

RUA RESOLUTION NO. 08-45

A RESOLUTION OF THE UTILITY AUTHORITY OF THE CITY OF RIALTO, CALIFORNIA, ACCEPTING THE DEPARTMENT OF WATER RESOURCES URBAN COMMUNITY DROUGHT RELIEF GRANT FUNDS FOR \$6,000,000 AND THE U.S. DEPARTMENT OF INTERIOR, BUREAU OF RECLAMATION GRANT FUNDS FOR \$2,000,000 FOR THE ADVANCED METERING INFRASTRUCTURE PROJECT; APPROPRIATING \$350,00 FROM WATER RATE STABILIZATION FOR THE ADVANCED METERING INFRASTRUCTURE PROJECT; AMENDING THE UTILITY AUTHORITY'S 2025-2026 FISCAL BUDGET TO AUTHORIZE THE USE OF SUCH FUNDS FOR THE ADVANCED METERING INFRASTRUCTURE PROJECT; APPROVING AND AUTHORIZING THE FINAL CONSTRUCTION WORK AUTHORIZATION IN THE AMOUNT OF \$7,998,719 TO RIALTO WATER SERVICES FOR THE PURPOSES OF THE ADVANCED METERING INFRASTRUCTURE PROJECT; AND AUTHORIZE THE CITY MANAGER OR THEIR DESIGNEE TO EXECUTE ALL RELATED DOCUMENTS

WHEREAS, pursuant to the Rialto Utility Authority Concession Agreement ("RUA Concession Agreement"), Rialto Water Services ("RWS") operates and maintains the water and sewer system in the City of Rialto; and

WHEREAS, RWS has entered into an agreement with Veolia North Operating Services, Inc. ("Veolia") to operate and maintain the water and sewer system in the City of Rialto pursuant to the RUA Concession Agreement; and

WHEREAS, pursuant to the RUA Concession Agreement between the Rialto Utility Authority and RWS, the parties established a Water Trust Agreement to provide the financial framework for the receipt, deposit, accounting, and disbursement of revenues, reimbursements, and expenditures associated with water and wastewater utility operations and capital projects; and

WHEREAS, the Rialto Utilities Authority ("RUA"), RWS, and Veolia are in the process of carrying out the Advanced Metering Infrastructure Project, City Project No. 26AMI, which would replace existing manual-read water meters with smart meters and supporting communication infrastructure to enable real-time, automated collection of water usage data, improve billing accuracy, enhance leak detection, and provide customers with timely information to manage their water consumption (the "AMI Project"); and

1 WHEREAS, the City applied to the State of California Department of Water Resources for grant
2 funding in the amount of \$6,000,000 for the purposes of funding the AMI Project, and such application
3 was approved by the State of California Department of Water Resources; and

4 WHEREAS, the City applied to the U.S. Department of the Interior for grant funding in the amount
5 of \$2,000,000 for the purposes of funding the AMI Project, and such application was approved by the U.S.
6 Department of the Interior; and

7 WHEREAS, the budget for fiscal year 2025-2026 of the Rialto Utility Authority has been adopted
8 by this Board in its original form, and said budget will need to be amended at times to fulfill the goals of
9 the Rialto Utility Authority; and

10 WHEREAS, the Rialto Utility Authority department may not exceed their appropriations by
11 character of expense, with character of expense being defined as personnel services, services and supplies,
12 capital outlay, debt service, and transfers, without the consent of the Executive Director; and

13 WHEREAS, the Executive Director may transfer appropriations between departments and within
14 their respective funds, as long as those appropriations do not exceed their fund total unless approved by
15 the Board; and

16 WHEREAS, the Rialto Utility Authority desires to amend the FY 2025-2026 Budget to authorize
17 the Veolia Recovery, 2017-24 Project Development fee of \$350,000 (funded from the \$8,000,000 grant
18 appropriation cited herein) to be paid from the Water Fund's Rate Stabilization Account; and

19 WHEREAS, the Rialto Utility Authority desires to amend the FY 2025-2026 Budget to authorize
20 the appropriation and expenditure of these grant funds for the AMI Project in accounts 56707960-47536
21 and 56707960-53001 Project No. 26AMI, and to approve related actions necessary to complete the
22 project; and

23 WHEREAS, in order to accept and utilize the aforementioned grant funding for the purposes of
24 the AMI Project and to authorize the AMI Project, the City Council must take certain actions related
25 thereto.

26 NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE RIALTO UTILITY
27 AUTHORITY AS FOLLOWS:
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1 Section 1. The above recitals are true and correct and are incorporated herein by this reference.

2 Section 2. The Board of the Rialto Utility Authority hereby approves Agreement Number
3 4600015365 Urban Community Drought Relief Grant Funds of \$6,000,000 (“Agreement Number
4 4600015365”) and accepts grant funding from the State of California Department of Water Resources as
5 described in Agreement Number 4600015365.

6 Section 3. The Board of the Rialto Utility Authority hereby approves Agreement Number
7 R22AP00556-02 WaterSMART Grant Funds of \$2,000,000 (“Agreement Number R22AP00556-02”)
8 and accepts the grant funding from the U.S. Department of the Interior as described in Agreement Number
9 R22AP00556-02.

10 Section 4. Upon receipt of the aforementioned grant funds, the Board of the Rialto Utility
11 Authority of the City of Rialto hereby amends the Fiscal Year 2025-2026 Budget to authorize an increase
12 in estimated revenues in the total amount of \$8,000,000 in the RUA Concession Agreement Grant
13 Funding Account for the purposes of funding the AMI Project.

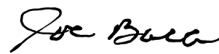
14 Section 5. Upon receipt of the aforementioned grant funds, the Board of the Rialto Utility
15 Authority hereby authorizes the reimbursement of up to \$8,000,000 in AMI Project grant funds into the
16 Water Trust Agreement Account, as AMI Project expenses are incurred and as described above in Section
17 4, consistent with applicable grant reimbursement requirements and the Concession Agreement.

18 Section 6. The Board of the Rialto Utility Authority hereby approves and authorizes a Final
19 Construction Work Authorization (“FCWA”) in the Amount of \$7,998,719 to RWS, as operated by
20 Veolia, pursuant to the RUA Concession Agreement with the Rialto Utility Authority to implement the
21 AMI Project.

22 Section 7. The Executive Director, or their designee, is hereby authorized to execute all
23 necessary agreements, amendments, and related documents with the State of California Department of
24 Water Resources, the U.S. Department of the Interior, and any eligible sub-recipients to implement the
25 AMI Project and to ensure compliance with grant requirements and the Concession Agreement.

26 Section 8. This resolution shall take effect immediately upon its passage.
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PASSED, APPROVED AND ADOPTED this 14th day of October 2025.



JOE BACA, Board President

ATTEST:



BARBARA A. MCGEE, Board Secretary

APPROVED AS TO FORM:



ERIC S. VAIL, Board Counsel

1 **STATE OF CALIFORNIA**)
2 **COUNTY OF SAN BERNARDINO**) ss
3 **CITY OF RIALTO**)

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5 I, Barbara A. McGee, Secretary of the Rialto Utility Authority of the City of Rialto, do hereby
6 certify that the foregoing RUA Resolution No. 08-45 was duly passed and adopted at a regular meeting
7 of the Board of the Rialto Utility Authority held on the 14th day of October, 2025.

8 Upon motion of Mayor Pro Tem Scott, seconded by Council Member Carrizales, the foregoing
9 RUA Resolution No. 08-45 was duly passed and adopted.

10 Vote on the motion:

11 AYES: Mayor Baca, mayor Pro Tem Scott, Council Members Carrizales, Montoya & Perez

12 NOES: None

13 ABSENT: None

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15 IN WITNESS WHEREOF, I have hereunto set my hand and the Official Seal of the City of
16 Rialto this 14th day of October, 2025.

17 *Barbara A. McGee*

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19 BARBARA A. MCGEE, Board Secretary