

ORDINANCE NO. 24

ORDINANCE OF THE BOARD OF DIRECTORS OF THE
CHINO BASIN MUNICIPAL WATER DISTRICT,
SAN BERNARDINO COUNTY, CALIFORNIA,
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 and that the District own, control and operate a regional sewerage system for the transmission, treatment and disposal of all sewage collected by said community sewer systems; 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:

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:

- (a) 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 of the District which is served by the regional sewer system.
- (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 substantial 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 sixty (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

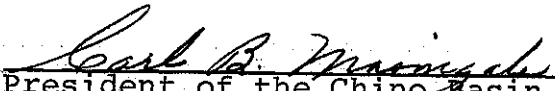
having a sewage service contract with the District and to each member of the Regional Audit Committee provided for in said contracts. The Regional Audit Committee shall review the proposed amendments or annexations and, not later than ten (10) days preceding the date of the hearing, shall submit its 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, The invalidity of any section, clause, sentence or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given effect without such invalid part or parts.

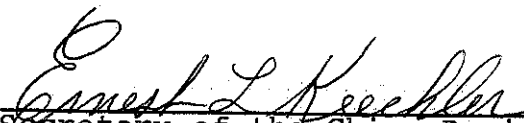
Section 7. This Ordinance shall be in full force and effect from and after its passage.

ADOPTED this 24th day of July, 1974.



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)

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

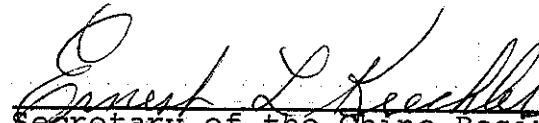
I, ERNEST L. KEECHLER, Secretary of the Board of Directors of the Chino Basin Municipal Water District, DO HEREBY CERTIFY that the foregoing ordinance was duly adopted by the Board of Directors of said district at a regular meeting of said Board held on the 24th day of July, 1974, and that it was so adopted by the following vote:

AYES: Directors Masingale, Ferguson, Keechler, Comstock

NOES: None

ABSENT: Director Pehl

(SEAL)



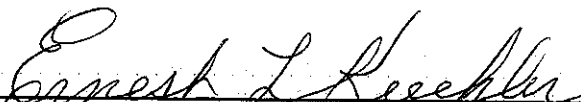
Secretary of the Chino Basin Municipal
Water District and of the Board of
Directors thereof.

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN BERNARDINO)

I, ERNEST L. KEECHLER, Secretary of the Board of Directors of the Chino Basin Municipal Water District DO HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of Ordinance No. 24 of said Board, and that the same has not been amended or repealed.

DATED: July 24, 1974.

(SEAL)



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