

## MOU WITH CITY OF COLTON FOR WASTEWATER SERVICE

Public Works Department and  
Public Utilities Department

City Council  
March 19, 2019

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### BACKGROUND

1. Riverside has several existing Agreements for Wastewater and Retail Water Service with outside agencies.
2. Agreements benefit the City because they enable us to connect new customers and use available capacity in our infrastructure to increase our return on investment.
3. Agreements are common utility industry practice, especially in areas that are yet to be fully developed such as the border between Riverside and City of Colton.



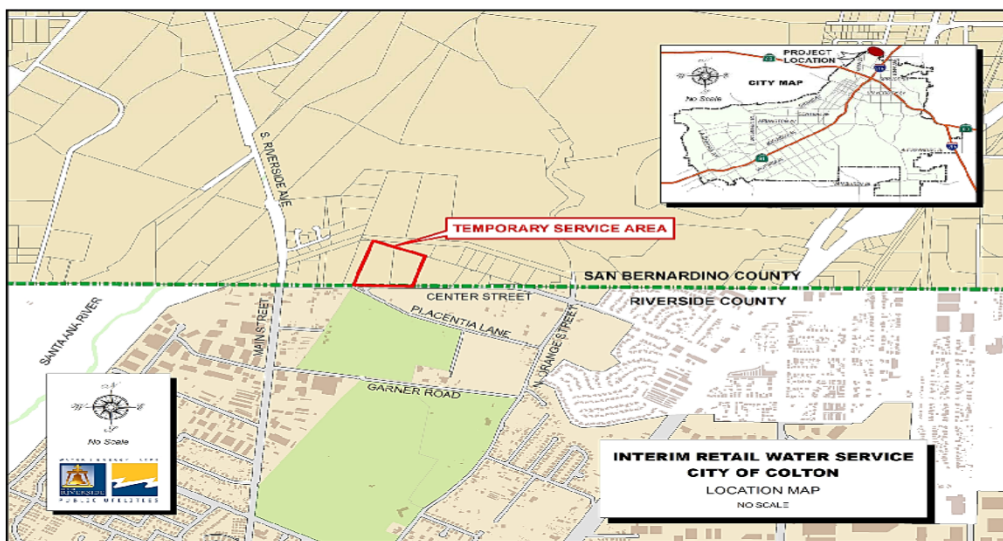
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## AGREEMENTS

AGREEMENT PARTY	SERVICE PROVIDED	TERMINATION CLAUSE	TERM	DATE EXECUTED	DATE TERMINATES	FINANCIAL TERMS
<b>County</b>	Wastewater	Perpetual, Only Terminated Under Mutual Consent	Perpetual	June 22, 2014	Perpetual	Payment of City Capacity Fees + 50%
<b>WMWD</b>	Wastewater	Failure of Terms, Availability of City Sewer	Indefinite	March 2017	Upon Connection to City Infrastructure	Payment of WMWD Capacity Fees
<b>Colton (Proposed)</b>	Wastewater	Failure of Terms, Availability of Colton Sewer	20 yrs.	TBD	Upon Connection to Colton Infrastructure	Payment of City Capacity Fees + 50%
<b>Colton</b>	Retail Water	Failure of Terms or Mutual Consent	20 yrs.	August 2018	Upon Connection to Colton Infrastructure	Payment of City Capacity Fees and Commercial Water Rate +50%
<b>Fruit Growers Supply Co.</b>	Retail Water	Perpetual, Only Terminated by Riverside Public Utilities Director	Perpetual	August 1993	Perpetual	Payment of City Capacity Fees and Commercial Water Rate +50%
<b>Trujillo Adobe</b>	Retail Water	Perpetual, Only Terminated by Riverside Public Utilities Director	Perpetual	October 1935 (Service began) August 1993 (Agreement)	Perpetual	Payment of City Capacity Fees and Water Rate +50%

## BACKGROUND



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## DISCUSSION

1. Riverside has previously entered into MOU agreements when being approached by requesting agencies after staff has thoroughly evaluated infrastructure impacts and system capacity.
2. The proposed wastewater service agreement between Riverside and the City of Colton is a renewal of a previous agreement that was executed in 2009 as part of a Settlement Agreement, and expired in June 2013, as no connections were made due to lack of development associated with the economic downturn.



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## DISCUSSION (CONT.)

3. The renewal of this agreement contains the same framework but allows Riverside to capture sanitation capacity fees upfront, although the City may proportionally return some of the connection fees depending on the service duration.
4. Though the City of Colton and the development prefer a connection to Riverside sewer, the project is concurrently processing plans through the City of Colton for a wastewater holding tank should the proposed agreement not be executed.



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## DISCUSSION (CONT.)

5. Since the City has committed to provide the project interim retail water service, the Public Works Department supports entering into a similar agreement for wastewater service.



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## RECOMMENDATIONS

That the City Council :

1. Receive a status update on the MOUs and Agreements for Wastewater and Retail Water Services between the City of Riverside and outside agencies;
2. Approve a Memorandum of Understanding for Interim Wastewater Service with the City of Colton; and
3. Authorize the City Manager, or his designee, to execute the Memorandum for Interim Wastewater Service, including making minor and non-substantive changes.



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