OMC Extra Refuse Cart			
<u>Gallons</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>	<u>Gallons</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>
96	\$27.68	\$31.72	\$35.75	96	\$25.28	\$11.05	\$11.38
64	\$24.06	\$27.91	\$31.76	64	\$21.66	\$6.98	\$7.19
32	\$20.47	\$24.25	\$28.04	32	\$18.08	\$3.38	\$3.49
Ontario Ranch (OR) 3-cart Set				OR Extra Refuse Cart			
<u>Gallons</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>	<u>Gallons</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>
96	\$31.27	\$31.72	\$35.75	96	\$28.56	\$11.05	\$11.38
64	\$27.19	\$27.91	\$31.76	64	\$24.48	\$6.98	\$7.19
32	\$23.11	\$24.25	\$28.04	32	\$20.40	\$3.38	\$3.49
Automated Extra Recycling Carts				Automated Extra Yard Waste Carts			
<u>Gallons</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>	<u>Gallons</u>	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>
96	\$2.00	\$4.12	\$4.60	96	\$2.00	\$7.57	\$8.56

Commercial Solid Waste Rates										
	Carts	Bins					Compactor			
	96 gal	1.5 yd	2 yd	3 yd	4 yd	6 yd	2 yd	3 yd	4 yd	6 yd
Once per week service – first container:										
Current	\$27.68	\$106.00	NA	\$126.00	\$157.00	\$220.00	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$16.41	\$135.86	\$148.27	\$167.73	\$194.34	\$247.55	\$213.26	\$275.93	\$345.74	\$506.80
July 2022	\$16.81	\$140.01	\$152.79	\$172.83	\$200.24	\$255.04	\$219.73	\$284.28	\$356.18	\$522.07
Each additional pickup per week – first container:										
Current	\$27.68	\$97.00	NA	\$113.00	\$138.00	\$200.00	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$21.81	\$48.81	\$61.22	\$80.68	\$107.29	\$160.49	\$126.21	\$188.88	\$258.69	\$419.75
July 2022	\$22.13	\$50.28	\$63.06	\$83.10	\$110.50	\$165.31	\$129.99	\$194.54	\$266.45	\$432.34
Once per week service – each additional container:										
Current	\$27.68	\$106.00	NA	\$126.00	\$157.00	\$220.00	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$11.05	\$28.66	\$43.05	\$63.32	\$90.13	\$144.13	\$110.35	\$175.16	\$247.12	\$410.32
July 2022	\$11.38	\$29.52	\$44.34	\$65.22	\$92.83	\$148.45	\$113.66	\$180.42	\$254.53	\$422.63
Each additional pickup per week – each additional container:										
Current	\$27.68	\$97.00	NA	\$113.00	\$138.00	\$200.00	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$16.62	\$50.96	\$65.35	\$85.62	\$112.43	\$166.43	\$132.65	\$197.46	\$269.42	\$432.62
July 2022	\$17.12	\$52.49	\$67.31	\$88.19	\$115.80	\$171.42	\$136.62	\$203.38	\$277.50	\$445.60

Commercial Recycling Rates										
	Carts	Bins					Compactor			
	96 gal	1.5 yd	2 yd	3 yd	4 yd	6 yd	2 yd	3 yd	4 yd	6 yd
Once per week service – first container:										
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$5.94	\$94.94	\$104.02	\$122.18	\$140.34	\$187.72	\$130.53	\$172.99	\$208.09	\$300.40
July 2022	\$6.48	\$98.21	\$107.56	\$126.27	\$144.98	\$193.77	\$134.86	\$178.61	\$214.76	\$309.83
Each additional pickup per week – first container:										
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$14.89	\$49.54	\$58.62	\$76.79	\$94.95	\$142.33	\$85.13	\$127.60	\$162.70	\$255.00
July 2022	\$15.69	\$51.03	\$60.38	\$79.09	\$97.80	\$146.59	\$87.68	\$131.43	\$167.58	\$262.65
Once per week service – each additional container:										
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$4.12	\$29.39	\$40.45	\$59.42	\$77.79	\$125.96	\$69.27	\$113.88	\$151.13	\$245.58
July 2022	\$4.60	\$30.27	\$41.67	\$61.20	\$80.12	\$129.74	\$71.35	\$117.30	\$155.66	\$252.94
Each additional pickup per week – each additional container:										
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	\$203.00	\$249.00	\$297.00	\$392.00
Oct. 2021	\$9.70	\$40.54	\$51.60	\$70.57	\$88.94	\$137.11	\$80.42	\$125.03	\$162.28	\$256.72
July 2022	\$10.35	\$41.76	\$53.15	\$72.69	\$91.61	\$141.22	\$82.83	\$128.78	\$167.14	\$264.43

	Commercial Green Waste Rates						Commercial Organics Rates					
	Carts	Bins					Carts			Bins		
	96 gal	1.5 yd	2 yd	3 yd	4 yd	6 yd	32 gal	64 gal	96 gal	1.5 yd	2 yd	3 yd
Once per week service – first container:												
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	NA	NA	\$27.68	\$106.00	NA	\$126.00
Oct. 2021	\$9.85	\$106.04	\$119.04	\$145.05	\$171.06	\$223.09	\$6.10	\$9.86	\$13.45	\$283.44	\$293.29	\$312.98
July 2022	\$10.93	\$109.27	\$122.66	\$149.45	\$176.24	\$229.82	\$6.67	\$10.95	\$15.03	\$292.06	\$302.23	\$322.57
Each additional pickup per week – first container:												
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	NA	NA	\$27.68	\$97.00	NA	\$113.00
Oct. 2021	\$18.33	\$61.32	\$74.32	\$100.33	\$126.34	\$178.36	\$14.59	\$18.34	\$21.94	\$51.84	\$61.69	\$81.39
July 2022	\$19.65	\$63.15	\$76.55	\$103.34	\$130.13	\$183.71	\$15.39	\$19.66	\$23.75	\$53.48	\$63.64	\$83.98
Once per week service – each additional container:												
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	NA	NA	\$27.68	\$106.00	NA	\$126.00
Oct. 2021	\$7.57	\$41.16	\$56.15	\$82.97	\$109.18	\$161.99	\$3.74	\$7.54	\$11.18	\$41.69	\$58.52	\$84.03
July 2022	\$8.56	\$42.40	\$57.83	\$85.46	\$112.46	\$166.85	\$4.21	\$8.53	\$12.66	\$42.72	\$59.93	\$86.10
Each additional pickup per week – each additional container:												
Current	\$18.08	\$35.70	NA	\$51.00	\$60.20	\$79.60	NA	NA	\$27.68	\$97.00	NA	\$113.00
Oct. 2021	\$13.15	\$52.31	\$67.30	\$94.12	\$120.33	\$173.14	\$9.31	\$13.11	\$16.75	\$52.84	\$69.67	\$95.18
July 2022	\$14.30	\$53.88	\$69.32	\$96.94	\$123.94	\$178.34	\$9.96	\$14.27	\$18.41	\$54.20	\$71.41	\$97.58

Roll-Off Containers	<u>Current</u>	<u>October 2021</u>	<u>July 2022</u>
10 YD – Refuse	\$510.00*	\$322.43**	\$332.37**
20 YD – Refuse	\$510.00*	\$455.11**	\$469.02**
30 YD – Refuse	\$510.00*	\$497.89**	\$513.08**
40 YD – Refuse	\$510.00*	\$562.06**	\$579.18**
Recycling per load***	\$158.00	\$241.21	\$248.70
Inert/Green Waste per load***	\$198.00	\$241.21	\$248.70
Compactor*	\$510.00*		
Compactor***		\$271.65	\$280.05

*Current includes 5 tons disposal.

**Proposed includes 4 tons disposal.

***Charges are for collection only. Actual disposal costs based on weight will be added.

PUBLIC HEARING

Any property owner or any tenant directly responsible for the payment of water, sewer, or solid waste service charges (i.e., a customer of record) may submit a written protest to the proposed increases to the rates for the City’s water, sewer, or solid waste service charges; provided, however, only one protest will be counted per identified parcel. Any written protest must: (1) state the specific rate increase (water, sewer, and/or solid waste) for which the protest is being submitted in opposition; (2) provide the location of the identified parcel (by assessor’s parcel number or street address); and (3) include the name and signature of the property owner or tenant directly responsible for the payment of the water, sewer, and/or solid waste service charges submitting the protest. If a property owner or tenant is protesting one or more rate increases, the property owner or tenant should identify which rate increase or increases they are protesting. Written protests may be submitted by mail or in person to the City Clerk at the City of Ontario, 303 East "B" Street, Ontario, California 91764, or at the Public Hearing, so long as they are received prior to the conclusion of the public input portion of the Public Hearing. Any protest submitted via e-mail or other electronic means will not be accepted. Please identify on the front of the envelope for any protest, whether mailed or submitted in person to the City Clerk, that the enclosed protest is for the Public Hearing on the Proposed Increases in Rates for Water, Sewer, and Solid Waste Service Charges.

The City Council will hear and consider all written and oral protests to the proposed rate increases at the Public Hearing. Oral comments at the Public Hearing will not qualify as formal protests unless accompanied by a written protest. Upon the conclusion of the Public Hearing, the City Council will consider adoption of the proposed rate increases for the water, sewer, and solid waste service charges described herein. If written protests against the proposed rates as outlined above are not presented by a majority of the property owners or tenants directly responsible for the payment of water, sewer, and/or solid waste service charges of the identified parcels upon which the rates and charges are proposed to be imposed, the City Council will be authorized to impose the respective rate increases.

For further details regarding the bases and reasons for the proposed rate increases to the water, sewer, and solid waste service charges, or for any questions you may have regarding your customer classification, service area, or the rates proposed to be imposed on your parcel, please visit our website at www.ontarioca.gov/OMUC or contact Mike Sigsbee, Assistant General Manager – Administration & Customer Service, with the Ontario Municipal Utilities Company at (909) 395-2653.

Para más detalles acerca de las razones detrás del propuesto aumento de tarifas para agua, alcantarillado y basura o para cualquier pregunta que tenga acerca de su clasificación de cliente, área de servicio, o tarifas propuestas para ser impuestas a su parcela, visite nuestra página web www.ontarioca.gov/OMUC o comuníquese con Mike Sigsbee, Asistente Gerente General – Administración y Servicio al Cliente de la Compañía de Utilidades Municipal de Ontario (909) 395- 2653.