



CITY OF RIALTO
SPECIAL MEETING OF THE WATER SUBCOMMITTEE
June 23, 2025 - 2:00 P.M.
MINUTES

The Special meeting of the Water Subcommittee of the City of Rialto was held in the Civic Center Council Chambers located at 150 S. Palm Avenue, Rialto, California 92376, on Monday, June 23, 2025.

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CALL TO ORDER

Call to order at 2:01 P.M.

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ROLL CALL

Senior Administrative Analyst Nicole Hemmans took the roll call.

Subcommittee Members / City Staff:

Mayor Joe Baca
Mayor Pro Tem Ed Scott
Tanya Williams, City Manager
Robert Khuu, Assistant City Attorney
John Rossi, Interim Utilities Director
Dr. Toyasha Sebbag, Assistant to the City Manager
Nicole Hemmans, Senior Administrative Analyst

Additional Attendees:

Stephen Dopudja, Dopudja & Wells Consulting, Inc.
Peter Luchetti, RWS/Table Rock
Megan Matson, RWS/Table Rock
Evan Kopinski, Ullico
Soheil Sadighi, RWS/Veolia
Marlon Brosco, RWS/Veolia

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PUBLIC COMMENTS

Public comment received on June 23, 2025:

◆ None.

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APPROVAL OF MINUTES

Mayor Baca asked if there were any comments pertaining to the minutes.

◆ None.

NEW BUSINESS ITEMS

WS-25-0429 – Request for Feedback on the Rialto Biosolids Handling Upgrade at the Wastewater Treatment Plant.

(ACTION)

Staff requested for Feedback on the Rialto Biosolids Handling Upgrade at the Wastewater Treatment Plant. (ACTION)

Questions & Comments

- ◆ Mr. Luchetti and Ms. Matson with RWS/Table Rock requested to distribute a PowerPoint presentation update of the Biosolids project.
 - Staff asked if they could share the PowerPoint as it was not in the packet. It had been received after the packet was posted.
 - The Water Subcommittee agreed that the document could be shared at the meeting.
- ◆ Mayor Baca asked Mr. Luchetti to clarify what the difference is between revenue and expense.
 - Mr. Luchetti explained that the utility operates at an annual operating deficit of \$1.5 million, which is currently being covered by reserve funds.
- ◆ Mayor Pro Tem Scott asked whether the \$2 million payment was included in the total.
 - Mr. Luchetti confirmed that the \$2 million payment is not included.
- ◆ Major Pro Tem Scott inquired whether the \$10 million shown as going into reserves had been confirmed with the City's Finance Department.
 - Mr. Rossi indicated that he has not yet confirmed the amount with the Finance Department; however, the Treasury report reflects \$16 million in RUA reserves. Staff will follow up to confirm.
- ◆ Mayor Pro Tem asked whether the report under review had been shared with the City's Finance Department for their input.
 - Mr. Rossi explained that the document was just received within the past hour and will be forwarded to the Finance Department following the meeting.

- ◆ Mr. Rossi confirmed that the original 5-year Capital Improvement Plan (CIP) included additional projects, but the scope was reduced to prioritize funding for three key projects: the Biosolids Project, the Sycamore Trunk Line, and a minor paving project.
- ◆ Mayor Baca asked Mr. Luchetti to specify which reserve the \$10 million referenced in the report is coming from.
 - Mr. Luchetti advised that the \$10 million is allocated from the City's wastewater reserves account, which currently holds a balance of \$16 million.
- ◆ City Manager, Tanya Williams, inquired whether a proposed rate has been established to cover this cost.
 - Mr. Luchetti advised that the report he provided outlines the total operating expenses (OPEX) required. The preliminary estimate indicates an overall increase of approximately 22–25% over the next five years. Mr. Luchetti noted that the new rates consultant will verify the accuracy of the model presented.
- ◆ Mayor Pro Tem requested a detailed breakdown of the 25.7% allocated to soft costs, noting that the amount appears unusually high.
 - Mr. Luchetti provided a summary of the cost with a detailed breakdown.
 - Mayor Pro Tem requested a more detailed breakdown of the soft costs. He noted that while it is not needed today, it will be required for the upcoming internal meeting. He also requested that the soft Cost breakdown be shared with the City's finance team to ensure their involvement.
- ◆ Mayor Pro Tem expressed concern that, despite the \$30 million returned to RUA, there remains insufficient funding to support the projects.
- ◆ Mayor Pro Tem inquired about the increase in Veolia's labor costs since the start of the Concession Agreement, seeking to compare them with the City's labor costs.
- ◆ Mr. Dopudja advised that he will review the labor component of the report and provide the updated information to the Water Subcommittee.
- ◆ CM Williams asked what the unused/approved credit amount of \$1,835,293 represents for the Biosolids Project?

- Mr. Soheil confirmed that it represents the available funds for the FCWA that was approved by Council on 5/26/22 for Digesters 1 & 2 at the wastewater treatment plant.
- ◆ CM Williams asked whether the funds have been allocated and where they are being accounted for.
 - Mr. Luchetti advised that the question should be directed to the City Finance Department.
- ◆ Mayor Pro Tem asked who is handling RUA's finances within the City's finance department.
 - Mr. Luchetti noted that throughout the duration of the concession agreement, RUA has not had a dedicated financial expert to oversee and track its finances over time. He suggested the importance of appointing such an expert.
 - Mayor Pro Tem advised that he pays the Finance department to manage the financial records.
 - Mr. Dopudja confirmed that the City's finance department handles the finances.
 - Mr. Rossi advised that he has been coordinating with finance to verify what they have recorded in their books.
- ◆ Mayor Baca advised Mr. Luchetti that the report he shared should include detailed information regarding the unused/approved credit amount of \$1,835,293, including the Council approval date and the amount accumulated.
- ◆ Mr. Rossi asked why the Digesters 1 & 2 project was never completed?
 - Mr. Sadighi advised that the Digesters 1 and 2 project was originally part of the microgrid project, which ultimately did not proceed.
- ◆ Mayor Baca requested that the minutes be provided to him earlier to allow sufficient time to review the requested tasks well in advance of the monthly meeting.
- ◆ Mayor Pro Tem requested the date by which Jacobs Engineering Group (Jacobs) will provide a report of their findings.
 - Mr. Rossi advised that Jacobs is scheduled to have the report available to the City by mid-July.

- ◆ Mayor Pro Tem requested for RUA, RWS, and Jacobs meet and come to an agreement on all issues prior to returning to the Water Subcommittee.
- ◆ Mayor Pro Tem inquired about the anticipated start date for the rate consultant
 - Mr. Rossi confirmed that the rate consultant has already started.

Mayor Pro Tem stated that he has been requesting information about RUA's funds for years and emphasized that the balances of all accounts should be known at all times.

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WS-25-0430 – Request for Feedback Regarding Posting a Notice Inviting Bids for the Sycamore Lift Station to Baseline Road, with an engineer's estimated cost of \$5.52 million.
(ACTION)

Staff requested Feedback Regarding Posting a Notice Inviting Bids for the Sycamore Lift Station to Baseline Road, with an engineer's estimated cost of \$5.52 million.

(ACTION)

Questions & Comments

- ◆ Mayor Baca asked if the Sycamore Lift Station is one of the three CIP projects discussed in today's meeting.
 - Mr. Rossi confirmed it is one of the three CIP projects mentioned today.
- ◆ Mayor Pro Tem asked whether a Project Labor Agreement (PLA) has been received from Veolia for this project.
 - Mr. Luchetti advised that there is a PLA for this project and committed to providing it to the Water Subcommittee by tomorrow.
- ◆ Mayor Pro Tem asked at which Council meeting this item will be presented.
 - Staff anticipates that this item will be presented to Council in August 2025. Staff will confirm.

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WS-25-0434 – Request for Feedback Regarding Niagara Bottling, LLC Permit Violations and Related Issues.
(ACTION)

Staff requested Feedback Regarding Niagara Bottling, LLC Permit Violations and related issues.

(ACTION)

Questions & Comments

- ◆ Mayor Pro Tem asked whether the Conditional Use Permit (CUP) for Niagara has been reviewed to confirm the permitted operations.
 - Mr. Rossi advised that the CUP was reviewed and found no indication of fruit juicing being permitted, only bottled water operations.
 - Mayor Pro Tem emphasized the importance of having a Conditional Use Permit (CUP) that grants the authority to enforce compliance effectively, including the ability to revoke or modify the permit if facilities fail to meet requirements.
- ◆ Mayor Baca asked staff whether they are satisfied with the current permit held by Niagara Bottling.
 - Mr. Rossi advised that the current permit is inadequate and is being updated to address the existing fruit juicing operations.
 - Mr. Dopudja added that the original permit was for bottle watering only. Over the years, the company has expanded to include *fruit juicing*, but the CUP was not modified to reflect this change.
- ◆ Mayor Pro Tem advised that the fruit juice issue was discussed during an EDC meeting, where people were warned accordingly. He recalled that Niagara was either restricted or denied permission to conduct fruit juicing at their facility. Mayor Pro Tem suggested staff review the minutes to verify the details of what transpired.

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WS-25-0428 – Utilities Director Utilities Director Updates:
Update.

1. Veolia's Monthly Operations Report (MOR): June 2025 (reporting period April 2025).

Questions & Comments

- ◆ Mayor Baca requested that an overview of the Monthly Operations Report be provided with the report.

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**UPCOMING MEETINGS/OTHER
DISCUSSION ITEMS**

- ◆ The next Water Subcommittee meeting is confirmed for Thursday, July 24, 2025.

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ADJOURNMENT

The meeting adjourned at 3:10 PM.