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# CHINO BASIN REGIONAL SEWAGE SERVICE CONTRACT

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### CHINO BASIN REGIONAL SEWAGE SERVICE CONTRACT

	CONTRACT	made	and	ente	ered	this _	14th	day	of	
Augus	st	, 19	972,	bety	ween	CHINO	BASIN	MUNIC	[PAL	
WATER	DISTRICT	("CBI	(" dw	, a	mun	icipal	water	distri	ict,	and
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### RECITALS

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WHEREAS, CBMWD has approved a plan entitled "General Plan for Water and Waste Water Systems" which, among other (i) recommends that, except within Improvement things: District "B" of CBMWD, sewage collection agencies own, control and operate all community sewer systems within the Chino Basin and that CBMWD own, control and operate a regional sewerage system serving all community sewer systems within the Chino Basin by providing for the transmission, treatment and disposal of all sewage, and (ii) states that the goals and objectives of the regional sewerage system include, not only the protection of public health, but also the enhancement of the entire area served by the regional sewer system by protecting the quality of existing and future water sources, by improvement of water management through integration of the various sources of water supply,

including effluent, and by improving general conditions for industrial, residential, commercial and agricultural development; and

WHEREAS, the plan will be carried out in stages over a period of years and, from time to time, CBMWD will acquire various existing interceptor sewers and sewage treatment facilities as part of its regional sewerage system; and

WHEREAS, to implement said plan and to provide CBMWD with a portion of its regional sewerage system, CBMWD has entered or proposes to enter an agreement or agreements for acquisition of certain existing interceptor sewers and sewage treatment and disposal facilities owned and operated by certain of the original contracting agencies; and

WHEREAS, the undersigned contracting agency owns and operates a community sewer system within its service area and CBMWD now owns and operates a community sewer system within its Improvement District "B" and may hereafter own other community sewer systems in improvement districts or assessment districts located outside the boundaries of contracting agencies; and

WHEREAS, said general plan recommends that CBMWD finance the capital costs of the acquisition and construction

of all existing and future facilities comprising the regional sewerage system through the formation of an improvement district and the imposition of property taxes therein, and that all contracting agencies pay the costs and expenses incurred by CBMWD for the maintenance and operation of the regional sewerage system by the imposition of service charges on those agencies.

#### COVENANTS

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants herein contained, the parties agree as follows:

### Section 1. DEFINITIONS

Unless otherwise required by the context, various terms used in this contract, including the recitals, shall have the meanings set forth in this section. The singular number includes the plural and the plural the singular.

"Acquire" or "Acquisition" means to acquire or make the acquisition of one or more of the following:

- A. Fee simple title to land.
- B. Any interest in land by deed, easement, lease, sublease, contract or otherwise.
  - C. Title to or any interest in any existing facilities

located upon land.

D. Interests or capacity rights in any land or facilities owned by others.

"CBMWD" means the Chino Basin Municipal Water District, a municipal water district.

"Chino Basin" means that area underlain by the Chino and Cucamonga groundwater basins and that portion of the Claremont Heights groundwater basin within San Bernardino County which groundwater basins are described in Bulletin No. 53 of the California Division of Water Resources, dated March, 1947, and entitled "South Coastal Basin Investigation - Overdraft on Groundwater Basins."

"Community sewer system" means all facilities owned, controlled or operated by a sewage collection agency for the purpose of collecting and conducting sewage to a delivery point, including collector sewers conducting sewage from the originating premises, trunk sewers conducting sewage from tributary collector sewers or other trunk sewers and any facilities appurtenant to the foregoing.

"Contracting agency" includes the undersigned contracting agency, each of the original contracting agencies and any other sewage collection agency located, in whole or in part, within the boundaries of CBMWD subsequently entering a service contract with CBMWD.

"Delivery point" means the transfer point at which sewage is delivered from a community sewer system into the regional sewerage system.

"Dispose" or "Disposal" means any process or method for the elimination or beneficial use of sewage and any effluent or solid waste residuals thereof, including exportation from the Chino Basin.

"Effluent" means the liquid outflow at the discharge point of any treatment or reclamation facility.

"Expansion" means the acquisition or construction of new facilities for the regional sewerage system and the making of any replacements, betterments, additions or extensions of the regional sewerage system.

"Facilities" means any pipelines, buildings, structures, works, improvements, fixtures, machinery, equipment, or appliances and any real property, or interests therein, necessary or convenient for the construction, maintenance and operation of any of the foregoing.

"Fiscal year" means a 12-month period commencing on

July 1 and ending on the following June 30.

"Industrial waste" means any waste water and any water borne solid, liquid, or gaseous wastes resulting from any producing, manufacturing, or processing operations of whatever nature as more particularly defined, from time to time, by any federal, state, or regional agency authorized by law to prescribe quality standards for the discharge of sewage effluent and industrial waste effluent within the Chino Basin.

"Interceptor sewer" means any sewer receiving sewage from the most downstream trunk or collector sewer of a community sewer system, or any portion thereof, for the purpose of transmitting the sewage to or through any other community sewer system, to a sewage treatment and disposal plant or to any other point of disposal, and any facilities appurtenant to the foregoing.

"Original contracting agencies" means any one or any two or more of the Cucamonga County Water District or the Cities of Upland, Ontario, Montclair, Chino or Fontana who, on or before July 31, 1972, shall have authorized execution of a service contract with CBMWD.

"Outfall sewer" means any sewer transmitting treated

effluent from the discharge point of a sewage treatment and disposal plant to a point of disposal or reuse.

"Reclaim" or "Reclamation" means any process or method for altering the quality of treated sewage effluent to standards superior to those prescribed for treatment, as specified in Exhibit "A" attached hereto and made a part hereof.

"Regional sewerage system" means all facilities owned, controlled or operated by CBMWD and any interests or capacity rights of CBMWD in facilities owned, controlled, or operated by others, for the purpose of transmitting, treating and disposing of sewage, including interceptor sewers, sewage treatment and disposal plants, outfall sewers, facilities for the disposal of effluent and solid waste residuals and any facilities appurtenant to the foregoing; the regional sewer system shall not include any reclamation facilities and, except as otherwise provided in Section 8 hereof, any nonreclaimable waste disposal facilities.

"Service area" means all territory now or hereafter served by the community sewer system owned, controlled or operated by any sewage collection agency.

"Service contract" means this contract and any substantially similar contract between CBMWD and a contracting agency providing for the transmission, treatment and disposal of the sewage of the agency by means of the regional sewerage system.

"Sewage" means any liquid waste and water borne solid waste resulting from residential, commercial, industrial, or institutional activities or uses.

"Sewage collection agency" means the County of San
Bernardino and any city or special district, other than
CBMWD, which is located in whole or in part within CBMWD
and which is authorized to own, control and operate a community sewer system.

"Sewer" means any pipeline conducting sewage, either by gravity or by pressure, and any facilities appurtenant thereto.

"Sewer user charge" means any charge, fee, rental, or rate, excluding property taxes, which is imposed on and collected from the owner, lessee, or occupant of property for providing him with the services and facilities of any community sewer system, or the regional sewerage system,

or both.

"Transmit" or "Transmission" means the conducting (i) of sewage from any delivery point to a sewage treatment and disposal plant or other point of disposal or (ii) of effluent from a sewage treatment and disposal plant to a point of disposal or reuse.

"Treat" or "Treatment" means any process or method for altering the quality of sewage to standards equal to those prescribed in Exhibit "A" hereof.

"Undersigned contracting agency" includes only the contracting agency specifically designated in the first paragraph of this sewage service contract and the signatory of this particular contract.

#### Section 2. RIGHTS AND OBLIGATIONS

Contracting agencies shall have the right and obligation to deliver all sewage originating within their respective service areas to CBMWD and CBMWD shall have the right and obligation to receive all sewage delivered by those agencies.

#### Section 3. COMMUNITY SEWER SYSTEMS

#### A. Contracting Agencies

Each contracting agency shall own and operate a community

sewer system and shall collect all sewage originating within the service area of that agency. Each contracting agency shall pay all costs and expenses incurred for the acquisition, construction, maintenance and operation of its community sewer system.

#### B. CBMWD

CBMWD may acquire or construct community sewer systems and shall finance the costs of the acquisition and construction thereof by means of the formation of improvement or special assessment districts. The costs of the maintenance and operation of any community sewer system of CBMWD shall be financed by CBMWD either through the imposition and collection of (i) sewer user charges within the service area of the system or (ii) taxes or special assessments upon property within an improvement, maintenance or special assessment district consisting of the service area of the system. CBMWD shall not acquire or construct a community sewer system within the service area of any contracting agency without the prior consent of that agency.

So long as CBMWD owns any community sewer system including, but not limited to, that for Improvement District "B":

1. All sewage collected by CBMWD's community sewer systems shall be delivered into the regional sewerage system for transmission, treatment and disposal and, to that extent,

the provisions of this contract relating to the payment of service charges by contracting agencies and to quality standards of sewage delivered by contracting agencies shall also apply to CBMWD; and

2. CBMWD shall be deemed a contracting agency for the purposes of Sections 15 and 16 hereof providing for the control, sale, beneficial use or disposal of sewage and any treated or reclaimed effluent thereof.

### Section 4. SEWER USER CHARGES

CBMWD and each contracting agency may, in the manner provided by law, impose and collect sewer user charges within their respective service area or areas for providing the services and facilities of its community sewer system or systems and of the regional sewerage system and shall be entitled to retain, use and expend the charges for any lawful purpose. Except where the service area of a CBMWD community sewer system overlaps the service area of a contracting agency, CBMWD agrees that it will not impose and collect sewer user charges within the service area of any contracting agency without the prior consent of that agency.

### Section 5. JOINT COMMUNITY AND REGIONAL SEWERS.

Certain sewers may be capable of being used jointly by

a contracting agency and by CBMWD for the combined purposes of collector, trunk or interceptor sewers. By agreement between CBMWD and any contracting agency, CBMWD may acquire capacity rights, for interceptor sewer purposes, in any collector or trunk sewer which is part of a community sewer system and any contracting agency may obtain capacity rights, for collector or trunk sewer purposes, in any interceptor sewer which is part of the regional sewerage system. CBMWD shall give the regional audit committee not less than 15 days written notice of its intention to enter any such agreement. To the extent of CBMWD's capacity rights in any joint sewer, the sewer shall be deemed a part of the regional sewerage system and, to the extent of the contracting agency's capacity rights, the joint sewer shall be deemed a part of such agency's community sewer system. Any such agreement shall provide for an equitable apportionment of the capital costs and the maintenance and operation costs of the joint sewer.

# Section 6. TRANSFER OF OWNERSHIP OR MAINTENANCE AND OPERATION OF CBMWD COMMUNITY SEWER SYSTEMS

A. Contracts With Contracting Agencies For Maintenance and Operation of CBMWD Facilities Located Outside All Sewage Collection Agencies

### 1. Application

Any contracting agency may file an application with CBMWD for a contract to maintain and operate all or any part of the facilities of any existing or future community sewer system owned by CBMWD and located outside the boundaries of all sewage collection agencies other than the County of San Bernardino. The application shall identify the facilities applied for and set forth the proposed terms and conditions for the maintenance and operation thereof by applicant.

### 2. Processing of Applications Without Hearing

CBMWD shall refer the application to the regional audit committee for recommendation and report and shall give all sewage collection agencies mailed notice of the filing of the application and shall state that written objections or counterapplications may be filed. If no written objections or counterapplications are filed by any sewage collection agencies within 30 days of the giving of the notice, upon receipt of the report of the audit committee or upon failure of audit com-

mittee to report within 30 days of reference of the application to it, the Board of Directors of CBMWD shall by resolution award or deny a contract to applicant.

### 3. Processing of Applications With Hearing

If any sewage collection agency files a written objection or counterapplication within 30 days after the giving of notice, CBMWD shall refer the application and any counterapplication to the Local Agency Formation Commission for report and recommendation. Upon receipt of the Commission's report or upon failure or refusal of the Commission to report within 60 days of reference of the application and any counterapplication to it, CBMWD shall give all sewage collection agencies mailed notice of hearing by the Board of Directors of CBMWD upon the question of the award or denial of a maintenance and operation contract with the applicant or applicants. The Board of Directors shall consider any reports and recommendations made by the regional audit committee and the Local Agency Formation Commission and shall hear all interested persons. Upon the conclusion of the hearing, the Board of Directors shall by resolution award or deny a contract to applicant or applicants.

### 4. Notice of Hearings

The secretary of CBMWD shall give notice of hearing by

publication, posting and mailing as specified below:

- (a) <u>Publication</u>. Notice of hearing shall be published pursuant to Section 6066 of the Government Code in one or more newspapers of general circulation within the service area of the community sewer system, which is the subject of the application. Publication of notice shall be commenced at least 15 days prior to the date specified therein for hearing.
- (b) <u>Posting</u>. Notice of hearing shall be posted on or near the doors of the meeting room of the Board of Director of CBMWD. Posted notice shall be commenced at least 15 days prior to the date specified therein for hearing and shall continue to the time of the hearing.
- (c) <u>Mailing</u>. Mailed notice shall be given to all members of the regional audit committee and to any other persons requesting such notice in writing. Mailed notice shall be sent first class and deposited, postage prepaid, in the United States mail and shall be deemed to have been given when so deposited. Notice of hearing shall be mailed at least 15 days prior to the date specified therein for hearing.

### 5. <u>Hearing</u>

The hearing shall be held upon the date and at the time specified in the notice and such hearing may be continued from time to time, but not to exceed 60 days from the date specified

in the notice. At the hearing, prior to consideration of any protests, objections or evidence, the Board of Directors of CBMWD shall cause to be read aloud or summarized any reports and recommendations made by the regional audit committee and the Local Agency Formation Commission. Thereafter, the Board of Directors of CBMWD shall hear and receive any oral or written protests, objections or evidence which may be made, presented or filed. Any person who shall have filed a protest may withdraw the same at any time prior to the conclusion of the hearing.

### 6. Resolution Awarding or Denying Contract

Not later than 90 days after the conclusion of the hearing, the Board of Directors shall by resolution award a contract to applicant or applicants for the maintenance and operation of all or any part of the facilities applied for unless it determines that the award of the contract is not in the public interest, in which case the resolution shall set forth findings in support of that determination. A resolution of award shall identify the facilities and specify the terms and conditions for the maintenance and operation thereof by applicant. After any such award, CBMWD shall continue to be deemed a contracting agency for the purposes specified in Paragraph B of Section 3.

# B. Contracts with Persons or Agencies, Other Than Contracting Agencies, For Maintenance and Operation of CBMWD Facilities Located Outside All Contracting Agencies.

In the absence of an application or contract made with a contracting agency pursuant to Paragraph A of this section, CBMWD may enter a contract with any person or any private or public agency, other than a contracting agency, for the maintenance and operation of all or any part of the facilities of any existing or future community sewer systems owned by CBMWD and located outside the boundaries of all contracting agencies other than the County of San Bernardino. Any such contract shall have a maximum term of five years and shall be binding upon any contracting agency succeeding to the ownership of all or any part of the facilities pursuant to Paragraph C of this section.

Prior to entering any contract pursuant to this Paragraph B, the Board of Directors of CBMWD shall adopt a resolution declaring its intention to enter such a contract. The resolution of intention shall identify the affected facilities, set forth the proposed terms and conditions for the maintenance and operation thereof, and state the proposed term of the contract.

The resolution of intention shall be processed in accor-

dance with the procedure specified in Paragraph A of this section for processing applications by contracting agencies. If no hearing is required, then upon the expiration of the 30-day period specified in subparagraph 2 of Paragraph A, CBMWD may enter the contract with any person or private or public agency, other than a contracting agency. If a hearing is required and, upon the conclusion of the hearing, CBMWD does not award the contract to any contracting agency applying therefor then, in that event, CBMWD may enter the contract with any person or private or public agency, other than a contracting agency.

- C. Transfer of Ownership of CBMWD Facilities Located
  Within Sewage Collection Agencies
- 1. CBMWD Facilities Inside A Single Contracting Agency
  If all or part of the facilities of any community sewer
  system owned by CBMWD shall at any time be located inside the
  boundaries of a single contracting agency, upon the filing
  with CBMWD of written request, CBMWD agrees to transfer
  ownership, maintenance, and operation of the inside facilities
  to the agency without payment of compensation to CBMWD. All
  such transfers shall be made subject to the vested rights of
  any creditor of CBMWD and any creditor shall be entitled to
  enforce his rights in the same manner as if such transfer had

not been made. To the extent authorized by law, any existing obligation or liabilities relating to the inside facilities shall be assumed by the contracting agency. To the extent of the transferred facilities (i) any existing maintenance and operation contract executed with the agency pursuant to Paragraph A of this section shall be deemed voided and (ii) CBMWD shall cease to be deemed a contracting agency, within the meaning of Paragraph B of Section 3.

# 2. CBMWD Facilities Inside Two or More Sewage Collection Agencies

If all or part of the facilities of any community sewer system owned by CBMWD shall at any time be located inside the boundaries of a contracting agency and also within the boundaries of another contracting agency or sewage collection agency other than the County of San Bernardino, the contracting agency may file an application with CBMWD for the transfer to it of ownership, maintenance and operation of the facilities inside its boundaries. The procedure for granting or denying the transfer shall be in accordance with Paragraph A of this section, except that any hearing shall be on the question of transfer to applicant and the resolution, after hearing, shall grant or deny the transfer.

### Section 7. REGIONAL SEWERAGE SYSTEM

CBMWD shall own and operate a regional sewerage system for the transmission, treatment and disposal of all sewage delivered by the contracting agencies. The regional sewerage system, including any interests or capacity rights of CBMWD in facilities owned, controlled or operated by others, shall be as shown or described in the Chino Basin Regional Sewerage Plan, as provided in the capital outlay ordinance, Exhibit "B" hereof. CBMWD shall pay all costs and expenses incurred in the acquisition, construction, maintenance, and operation of its regional sewerage system. Each contracting agency shall, as provided in Section 17, pay CBMWD a service charge representing a pro rata share of all net audited costs incurred by CBMWD in the maintenance and operation of the regional sewerage system.

# Section 8. <u>DISPOSAL OF SEWAGE BY CBMWD'S NONRECLAIMABLE</u> WASTE DISPOSAL SYSTEMS

CBMWD may provide for the transmission, treatment and disposal of any sewage delivered by a contracting agency either by means of the regional sewerage system, CBMWD's existing nonreclaimable waste disposal system, or any other nonreclaimable waste disposal system which CBMWD may hereafter own or have an interest in. For the purpose of this

contract, sewage delivered into a nonreclaimable waste disposal system by a contracting agency shall be deemed delivered into the regional sewerage system and the contracting agency shall be liable only for payment of the service charges herein provided. To the extent that sewage of a contracting agency is transmitted, treated and disposed of by means of a nonreclaimable waste disposal system, a portion of the costs of the maintenance and operation of that system shall be included in the net audited costs of the regional sewerage system and in the service charge rate. Such portion shall include: (i) charges actually paid or incurred by CBMWD to any person or public or private agency providing for the further transmission, treatment and disposal of the sewage delivered by a contracting agency and (ii) a pro rata share of the total costs of maintenance and operation of those parts of the nonreclaimable waste system actually used for the transmission of said sewage to the person or public or private agency providing for the further transmission, treatment, and disposal thereof. Said pro rata share shall be in the proportion that the quantity sewage delivered into the nonreclaimable waste disposal system by all contracting agencies bears to the total quantity of all sewage and nonreclaimable industrial wastes delivered by CBMWD to the person or public or private agency providing for the further transmission, treatment, and disposal thereof.

# Section 9. CAPITAL FINANCING OF REGIONAL SEWERAGE SYSTEM

### A. General

It is understood and agreed by the parties that all of the existing sewage facilities acquired by CBMWD, as part of its original regional sewerage system, from any of the original contracting agencies, together with any expansion of that system, will provide benefits to the entire territory served by the original and expanded system in that the entire territory will be enhanced and benefited by the protection of public health, the protection of the quality of water sources, the improvement of water management through integrated use of all sources of water supply, including effluent, the improvement of general conditions for industrial, residential, commercial and agricultural development and the reduction in costs for the transmission, treatment, and disposal of sewage by the pro rata sharing of all costs incurred by CBMWD in the maintenance and operation of the regional sewerage system.

CBMWD agrees that, for the purpose of financing the acquisition from the original contracting agencies of existing sewage facilities as a part of the original regional sewerage system and for the expansion of that system, the

entire territory of the original contracting agencies, together with all other territory within CBMWD which will be
benefited by the original and expanded system, shall be
included in a single improvement district and that, from
time to time, as CBMWD acquires other existing sewage facilities, the territory benefited by those facilities shall be
annexed to said improvement district.

B. Improvement District "C" - Acquisition From
Original Contracting Agencies and Expansion of Regional
Sewerage System

CBMWD agrees that, not later than August 16, 1972, it will initiate and conduct proceedings under the provisions of Part 8 (commencing with Section 72000), Division 20, Water Code, or other provisions which are acceptable to and agreed upon by the original contracting agencies, for the formation of Improvement District "C" for the purposes of (i) acquiring certain existing sewage facilities for the original regional sewerage system from some of the original contracting agencies

(ii) the expansion of that system, in accordance with the "Chino Basin Regional Sewerage System Plan," referred to in the capital outlay ordinance, Exhibit "B," attached hereto and made a part hereof, and (iii) levying and collecting taxes in said improvement district for payment of the costs and expenses of the foregoing. The resolution of intention to form the improvement district shall be substantially in the form set forth in Exhibit "C" attached hereto and made a part hereof. Subject to final determination of the Board of Directors of CBMWD after hearing, the improvement district, upon its formation, shall consist of the entire territory within the boundaries of all original contracting agencies and, in addition, all other territory within CBMWD which will be benefited by the original and expanded regional sewerage system, the exterior boundaries of such other territory being shown on Exhibit "D," attached hereto and made a part hereof.

C. Acquisition of Existing Sewage Treatment Plants and Interceptor Sewers of Other Sewage Collection Agencies; Annexation to Improvement District "C."

CBMWD may acquire all or any part of any existing sewage treatment and disposal plant or interceptor sewers owned by any sewage collection agency other than an original contract-

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ing agency, and all such property, upon its acquisition, shall become a part of the regional sewerage system.

Any agreement by CBMWD for the acquisition of any existing sewage treatment and disposal plant or interceptor sewer, as part of the regional sewerage system, shall provide for the annexation to Improvement District "C" of the area benefited by said existing facilities. CBMWD agrees that it will initiate and conduct proceedings for the annexation of such territory to Improvement District "C" and that, as a term and condition of annexation, the taxable property in the annexed area shall be liable for payment of (i) all costs and expenses incurred by CBMWD incident to such annexation proceedings, including legal and engineering fees, reproduction, publication, mailing, administration and any other related costs and expenses, and (ii) all back taxes which would have been payable if the annexed territory had been part of the improvement district upon its formation.

CBMWD may provide that annexation costs and expenses and back taxes shall be payable (i) in a lump sum, prior to the effective date of annexation, from sources other than special taxes levied and collected by CBMWD upon taxable property within the annexed territory or (ii) by deferred installments received from special taxes levied and collected

by CBMWD upon taxable property within the annexed territory over a period not to exceed 25 years from the effective date of annexation or the unexpired term of this contract, whichever may be the shorter, or (iii) by a combination of (i) and (ii). If deferred installments are provided, CBMWD during each tax year shall levy and collect special taxes upon taxable property within the annexed territory sufficient to pay the installment due that year, together with interest on the unpaid balance at a rate, to be fixed by the Board of Directors of CBMWD as a term and condition of annexation, not exceeding the estimated interest rate required to be paid by CBMWD for a loan in the amount and for the term represented by the deferred installments. Any special taxes on annexed territory shall be in addition to all other taxes levied and collected within CBMWD and within Improvement District "C."

All lump sum payments and all deferred installments, including interest due on the unpaid principal, shall upon receipt by CBMWD be credited to the Regional Waste Water Capital Improvement Fund.

D. Failure or Refusal of CBMWD to Order Annexations to Improvement District "C".

If CBMWD acquires any existing sewage treatment and

disposal plant or interceptor sewer, as part of the regional sewerage system, but fails or refuses to annex the area benefited by said existing facilities to Improvement District "C," as more particularly provided in Paragraph C of this section, any contracting agency may, by mandamus, injunction or other appropriate remedy, restrain CBMWD from furnishing the services and facilities of the system to that area unless CBMWD provides adequate compensation therefor. Adequate compensation shall include payment for two items:

- 1. Capital costs, representing (i) all back taxes which would have been payable if the nonannexed territory had been a part of Improvement District "C" upon its formation and (ii) current and future taxes which would have been levied on the nonannexed area, had it been annexed to Improvement District "C" from the date that the services and facilities of the regional sewerage system were provided to that area; any taxes for less than a full year shall be prorated.
- 2. Maintenance and operations costs, representing service charges which would have been imposed upon all sewage originating within the nonannexed area from the date that the services and facilities of the system were provided to that area.

The compensation shall be provided by CBMWD from sources other than (i) service charges imposed on contract-

ing agencies and (ii) CBMWD taxes imposed on taxable property within CBMWD, as a whole, and within Improvement District "C." The portion of the compensation representing capital costs shall be credited to the Regional Waste Water Capital Improvement Fund and the portion representing maintenance and operation costs shall be credited to the Regional Sewerage System Maintenance and Operation Fund.

# E. Capital Outlay Taxes; Sewage Service Standby or Availability Charges

Commencing with the first tax year during which taxes can be levied and collected within Improvement District "C" and during each year thereafter, the Board of Directors of CBMWD shall levy and collect capital outlay taxes upon all taxable property within Improvement District "C," in the manner and as provided in the capital outlay ordinance, Exhibit "B" hereof.

In addition, the Board of Directors of CBMWD may fix, levy, and collect sewage service standby or availability charges for the purpose of financing the acquisition and expansion of the regional sewerage system. When collected, such charges shall be deposited to the credit of the Chino Basin Regional Waste Water Capital Improvement Fund and used

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for the purposes specified in the capital outlay ordinance. Any ordinance or any amendment of an ordinance imposing such charges shall be adopted by CBMWD in the manner provided in Section 5 of said capital outlay ordinance, Exhibit "B" hereof, for the amendment of the regional sewerage system plan.

# Section 10. ACQUISITION AND CONSTRUCTION OF INITIAL FACILITIES BY CBMWD

CBMWD shall provide for the acquisition or construction of all facilities shown and described on Exhibit "E," attached hereto and made a part hereof, which are for the use and benefit of and which are necessary for the transmission, treatment, and disposal of all sewage collected by contracting agencies. The acquisition of existing facilities shall be completed and the construction of any new or additional facilities shall be commenced not later than the date or dates indicated on Exhibit "E;" all facilities to be constructed shall be completed within a reasonable time of the commencement of construction thereof.

CBMWD shall not be obligated to acquire or construct any facilities shown or described on Exhibit "E" which are indicated thereon as being for the primary use or benefit of any sewage collection agency which is not a contracting

agency. Where Exhibit "E" shows or describes two or more alternate facilities for the use and benefit of a designated contracting agency, CBMWD may acquire or construct any of the several alternate facilities, provided, that all such facilities shall be adequate to provide for the transmission, treatment, and disposal of the sewage collected by that agency.

## Section 11. AVAILABILITY OF REGIONAL SEWERAGE SYSTEM

### A. Contracting Agencies

The services and facilities of the regional sewerage system shall be available to any property within the service area of a contracting agency. Subject to such terms and conditions as a contracting agency may prescribe, upon request by any owner, the contracting agency shall provide for the collection of sewage from any property located within its service area.

## B. Other Sewage Collection Agencies

CBMWD agrees that it will not make the services and facilities of the regional sewer system available, other than on a temporary emergency basis, to any sewage collection agency until after said agency has entered a sewage service contract substantially similar to this contract. Any contracting agency may restrain violations of the pro-

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visions of this Paragraph B by mandamus, injunction or other appropriate remedy.

### Section 12. EXTRA-TERRITORIAL SEWER SERVICE

# A. Service Outside the Boundaries of CBMWD and Improvement District "C"

## 1. Upon the Effective Date of a Service Contract

Any contracting agency which, upon the effective date specified in the service contract with that agency, is furnishing sewer service to any territory outside the boundaries of CBMWD and of Improvement District "C," may continue to furnish such service and shall be entitled to the services and facilities of the regional sewerage system for that purpose. Each contracting agency providing sewer service to any such outside territory shall file a map or maps with the secretary of CBMWD showing the boundaries of all such territory and, until such filing is made, no sewage from such territory shall be delivered into the regional sewerage system.

# 2. After the Effective Date of a Service Contract

Any contracting agency, after the effective date specified in the service contract with that agency, may furnish sewer service to additional territory outside the boundaries of CBMWD and of Improvement District "C." Prior

to furnishing such sewer service, the contracting agency shall file an application therefor with CBMWD. The application shall be processed in accordance with the procedure specified in Section 6 hereof for processing applications for maintenance and operation contracts.

If no hearing is required, then upon the expiration of the 30-day period specified in subparagraph 2 of Paragraph A, Section 6, CBMWD shall authorize sewer service to the additional territory.

If a hearing is required it shall be upon the question of authorizing sewer service to the additional territory.

Upon the conclusion of the hearing, the Board of Directors shall authorize sewer service to all or any part of the additional territory by any applicant or applicants unless it determines that such is not in the public interest, in which case the resolution shall set forth findings in support of that determination.

# B. Annual Capital Outlay Charge for Territory Outside CBMWD and Improvement District "C"

In addition to the payment of service charges, each contracting agency providing the services and facilities of the regional sewerage system to territory outside CBMWD and Improvement District "C" shall be obligated to pay

CBMWD special capital outlay charges for such territory, as provided in subparagraphs 1 and 2 of this Paragraph B.

Moneys received by CBMWD in payment of special capital outlay charges shall be deposited in the Regional Waste Water

Capital Improvement Fund and expended for the purpose specified in the capital outlay ordinance, Exhibit "B" hereof.

# 1. Annual Capital Outlay Charge

The contracting agency shall annually pay CBMWD a special capital outlay charge in an amount equal to the capital outlay tax which would have been imposed by CBMWD upon taxable property within the territory outside Improvement District "C" had such property been subject to taxation by CBMWD under the provisions of the capital outlay ordinance. The charges shall be payable by the contracting agency during each fiscal year in the amounts and at the times provided by law for the payment of property taxes and, if not paid when due, shall be subject to the same delinquent penalties. A contracting agency may cause an improvement, maintenance, or special assessment district to be formed for the purpose of raising moneys for the payment of the special capital outlay charges and any amounts received by CBMWD therefrom shall be credited against the obligation of the contracting agency.

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## 2. Extraordinary Capital Outlay Charge.

If any contracting agency, after the effective date specified in the service contract with that agency, furnishes sewer service to any additional territory outside CBMWD and Improvement District "C," that agency shall pay CBMWD an extraordinary capital outlay charge with respect to such territory. The charge shall be in an amount equal to all past capital outlay taxes which would have been imposed by CBMWD upon taxable property within such territory had such property been subject to taxation by CBMWD for capital outlay taxes under the capital outlay ordinance, Exhibit "B" hereof. CBMWD may authorize any extraordinary capital outlay charges to be paid in deferred installments over a period not exceeding 25 years from the commencement of sewer service to such territory or the unexpired term of this contract, whichever may be the shorter.

## Section 13. DELIVERY POINTS: CONNECTION COSTS

The undersigned contracting agency shall deliver sewage into the regional sewerage system at the delivery points described in Exhibit "F," attached hereto and made a part hereof, and at such other new delivery points as may, from time to time, be requested by the undersigned contracting agency and approved by CBMWD. CBMWD shall

give the regional audit committee and the regional technical committee not less than 60 days written notice of its intention to approve any new delivery point. Upon receipt of the report and recommendation of both committees or upon the failure or refusal of both committees to report within said 60-day period, CBMWD may authorize the new delivery points. All costs and expenses of making connection between the regional sewerage system and the community sewer system of any contracting agency shall be borne by such agency.

## Section 14. MEASUREMENT OF SEWAGE: METER COSTS

CBMWD shall measure all sewage delivered by all contracting agencies and shall maintain accurate and complete records thereof. All sewage delivered by the undersigned contracting agency shall be measured at the metering points described on Exhibit "F" hereof and at such other new metering points as may, from time to time, be requested by the undersigned contracting agency and approved by CBMWD. CBMWD shall give the regional audit committee and the regional technical committee not less than 60 days written notice of its intention to approve any new metering point. Upon receipt of the report and recommendation of both committees or upon the failure or refusal of both committees to report within said 60-day period, CBMWD may authorize the new metering points.

Each contracting agency shall install, at its expense, and CBMwD shall maintain and operate, at its expense, all measuring devices and equipment. The measuring devices and equipment shall be examined, tested and serviced regularly, but not less than once a year, to insure their accuracy. At any time CBMwD or any contracting agency may inspect any measuring devices and equipment and all records and measurements taken therefrom.

Section 15. CONTROL AND DISPOSITION OF SEWAGE; CONTRACTING AGENCIES RIGHT OF PURCHASE OF TREATED OR RECLAIMED EFFLUENT

#### A. General

Subject to the provisions of this Section 15 and of Section 16, CBMWD shall have total ownership and control all sewage delivered into the regional sewerage system for the purpose of transmission, treatment and disposal thereof; subject to the right of first purchase by any contracting agency, the use of all treated effluent shall be within the sole discretion of CBMWD. If any contracting agency exercises its right of first purchase of treated effluent, then such agency shall have the total ownership and control of all treated effluent delivered to it and the use thereof shall be within the sole discretion of that agency.

# B. Right of Purchase of Treated or Reclaimed Effluent

Each contracting agency, at its option, shall have the right of first purchase of treated or reclaimed effluent under either of the following two alternatives:

- Each contracting agency shall have the right of first purchase of treated effluent, as provided in Section 16 hereof; or
- 2. Upon written request by any contracting agency, CBMWD shall enter an agreement substantially similar to Exhibit G, attached hereto and made a part hereof, for reclamation of treated effluent and the right of first purchase of reclaimed effluent. Upon execution by a contracting agency of a reclamation agreement pursuant to this subparagraph 2 and upon the availability to said agency of reclaimed effluent pursuant thereto:
- (a) The contracting agency shall have no further right of first purchase to treated effluent pursuant to Section 16 hereof; and
- (b) All or any portion of the disposal costs of the regional sewer system attributable to the disposal of treated effluent of said agency and to the disposal of reclaimed effluent by CBMWD downstream from any CBMWD reclama-

tion facility or facilities reclaiming the treated effluent of said agency shall be excluded from the service charge of said agency, determined as provided in Sections 17 and 18 hereof, and shall be financed by CBMWD from sources other than service charges collected pursuant to service contracts and improvement district taxes levied and collected, within Improvement District "C".

# C. Agreement of January 25, 1971 between CBMWD and Cities of Ontario and Upland

Heretofore CBMWD and the Cities of Ontario and Upland entered a certain agreement, dated January 25, 1971, (i) obligating said cities to deliver to CBMWD all of the treated effluent from the present or expanded joint sewage treatment facilities of said cities and from any other treatment facilities thereafter constructed by Ontario and/or Upland, (ii) obligating CBMWD to construct, maintain and operate a certain tertiary treatment plant for the reclamation of all of said effluent, and (iii) giving said cities the first right to purchase any reclaimed effluent therefrom. Until mutually rescinded by CBMWD and the Cities of Ontario and Upland, said agreement of January 25, 1971 shall continue in full force and effect, provided, that neither such city shall have the right of first purchase of treated effluent, as provided in Section 16 hereof.

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An agreement for reclamation of treated effluent substantially similar to said agreement between CBMWD and the Cities of Ontario and Upland is attached hereto and made a part hereof as Exhibit G. Upon written request by both such cities, CBMWD agrees that, together with such cities, it will rescind said agreement of January 25, 1971 and will enter an agreement, substantially similar to Exhibit G hereof, with both such cities.

# Section 16. SALE, BENEFICIAL USE OR DISPOSAL OF TREATED EFFLUENT

- A. Purchase of Treated Effluent from CBMWD
- 1. Contracting Agencies; Right of Purchase

Each contracting agency shall have the right of first purchase from CBMWD of treated effluent in a total quantity not exceeding the base entitlement of that agency.

2. Base Entitlement of Contracting Agencies

The total base supply of effluent which is subject to the right of first purchase from CBMWD by all contracting agencies shall be the total quantity of sewage delivered into the regional sewerage system by all contracting agencies, measured at the intake point of each sewage treatment and disposal plant of CBMWD, less normal processing losses resulting from the treatment of sewage. Sewage exported from

the Chino Basin by CBMWD pursuant to Section 8 hereof shall not be part of the total base supply.

Each contracting agency, including any contracting agency whose sewage is exported pursuant to Section 8, shall have a base entitlement to a portion of the total base supply of effluent, said portion being in the proportion that the "net quantity" of sewage delivered into the regional sewerage system by that contracting agency bears to the total quantity of sewage delivered into the regional sewerage system by all contracting agencies. The "net quantity" shall consist of the total quantity of sewage delivered annually into the regional sewerage system by a contracting agency less the quantity of any such sewage which is exported pursuant to Section 8 and which has an annual average quality in excess of 700 milligrams per liter of total dissolved solids (TDS). CBMWD may, from time to time, order changes in said 700 milligrams quality standard. All such changes shall be made in the manner provided in Paragraph C of Section 21 pertaining to changes in quality standards.

## 3. Delivery Points

Unless otherwise agreed by CBMWD, the delivery point or points of any contracting agency exercising its right of first purchase of treated effluent shall be the discharge

point or points of each sewage treatment and disposal plant of CBMWD.

4. Exercise of Base Entitlement at Various Discharge
Points

is exported pursuant to Section 8 hereof, the base entitlement of such agency shall be exercised as provided in subdivision a. of this subparagraph 4. If all of the sewage collected by a contracting agency is exported, the base entitlement of such agency shall be exercised as provided in subdivision b. of this subparagraph 4. If a portion only of the sewage collected by a contracting agency is exported, the portion of the base entitlement represented by nonexported sewage shall be exercised as provided in subdivision a. and the portion represented by exported sewage shall be exercised as provided in subdivision a. and the portion represented by exported sewage shall be exercised as provided in subdivision b.

Base entitlements of each contracting agency shall be exercised in quantities and at delivery points determined as follows:

- a. If the sewage collected by any contracting agency ("agency sewage") is treated:
- (1) By a single sewage treatment and disposal plant, the total base entitlement of such agency shall be exercised from treated effluent discharged from that plant.

- (2) By two or more sewage treatment and disposal plants, the base entitlement of such agency shall be exercised from each such plant in the proportion that the total agency sewage of the particular agency which is treated by that plant bears to the total agency sewage of all agencies whose agency sewage is treated by that plant.
- b. If the sewage collected by a contracting agency is exported, the base entitlement of such agency shall be exercised from a prorata share of treated effluent discharged from each of the several sewage treatment and disposal plants, computed as follows:
- (1) Based upon the preceding fiscal year, determine the ratio of the total quantity of all agency sewage treated by each individual plant to the total quantity of all agency sewage treated by all such plants.
- (2) The prorata share of an exporting agency for each individual plant shall be determined by multiplying the ratio for that facility, computed under (1), above, by the base entitlement of such agency.
- (3) The computation described in (1) and (2), above, may be diagrammed as follows:

Total agency sewage, each plant Total agency sewage, all plants

X Base entitlement =

Agency prorata share at each plant

# 5. <u>Delivery Facilities For and Costs of Delivery</u> of Treated Effluent

Delivery facilities shall consist of any facilities for the delivery of treated effluent from the point of discharge of any sewage treatment and disposal plant or plants of the regional sewerage system to the point of use of the effluent. This contract and the service charge provided herein shall not apply to any such delivery facilities or to the financing thereof. CBMWD or any contracting agency may, at their own expense, acquire, construct, or make a contribution towards the financing of capital costs and maintenance and operation expenses of any delivery facilities. CBMWD, or any contracting agency or agencies, or any combination thereof, may provide for delivery facilities by contract entered into between or among themselves or with any other person or public or private agency.

## 6. Price for Purchased Treated Effluent

Any contracting agency exercising the first right of purchase of treated effluent shall be entitled to take delivery thereof at no charge to said agency, except for the costs of delivery, if any, of CBMWD.

## 7. Use of Purchased Treated Effluent

Any contracting agency exercising its right of first purchase of treated effluent may make any lawful use thereof,

including beneficial use, sale, or other disposition and shall be entitled to retain all charges received by it as a result thereof.

# 8. Contracts of Contracting Agencies for Joint Exercise or Transfer of Rights of First Purchase

Subject to the rights of CBMWD hereunder, any or all of the contracting agencies may by contract provide for the joint exercise of any of their respective rights of first purchase of treated effluent or for the sale, exchange or transfer of such rights. Certified copies of all such contracts shall be filed with CBMWD by the parties thereof.

### B. Disposition by CBMWD of Unclaimed Treated Effluent

To the extent that any of the contracting agencies fail to exercise their respective rights of first purchase of treated effluent, CBMWD may make any lawful use of such effluent, including beneficial use, sale or other disposition inside or outside the Chino Basin; provided, that:

- 1. CBMWD shall not, for a consideration, sell or otherwise dispose of any treated effluent for beneficial use inside the Chino Basin without the prior consent of all contracting agencies; and
  - 2. If CBMWD, for a consideration, sells or otherwise

disposes of any treated effluent for beneficial use outside the Chino Basin, any portion of the consideration in excess of CBMWD's net audited costs of reclamation and delivery shall be apportioned and credited:

- a. 85% to the Regional Sewerage System Maintenance and Operation Fund, and
- b. 15% to the Regional Waste Water Capital Improvement Fund.

## C. Measurement of Treated Effluent

CBMWD shall install, maintain, and operate measuring devices and equipment at a location or locations mutually agreed upon by CBMWD and the contracting agencies. The measuring devices and equipment shall be examined, tested and serviced regularly to insure their accuracy. At any time, CBMWD or any contracting agency may inspect any measuring devices and equipment and all records and measurements taken therefrom.

## D. Notice of Proposed Delivery

Prior to the commencement of each fiscal year, notice of the delivery of treated effluent shall be given as follows:

### 1. Notice by CBMWD

On or before the first day of March of each year,

CBMWD shall request each contracting agency to provide
CBMWD with a schedule of the estimated flow and quantity
of treated effluent to be delivered to each person or
agency during the next fiscal year and the proposed points
of delivery. The rates of flow and quantity shall not exceed the delivery capability of the facilities then in
operation.

## 2. Notice by Contracting Agency

On or before the first day of April of each year, each contracting agency shall provide CBMWD with the schedule pursuant to the immediately preceding Paragraph 1.

## 3. Allocation of Treated Effluent

On or before the first day of May of each year, CBMWD shall allocate treated effluent to contracting agencies that have submitted a schedule pursuant to the immediately preceding Paragraph 2.

# 4. Additional Allocation of Treated Effluent

At any time during the fiscal year and upon 60 days written notice to CBMWD, a contracting agency may apply for the delivery of any treated effluent then available at a rate of flow or quantity greater than that specified in the schedule submitted pursuant to the immediately preceding Paragraph 3. The rates of flow and quantity shall not exceed the delivery capability of the treatment facilities then in operation.

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# Section 17. SERVICE CHARGES FOR MAINTENANCE AND OPERATION OF THE REGIONAL SEWERAGE SYSTEM

All contracting agencies shall pay service charges for all sewage delivered into the regional sewerage system. Each contracting agency agrees to pay its pro rata share of all net audited costs incurred by CBMWD in the maintenance and operation of the system. Net audited costs shall consist of:

- A. Costs of maintenance and operation of all transmission and treatment facilities comprising the regional sewerage system and all disposal facilities required for the disposition of any treated effluent discharged from that system; and
- B. Any other costs reasonably related to the maintenance and operation of the system; and
- C. Based upon generally accepted engineering and accounting principles, reasonable reserves for the estimated costs and expenses of:
- 1. Replacement of any facilities where the costs and expenses of replacement are customarily considered a part of the costs and expenses of ordinary and usual maintenance and operation; and
  - 2. Unforeseen contingencies.

#### Section 18. SERVICE CHARGE RATE

System budget, the Board of Directors of CBMWD shall fix the service charge rate for the fiscal year to which such budget applies. The rate shall be expressed in dollars and cents for each million gallons of sewage and shall be computed by dividing the total estimated maintenance and operation expenses of the regional sewerage system by the total estimated quantity of sewage to be delivered into the system, all as set forth in the regional sewerage system budget adopted for such fiscal year.

For the initial operating period commencing with the earliest effective date specified, pursuant to Section 27, in any contract between CBMWD and any of the original contracting agencies and preceding the fiscal year to which the first budget applies the initial service charge rate or rates shall be determined as follows:

- A. Prior to July 1, 1973 the service charge rate for each of the several contracting agencies shall be based on the net audited costs, as estimated by CBMWD, of those portions of the regional sewerage system actually used for the transmission, treatment and disposal of each agency's sewage.
  - B. If the first regional sewerage system budget is not

adopted for the fiscal year commencing July 1, 1973, then upon and after July 1, 1973 and until the adoption of the first budget, the service charge rate for all contracting agencies shall be the same and shall be based on net audited costs, as estimated by CBMWD, of the entire regional sewerage system.

C. If the first regional sewerage system budget is adopted for the fiscal year commencing July 1, 1973, the service charge rate shall be as fixed by CBMWD for that fiscal year.

CBMWD may change initial rate or rates at any time during said initial operating period upon the giving of not less than 30 days written notice to all contracting agencies. If the rate or rates collected from any contracting agency during the initial operating period result in the overpayment or underpayment of moneys required for payment of CBMWD's net audited costs during said initial operating period, the amount thereof shall be credited or debited, as the case may be, to the service charge account, established in the treasury of CBMWD, for each contracting agency, and paid as provided in Paragraph C of Section 20.

#### Section 19. REGIONAL SEWERAGE SYSTEM BUDGET

#### A. Fiscal Year Budgets

For the first fiscal year, commencing four or more

months after the earliest effective date specified, pursuant to Section 27, in any contract between CBMWD and any of the original contracting agencies, and for each fiscal year thereafter, the Board of Directors of CBMWD shall cause to be prepared and shall adopt a regional sewerage system budget.

#### B. Form and Contents of Budget

The budget for each fiscal year shall contain a plan of financial operations for the regional sewerage system for that fiscal year and shall embody an estimate of the requirements for expenditures, including provisions for any reserves, and the means of financing such requirements.

The budget shall be itemized and shall show in reasonable detail the nature and purpose of each item of revenue and expense and the actual or estimated amount thereof. The budget shall be in two parts, one part consisting of a plan of financial operation for the capital costs of the acquisition and construction of the regional sewerage system, and the other part consisting of a plan of financial operation for the maintenance and operation of the system, prepared as follows:

### 1. Capital Costs

The part covering the costs of the acquisition and con-

struction of the regional sewerage system shall show:

- a. The various items and amounts of capital costs and the total thereof.
- b. The total amount in the capital outlay fund and and available and unencumbered balance of such fund.
- c. The amounts, if any, of revenues from sources other than capital outlay taxes which are available for payment of capital costs and the total thereof.
- d. The total amount required to be raised from capital outlay taxes for payment of capital costs.

### 2. Maintenance and Operation Expenses

The part covering the maintenance and operation of the regional sewerage system shall show:

- a. The various items and amounts of maintenance and operation expenses and the total thereof.
- b. The total amount in any reserves theretofore established, and the available and unencumbered balance in such reserves.
- c. The amount of service charges paid or payable by each contracting agency and the total paid or payable by

all contracting agencies.

- d. The amounts, if any, of revenue from sources other than service charges which are available for payment of maintenance and operation expenses and the total thereof.
- e. The total amount required to be raised from service charges for payment of maintenance and operation expenses.
- f. The quantity of sewage delivered by each contracting agency and the total thereof.
  - g. The rate of the service charge.

### C. Comparative Data

For comparative purposes, the amounts and rates set forth in the budget shall be shown as follows:

- 1. On an actual basis for the second fiscal year preceding that to which the budget is to apply.
- 2. On an estimated or actual basis for the first fiscal year preceding that to which the budget is to apply.
- 3. On an estimated basis for the fiscal year to which such budget is to apply.

In the first two budgets the amounts and rates required

for comparative purposes shall be limited to all or such part of the initial operating period as may be included in the two fiscal years preceding the fiscal year to which such budgets apply.

### D. Preparation and Approval of Proposed Budget

Not later than April 1 of each year, the Board of Directors of CBMWD shall direct its general manager, or such other person or persons as the Board may designate, to prepare and submit to the Board a proposed budget for the next fiscal year. Upon submission of the proposed budget, the Board of Directors may make changes therein and, not later than May 1 of each year, shall adopt a resolution declaring its intention to adopt the proposed budget and specifying a time, not later than June 30, and a place at which the Board of Directors will hold a hearing on the question of the adoption of such budget.

## E. Notice and Hearing on Proposed Budget

Immediately after adoption of the resolution of intention, the secretary of CBMWD shall mail a copy of the resolution and the proposed budget to each contracting agency and to each member of the regional audit committee. The audit committee shall review the proposed budget and, not later

than 10 days preceding the date fixed for hearing, shall submit its written report and recommendation thereon to the general manager of CBMWD and to each contracting agency.

At the hearing on the proposed budget, the Board of Directors of CBMWD shall consider the report and recommendations of the regional audit committee and any other interested persons. At any time prior to the adoption of the budget, the Board may make such changes in the proposed budget as it deems advisable.

# F. Adoption of Budget and Determination of the Service Charge Rate

Not later than June 30 of each year, the Board of Directors of CBMWD shall by resolution adopt the budget and determine the rate of the service charge. The several amounts of proposed expenditures specified in the adopted budget shall be deemed appropriated for the fiscal year and for the purposes specified in the budget and the Board of Directors of CBMWD shall be authorized to make expenditures and incur obligations in accordance therewith. If the Board fails to approve any recommendation made by a majority of the members of the regional audit committee in its written report, the resolution shall set forth findings in support

of the determinations of the Board.

If the Board fails to adopt a budget by June 30 of any fiscal year then, until such time as the Board shall adopt such budget, the budget last adopted and the service charge rate determined therein shall constitute the budget and rate for such fiscal year.

#### Section 20. BILLING AND PAYMENT OF SERVICE CHARGES

#### A. Monthly Statements of Service Charges

Not later than 15 days after the end of each month,

CBMWD shall mail a statement of service charges to each

contracting agency, setting forth the quantity of sewage

delivered during such month at each metering point of the

agency and the total thereof, the service charge rate ap
plicable thereto and the total service charge due and pay
able to CBMWD for said month.

### B. Payment of Statements; Interest on Overdue Payments

Each contracting agency shall punctually pay the amount of the service charge set forth in any statement on or prior to its due date, namely, the fifteenth day of the second month following the mailing of such statement. Any amounts not paid by the due date shall bear interest at the rate of one percent (1%) per month, commencing on the due date.

Interest paid upon any delinquent amount shall be credited to the Regional Sewerage System Maintenance and Operation Fund unless, by reason of such delinquency, CBMWD shall have advanced the amount of the delinquency from other sources, in which case, the interest shall be credited to such fund as the Board of Directors of CBMWD may designate.

### C. Adjustment for Overpayment or Underpayment

If by reason of the discovery of errors in computation or otherwise there is an overpayment or underpayment to CBMWD by any contracting agency, the amount thereof shall be credited or debited, as the case may be, to the contracting agency's statement for the month next following such discovery.

## D. Deposit of Payments in Maintenance and Operation Fund

All moneys received by CBMWD in payment of service charges shall be deposited in and credited to a separate fund or account to be established in the treasury of CBMWD, to be known as the "Regional Sewerage System Maintenance and Operation Fund." Moneys in said fund shall be used and expended only for payment of maintenance and operation expenses paid or incurred by CBMWD under the provisions of this contract.

### Section 21. QUALITY STANDARDS

# A. Ordinances of Contracting Agencies Establishing Rules and Regulations For the Discharge of Sewage and Industrial Wastes

Any contracting agency may adopt and enforce ordinances establishing rules and regulations for the discharge of sewage, other than industrial wastes, into its community sewer system. However, each contracting agency shall adopt, maintain in effect, and enforce an ordinance establishing rules and regulations for the discharge of industrial waste and requiring the issuance of industrial waste discharge permits to any person discharging industrial waste into its community sewer system.

Each contracting agency shall file with the secretary of CBMWD a certified copy of (i) the industrial waste discharge ordinance and any amendments thereof and (ii) each industrial waste discharge permit issued by it pursuant to said ordinance. CBMWD, at the request and expense of a contracting agency, shall provide the agency with technical services, such as process chemical analysis and engineering advice, relating to the issuance of industrial waste discharge permits and the supervision and inspection of the waste discharge facilities and operations of permittees.

#### B. Sewage Quality Standards

CBMWD shall establish quality standards for all sewage delivered into the regional sewerage system by contracting agencies. The standards shall contain both general and special restrictions on the quality of sewage. The general restrictions shall consist of limitations upon or prohibitions against the discharge into the regional sewerage system of specifically enumerated solid, liquid or gaseous materials which may tend to damage the system or interfere with its normal maintenance and operation. The special restrictions shall consist of a specification of the physical, chemical, and biological qualities of the sewage and parameters for the alteration of such qualities.

Until changed, as provided in Paragraph C of this section, the quality standards shall be those set forth in Exhibit "H" hereof. Any references in this contract to the quality standards set forth in Exhibit "H" shall be deemed to include any changes subsequently ordered by CBMWD pursuant to Paragraph C.

#### C. Changes in Sewage Quality Standards

CBMWD may, from time to time, order changes in the sewage quality standards set forth in Exhibit "H" hereof

when required for compliance with any law, rule, or requlation of any federal, state or regional agency authorized by law to prescribe quality standards for the discharge of effluent within the Chino Basin. Before ordering any such changes, the Board of Directors of CBMWD shall adopt a resolution declaring its intention to order the changes, describe the changes and specify a time, not sooner than 60 days after the adoption of the resolution, and a place at which the Board of Directors will hold a hearing on the question of the adoption of such changes. Immediately thereafter the secretary of CBMWD shall mail a copy of the resolution to each contracting agency and to each member of the regional audit committee and regional technical committee. The audit committee and the technical committee shall review the proposed changes and, not later than 10 days preceding the date of the hearing, shall submit their written report and recommendation thereon to the general manager of CBMWD and to each contracting agency.

At the hearing on the proposed changes, the board shall consider the report and recommendations of the audit and technical committees and shall hear representatives of any contracting agency, members of the audit and technical committees and any other interested persons. The board may modify the proposed changes and, upon the conclusion of the hearing,

adopt a resolution ordering the changes. If the board fails to approve any recommendation made by a majority of the members of the audit committee or of the technical committee in their written reports, the resolution shall set forth findings in support of the determinations of the board.

# D. <u>Surcharges to Contracting Agencies for Deviations</u> from Quality Standards

All sewage delivered into the regional sewerage system
by a contracting agency of a quality equal or superior to
all of the standards set forth in Exhibit "H" hereof shall
be paid for by the agency at the service charge rate provided for in Sections 18 and 19 hereof. If any sewage shall
be of a quality inferior to any of the standards set forth
in Exhibit "H," then, in addition to payment of the service
charge, the contracting agency shall pay surcharges thereon.
For the purpose of determining compliance with the standards
set forth in Exhibit "H," all sewage delivered into the regional
sewerage system by a contracting agency at all of its delivery points shall be averaged for a continuous 24 hour
period. All measurements, tests, sampling and analyses shall
be made in accordance with those specified in Exhibit "H."

The surcharge rate or rates shall be determined annually by CBMWD at the time of adoption of the budget, as

provided in Section 29 hereof. The surcharge shall represent the additional capital costs and maintenance and operation expenses of CBMWD in treating or disposing, or both, of the inferior sewage and shall be based on the biochemical oxygen demand (BOD), the total suspended solids (TSS), and the total dissolved solids (TDS) components of the sewage, measured on a dryweight basis, for the quantity of decomposable matter, suspended solids, and dissolved solids exceeding the limits specified in Exhibit "H." Any surcharges due from a contracting agency shall be billed and paid in the manner provided in Section 20 for billing and payment of the service charge. portion of the surcharges received by CBMWD representing additional maintenance and operation expenses shall be credited to the Regional Sewerage System Maintenance and Operation Fund and any portion representing additional capital costs shall be credited to the Regional Waste Water Capital Improvement Fund.

## Section 22. VIOLATIONS OF SEWAGE QUALITY STANDARDS

If any contracting agency shall fail or refuse to comply with the quality standards specified in Exhibit "H," CBMWD shall have and may exercise one or more of the remedies specified herein. The listing of the following remedies shall not be deemed exclusive nor shall CBMWD be

prevented from exercising any other remedy provided by law or in equity:

- (a) Danger of Public Health Safety and/or Facilities 
  If any delivery of sewage made by a contracting agency to

  CBMWD constitutes an imminent threat to the public health

  and safety or materially endangers the regional sewerage

  facilities, or their operation, CBMWD shall make a deter
  mination that such condition exists and shall give the con
  tracting agency immediate notice thereof and an order to im
  mediately correct such imminent threat to public health and

  safety.
- (b) <u>Nondangerous Violation</u> If any delivery of sewage by a contracting agency to CBMWD is in violation of said quality standards, but the violation does not constitute an imminent threat to public health or safety nor materially endanger any facilities of the regional sewerage system or their operation, CBMWD shall give to the contracting agency written notice thereof and an order to correct such violation within 30 days thereof.
- (c) <u>Damages</u> If any such violations result in damage to any transmission, treatment or disposal facilities of the regional sewerage system or require CBMWD to provide addi-

shall pay CBMWD the cost, as determined and certified by the general manager of CBMWD, of repairing any damage to the regional sewerage facilities and all additional necessary costs incurred by CBMWD above actual audited cost of treating such sewage which may be in violation to such quality standards, less the amount of any surcharge payable as a result of the violation plus a penalty of 10% of any remaining amount. If any such costs incurred by CBMWD as a result of violations were paid for from the Regional Waste Water Capital Improvement Fund or from the Regional Sewerage System Maintenance and Operation Fund, then to the extent thereof any payments made to CBMWD by reason of violations shall be credited to the fund from which paid.

## Section 23. GRANTS AND FINANCIAL ASSISTANCE

CBMWD and the contracting agencies agree to use their best efforts to obtain the maximum amounts of grants and other financial assistance which may be available from any federal, state, local, or other source for defraying all or any part of the capital costs and the maintenance and operation expenses of the regional sewerage system. The general manager of CBMWD, the regional audit committee, and the regional technical committee shall keep each other fully

informed of any available grant or financial assistance programs known to any of them.

Prior to undertaking negotiations for a grant or other financial assistance affecting the regional sewerage system, CBMWD shall give the regional audit committee written notice of its intention to do so. Thereupon the committee may designate one representative who shall be entitled to participate with CBMWD in all such negotiations. The representative shall be a person skilled in the design, construction, maintenance, and operation of sewage facilities and may be a member of the regional technical committee. The representative shall keep the regional audit and technical committees fully informed concerning status of the negotiations and the nature and contents of any proposed final application or agreement for a grant or other financial assistance.

In addition, CBMWD agrees to submit an annual report on any pending or proposed applications for grants or other financial assistance. The report shall accompany the proposed annual budget and be mailed in the manner provided in Paragraph E of Section 19.

Each contracting agency shall be jointly responsible with CBMWD for all conditions, restrictions, or limitations imposed by any agency as a condition for extending a grant or other financial assistance. That agency, CBMWD, or any

contracting agency may restrain any violation of such conditions, restrictions, or limitations by mandamus, injunction or other appropriate remedy.

CBMWD's costs for the acquisition, construction, maintenance, or operation of the regional sewer system shall be reduced by amounts of any grants or other financial assistance received therefor by CBMWD from the federal or state governments or any county, city or special district.

### Section 24. REGIONAL AUDIT COMMITTEE

The parties desire to provide for a regional audit committee to advise CBMWD of the needs and views of the contracting agencies concerning CBMWD's policies and activities in the acquisition, construction, maintenance and operation of the regional sewerage sytem, to make reports and recommendations with respect thereto, and to fully inform the contracting agencies concerning such policies and activities.

Each contracting agency shall appoint one regular member to the regional audit committee. The members so appointed shall serve at the pleasure of the appointing agency. Each contracting agency shall give the secretary of CBMWD immediate notice of all appointments and removals made by it and of the name and mailing address of each appointee.

Any regular member may at any time appoint and remove one alternate member to participate and vote in the regular member's absence or disqualification. The regular member shall furnish the alternate member with written authorization to act in his place and, upon demand by any other member present at a committee meeting, such authorization must be presented and filed before the alternate member may participate or vote at that meeting.

Each member of the regional audit committee shall have one vote. If one of the regular members appointed by a contracting agency is absent from a meeting of the audit committee or disqualifies himself from participating in the meeting, the alternate member appointed by that member is authorized to serve and vote in his place at that meeting. A majority vote shall be required to carry any matter before the committee. A majority shall consist of members representing a majority of the contracting agencies or, in case of a tie vote, members representing contracting agencies who, during the preceding fiscal year, delivered the greater quantity of sewage into the regional sewerage system.

The committee shall hold a regular meeting on or before the tenth day of every quarter and shall meet in special meeting at the call of any member or at the call of CBMWD. The committee may adopt such procedures and rules as it deems advisable concerning its officers, meetings and the

manner and method of making its reviews, reports and recommendations on any other matter affecting the acquisition, construction, maintenance and operation of the regional sewerage system.

At any special meeting of the committee called by CBMWD and at any other meeting, upon not less than 24 hours prior request by the committee, CBMWD shall provide for a member to represent it at such meeting. The member so provided shall be entitled to participate at that meeting but shall have no vote.

CBMWD agrees to provide the committee with a meeting place and with the services, advice and assistance of members of its staff. All records, reports and other information of CBMWD pertaining to the acquisition, construction, maintenance and operation of the regional sewerage system shall be available for inspection by members of the committee.

CBMWD agrees to maintain and make available to the committee accurate records of all of its costs, disbursements and receipts with respect to activities under this contract.

## Section 25. REGIONAL TECHNICAL COMMITTEE

The parties desire to provide for a regional technical committee. The members and alternate members of the regional technical committee shall be appointed, vote and be governed

in the same manner provided in Section 24 for the regional audit committee, except that the members and alternates shall be officers, employees, or other persons skilled in the design, construction, maintenance and operation of sewage facilities and that CBMWD shall be entitled to appoint one member and one alternate member with the same right of participation and voting as other members. The committee shall hold a regular meeting on or before the tenth day of every quarter and shall meet in special meeting at the call of any member or CBMWD.

The technical committee may, and upon request by the regional audit committee or CBMWD shall, review and make recommendations concerning any of the following technical matters: the acquisition, construction, maintenance, operation, or financing of sewer facilities, sewage treatment, reclamation, or disposal facilities, sewage and effluent measuring devices and equipment, community sewer systems and the regional sewerage system; sewer user charges; service charges; quality standards for sewage and any effluent; and any other technical matters related to any of the foregoing.

In addition, the technical committee shall establish and, from time to time, revise uniform sewer permit requirements and minimum construction standards for future community sewer systems and for additions, betterments and extensions

of existing community sewer systems and all contracting agencies shall comply with such requirements and standards. Until otherwise provided by the committee, the requirements and standards set forth in Exhibit "I," attached hereto and made a part hereof, shall be the requirements and standards.

### Section 26. INSPECTION OF FACILITIES

Any authorized officer or employee of CBMWD may enter and inspect any part of the community sewer system of any contracting agency and any authorized officer or employee of a contracting agency or any member of the regional audit. or technical committees may enter and inspect any part of the regional sewerage system. Except during emergencies, the inspection shall be made during normal working hours on regular business days and upon the giving of not less than 24 hours prior notice of the inspection. Any inspecting officer, employee or member of the audit committee shall bear proper credentials of authority and identification. The right of entry and inspection shall be limited to public streets, easements and property within which the systems shall be located. The right of inspection shall include observation, measurement, sampling and testing.

### Section 27. EFFECTIVE DATE OF CONTRACT

This contract between CBMWD and the undersigned con-

tracting agency shall become effective after the occurrence of all of the following events:

- (1) The authorization and execution of this contract by CBMWD and the undersigned contracting agency.
- (2) The acquisition or construction by CBMWD of facilities for the regional sewerage system adequate to provide for the transmission, treatment, and disposal of all sewage then collected by the community sewer system of the undersigned contracting agency.
- (3) The initiation and conduct of proceedings for and the completion of the formation of Improvement District "C" (either with or without elections, as provided by law) in substantial conformity with resolutions of intention, Exhibit "C" hereof, and with boundaries substantially identical to those specified in Paragraph B of Section 9 hereof.
- (4) The adoption by the Board of Directors of CBMWD of a capital outlay ordinance, substantially in the form set forth in Exhibit "B" hereof.

Not later than 15 days following the occurrence of the last such event, CBMWD shall give written notice thereof to the undersigned contracting agency. The notice shall specify a date, as determined by CBMWD, which shall be the effective

date of this contract. The effective date shall be the first day of any calendar month occurring not sooner than one month nor later than one year after the date of giving the written notice.

### Section 28. TERM OF CONTRACT

This contract shall become effective upon the date specified in Section 27 hereof. The term of this contract and any other sewage service contract entered into between CBMWD and any other sewage collection agency, including all original contracting agencies, shall be 50 years from the earliest effective date specified, pursuant to Section 27, in any contract between CBMWD and any of the original contracting agencies. It is the intent of the parties that all sewage service contracts providing for the services and facilities of the regional sewerage system shall have the same termination date, without regard to the effective dates of the individual contracts.

### Section 29. RENEWAL; OPTION FOR CONTINUED SERVICE

Within five years prior to the end of the term of this contract or any earlier termination or extension of this contract, the parties shall negotiate for the extension or renewal of this contract upon comparable terms and condi-

tions. If the parties have been unable to agree thereon, then the undersigned contracting agency, by written notice given to CBMWD at least 12 months prior to the expiration of said term, may elect to receive continued service after the expiration of said term upon the following conditions:

- A. If, by reason of continued service, no expansion is required in any facilities of the regional sewerage system in existence upon the expiration of the term of this contract, the undersigned contracting agency may deliver sewage into the system in any quantity and at any flow rates. If, by reason of continued service, such expansion shall be required, the annual quantity and flow rates of sewage to be delivered into the regional sewerage system by the undersigned contracting agency shall not exceed the quantity and flow rates delivered by the agency during the last full fiscal year preceding the expiration of said term.
- B. The service charge rate shall be determined as provided in Section 18.
- C. The sewage quality standards shall be in accordance with those in effect during the last full fiscal year preceding the expiration of said term or any higher standards prescribed by any federal, state or regional agency authorized by law to prescribe quality standards for effluent

discharges.

D. CBMWD shall maintain and operate the regional sewerage facilities under substantially the same physical conditions of service as prevailed during the last fiscal year preceding the expiration of said term.

Other terms and conditions of continued service shall be reasonable and equitable and shall be mutually agreed upon and, if they provide for continued service for a specified number of years, the undersigned contracting agency shall have the option to receive further continued service upon the expiration of that and each succeeding period of continued service.

Section 30. <u>AUTHORIZATION AND EXECUTION OF SEWAGE</u>
SERVICE AND ACQUISITION CONTRACTS

## A. Authorization By Any Sewage Collection Agency

All proposed contracts between CBMWD and any sewage collection agency for the purpose of (i) providing the agency with the services and facilities of the regional sewerage system under a sewage service contract, (ii) the acquisition by CBMWD of any existing sewage treatment and disposal plant or interceptor sewer, or (iii) both (i) and (ii), shall be authorized for execution by the agency prior to being

authorized for execution by CBMWD. The agency shall furnish CBMWD with a certified copy of the resolution authorizing execution by the agency, together with a certified copy of the proposed contract referred to therein. The resolution shall contain all restrictions, limitations, and conditions, if any, which may have been imposed on the execution of the contract.

### B. Contracts With Original Contracting Agencies

On or before July 31, 1972 any sewage collection agency proposing (i) to be an original contracting agency by the execution of a sewage service contract substantially similar to this contract or (ii) to transfer any existing sewage facilities to CBMWD as part of the original regional sewerage system shall file certified copies of each resolution and proposed contract with CBMWD. Not later than the following day, CBMWD shall furnish copies of each such resolution and contract to each of the other potential original contracting agencies. At any time prior to August 9, 1972 any agency who has previously filed any resolution or proposed contract may rescind the same by filing a certified copy of a rescission resolution with CBMWD.

Not later than August 16, 1972, the Board of Directors of CBMWD may adopt its resolution or resolutions authorizing the execution of any or all of the contracts referred to in unrescinded resolutions then on file with CBMWD.

# C. Amendment of Any Existing Contract; New Contracts With Subsequent Contracting Agencies

If CBMWD proposes (i) to amend or rescind any existing contract with a contracting agency or (ii) to enter a new sewage service contract or a contract for the transfer of any existing sewage facilities to CBMWD, as part of the regional sewerage system, the Board of Directors of CBMWD shall adopt a resolution declaring its intention to do so and shall specify a time, not sooner than 60 days after the adoption of the resolution, and a place at which the Board will hold a hearing on the question of the proposed amendment, rescission or new contract, as the case may be. Immediately thereafter the Secretary of CBMWD shall mail a copy of the resolution, together with a copy of the proposed amendment, rescission or new contract to the clerk or secretary of each contracting agency and to each member of the regional audit committee. The regional audit committee shall review the proposal and, not later than 10 days preceding the date of the hearing, shall submit its written report and recommendation thereon to the General Manager of CBMWD and to each contracting agency.

At the hearing on the proposal, the Board shall consider the report and recommendation of the regional audit committee and shall hear representatives of any contracting agency, members of the committee, and any other interested persons. The Board may modify the proposal and, upon the conclusion of the hearing, order the authorization for execution by CBMWD of the proposed amendment, rescission, or new contract, as the case may be.

### Section 31. NOTICE

Notices authorized or required to be given by any provision of this contract shall be deemed to have been given upon delivery, if delivered personally, or upon deposit in the mails, if enclosed in a properly addressed envelope and deposited in the United States mails for delivery by registered or certified mail.

Notice shall be given to the parties by delivery or mailing to the following officers of the parties at the following addresses:

CBMWD: Secretary, Chino Basin Municipal Water District
8555 Archibald Avenue
Cucamonga, California

Undersigned Contracting Agency	Undersigned	Contracting	Agency:
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At any time a party may give written notice to the other party of a change in the designated officer or address.

Notice to members of the regional audit committee or the regional technical committee shall be given to the persons and at the addresses designated in the notices of appointment filed with the secretary of CBMWD.

### Section 32. PARTIAL INVALIDITY

The invalidity of any provision of this contract shall not affect the validity of the remainder thereof which can be given effect without such invalid provision.

CHINO BASIN MUNICIPAL WATER DISTRICT

CBMWD")

By

Its Vice-President

CITY OF FONTANA

("Undersigned Contracting Agency")

City of Pomana

By

Its Mayor

By

Its Deputy City Clerk

### QUALITY STANDARDS FOR CBMWD TREATMENT OF SEWAGE

Sewage treatment in this Agreement shall be defined as the following processes or methods for altering the quality of raw sewage.

I. Primary Treatments

15...5

- A. Removal of sand and grit, floating solids and coarse suspended solids by
  - 1. Racks
  - 2. Medium screens
  - 3. Grit chambers
  - 4. Skimming tanks, with or without aeration
- B. Removal of fine suspended solids by
  - 1. Fine screens
  - 2. Sedimentation by plain sedimentation tanks, with or without mechanized sludge-removal devices
- II. Secondary Treatments
  - A. Oxidation by
    - 1. Filters
      - a. Intermittent sand filters
      - b. Contact filters
      - c. Trickling filters
    - 2. Aerations
      - a. Activated sludge
      - b. Contact aerators

EXHIBIT "A"

- 3. Chlorinators
- 4. Oxidation ponds

### III. Disinfection

- A. Chlorination or other acceptable chemical
- IV. Treatment, Handling and Disposal of Sewage Solids
  - A. Screenings
    - 1. Medium screenings by shredding and digestion
    - 2. Fine screenings by digestion
  - B. Settled solids
    - 1. Digestion
    - 2. Conditioning
    - 3. Vacuum filtration
    - 4. Drying
  - C. Excess activated sludge by
    - 1. Thickening
    - 2. Digestion
    - 3. Conditioning with chemicals
    - 4. Vacuum filtration
    - 5. Drying

The above list is not intended to be all inclusive and it is anticipated that other methods and processes will be utilized to obtain similar changes in the quality of raw sewage. If such other methods of processes are utilized then treatment shall be defined as that part of the total process which will yield the following maximum reduction in Total Suspended Solids and BOD.

: Constituent				ım Percer Influant			
Total Suspended Solids	5 16 M	* 7	e	90		8	<u>.</u>
B.O.D.			8 K.	90	8	* * * * * * * * * * * * * * * * * * *	× "

Compliance with the definition for treatment as defined above by maximum percent reduction for total suspended solids and BOD shall be based on the annual average results of 24 hour composite samples analyzed once each month.

ORDINANCE OF THE BOARD OF DIRECTORS
OF THE CHINO BASIN MUNICIPAL WATER
DISTRICT PROVIDING FOR THE LEVY AND
COLLECTION OF TAXES WITHIN IMPROVEMENT
DISTRICT "C", FOR THE CREATION AND
ACCUMULATION OF A CAPITAL OUTLAY FUND
AND FOR THE EXPENDITURE OF MONEYS IN
SAID FUND IN ACCORDANCE WITH A REGIONAL
SEWERAGE SYSTEM PLAN.

WHEREAS, the Board of Directors of the Chino Basin
Municipal Water District has approved a plan on file with
the Secretary of the District entitled "General Plan for
Water and Waste Water Systems" in the Chino Basin which,
among other things, recommends that local sewage collection
agencies own, control and operate all community sewer
systems for the collection of sewage within the Chino Basin
and that the District own, control and operate a regional
sewerage system for the transmission, treatment and disposal
of all sewage collected by community sewer systems within
the Chino Basin; and

WHEREAS, it is anticipated that the plan will be carried out in stages over a period of years and that, from time to time, the District will acquire existing transmission, treatment and disposal facilities owned by various sewage collection agencies as part of its regional sewerage system; and

WHEREAS, to implement said plan and to provide the District with a portion of its regional sewerage system, the District has acquired or proposes to acquire certain existing transmission, treatment and disposal facilities from certain sewage collection agencies; and

WHEREAS, the Board of Directors has initiated proceedings for the formation of Improvement District "C" for the acquisition and expansion of the regional sewerage system, including the construction of new facilities for the transmission, treatment and disposal of sewage and the making of replacements, betterments, additions or extensions of or to the system, all in accordance with the "Chino Basin Regional Sewerage System Plan," hereinafter referred to; and

WHEREAS, the Board of Directors deems it advisable to provide for the levy and collection of taxes within Improvement District "C", upon and after its formation, and for the creation and accumulation of a capital outlay fund for the purpose of the payment of all or part of the costs and expenses of the acquisition and expansion of the regional sewerage system; and

WHEREAS, it is in the public interest that moneys accumulated in said capital outlay fund be expended in

accordance with a regional sewerage system plan, and for that purpose, the Board of Directors desires to adopt such a plan and to provide for the continuing review and amendment of such plan; and

WHEREAS, the General Manager has submitted a proposed "Chino Basin Regional Sewerage System Plan" to the Board of Directors, said plan being on file with the Secretary.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Chino Basin Municipal Water District as follows:

Section 1. A capital outlay fund, to be known and be designated as the "Regional Waste Water Capital Improvement Fund," is hereby created in the treasury of the District for the following purposes:

The payment of all or part of the capital costs and expenses of the acquisition and expansion of the regional sewerage system for Improvement District "C", including the acquisition of certain existing facilities, the construction of new facilities for the transmission, treatment and disposal of sewage and the making of replacements, betterments, additions or extensions of or to the system, and the establishment of reasonable reserves for any of the foregoing, including reserves for unforeseen contingencies and for extraordinary capital costs and expenses, all as more particularly shown and described in the Chino Basin Regional Sewerage System Plan of the District.

The regional sewerage system shall consist of facilities owned and operated by the District and, if in the opinion of the Board of Directors any territory in Improvement District "C" can be more economically or conveniently served by facilities owned, in whole or in part, and operated by others, the system may include interests or capacity rights in facilities owned by others.

Section 2. For the purpose of the creation of and the accumulation of moneys in the capital outlay fund and until such time as the purposes of the capital outlay fund have been accomplished, the Board of Directors shall annually cause a capital outlay tax to be levied and collected upon all taxable property within Improvement District"C." The annual capital outlay tax shall be in an amount which, together with any amounts then accumulated in the capital outlay fund, the estimated amounts of capital outlay taxes to be levied and collected in future years and the estimated amounts of any other moneys expected to be available for payment of any part of the costs and expenses of the acquisition and expansion of the regional sewerage system, shall be sufficient to provide for the payment of all costs and expenses, as the same become due, of the acquisition and expansion of said system and for any amounts required to be set aside annually in any reserves theretofore established. The Capital outlay tax shall be in addition to all other taxes and shall be levied and collected in the

same manner as other district taxes. All moneys collected from capital outlay taxes shall be deposited to the credit of the capital outlay fund and shall be expended and disbursed for no other purposes than those set forth in Section 1 hereof.

Section 3. Until such time as the purposes of the capital outlay fund have been accomplished, the Board of Directors shall adopt and maintain a regional sewerage system plan. The plan shall describe the existing and proposed facilities of the regional sewerage system, all territory within Improvement District "C" and any territory proposed to be annexed thereto upon expansion of the system, and shall specify the methods of financing the costs and expenses of the expansion of the system from the capital outlay fund and any other available moneys. The plan shall include:

- (a) Drawings showing the general nature, location and extent of all existing and proposed facilities of the regional sewerage system.
- (b) Maps showing the boundaries of Improvement District "C" and any territory outside CBMWD which is served by the regional sewer system.

### 12/15/71

- (c) Schedules indicating the anticipated dates for the acquisition and expansion and the construction of various portions of the proposed facilities.
- (d) Estimates of the costs and expenses for the acquisition and expansion and the construction of all proposed facilities.
- (e) If any of the facilities are proposed to be acquired or constructed pursuant to lease, purchase or contract requiring payments in future years, statements of the amounts or estimated amounts to become due in each future year by reason thereof.
- (f) Estimates of the amount of capital outlay tax and the tax rate required during each future year for the acquisition and expansion of the system.
- (g) Such other drawings, data and explanations as may be necessary or convenient for the understanding of the plan.
- Section 4. The proposed "Chino Basin Regional Sewerage System Plan" submitted by the General Manager, and on file with the Secretary, is hereby adopted and, until amended, shall constitute the regional sewerage system plan of the district.

Section 5. The Board of Directors, from time to time, may amend the regional sewerage system plan and annex territory to Improvement District "C" and, for that purpose, shall cause a continuing review of the regional sewerage system plan to be made by the General Manager and by the Regional Audit Committee provided for in any sewage service contract between the District and local sewage collection agencies.

Before ordering any amendments to the plan or the annexation of territory to Improvement District "C", the Board of Directors shall adopt a resolution declaring its intention to order the amendments, describe the proposed amendments and specify a time, not sooner than 60 days after the adoption of the resolution, and a place at which the Board of Directors will hold a hearing on the question of the adoption of such amendments. Immediately thereafter the Secretary shall mail a copy of the resolution to the clerk or secretary of each local sewage collection agency having a sewage service contract with the District and to each member of the Regional Audit Committee provided for in said contracts. The Regional Audit Committee shall review the proposed amendments or annexations and, not later than 10 days preceding the date of the hearing, shall submit its written report and recommendation thereon to the General

Manager and to each contracting sewage collection agency.

At the hearing on the proposed amendments or annexations, the Board shall consider the report and recommendations of the Regional Audit Committee and shall hear representatives of any contracting agency, members of the Audit Committee and any other interested persons. The Board of Directors may modify the proposed amendments or territory proposed to be annexed to Improvement District "C" and, upon the conclusion of the hearing, order the amendments or the annexations. For the purpose of expenditures and disbursements authorized to be made from the capital outlay fund, the plan, as most recently amended, shall be deemed the Chino Basin Regional Sewage System Plan.

Section 6. This ordinance shall become operative upon and after the formation of Improvement District "C" and shall become effective not sooner than 30 days from and after the date of its final passage.

#### RESOLUTION NO.

RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHINO BASIN MUNICIPAL WATER DISTRICT DECLAR-ING ITS INTENTION TO FORM AN IMPROVEMENT DISTRICT, DESIGNATED AS IMPROVEMENT DISTRICT.

\*C", AND FIXING THE TIME AND PLACE OF HEARING

WHEREAS, Chino Basin Municipal Water District had approved a plan entitled "General Plan for Water and Waste Water Systems" which, among other things: (i) recommends that sewage collection agencies own, control and operate all community sewer systems within the Chino Basin and that Chino Basin Municipal Water District own, control and operate a regional sewerage system serving all community sewer systems within the Chino Basin by providing for the transmission, treatment, reclamation and disposal of all sewage, and (ii) states that the goals and objectives of the regional sewerage system include, not only the protection of public health, but also the enhancement of the entire area served by the regional sewer system by protecting the quality of existing and future water sources, by improvement of water management through integration of the various sources of water supply, including sewage effluent, and by improving general conditions for industrial, residential, commercial and agricultural development; and

WHEREAS, Chino Basin Municipal Water District may use sewage from municipal treatment facilities in satisfaction of its obligation in Orange County Water District v. City of Chino, Superior Court for Orange County, Case No. 117628; and

WHEREAS, said general plan will be implemented in stages over a period of years and, from time to time, Chino Basin Municipal Water District will acquire various existing interceptor sewers and sewage treatment facilities as part of its regional sewerage system; and

WHEREAS, Chino Basin Municipal Water District proposes to enter an agreement or agreements for the purchase or lease of certain existing interceptor sewers and sewage treatment and disposal facilities which shall constitute a portion of its regional sewerage system; and

Municipal Water District finance the capital costs of the acquisition and construction of all existing and future facilities comprising its regional sewerage system through the formation of an improvement district and the imposition of ad valorem taxes, sewage standby or availability charges and other charges and that all agencies contracting for the services of the regional sewerage system pay the costs and expenses incurred by Chino Basin Municipal Water District for maintenance and operation of its regional sewerage system;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Chino Basin Municipal Water District as follows:

Section 1. That this Board of Directors deems it necessary and hereby declares its intention to form an improvement district, pursuant to Sections 72000 et seq. of the Water

Code, for the purpose of undertaking and implementing said regional sewerage system.

Section 2. That, in the opinion of this Board of Directors, only a portion of the Chino Basin Municipal Water District will be benefited by the accomplishment of the purpose stated herein, which portion shall be designated as Improvement District "C" of the Chino Basin Municipal Water District, and that the exterior boundary of said Improvement District "C" shall be described as follows:

. (legal description of Improvement District "C")

Section 3. That, in order to undertake and implement said regional sewerage system, this Board of Directors acting in behalf of said proposed improvement district shall be authorized and empowered to investigate, study, analyze, appraise, finance, acquire, construct, operate, maintain, extend, repair or improve works and facilities for the transmission, treatment and disposal of sewage, waste and storm water including equipment for operation and maintenance of said works and facilities and for the foregoing appurtenances and appurtenant works, and including acquisition of all lands, easements, machinery, equipment, materials, apparatus and other property necessary therefor, and including all engineering, inspection, appraisal, accounting, legal, fiscal agent and financial consultant fees and costs, cost of special elections, cost of issuing bonds, notes, warrants and

any other evidence of indebtedness, interest on any indebtedness and all other costs and expenses incidental to or connected with undertaking and implementing said regional sewerage system.

Section 4. That, based upon costs for the year 1972, the average annual expenditures to undertake and implement said regional sewerage system are estimated to be \$1,500,000 per year.

That said regional sewerage system shall be Section 5. financed by any or all of the following means: ad valorem taxes levied exclusively upon taxable property within said proposed improvement district; sewage standby or availability charges levied exclusively on acreage within said proposed improvement district; fees and charges for annexation to said proposed improvement district; extraordinary capital outlay charges and annual capital outlay charges levied on territory outside of said proposed improvement district as compensation for receiving services of the regional sewerage system; service charges collected for sewage delivered into the regional sewerage system; charges for delivery or sale of sewage treated and reclaimed in the regional sewerage system; and such additional amount of ad valorem taxes as may be necessary to pay principal of and interest on bonds issued in connection with said regional sewerage system.

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same is hereby fixed by this Board of Directors as the time and place for a hearing by this Board of Directors on the formation and extent of said proposed improvement district; on the purpose for which said proposed improvement district is to be formed; on the estimated expenses of carrying out such purposes; and in any other matters set forth in this resolution.

Section 7. That at the time and place fixed for said hearing, or at any time and place to which said hearing is adjourned, this Board of Directors shall proceed with the hearing and shall hear and consider all written and oral objections, protests or comments from any person interested, including all persons owning property in the Chino Basin Municipal Water District or in said proposed improvement district, to any matters set forth in this resolution.

Section 8. That a map showing the exterior boundaries of said proposed improvement district, with relation to the territory immediately contiguous thereto, is on file with the Secretary of Chino Basin Municipal Water District and is available for inspection by any person or persons interested at the Offices of the Chino Basin Municipal Water District, located at 8555 Archibald Avenue, Cucamonga, California.

Section 9. That said map showing the exterior boundaries of said proposed improvement district shall govern for all details as to the extent of said proposed improvement district.

Section 10. That notice of said hearing shall be given

6

Section 11. That further notice of said hearing shall be given by the Secretary of this Board of Directors by posting a copy of this resolution in three (3) public places within said proposed improvement district at least two (2) weeks prior to the time fixed for said hearing.

Section 12. That said copy of this resolution so published and posted shall be accompanied by a notice subscribed by said Secretary, with the seal of the district attached, to the effect that the hearing referred to in this resolution will be had at the time and place above specified, that at said time and place this Board of Directors shall hear and consider all written and oral objections, protests and comments from any person interested on any matters set forth in this resolution, and that a map of said proposed improvement district is on file with the Secretary of the district and available for inspection by any interested person.

Section 13. That said Secretary is directed to give further notice of said hearing by placing in the mail, postage prepaid, first class, copies of said notice and of this resolution, addressed to all persons owning property within said

proposed improvement district, as shown on the last equalized assessment roll used by the district, said mailing to be completed at least fifteen (15) days prior to said hearing.

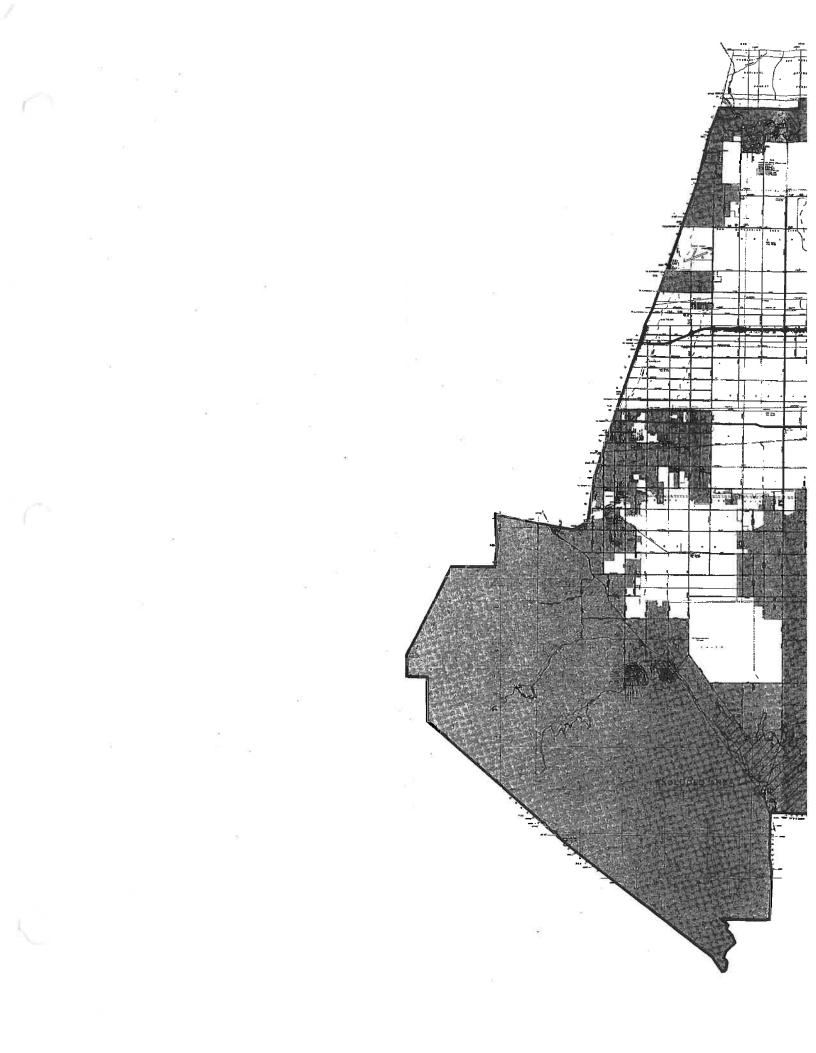
ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_\_, 1972.

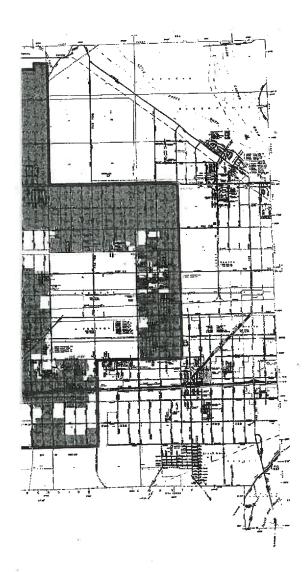
President of the Chino Basin Municipal Water District and of the Board of Directors thereof.

ATTEST:

Secretary of the Chino Basin Municipal Water District and of the Board of Directors thereof.

(SEAL)





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#### EXHIBIT F

## LOCATION OF DELIVERY AND METERING POINTS TO DISTRICT REGIONAL FACILITIES

#### GENERAL

The location described below are points where sewage initially would be accepted for delivery to the Chino Basin Reclaimable Waste Water System. Metering of flows would be at selected locations as described below. It is anticipated that these locations may be replaced or supplemented by other delivery or metering points at a later date.

#### 1. CITY OF CHINO

Sewage from the City of Chino shall be delivered to the Chino Interceptor of the Chino Basin system at manholes located at or near to each of the following street intersections:

- and Merrill Avenue, County of San Bernardino.
- b. On Central Avenue about 1,000 feet northwesterly from the intersection of Mountain and Central Avenues, County of San Bernardino.

Sewage from the City of Chino shall be metered at the existing City of Chino Wastewater Treatment Plant.

#### 2. CUCAMONGA COUNTY WATER DISTRICT

Sewage from the CCWD shall be delivered to and metered at manholes at three locations; being:

- of Colton Avenue ("G" Street).
- b. In Turner Avenue, at a point 1,797 feet northerly of the centerline of Colton Avenue ("G" Street).
- to the non-reclaimable waste system with future connection to the Chino Basin Municipal Water District reclaimable wastewater system at this point.

#### 3. CITY OF FONTANA

Sewage from the City of Fontana shall be delivered to the manhole at the intersection of Beech and Jarupa Avenues and metered at the existing metering station at the influent of the existing Fontana Sewage Treatment Plant.

#### 4. CITY OF UPLAND

Sewage from the City of Upland shall be delivered to manholes at two locations; being:

- a. In Grove Avenue northerly of Eighth Street at the northerly property line of the Atcheson Topeka and Santa Fe Railway.
- b. In a sanitary sewer easement abutting the northerly side of the

  San Bernardino Freeway right-of-way at a point 1,218 feet south

  easterly of the centerline of Campus Avenue.

Sewage from the City of Upland shall be metered at the metering station on the north side of Interstate 10 approximately 85 feet southeast of the centerline of Grove Avenue.

#### 5. CITY OF ONTARIO

Sewage from the City of Ontario shall be discharged at manholes adjacent to the following intersections:

- a. Haven Avenue and the Southern Pacific Railroad right-of-way,

  County of San Bernardino.
- b. Northerly extension of Humboldt Avenue and Fourth Street, City of Ontario.
- c. Humboldt Avenue and southerly frontage road, State Route 10, City of Ontario.
- d. Imperial Avenue and "I" Street, City of Ontario.
- e. Imperial Avenue and alley northerly of "G" Street, City of Ontario.
- f. Imperial Avenue and "D" Street, City of Ontario.
- g. Imperial Avenue and Holt Avenue, City of Ontario.
- h. Imperial Avenue and Easement adjacent to northerly right-of-way line of Southern Pacific Railroad, City of Ontario.

- i. Easement located adjacent to westerly end of east-west runway at

  Ontario International Airport at a point located approximately 800

  feet southerly of State Street and 1,400 feet easterly of Grove

  Avenue, City of Ontario.
- j. A point located approximately 1,400 feet easterly of Grove Avenue and the easterly extension of California Street, City of Ontario.
- k. Vineyard Avenue and a point located approximately 200 feet northerly of Mission Boulevard, City of Ontario.
- A point located approximately 300 feet easterly of Vineyard Avenue
   and 200 feet northerly of Mission Boulevard, City of Ontario.
- m. Northerly extension of Ironcraft Street and Francis Street, City of Ontario.
- n. A point located on the northerly extension of Ironcraft Avenue and approximately 300 feet northerly of Mission Boulevard, City of Ontario.
- o. Chino Avenue and point located approximately 100 feet southerly of Philadelphia Avenue, City of Ontario.
- p. Manhole on 24-inch trunk sewer on site of Regional Waste Water

  Treatment Plant No. 1 immediately upstream of flow metering

  structure of that treatment facility, City of Ontario. Said metering

  structure is located approximately 1,800 feet southerly of Philadelphia

  Avenue and 1,100 feet easterly of Chino Avenue, City of Ontario.

Sewage from the City of Ontario shall be metered at the existing influent lines to Wastewater Treatment Plants 1 and 2.

#### 6. CITY OF MONTCLAIR

Sewage from the City of Montclair shall initially be delivered to either or both of two existing alternative delivery systems, as follows:

- a. A manhole of Sanitation District No. 21 of Los Angeles County
  located within the right-of-way of Phillips Avenue approximately
  750 feet westerly of East End Avenue, County of Los Angeles.
- b. A manhole at the intersection of Ramona Avenue and Grand Avenue.

Sewage from the City of Montclair shall be metered in two locations in Phillips Avenue; as follows:

- a. In the vicinity of Pipeline Avenue.
- b. In the vicinity of Ramona Avenue.

#### 7. IMPROVEMENT DISTRICT B, CHINO BASIN MWD

Sewage from Improvement District "B", Chino Basin MWD, shall be delivered to and metered at a manhole located approximately 150 feet, westerly of Telephone Avenue and adjacent to the north-easterly right-of-way line of the Chino Creek Channel, County of San Bernardino.

## CHINO BASIN AGREEMENT FOR

# RECLAMATION OF TREATED EFFLUENT EXHIBIT G

#### CHINO BASIN AGREEMENT FOR RECLAMATION OF TREATED EFFLUENT

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#### CHINO BASIN AGREEMENT FOR RECLAMATION OF TREATED EFFLUENT

AGREEME	NT made and ente	ered this 14 day of	Ē
august	, 1972 be	tween CHINO BASIN MUI	VICIPAL
· //		municipal water dist	*
		, ("undersigned	d purchas-
ing agency"),	a		•

#### RECITALS

WHEREAS, CBMWD and the undersigned purchasing agency, prior hereto or concurrently herewith, have entered a service contract entitled "Chino Basin Regional Sewage Service Contract" whereby CBMWD agrees to provide for the ownership and operation by it of a regional sewerage system and for the transmission, treatment, and disposal of all sewage collected by the undersigned purchasing agency and by certain other purchasing or sewage collection agencies; and

WHEREAS the parties hereto desire to enter this agreement whereby CBMWD will be provided with an assured supply
of treated effluent from the regional sewerage system for
the purpose of the reclamation of said effluent and the undersigned purchasing agency and other purchasing agencies will
be provided with a right of first purchase of the reclaimed
effluent.

#### COVENANTS

NOW, THEREFORE, IN CONSIDERATION of the mutual promises and covenants herein contained, the parties agree as follows:

Section 1. DEFINITIONS

Unless otherwise required by the context, various terms used in this agreement, including the recitals, shall have the meanings set forth in this section. The singular number includes the plural and the plural the singular.

"Acquire" or "Acquisition" means to acquire or make the acquisition of one or more of the following:

- A. Fee simple title to land.
- B. Any interest in land by deed, easement, lease, sublease, contract, or otherwise.
- C. Title to or any interests in any existing facilities located upon land.
- D. Interests or capacity rights in any land or facilities owned by others.

\*CBMWD" means the Chino Basin Municipal Water District,
a municipal water district.

"Chino Basin" means that area underlain by the Chino and Cucamonga groundwater basins and that portion of the Claremont Heights groundwater basin within San Bernardino County which groundwater basins are described in Bulletin No. 53 of the California Division of Water Resources, dated March, 1947 and entitled "South Coastal Basin Investigation -

Overdraft on Groundwater Basins."

"Effluent" means the liquid outflow at the discharge point of any treatment or reclamation facility.

"Facilities" means any pipelines, buildings, structures, works, improvements, fixtures, machinery, equipment, or appliances and any real property, or interests therein, necessary or convenient for the construction, maintenance, and operation of any of the foregoing.

"Purchasing agency" includes the undersigned purchasing agency and any other sewage collection agency which is located, in whole or in part, within the boundaries of CBMWD and which has entered a service contract with CBMWD and, to the extent provided in Paragraph B of Section 3 of the service contracts, includes CBMWD.

"Reclaim" or "Reclamation" means any process or method for altering the quality of treated sewage effluent to standards superior to those prescribed for treatment, as specified in Exhibit "A" attached to and made a part of the service contracts.

"Regional sewerage system" means all facilities owned, controlled, or operated by CBMWD for the purpose of the transmission, treatment, and disposal of sewage collected by purchasing agencies, all as more particularly defined in the service contracts.

\*Service contract" means any contract between CBMWD and a purchasing agency for the transmission, treatment and dis-

posal, by means of the regional sewerage system, of all sewage collected by the agency.

"Sewage" means any liquid waste and water borne solid waste resulting from residential, commercial, industrial, or institutional activities or uses.

"Treat" or "Treatment" means any process or method for altering the quality of sewage to standards equal to those prescribed in Exhibit "A" attached to and made a part of the service contracts.

"Undersigned purchasing agency" includes only the purchasing agency specifically designated in the first paragraph of this agreement and the signatory of this particular agreement.

## Section 2. SCOPE OF AGREEMENT

This agreement shall apply only to (i) reclamation facilities acquired, constructed, or operated by CBMWD for the reclamation of treated effluent discharged from any treatment and disposal facility of the regional sewerage system and (ii) reclaimed effluent discharged from said reclamation facilities. Except as otherwise provided herein, this agreement shall not apply to any transmission, treatment and disposal facilities which are part of the regional sewerage system or to sewage or treated effluent discharged into or from the regional sewerage system.

Upon execution of this agreement and the availability of reclaimed effluent to the undersigned purchasing agency, the agency shall have no further right of first purchase of treated effluent pursuant to Sections 15 and 16 of the service contract with the agency.

#### Section 3. RIGHTS AND OBLIGATIONS

#### A. Ownership of Reclamation Facilities by CBMWD

existing or under construction on the date of this agreement, CBMWD shall not be obligated to acquire, construct or operate any future reclamation facilities or any additions to any existing reclamation facilities for the reclamation of any sewage or treated effluent discharged into or from the regional sewerage system, unless such future facilities or additions are required for the exercise of the right of first purchase of reclaimed effluent by a purchasing agency, in which case, the agency shall give CBMWD not less than three years written notice of its intention to exercise its right of first purchase. CBMWD, in its sole discretion, may own, acquire, construct, or operate any other reclamation facilities that it deems advisable.

#### B. Degree of Reclamation

Unless otherwise mutually agreed between CBMWD and the purchasing agency, CBMWD shall be obligated to provide

reclamation facilities and methods consisting only of those required for the coagulation, sedimentation, filtration and disinfection of treated effluent.

#### C. Delivery and Reclamation of Treated Effluent

If and to the extent that CBMWD owns, acquires, or constructs any reclamation facilities:

- 1. CBMWD shall have an assured supply of treated effluent for the operation of the reclamation facilities and shall be entitled to take delivery of and reclaim any or all treated effluent discharged into or from any part of the regional sewerage system.
- 2. Each purchasing agency shall have the right of first purchase of reclaimed effluent from CBMWD as herein provided; CBMWD shall be obligated to operate its reclamation facilities to the extent necessary for the exercise of said right of first purchase.

All contracts by CBMWD with any person or public agency, other than a purchasing agency, for the beneficial use, sale or other disposition of reclaimed effluent shall provide that they are made subject to the provisions of all reclamation agreements entered into by CBMWD and all purchasing agencies.

#### Section 4. BASE ENTITLEMENTS AND MANNER OF EXERCISE

#### A. Base Entitlements

For the purpose of this agreement, the total quantity

of reclaimed effluent which is subject to the right of first purchase from CBMWD by any purchasing agency shall be the base entitlement of said agency, determined in the manner provided in subparagraph 2 of Paragraph A of Section 16 of the service contract with that agency, less normal processing losses resulting from the reclamation of treated effluent.

#### B. Delivery Points

Unless otherwise agreed by CBMWD, the delivery point or points of any purchasing agency exercising its right of first purchase of reclaimed effluent shall be the discharge point or points of each reclamation facility of CBMWD.

# C. Exercise of Base Entitlement at Various Discharge Points

is exported from the Chino Basin pursuant to Section 8 of the service contract, the base entitlement of such agency shall be exercised as provided in subparagraph 1 of this Paragraph C. If all of the sewage collected by a purchasing agency is exported, the base entitlement of such agency shall be exercised as provided in subparagraph 2 of this Paragraph C. If a portion only of the sewage collected by a purchasing agency is exported, the portion of the base

entitlement represented by nonexported sewage shall be exercised as provided in subparagraph 1 and the portion represented by exported sewage shall be exercised as provided in subparagraph 2.

Base entitlements of each purchasing agency shall be exercised in quantities and at delivery points determined as follows:

- 1. If the treated effluent originating from sewage collected by any purchasing agency ("agency effluent") is reclaimed:
- a. By a single reclamation facility, the total base entitlement of such agency shall be exercised from reclaimed effluent discharged from that facility.
- b. By two or more reclamation facilities, the base entitlement of such agency shall be exercised from each such facility in the proportion that the total agency effluent of the particular agency which is reclaimed by that facility bears to the total agency effluent of all agencies whose agency effluent is reclaimed by that facility.
- 2. If the sewage collected by a purchasing agency is exported, the base entitlement of such agency shall be exercised from a prorata share of reclaimed effluent discharged from each of the several reclamation facilities, computed as follows:
- a. Based upon the preceding fiscal year, determine the ratio of the total quantity of all agency effluent re-

claimed by each individual reclamation facility to the total quantity of all agency effluent reclaimed by all reclamation facilities.

- b. The prorata share of an exporting agency for each individual reclamation facility shall be determined by multiplying the ratio for that facility, computed under a., above, by the base entitlement of such agency.
- c. The computations described in a. and b., above, may be diagrammed as follows:

Total agency effluent, each Facility Total agency effluent, all facilities

X Base entitlement =
Agency prorata share
at each facility

#### D. Priorities

If any existing reclamation facilities shall be inadequate for the exercise of the rights of first purchase
by two or more purchasing agencies, then until such time
as the capability of said facilities shall be expanded, any
purchasing agency making an earlier exercise of its rights
of first purchase from said facilities shall, to the extent of the capability of the existing facilities, have a
priority in the exercise of such rights to a flow and quantity of reclaimed effluent equal to that delivered to it
during the preceding fiscal year, but not to exceed its base
entitlement, over any other purchasing agency seeking to
make a later exercise of its rights of first purchase of
reclaimed effluent from said existing facilities.

# Section 5. RECLAMATION FACILITIES, COSTS, AND RECLAMATION CHARGES

#### A. Financing Reclamation Facilities and Delivery Costs

All costs of CBMWD for reclamation facilities and for the delivery of reclaimed effluent shall be financed by CBMWD from sources other than service charges collected pursuant to service contracts and improvement district taxes levied and collected within Improvement District "C".

#### B. Reclamation Facilities

Except as otherwise mutually agreed upon by CBMWD and a purchasing agency, for the purposes of determining net audited costs of reclamation under this agreement, the reclamation facilities and methods shall (i) include only those required for the coagulation, sedimentation, filtration and disinfection of treated effluent and any additional facilities and methods which may be required by any federal, state, or regional agency authorized by law to prescribe quality standards for the types of proposed use of effluent, and (ii) shall exclude all or any portion of the disposal costs of the regional sewerage system and the reclamation facilities which are attributable to the disposal of treated or reclaimed effluent of the agency and which are located downstream from any treatment or reclamation facilities treating sewage of that agency or reclaiming treated effluent

resulting therefrom.

C. Net Audited Costs for Reclamation Facilities;
Grants and Financial Assistance

CBMWD's net audited costs for reclamation facilities owned and operated by it shall consist of:

- 1. Straight line depreciation upon the reclamation facilities, based upon CBMWD's historical costs and on an estimated useful life of 40 years.
- 2. Costs of maintenance and operation of the reclamation facilities and applicable overhead of CBMWD.
- 3. Costs of real property necessary for the maintenance and operation of the reclamation facilities, based upon CBMWD's historical costs and amortized on a straight line basis over the estimated useful life of the reclamation facilities constructed on said real property.

cBMWD's net audited costs for reclamation facilities shall be reduced by the amounts of any grants or financial assistance received therefor by CBMWD from the federal or state governments or any county, city or special district.

D. Delivery Facilities For and Costs of Delivery

of Reclaimed Effluent

Delivery facilities shall consist of any facilities for the delivery of reclaimed effluent from the point of discharge of any reclamation facilities of CBMWD to the

point of use of the effluent. This agreement and the reclamation charge provided herein shall not apply to any such delivery facilities or the financing thereof. CBMWD or any purchasing agency may, at their own expense, acquire, construct or make a contribution towards the financing of capital costs and maintenance and operation expenses of any delivery facilities. CBMWD, or any purchasing agency or agencies, or any combination thereof, may provide for delivery facilities by contract entered into between or among themselves or with any other person or public or private agency.

#### E. Reclamation Charge Rate

CBMWD for each separate reclamation facility of CBMWD.

Except as otherwise provided in this Paragraph E, said

charge shall be fixed in the manner provided in the ser
vice contracts for the fixing of the service charge rate.

The reclamation charge rate shall be expressed in dollars

and cents for each million gallons of reclaimed effluent

and shall be computed for each separate reclamation facility

by dividing the total estimated net audited cost of reclamation for that facility by the total estimated quantity of

effluent to be reclaimed by that facility. Any purchasing

agency receiving delivery of reclaimed effluent shall pay therefor at the reclamation charge rate fixed for the reclamation facility or facilities from which such delivery is made.

With respect to any reclamation facility hereafter acquired or constructed by CBMWD, the reclamation charge rate shall be estimated by CBMWD for the initial period between the commencement of operation of said facility and the end of the next succeeding fiscal year. Within 60 days after the end of said fiscal year, CBMWD shall determine the difference between a reclamation charge rate based on actual net audited costs and said estimated rate and, with respect to any purchasing agency which has purchased reclaimed effluent, either refund the amount of any excess resulting from overpayment or submit a statement for the amount of any deficiency resulting from underpayment. Within 60 days after the submission of a statement of deficiency, the purchasing agency shall pay CBMWD the amount of the deficiency.

#### F. Measurement of Reclaimed Effluent

CBMWD shall install, maintain, and operate measuring devices and equipment at a location or locations mutually agreed upon by CBMWD and the purchasing agencies. The measuring devices and equipment shall be examined, tested

and serviced regularly to insure their accuracy. At any time CBMWD or any purchasing agency may inspect any measuring devices and equipment and all records and measurements taken therefrom.

#### G. Billing and Payment of Reclamation Charges

Charges to purchasing agencies for the delivery of reclaimed effluent shall be billed and paid in the manner provided in Section 20 of the service contracts for the billing and payment of service charges.

## Section 6. CONTROL AND DISPOSITION OF EFFLUENT

CBMWD shall have the total ownership and control of all treated effluent delivered to it for the purpose of reclamation, transmission and disposal; subject to the right of first purchase by any purchasing agency, the use of all reclaimed effluent resulting from said reclamation shall be within the sole discretion of CBMWD. If any purchasing agency exercises its right of first purchase of reclaimed effluent, then such agency shall have the total ownership and control of all reclaimed effluent delivered to it and the use thereof shall be within the sole discretion of that agency.

Any purchasing agency exercising its right of first purchase of reclaimed effluent may make any lawful use thereof, including beneficial use, sale or other disposition and

shall be entitled to retain all charges received by it as a result of any such use.

To the extent that any of the purchasing agencies fail to exercise their respective rights of first purchase of reclaimed effluent, CBMWD may make any lawful use of such effluent, including beneficial use, sale or other disposition inside or outside the Chino Basin; provided, that:

- A. CBMWD shall not, for a consideration, sell or otherwise dispose of any reclaimed effluent for beneficial use inside the Chino Basin without the prior consent of all purchasing agencies; and
- B. If CBMWD, for a consideration, sells or otherwise disposes of any reclaimed effluent for beneficial use outside the Chino Basin, any portion of the consideration in excess of CBMWD's net audited costs of reclamation and delivery of the reclaimed effluent shall be apportioned and credited:
- 1. 85% to the Regional Sewerage System Maintenance and Operation Fund, established pursuant to the service contracts, and
- 2. 15% to the Regional Waste Water Capital Improvement Fund, established pursuant to the service contracts.

# Section 7. NOTICE OF EXERCISE OF RIGHT OF FIRST PURCHASE

Any purchasing agency desiring to exercise its right

of first purchase of reclaimed effluent shall give CBMWD written notice as follows:

#### A. Notice by CBMWD

On or before the first day of March of each year CBMWD shall give each purchasing agency written notice requesting the agency to provide CBMWD with a schedule of the estimated flow and quantity of reclaimed effluent proposed to be delivered to the agency during the next fiscal year from each reclamation facility from which that agency is entitled to receive delivery of such effluent. The rates of flow and quantity shall not exceed the capability of the reclamation facilities then in operation.

#### B. Notice by Contracting Agency

On or before the first day of April of each year,
each purchasing agency shall provide CBMWD with a schedule
pursuant to the immediately preceding Paragraph A.

#### C. Allocation of Reclaimed Effluent

On or before the first day of May of each year, CBMWD shall allocate reclaimed effluent to purchasing agencies based upon schedules submitted pursuant to the immediately preceding Paragraph B. Immediately after making the allocation, CBMWD shall give a written notice of allocation to each agency stating the flow and quantity allocated to that agency during the next fiscal year.

## D. Additional Allocation of Reclaimed Effluent

At any time during a fiscal year and upon 60 days written notice to CBMWD, a purchasing agency may apply for the delivery of any reclaimed effluent then available at a rate of flow or quantity greater than that specified in the notice of allocation given pursuant to the immediately preceding Paragraph C. The rates of flow and quantity shall not exceed the capability of the reclamation facilities then in operation.

#### E. Additional Facilities

If the rates of flow or quantity of reclaimed effluent specified in the schedule filed by any purchasing agency exceed the capabilities of the reclamation facilities then in operation, the purchasing agency shall give CBMWD three years' notice to permit construction of additional facilities of sufficient capability for such increased rates of flow or quantity.

# Section 8. RECLAMATION AGREEMENTS BY CBMWD WITH PERSONS AND AGENCIES OTHER THAN PUR CHASING AGENCIES

CBMWD may enter reclamation agreements with any sewage collection agency, other than a purchasing agency, located inside or cutside the boundaries of CBMWD, provided, that any such agreements shall not be inconsistent with the provisions of reclamation agreements of purchasing agencies.

Subject to the rights of all purchasing agencies, as herein provided, CBMWD may by contract provide for the utilization of any reclamation facilities owned and operated by it for the reclamation of treated effluent of any person or agency, other than a purchasing agency. Any such contract shall require (i) payment to CBMWD of the net audited costs of reclamation and delivery of the reclaimed effluent and (ii) if the treated effluent delivered to CBMWD for reclamation shall be of a quality inferior to the standards prescribed in Exhibit "1" attached hereto and made a part hereof, in addition to the reclamation charge, shall require payment of a surcharge for the additional capital, maintenance, and operation costs of CBMWD in treating and reclaiming the inferior treated effluent.

# FOR JOINT EXERCISE OR TRANSFER OF RIGHTS OF FIRST PURCHASE

Subject to the rights of CBMWD hereunder, any or all of the purchasing agencies may by contract provide for the joint exercise of their respective rights of first purchase of reclaimed effluent or for the sale, exchange, or transfer of such rights. Certified copies of all such contracts shall be filed with CBMWD by the parties thereto.

#### Section 10. INSPECTION OF FACILITIES

Any authorized officer or employee of a purchasing agency may enter and inspect any reclamation facilities of CBMWD. The inspection shall be made during normal working hours on regular business days and upon the giving of not less than 24 hours prior notice to CBMWD of the inspection. Any inspecting officer or employee shall bear proper credentials of authority and identification. The right of entry and inspection shall be limited to public streets, easements, and property within which the facilities shall be located. The right of inspection shall include observation, measurement and sampling.

#### Section 11. EMINENT DOMAIN

CBMWD or so much thereof as to render the remainder unusable for the purposes contained herein shall be taken under the power of eminent domain, then the provisions of this agreement applicable to the facilities so taken shall terminate as of the day possession shall be so taken. If less than the whole of any such reclamation facilities shall be taken under the power of eminent domain, and the remainder is usable for the purposes contained herein, then this agreement shall continue in full force and effect and shall not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary. Any award made in eminent domain proceedings for the taking or

damaging of all or any part of any reclamation facilities shall be paid to District; provided, however, that District shall not, without the consent of all purchasing agencies, expend the proceeds of such award for any purpose other than the replacement of the reclamation facilities so taken with comparable reclamation facilities.

#### Section 12. TERM OF AGREEMENT

The term of this reclamation agreement and any other reclamation agreement entered into between CBMWD and any other sewage collection agency shall be 50 years from the earliest effective date specified in any service contract between CBMWD and any sewage collection agency. It is the intent of the parties that all reclamation agreements for the reclamation of treated effluent and all service contracts for the services and facilities of the regional sewerage system for the transmission, treatment, and disposal of sewage shall have the same termination date, without regard to the effective dates of the individual agreements and contracts.

Section 13. RENEWAL: OPTION FOR CONTINUED SERVICE
Within five years prior to the end of the term of this
agreement or any earlier termination or extension of this
agreement, the parties shall negotiate for the extension
or renewal of this agreement upon comparable terms and conditions. If the parties have been unable to agree thereon.

then the undersigned purchasing agency, by written notice given to CBMWD at least 12 months prior to the expiration of said term, may elect to receive continued service after the expiration of said term upon the following conditions:

- A. If, by reason of continued service, no expansion is required in the capacity of any reclamation facilities in existence upon the expiration of the term of this agreement, the undersigned purchasing agency may exercise all or any part of its base entitlement from said facilities. If, by reason of continued service, such expansion shall be required, the annual quantity and flow rates of reclaimed effluent to be delivered to the undersigned contracting agency shall not exceed the quantity and flow rates delivered to the agency during the last full fiscal year preceding the expiration of said term.
- B. The reclamation charge rate shall be determined as provided in Section 5 hereof.
- C. CBMWD shall maintain and operate the reclamation facilities under substantially the same physical conditions of service as prevailed during the last fiscal year preceding the expiration of said term.

Other terms and conditions of continued service shall be reasonable and equitable and shall be mutually agreed

upon and, if they provide for continued service for a specified number of years, the undersigned purchasing agency shall have the option to receive further continued service upon the expiration of that and each succeeding period of continued service.

#### Section 14. NOTICE

Notices authorized or required to be given by any provision of this agreement shall be deemed to have been given upon delivery, if delivered personally, or upon deposit in the mails, if enclosed in a properly addressed envelope and deposited in the United States mails for delivery by registered or certified mail.

Notice shall be given to the parties by delivery or mailing to the following officers of the parties at the following addresses:

CBMWD: Secretary, Chino Basin Municipal Water District
8555 Archibald Avenue

. Cucamonga, California

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At any time a party may give written notice to the other party of a change in the designated officer or address

#### Section 15. PARTIAL INVALIDITY

The invalidity of any provision of this agreement shall not affect the validity of the remainder thereof which can be given effect without such invalid provision.

CHINO BASIN MUNICIPAL WATER DISTRICT ("CBMWD")

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#### EXHIBIT 1

#### QUALITY STANDARDS FOR SECONDARY EFFLUENT

The following parameters reflect minimum plant operating efficiencies and maximum average annual concentrations in effluents which shall be delivered to the tertiary treatment facilities:

Constituent	Minimum Percent Reduction Plant Influent to Effluent*	Maximum Average Annual Concentration
Total suspended solid	s 80	60 mg/l
Total volatile suspend solids	led 80	50 mg/I
C.O.D.	80	200 mg/i
B.O.D.	80	50 mg/l

Compliance with the above standards shall be based on the average results for a year of samples analyzed on the first work day of January, March, May, July, September, and November. Samples shall be collected continuously in proportion to flow for a 24-hour period or composited in proportion to flow from individual samples collected at one hour intervals or less for a period of 24 hours.

\*Minimum annual wastewater treatment plant efficiencies based on quality of raw influent to plant and quality of effluent delivered to tertiary facilities at point of delivery.

#### EXHIBIT H

## QUALITY STANDARDS FOR SEWAGE DISCHARGED INTO REGIONAL SYSTEM BY CONTRACTING AGENCIES

#### I. GENERAL RESTRICTIONS AND PROHIBITIONS

Except as hereinafter provided, it shall be unlawful for any Contracting Agency to discharge or to cause to be discharged into the regional sewer system any of the following:

- (a) Any earth, sand, rocks, ashes, gravel, plaster, concrete, broken glass, mud, straw, shavings, metal filings, metal or other solid or semisolid materials in quantities or volume which will obstruct the flow of sewage in the sewer, which will cause clogging of a sewage pump or sewage sludge pump, or which will interfere with the mormal operation of the sewage treatment plant.
- (b) Any asphalt, tar, dead animals, offal, underground garbage, feathers, rags, plastics, wood, whole blood, paunch manure, bones, hair and fleshings, entrails, paper dishes, paper cups, milk containers, or other paper products, either whole or ground by garbage grinders or any other solid or viscous substances of a size or in such quantities or volume which will obstruct the flow of sewage in the sewer, which will cause clogging of a sewage pump or sewage sludge pump, or which will interfere with the normal operation of the sewage treatment plant.
- (c) Any waters or wastes containing toxic or poisonous solids, liquids, or gases in such quantities that alone or in combination with other waste substances would create a hazard for humans, animals or the local environment, interfere detrimentally with sewage treatment processes, (cause a public nuisance), or cause any hazardous condition to occur in the regional sewerage system.

#### GENERAL RESTRICTIONS AND PROHIBITIONS

- (d) Any water or waste having any corrosive or detrimental characteristic that would cause injury to sewage treatment or maintenance personnel or would cause damage to structures, equipment or other physical facilities of the regional sewerage system.
- (e) Any excessive rainwater, storm water, groundwater, street drainage, sub-surface drainage, roof drainage, yard drainage, water from yard fountains, ponds or lawn sprays, or any other contaminated water. Swimming pools, wading poolds, and therapy pools will be admitted to the reclaimable system between midnight and 6 a.m. subject to permit by the contracting agency which will provide for restricted flow.
- (f) Any compound, such as mercaptans, etc., which will produce noxious odor in the sewer or sewage treatment plant.
- (g) Any gasoline, benzene, naphtha, fuel oil, or any other volatile liquid or substance which can produce toxic or flammable atmosphere in the sewer or in amounts considered dangerous by the contracting agency.
- (h) Any overflow from any septic tank or cesspool, or any liquid or sludge pumped from a cesspool, septic tank, or chemical toilet, except at such place and in such manner as may be prescribed by permit.
- (i) Any material or quantity of material which will cause significant damage to any part of the regional sewerage system or abnormal sulfide generation or abnormal maintenance or operation costs of any part of the regional sewerage system or become a nuisance or a menace to public health.

#### GENERAL RESTRICTIONS AND PROHIBITIONS

- (j) Any excessive amounts of chlorinated hydrocarbons.
- (k) Any pesticides and fertilizers.
- (1) Any waste containing radioactive materials.
- (m) Any nonbiodegradable cutting oils, commonly called soluble oil, which form persistent water emulsions except as may be allowed by industrial permit.
- (n) Any waste containing substances that may precipitate, solidify, or become viscous at temperatures between 40° F and 100° F.
- (o) Any garbage that is not ground sufficiently to pass through a 3/8-inch screen.
- (p) Any excessive quantities of nonbiodegradable oil, petroleum oil, or refined petroleum products except as may be allowed by industrial permit.
- (q) Any excessive quantities of dispersed biodegradable oils and fats, such as lard, tallow, or vegetable oil except as may be allowed by industrial permit.

#### II. SPECIFIC RESTRICTIONS

Except as may be specifically provided on a temporary basis, it shall be unlawful for any contracting agency to discharge or cause to be discharged into the regional sewer system, any waste which exceeds the following quantities or which will result in the inability of the reclaimable wastewater treatment plant effluent to meet the wastewater discharge requirements presently established by the SWQCB - Region 8 - or which may be adopted in the future. Modification of these limits may be necessary to insure compliance with the effluent wastewater discharge requirements for discharges to the Santa Ana River, for basin groundwater recharge, or for direct reuse of the effluent for irrigation and industrial requirements.

(a) The liquid waste discharged into the regional sewer system shall not have average annual concentrations (weighted according to flow) of any of the below-named substances which exceed the average annual concentrations of the same substance in the water supply to the sewered area by more than the following increments:

Constituent	Incremental Value
Sodium	<b>7</b> 5 mg/1
Chloride	75 mg/l
Sulfate	40 mg/1
Total Hardness	35 mg/l
Fluoride	1.0 mg/1
Boron	0.5 mg/l

(b) The liquid waste discharged into the regional sewer system shall not contain at any time constituents which exceed the following concentrations:

Constituent		Concentration	
pН		7.0-9.0	
Barium		5 mg/1	

	Constituent	Concentration
	Cadmium	0.10 mg/l
	Chromium +6	0.01 mg/1
ă R	Selenium	0.01 mg/1
	Lead	0.1 mg/l
	Cobalt	0.5 mg/l
	Phenol	0.1 mg/l
	Iron	1.5 mg/l
	Arsenic	0.05 mg/l
	Silver	0.05 mg/l
	Cyanide	0.05 mg/l
	Manganese	0.5 mg/l
	Mercury	0.05 mg/l
	Copper	0.1 mg/1
	Zinc	1.0 mg/l
	BOD <sub>5</sub>	350 mg/l*
20	$\frac{\text{BOD}}{\text{COD}} \le 0.6*$	
d	Total suspended solids	450 mg/l*
Ti	Total dissolved solids	700 mg/l*
9.	Specific conductance	1000 micromohs/cm
:	Methylene blue activated substance	10.0 mg/l
	Dissolved sulfides	0.1 mg/l
	Total oil & grease	100 mg/1
	Floatable oil & grease	10 mg/l
ŧ,	Floatable H-C oil	10 mg/l
	Temperatures	78°F to 90° F
e :	Color	No color that persists
Š		through treatment permitt

\*Values in excess of this amount shall be subject to surcharge.

#### III. COMPLIANCE

# (a) General Provisions for Sampling and Analysis

Unless otherwise noted, all sampling, sample preservation, and analysis shall be conducted in accordance with the current edition of "Standard Methods for the Examination of Water and Wastewater," and all analysis shall be performed in a laboratory certified to perform such analyses by the California State Department of Public Health.

All sampling shall be conducted at locations mutually agreed upon by CBMWD and the Contracting Agency.

# (b) General Provisions for Reporting

By January 30 of each year, the contracting agencies shall submit an annual report to CBMWD. The report shall contain summaries of the monitoring data obtained during the previous year. In addition, the Contracting Agency shall discuss the compliance record and the corrective actions taken or planned which may be needed to bring the discharge into full compliance with the quality standards.

# (c) Monitoring Frequency

individual monthly sample.

Monthly samples are to be collected on the first working day of each month at mutually agreed upon places and analyzed for the following constituents:

Constituent	Units	Type of Sample	Sampling Frequency
BOD <sub>5</sub>	mg/l	24 hr composite	Monthly
COD	n e		
Total Suspended Solids	9 1 2 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		u
Total Dissolved Solids			1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Specific Conductance	micrombo	os/cm	
Compliance with the	ese quality s	tandards shall be bas	ed on each

Bi-monthly samples are to be collected on the first working day of February, April, June, August, October and December and analyzed for the following constituents:

Constituent	Units	Type of Sample	Sampling Frequency
Sodium	mg/l	24 hr composite	Bimonthly
Chloride	ri,	n n n n	п
Sulfate	<b>11</b> 19 2	H A HARA	11
Total Hardness	g H a	n n	11
Fluoride	: tt	an in a G	2 a 11 c 88
Boron	11 11 11 11	- H	u - × ·

Compliance with quality standards shall be based on the average of any 6 consecutive samples.

Semiannual samples are to be collected on the first working day of February and August and analyzed for the following constituents:

Constituent	Units	Type of Sample	Sampling Frequency
°pH		24 hr composite	Semiannual
Barium	mg/l	i i	
Cadmium	11		·
Chromium +6	9 H	n n	H =
Selenium	ti u		me
Lead	E 11		
Cobalt	TI .		
Phenol	11 12 12 13 14 14 15 15 15 15 15 15 15 15 15 15 15 15 15		
Iron			11
Arsenic	, u		
Silver	ti tu i i i i i i i i i i i i i i i i i		
Cyanide	i au Garage		
Manganese		1	
Mercury	11		
Cooper	. <b>H</b> 125 g 2.		• • • • • • • • • • • • • • • • • • • •

Constituent	Units	Type of Sample	Sampling Frequency
Zinc	N	n .	n n
MBAS	## H * az = 500	The state of the s	The state of
Dissolved sulfides	TI.	H s s s s s s s	11
Total oil & grease	E 11 11	2 H 32 21 10 10 10 10 10 10 10 10 10 10 10 10 10	ju = 1
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Temperature	degrees F	ne in a sign	H H

Compliance with quality standards shall be based on each individual sample.

#### EXHIBIT I

# DESIGN STANDARDS FOR THE CONSTRUCTION OF COMMUNITY SEWER SYSTEMS

#### SECTION I - DEFINITIONS

For the purposes of these "Design Standards," certain words or phrases used in these Standards are defined in this Section I as follows:

- l. "Engineer" shall mean the City Engineer or his authorized deputy, agent, representative, or inspector if the work is to be constructed within the service area of a City that is a contracting agency as described in the Chino Basin Regional Sewage Service Contract. It shall mean the agency's Chief Engineer or his authorized deputy, agent, representative, or inspector if the work is to be constructed within the service area of an agency other than a City that is a contracting agency as described in said Service Contract. It shall mean the District Engineer of the Chino Basin Municipal Water District or his authorized deputy, agent, representative, or inspector if the work is to be constructed outside all service areas of contracting agencies to said Service Contract.
- 2. "Service lateral" shall mean that part of the horizontal piping beginning at the property line or sewer right-of-way line and extending to its connection with the main line sewer through which sewage is discharged.
- 3. "Main line sewer" shall mean any public sewer, except sewers that are a part of the Chino Basin Municipal Water District Non-Reclaimable Waste Sewerage System, in a dedicated right-of-way in which changes in alignment and grade occur only at manholes or where angle points or curves between manholes have been approved by the Engineer.

#### SECTION II - GENERAL PROVISIONS

#### 1. Permit Required

No person shall commence, do, or cause to be done, construct, or cause to be constructed, use or cause to be used, or alter or cause to be altered any main line sewer, service lateral, sewage pumping plant, or other similar appurtenance without first obtaining a sewer permit from the Engineer to do so.

# 2. Permits Not. Transferable

Permits issued pursuant to the provisions of these Design . Standards shall not be transferable.

### 3. Permit Application

- a. Application required. Any person requiring a sewer permit shall make written application to the Engineer.
- b. Form. The Engineer shall provide printed application forms for such permits indicating thereon the information to be furnished by the applicant. The Engineer may require, in addition to the information furnished by the printed form, any additional information from the applicant which will enable the Engineer to determine that the proposed work or use complies with the provisions of these Design Standards.

#### 4. Main Line Sewers

Before granting a permit for the construction of any main line sewer, with or without house laterals, the Engineer shall check and approve the plans therefor as to their compliance with County, State, and other governmental laws and as to conformity with the standards of design set forth herein.

5. Inspections: Required

All work done pursuant to the provisions of these Design Standards shall be subject to inspection by, and shall meet the approval of, the Engineer.

6. Standard Specifications for Materials and Construction Work

All material used in any work and all methods of construction utilized to accomplish said work shall comply with the minimum standards established by these Design Standards including the adopted Standard Drawings numbered 1 through 6 and the Standard Specifications.

The Standard Specifications controlling materials and methods of construction shall be the "Standard Specifications for Public Works Construction," 1971 Edition, latest amendments, written and promulgated by the Southern California Chapters of American Public Works Association and Associated General Contractors of America Joint Cooperative Committee.

# SECTION III - DESIGN STANDARDS

#### 1. Main Line Sewers

New main line sewers shall at least conform to the provisions of these Design Standards unless otherwise specifically excepted.

#### 2. Pumping Plants

New sewage pumping plants shall conform to the provisions of these Design Standards unless otherwise specifically excepted.

#### 3. Service Laterals

New service laterals shall conform to the provisions of these Design Standards and the Standard Drawings unless otherwise specifically excepted.

# 4. Conformance of Work and Plans to Design Standards

All plans required by the provisions of these Design Standards for the construction of main line sewers and service laterals shall conform to the standards of design prescribed by these Standards.

#### 5. Main Line Sewers: Size

Main line sewer pipe shall have an inside diameter of not less than eight (8") inches and shall have sufficient capacity to carry sewage from the area tributary thereto when computed by a rational basis accounting for present and future land development. Main line sewers shall be designed to flow 1/2 full when carrying the design average volume of flow.

The Engineer shall determine said rational method for computing design flows and shall approve any modification thereof.

#### 6. Main Line Sewers: Velocity

A main line sewer shall be designed to provide a self-cleaning velocity of flow. The following minimum and maximum gradients shall apply to all new main line sewer construction:

ME VOICE O REFUE	Min.	Max.
Dia.	Slope	Slope
811	0.40%	8.00%
10"	0.32%	7.00%
12"	0.24%	5.00%
15"	0.18%	4.00%
18"	0.14%	3.00%
21"	0.12%	2.50%
24"	0.10%	2.00%

If drop manholes are required to meet the criteria of the maximum slopes designated above, the manholes shall be constructed in accordance with the attached Standard Drawing.

#### 7. Main Line Sewers: Location in Streets

Main line sewers will normally be located not more than six (6) feet from the center lines of streets or alleys except on major highways where separate sewers may be required. If separate sewers are required, they will normally be located

in the roadway six (6) feet from each curb line.

Exceptions to the standard locations set forth in these Standards may be made only upon approval by the Engineer.

8. Main Line Sewers and Service Laterals: Depth

The minimum depth for main line sewers shall be six (6) feet. The minimum depth for service laterals shall be four (4) feet below the curb grade or center line street or alley grade at the property line.

Exceptions to the minima set forth in these Standards may be made only on approval of the Engineer.

9. Manhole Structures

Manhole structures shall be placed in the main line sewer at all changes of alignment and gradient. The maximum distance between structures on sewer lines of 8" through 15" in diameter shall be not more than 350 feet. Manhole spacing on lines of over 15" diameter pipe shall be determined by the Engineer. All structures shall be designed according to the standard drawings for structures attached hereto.

Exceptions to these requirements may be made only on approval of the Engineer.

10. Service Laterals: Service

Six (6) inch or four (4) inch service lateral service shall be provided in the street for each lot at the minimum depths provided by these Standards, and, in addition, such depth shall be sufficient to provide a connection to the lowest and/or farthest point of the lot with a cover of one foot and a grade of not less than two (2) percent. All laterals shall be designed according to the standard drawings for laterals attached hereto.

Any exception to these requirements may be made only upon approval of the Engineer.

11. House Laterals. Grades

The alignment and grade of a service lateral shall be straight from the public sewer to the street property line and shall have a fall of not less than two (2) percent toward the public sewer except as otherwise permitted by the Engineer.

12. House Laterals: Depth in Streets

When laid within the limits of a public thoroughfare, no service lateral shall be laid less than four (4) feet below the established grade of the same or below the surface, when no grade is established, except by special permission in writing from the Engineer.

13. Pipe Kinds, Sizes, and Strengths

All pipe shall be either clay or cast iron. Use of the following alternate pipe materials may be permitted subject to the approval of the Engineer: Epoxy-lined asbestos cement, asbestos cement, RPM, and PVC. All clay pipe shall be first-class, extra-strength vitrified clay pipe. All cast iron pipe four (4) inches or six (6) inches in diameter shall be service weight or better cast iron soil pipe. Cast iron pipe eight (8) inches or larger in diameter shall be Class 150. That portion of the pipe extending from the main line sewer to the property line shall not be less than four (4) inches in internal diameter.

14. Substructures

All substructures which will be encountered in the construction or which will be installed as part of the improvement shall be shown and designated on the plan. Large substructures which require special treatment in the design of the sewer shall also be shown in the profile.

15. Soil Conditions.

Soil conditions, particularly in areas known to have high ground water tables, rock, or filled ground, shall be prospected, and the results shall be shown on the profile, if required by the Engineer.

16. Bench Marks

A system of bench marks adequate to construct the work shall be shown on the profile. This bench mark system shall be related to or tied to the datum utilized by the controlling agency when a Regional Bench mark system is established. This system shall be utilized as directed by the Engineer. The elevation of the sewer at the point where the system is to be discharged shall be shown as determined in the field from the above shown datum.

# SECTION IV - VARIANCES FROM PROVISIONS

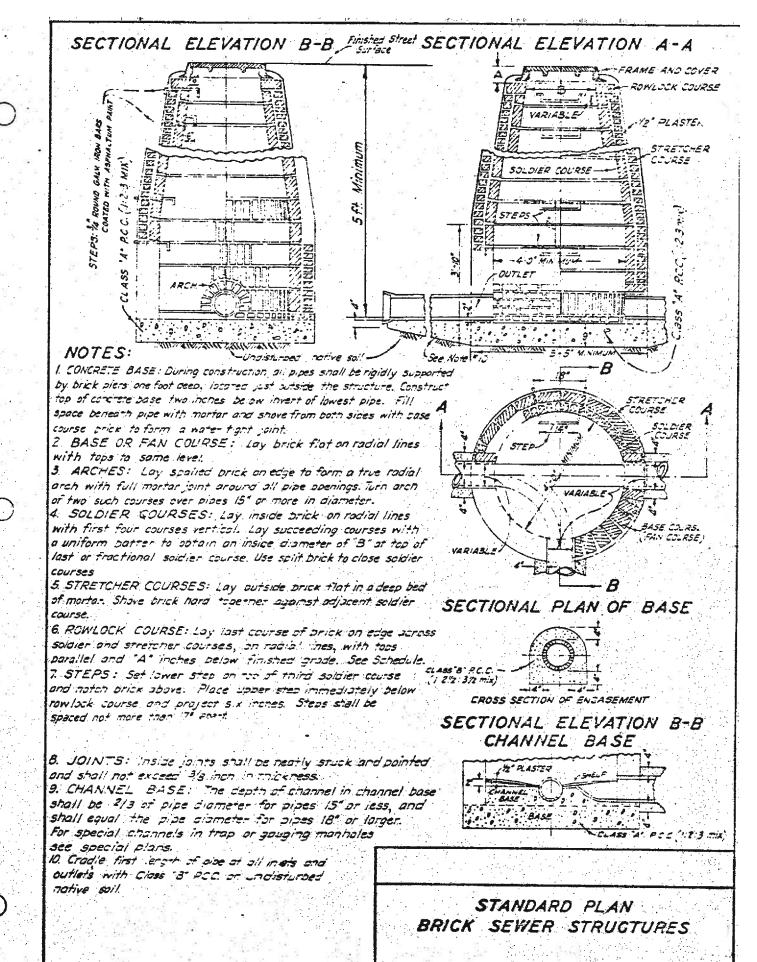
1. Impossibility of literal compliance

If a literal compliance with any engineering requirement of this exhibit is impossible or impractical because of peculiar conditions in no way the fault of the person requesting an exception, and the purposes of this exhibit may be accomplished, and the public safety secured by an alternate construction or procedure, and the Engineer so finds, he may grant an exception permitting such alternate construction or procedure. 2. Conflicts with standards within service areas of contracting agencies and standards of this exhibit.

If it is determined that there is a conflict between the standards established in this exhibit and the standards in use within the service area of a contracting agency, the Engineer of said contracting agency shall enforce the more restrictive of the two standards.

3. Additions, amendments, or modifications to this exhibit.

The technical committee established by the Chino Basin Regional Sewerage Contract shall periodically review the standards established by this exhibit and this committee shall be empowered to adopt any amendments, additions, or standards, or to delete or discontinue any requirements presented in this exhibit as deemed appropriate by said committee. Any such changes or additions shall become effective sixty (60) days following said adoption by the technical committee and they will remain in effect as if they were presented in this original exhibit. When changes are adopted, written notice of said changes shall be mailed to all members of the technical committee and this notice shall designate the effective date of said change. The Engineer may be directed to enforce a change immediately if the technical committee determines the change resolves an emergency situation. In this case, the sixty (60) day notice period shall not apply.



STD. NO. 1

