



# City of Rialto

## Legislation Text

---

**File #:** 21-0636, **Version:** 1

---

For City Council and Rialto Utility Authority Meeting [October 12, 2021]

TO: Honorable Mayor and City Council

APPROVAL: Marcus Fuller, City Manager

FROM: Thomas J. Crowley, P.E., Utilities Manager

Request City Council Adopt **Resolution No. 7780** and Rialto Utility Authority Board Adopt **RUA Resolution No. 07-21** Approving an Extraterritorial Wastewater Service Agreement with Kareem Oil, LLC, for the property located at 18653 Slover Avenue, Bloomington, Assessor's Parcel Number 0257-013-12-0000.

### **BACKGROUND**

Kareem Oil, LLC, a California Limited Liability Company, is the owner of the property located at 18653 Slover Avenue in Bloomington. This property is at the southwest corner of Cedar and Slover Avenues in an unincorporated area of San Bernardino County. The Assessor's Parcel Number is 0257-013-12-0000. Kareem Oil is developing a proposed gas station, convenience store and car wash at this location. Due to the car wash, the Regional Water Quality Control Board (RWQCB) and San Bernardino County are requiring Kareem Oil to connect to a sewer system and the nearest possible connection is to the City's sewer system. The property is not served by another sewer system. A copy of the site plan showing the property is included as **Attachment 1**.

Under Title 12, Chapter 12.08 of the City of Rialto Municipal Code governing Public Utilities, the City Council established fees for connections to the City utility systems outside the City limits. Extraterritorial sewer fees were established at 1.3 times the rates for City wastewater customers in accordance with Resolution No. 6209 which was adopted by Council on January 8, 2013.

Therefore, in accordance with the City Council policies established by Resolutions No. 4746 and 6209, City Council approval of extraterritorial sewer service is required.

### **ANALYSIS/DISCUSSION**

The City of Rialto owns, operates, and maintains the local public sanitary sewer system, which includes a wastewater collection system and treatment plant that serve most properties within the City limits and some areas of Bloomington.

A parallel sewer line exists to the east of Cedar Avenue within Dream Street. To connect, Kareem Oil will construct a gravity fed sewer line on their property running to the southern property line and then to the east to connect within Wrangler Drive. These sewer lines have sufficient capacity to accept the proposed sewer connection for the proposed project.

In order to connect to the City's sewer system, the developer will be responsible for the design and construction of a sewer line at their expense. This includes, but is not limited to, ensuring the work meets current Building and Plumbing Codes, obtaining all permits and inspections required by the City and San Bernardino County, and making all repairs to the infrastructure damaged during construction and when accessing sewer lines.

In addition to the new sewer line, the developer will owe the City development impact fees for the sewage treatment and collection systems a rate equal to one point three (1.3) times the current sewage rate or charges.

Rialto sewage treatment fees (for treatment of the wastewater at the treatment plant) vary. There are four groups with group I being residential and groups II, III and IV separated by strength of flow. Strength of flow relates to the biological and/or chemical demands of the sewage. It affects how difficult the flow is to treat at the plant.

Staff has prepared an Extraterritorial Wastewater Service Agreement to facilitate approval of the proposed service connection. The agreement describes the duties and responsibilities of the City of Rialto and the property owner. The proposed Extraterritorial Agreement is included as **Attachment 2**.

This item was initially presented to the Water Subcommittee on September 20, 2021, which directed staff to proceed. The Agreement was then presented at the September 21, 2021, Utilities Commission meeting where it was recommended for City Council/Rialto Utility Authority Board approval.

#### **ENVIRONMENTAL IMPACT:**

The request is not a "Project" as defined by the California Environmental Quality Act (CEQA). Pursuant to Section 15378(a), a "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. The proposed agreements to connect the properties to the City's sanitary sewer system will not result in a direct or indirect physical change in the environment because the system has sufficient capacity and, as such, the action is not a "Project" as defined under CEQA.

#### **GENERAL PLAN CONSISTENCY:**

Approval of the proposed action complies with the following City Guiding Principle:

*Our City government will lead by example, and will operate in an open, transparent, and responsive manner that meets the needs of the citizens and is a good place to do business.*

Approval of the proposed action also complies with the following General Plan Policies:

Policy 3-6.1: Coordinate all development proposals with other affected public entities to ensure the provision of adequate public facilities and infrastructure services.

Policy 3-9.1: Require that all new development or expansion of existing facilities bear the cost of expanding the wastewater disposal system to handle the increased loads which they are expected to generate.

**LEGAL REVIEW:**

The City Attorney has reviewed and supports the staff report, resolutions and agreement.

**FINANCIAL IMPACT:**

In order to connect to the City's Wastewater system, the developer will be required to make a one-time Development Impact Fee payment at the Extraterritorial Rate of 1.3 times the standard rate. The required connection fees are determined by the planned use of the facility and are estimated at \$16,319.47 for both Wastewater Collection and Treatment fees. The calculations are shown in Table 1 below.

**Table 1**

Description	Unit Measure	Unit	Rate	Extraterritorial Rate	Total
Sewage - Treatment Group III - Gas Station	per TSF	0.90	\$990.22	1.3	\$1,158.56
Sewage Treatment - Group II - Car Wash	per TSF	0.20	\$19,237.27	1.3	\$5,001.69
Sewage Collection - Retail/Service/Industrial Space	LF of Frontage	868.31	\$9.00	1.3	\$10,159.23
Total					\$16,319.47

**Operating Budget Impact**

Rialto Water Services will bill the property owner at the subject property at 1.3 times the standard applicable sewer rate and the Utility Authority will absorb the operating costs to serve the property, within the Concession Agreement.

**Capital Improvement Budget Impact**

The requested action is expected to increase the Sewer Treatment Fund by \$6,160.25 and the Sewer Collection Fund by \$10,159.23 to be used on Development Impact Fee eligible projects.

**Licensing**

A business license is not required for the requested action.

**RECOMMENDATION:**

Staff recommends that the City Council and Rialto Utility Authority Board:

1. Adopt Resolutions approving an Extraterritorial Wastewater Service Agreement with Kareem Oil, LLC, for the property located at 18653 Slover Avenue, Bloomington, Assessor's Parcel Number 0257-013-12-0000; and
2. Authorize the City Manager to execute all documents.