

RESOLUTION NO. 2025-021

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHINO, CALIFORNIA, SUPERSEDING RESOLUTION 2022-041 AND AMENDING THE SANITARY SEWER POLICY TO ESTABLISH CRITERIA FOR SEWER AND WATER SERVICE REQUESTS WITHIN THE CITY'S SPHERE OF INFLUENCE AND OUT-OF-BOUNDARY SERVICE AREAS

WHEREAS, the City of Chino ("City"), pursuant to its authority as a municipal corporation, previously adopted Resolution No. 2022-041 to establish a policy governing the provision of sanitary sewer services in the Sphere of Influence ("SOI"); and

WHEREAS, the City has determined that an amendment to the Sanitary Sewer Policy ("Policy") is necessary to establish clear and enforceable criteria for evaluating sewer and water service requests within its SOI and out-of-boundary service areas; and

WHEREAS, the amended Policy provides a structured framework for assessing infrastructure capacity, regulatory compliance, financial feasibility, and regional public benefits to ensure that sewer and water service extensions align with the City's General Plan, Capital Improvement Program, and long-term infrastructure investment priorities as applicable; and

WHEREAS, in furtherance of these objectives, all requests for sewer and water service within the SOI and out-of-boundary service areas shall be evaluated on a case-by-case basis utilizing the criteria in the amended Policy; and

WHEREAS, any request for sewer or water service that does not conform to the City's General Plan land use designations and Zoning Code within the SOI or any request for municipal service connections outside the City's boundaries shall require review by the Infrastructure Committee and a recommendation to the City Council prior to issuance of an "Ability to Serve" letter to the requesting party; and

WHEREAS, an "Ability to Serve" letter shall not constitute approval of a utility service connection but shall serve solely as confirmation that the City has the capacity to provide service at the time of issuance; final authority to approve any sewer or water service connection shall remain exclusively with the City Council, which must authorize service through the execution of a formal agreement.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF CHINO DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. PROPERTIES WITHIN THE SPHERE OF INFLUENCE (SOI)

Properties located within the SOI seeking connection to the public sewer system shall exclusively obtain sewer service from the City. Pursuant to Section 713.4 of the California Plumbing Code, titled Public Sewer Availability, any property situated within two hundred (200) feet of an existing public sewer line is required to connect to the City's sanitary sewer system. All requests for connection shall be reviewed on a case-by-case basis and shall comply fully with the guidelines set forth herein for properties within the SOI. Any deviations from the General Plan and zoning requirements, irrespective of degree or nature, are subject to review and approval at the sole discretion of the City Council.

A. General Plan & Zoning Requirements

Properties within the SOI must conform to the City's General Plan land use and zoning requirements to qualify for sewer service connection:

Staff may not independently authorize any deviation from the City's General Plan or zoning requirements. All such requests must first be presented to the Infrastructure Committee for review. The Committee shall provide a recommendation to the City Council, which holds final authority to approve or deny any deviation and associated utility connection.

B. Annexation Requirements

1. Non-Contiguous Parcels (SOI parcels not adjacent to the City boundary):

- a. Non-adjacent properties within the SOI that do not qualify as a Sizable Project as defined herein, may connect to the public sewer system upon execution and recording of an Irrevocable Agreement to Annex. City staff is authorized to issue an "Ability to Serve" letter for such requests, provided the subject property fully complies with all applicable General Plan and zoning requirements. The issuance of an "Ability to Serve" letter by staff shall not constitute final approval; the ultimate approval authority for sewer connection remains solely with the City Council, contingent upon approval of the formal Irrevocable Agreement to Annex.
- b. Non-adjacent properties within the SOI that qualify as a Sizable Projects as defined herein, may connect to the public sewer system upon execution and recording of an Irrevocable Agreement to Annex; provided annexation into the City is determined to be economically or practically infeasible as defined in Section 2 herein. The Infrastructure Committee shall provide a recommendation to the City Council, which holds final authority to approve or deny the issuance of the Ability to Serve Letter contingent upon the project's full compliance with all applicable General Plan and zoning requirements. Recommendation of such letter by the Infrastructure Committee shall not constitute final approval; ultimate approval authority for sewer connection serving Sizable Projects remains solely with the City Council, contingent upon approval of the Irrevocable Agreement to Annex.
- c. Additionally, in the event a proposed project fails to conform with applicable General Plan or Zoning requirements, such project shall be subject to the provisions set forth in Section 1 of this policy. Furthermore, depending upon the size, scale, and anticipated impacts of the proposed development, the City reserves the right to require annexation into the City, with all associated annexation costs and expenses borne solely by the applicant.

2. Contiguous Parcels (SOI parcels bordering the City boundary)

Contiguous properties within the SOI shall be required to annex into the City to connect to the public sewer system, unless the City determines annexation to be economically or practically infeasible, as defined in Section 2 herein. In cases where annexation is deemed infeasible, connection may be permitted upon execution and recording of an Irrevocable Agreement to Annex. All provisions and requirements governing sewer connections under

an Irrevocable Agreement to Annex, including but not limited to parcel size, project type, compliance with General Plan and zoning requirements, Infrastructure Committee recommendation, and final approval by the City Council, as outlined above for non-adjacent properties, shall fully apply.

3. Accessory Dwelling Units (ADUs) Exemption

- a) Accessory Dwelling Units (ADUs) located within the SOI shall remain exempt from mandatory connection to the City's public sewer system pursuant to California Government Code Section 65852.2(f)(2), as amended. Notwithstanding this exemption, City staff shall proactively provide property owners requesting an "Ability to Serve" or "Not Serve" letter with comprehensive information regarding available public sewer connection options, particularly in cases where public sewer infrastructure exists adjacent or in close proximity to the subject property. Further, staff shall actively encourage connection to the public sewer system for all structures located on the subject parcel, including but not limited to ADUs and associated single-family residences, wherever connection is determined by the City to be feasible.
- b) In cases where an ADU property owner within the SOI voluntarily elects to connect to the public sewer system, City staff is authorized to issue an "Ability to Serve" letter irrespective of compliance with General Plan or zoning requirements. All applicable provisions, requirements, and procedures associated with executing and recording an Irrevocable Agreement to Annex, as outlined in Section 1 of this policy, shall fully apply. Issuance of an "Ability to Serve" letter by staff shall not constitute final approval; ultimate authority to approve sewer connections remains solely with the City Council.

4. Sizable Projects

- a) "Sizable Projects" shall be defined as new developments or infill projects within the Sphere of Influence (SOI) consisting of more than four (4) residential dwelling units, or commercial and industrial developments exceeding 10,000 square feet of gross floor area. The determination of annexation requirements for these projects shall consider criteria including, but not limited to, proximity or contiguity to the City boundary, projected impacts on City infrastructure and municipal services, and the type, scope, and overall scale of the proposed development.
- b) All "Sizable Projects," as defined herein, shall be subject to review and recommendation by the Infrastructure Committee prior to the issuance of an "Ability to Serve" letter. Such letter may only be issued by City staff, following City Council approval. Final authority for sewer connection for all Sizable Projects resides exclusively with the City Council and shall be granted only upon the execution of an Irrevocable Agreement to Annex for Sanitary Sewer Service.

SECTION 2. INFEASIBILITY DETERMINATIONS SPHERE OF INFLUENCE (SOI):

The City of Chino expressly reserves the right to determine, in its sole discretion, that annexation is infeasible under any of the following conditions:

1. Disproportionate Burden on an Individual Property Owner – Where the proposed annexation would impose an undue financial or procedural obligation on the requesting property owner, rendering the annexation inequitable.
2. Insufficient Support from Adjacent Property Owners – Where there is inadequate participation or concurrence from surrounding parcels necessary to justify or effectuate the annexation.
3. Infrastructure Deficiencies – Where existing municipal sewer or water infrastructure is inadequate or otherwise incapable of accommodating the proposed annexation.
4. Economic Viability – Where the extension of municipal services to the subject property, absent broader support or financial participation from neighboring parcels, would result in an unsustainable fiscal obligation to the City.
5. Excessive Long-Term Liabilities – Where annexation would create undue or excessive ongoing maintenance, operational, or financial burdens on the City, compromising its ability to efficiently manage municipal infrastructure.

City staff shall make the initial determination for infeasibility; however, depending on the nature of the request, the Infrastructure Committee and, ultimately, the City Council shall retain the final authority to determine whether a property is deemed infeasible for annexation into the City as a prerequisite to connecting to the public sewer system.

SECTION 3. OUT-OF-BOUNDARY SERVICE AGREEMENTS

An Out-of-Boundary Service Agreement ("Agreement") is a legally binding instrument between the City of Chino ("City") and another municipal jurisdiction ("Requesting Municipality") for the provision of municipal sewer and water services to properties located outside the City's corporate limits and beyond its Sphere of Influence. The extension of such services shall be considered an extraordinary measure and will only be granted when the City Council, at its sole and absolute discretion, determines that:

1. No other reasonable or feasible alternative exists for the property to connect to a sewer or water system; and
2. The requested service extension is technically feasible; and
3. The extension will not adversely impact existing or planned infrastructure.
4. The service extension will not create significant impacts on the economic interests of the City, its residents or businesses.

Each request for an "Out-of-Boundary" Sewer and Water Service Agreement shall be subject to a case-by-case review and undergo a Service Feasibility Analysis, as defined below.

Service Feasibility Analysis

No Agreement shall be approved unless and until a comprehensive feasibility analysis has been conducted by the City, which shall include, but not be limited to, an assessment of the following factors:

1. Infrastructure Capacity and Accessibility – The extent to which the City's existing sewer and water infrastructure possesses sufficient capacity to accommodate the proposed service extension without compromising existing or planned service obligations.

2. Long-Term Maintenance Obligations – The anticipated financial and operational burden associated with maintaining, repairing, and replacing infrastructure necessary to facilitate service under the Agreement, including lifecycle costs, depreciation, and projected capital improvement needs.
3. Impact on Existing and Future Service Demands – A determination as to whether the proposed service extension would negatively impact the City's ability to meet current or future service demands, including regulatory compliance and long-term sustainability considerations.
4. Technical Study Requirement – As a condition precedent to approval, the Requesting Municipality shall be required to commission and submit a comprehensive study, prepared by a licensed professional engineer, analyzing the feasibility, impact, and technical requirements associated with the requested utility service connection. Such study shall include capacity assessments, identification of necessary infrastructure improvements, and a projection of long-term system impacts. The City shall have full authority to review, approve, or reject the findings of the said study, and all costs associated with the preparation and submission thereof shall be borne solely by the Requesting Municipality.
5. A Recycled Water Allocation Service Feasibility Analysis shall be conducted to determine whether the proposed service extension results in a net increase in the recycled water allocated to the City. Any Out-of-Boundary Service Agreement for sewer connections shall expressly state that all recycled water generated from wastewater treated within the City's system remains part of the City of Chino's allocated supply. No rights, claims, or entitlements to the recycled water shall be granted to the external agency or development receiving sewer service.

Infrastructure Committee Oversight

- a) All requests for municipal sewer or water connections under this Agreement shall be subject to a comprehensive review by the Infrastructure Committee. The Infrastructure Committee may, at its discretion, recommend to the City Council the issuance of an "Ability to Serve" letter; however, such recommendation shall not constitute approval of the requested service connection.
- b) Final authority to approve or deny any service extension request shall rest solely with the City Council. No connection shall be permitted unless and until the City Council grants final approval.
- c) Additionally, the "Ability to Serve" letter will include an acknowledgment stating that the Requesting Municipality understands its applicants assume certain risks when proceeding with projects that rely on out-of-boundary sewer or water service. While City of Chino staff adheres to all formal policy requirements in processing such requests, the ultimate outcome remains uncertain, as approval or denial is solely at the discretion of the City Council.

Requesting Agency's Cost Participation and Applicant Obligations

If the City grants approval to extend service, the City and the adjacent jurisdiction shall enter into an agreement outlining the terms and conditions of the service extension. This agreement shall include, but is not limited to, the following provisions

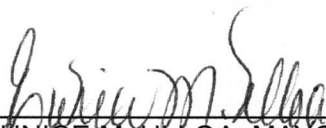
- a) Where the extension of sewer or water service necessitates new infrastructure, the applicant shall be solely responsible for all costs associated with constructing the necessary service line or laterals to establish the connection to the City's utility line.
- b) If future downstream upsizing or replacement of the existing City-owned utility line is required to accommodate increased capacity needs, the applicant shall provide a one-time, lump-sum fair share contribution toward the cost of such improvements, determined per the Service Feasibility Analysis.
- c) The applicant shall also be responsible for the payment of all applicable Development Impact Fees (DIF) and any required pass-through fees to the Inland Empire Utilities Agency (IEUA) in accordance with prevailing fee schedules and agency requirements.

SECTION 4. SUPERSESSION

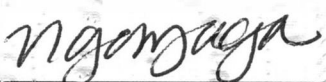
Resolution 2022-041 is hereby superseded and replaced in its entirety by this resolution. Any provisions, policies, or approvals established under Resolution 2022-041 that conflict with this resolution are hereby repealed and shall have no further force or effect.

All references to Resolution 2022-041 in any existing agreements, policies, or documents shall be interpreted in accordance with this resolution. In the event of any inconsistency between this resolution and prior City policies, the terms of this resolution shall govern.

PASSED, APPROVED, AND ADOPTED THIS 3rd DAY OF JUNE 2025.


EUNICE M. ULLOA, MAYOR

ATTEST:


NATALIE GONZAGA, CITY CLERK

NATALIE GONZAGA, CITY CLERK