

# **City of Rialto**

## **Water Subcommittee Meeting**

*Council Chambers  
150 S. Palm Ave.  
Rialto, CA 92376*



### **Regular Meeting - Final**

**Thursday, September 25, 2025**

**CLOSED SESSION TIME: 10:00 A.M.**

**Rialto City Hall, Council Chambers, 150 S. Palm Ave. Rialto CA 92376**

### **Water Subcommittee**

*Mayor Joe Baca  
Mayor Pro Tem Ed Scott*

*The City Council creates Subcommittees as needed to accomplish the work of the Council. Subcommittees are categorized as either, Standing or Ad Hoc. Subcommittees do not replace the work or decision-making process of the City Council as a whole and are used to provide feedback to staff. Subcommittees enable City staff to obtain early feedback from representative members of the City Council on issues affecting public policy prior to their presentation, as necessary, to the full City Council.*

*Any discussion or feedback expressed or received at a Subcommittee meeting should not be construed or understood to be a decision by or for the City Council. Further, any feedback the Subcommittee may make to the City Council is based on information possessed by the Subcommittee at the time the feedback is made and may be revised or amended upon receipt by the Subcommittee of additional or newer information.*

HOW TO REVIEW THE AGENDA. ALL AGENDAS ARE POSTED IN THE CITY HALL ADMINISTRATION BUILDING (150 SOUTH PALM AVENUE, RIALTO) AT LEAST 72 HOURS IN ADVANCE OF THE MEETING. ALL WRITINGS THAT RELATE TO AN OPEN SESSION AGENDA ITEM AT A REGULAR SUBCOMMITTEE MEETING DISTRIBUTED TO ALL OF THE SUBCOMMITTEE WILL BE MADE AVAILABLE AT THE SAME TIME BUT AT LEAST 72 HOURS BEFORE A REGULAR MEETING, FOR PUBLIC INSPECTION ON THE CITY'S WEBSITE AT [www.rialtoca.gov](http://www.rialtoca.gov) AND IN THE OFFICE OF THE CITY CLERK LOCATED AT 290 WEST RIALTO AVENUE, RIALTO, CALIFORNIA (909-820-2519) FROM 7:00 A.M. TO 6:00 P.M., MONDAY THROUGH THURSDAY. ANY PERSON HAVING A QUESTION CONCERNING ANY AGENDA ITEM MAY CALL ADMINISTRATION/UTILITIES DIVISION AT (909-820-2689) TO MAKE INQUIRY CONCERNING THE NATURE OF THE ITEM DESCRIBED ON THE AGENDA.

ITEMS ADDED TO THE AGENDA. CONSISTENT WITH THE RALPH M. BROWN ACT, ADDITIONAL ITEMS MAY BE ADDED TO THE AGENDA AND ACTED UPON BY THE SUBCOMMITTEE ONLY IF IT IS CONSIDERED TO BE A "SUBSEQUENT NEED" OR "EMERGENCY" ITEM AND IS ADDED BY A MAJORITY VOTE. MATTERS RAISED UNDER ORAL COMMUNICATIONS MAY NOT BE ACTED UPON AT THAT MEETING OTHER THAN AS PROVIDED ABOVE.

NEED ADA ASSISTANCE? IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE PUBLIC WORKS DIRECTOR AT (909) 421-7279. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE CITY TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING (28 CAR 35.102-35.104 ADA Title II).

HOW TO ATTEND THE MEETING.

(1) Members of the public may attend the meeting in person.

HOW TO MAKE A PUBLIC COMMENT.

(1) Appear at the meeting and speak during the public comment period. There is a 5-minute time limit.

(2) You may submit a public comment in writing to the Rialto Utility Authority by email at [ASKRUA@RIALTOCA.GOV](mailto:ASKRUA@RIALTOCA.GOV).

## **CALL TO ORDER**

## **ROLL CALL**

## **CLOSED SESSION:**

## **REPORTS/DISCUSSION ITEMS**

[WS-25-0662](#) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION

Pursuant to Government Code section 54956.9(d)(2) Significant Exposure to Litigation Number of Matters: one (1)

## **OPEN SESSION:**

## **CALL TO ORDER**

## **ROLL CALL**

## **CITY ATTORNEY'S REPORT ON CLOSED SESSION**

## **PUBLIC COMMENTS**

## **APPROVAL OF MINUTES**

## **PRESENTATIONS**

## **REPORTS/DISCUSSION ITEMS**

[WS-25-0661](#) Staff Requests that the Water Subcommittee Provide Feedback on the Automatic Meter Infrastructure (AMI) Project

**(ACTION)**

Attachments: [FCWA with Rialto Water Services, as operated by Veolia North Operating Services, Inc](#)

[WS-25-0596](#) Update on the City of Rialto/IEUA Agreement Relating to the Long-Term Sale of Wastewater Effluent for Recycled Water Purposes.

Attachments: [PRESENTATION IEUA Phase 1 Construction PDB Award](#)

[WS-25-0663](#) Sevana Bioenergy Operational Update

## **CITY ATTORNEY**

## **UTILITY DIRECTOR**

[WS-25-0664](#) Utilities Director Update: NONE

## **UPCOMING MEETING**

## **ADJOURNMENT**



# City of Rialto

## Legislation Text

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**File #:** WS-25-0662, **Version:** 1, **Agenda #:**

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For Water Subcommittee Meeting September 25, 2025

TO: Water Subcommittee Members

APPROVAL: Tanya Williams, City Manager

### **CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION**

Pursuant to Government Code section 54956.9(d)(2) Significant Exposure to Litigation Number of Matters: one (1)



# City of Rialto

## Legislation Text

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**File #:** WS-25-0661, **Version:** 1, **Agenda #:**

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For Water Subcommittee Meeting September 25, 2025

TO: Water Subcommittee Members

APPROVAL: Tanya Williams, City Manager

FROM: Tim Sullivan, Assistant City Manager

Staff Requests that the Water Subcommittee Provide Feedback on the Automatic Meter Infrastructure (AMI) Project

**(ACTION)**

### **RECOMMENDATION**

Staff recommends that the Water Subcommittee provide feedback on a Final Construction Work Authorization (FCWA) with Rialto Water Services, as operated by Veolia North Operating Services, Inc. for the Automatic Meter Infrastructure Project (AMI), for an amount not to exceed \$7,998,719.

### **BACKGROUND**

On March 27, 2012, the City Council and Rialto Utility Authority (RUA) took several actions related to the approval of a Concession Agreement (CA) with Rialto Water Services, LP, (RWS), as operated by Veolia North Operating Services, Inc. (Veolia). This public-private partnership assigned the operation and maintenance of the City's water and sewer/wastewater utilities to RWS. Pursuant to Article XII "Water Facility Improvements and Capital Projects" of the CA, certain capital projects were identified by the CA for implementation by RWS.

### **ANALYSIS/DISCUSSION**

The City of Rialto (City) and Rialto Utility Authority (RUA) have secured \$8,000,000 in grant funding for the Advanced Metering Infrastructure (AMI) Project: \$6,000,000 from the California Department of Water Resources' Urban Community Drought Relief Grant (DWR) and \$2,000,000 from the U.S. Department of Interior, Bureau of Reclamation (USBR). The DWR grant agreement requires funds to be expended by November 1, 2026, and the USBR funds by December 31, 2026.

To align with state and federal grant requirements, the City's Public Works Department issued a revised bid for the AMI Project under Request for Proposals (RFP) #25-047 on July 10, 2025. Bids closed on August 12, 2025, with two firms submitting responsive proposals: Thirkettle Corporation/Aqua-Metrics and Utility Service Co. Inc./USG Water Solutions (USG).

A panel of ten evaluators with expertise in AMI project implementation, engineering, capital improvement project delivery and inspection, and grant management from both RWS-Veolia and the City reviewed the proposals using three categories: Team Qualifications and References, Technical Requirements, and System Integration Experience. Cost proposals were submitted separately and were not included in the ranking criteria to ensure an objective and fair evaluation process.

Based on these criteria, the evaluation panel determined that USG ranked highest overall. Following the evaluation, City and RWS representatives began good-faith negotiations with USG to finalize the project scope, pricing, and deliverables, with the goal of establishing a contract that meets both technical and grant compliance requirements.

### **FCWA Cost Proposal**

	<b>FEE</b>	<b>TOTAL</b>
USG Contract	\$6,742,040	
Advanced Utility Systems	\$75,000	
<b>Total 3<sup>rd</sup> Party Project Cost</b>		<b>\$6,817,040</b>
Veolia Fee + Insurance	\$831,679 (12.2%)	
Veolia Recovery, 2017-24 Project Development	\$350,000	
<b>Veolia Scope</b>		<b>\$1,181,679</b>
<b>FCWA TOTAL</b>		<b>\$7,998,719</b>

RWS-Veolia is committed to completing the project by December 31, 2026, in alignment with the grant timeline.

### **ENVIRONMENTAL IMPACT**

The proposal 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. According to Section 15378(b), a Project does not include: (5) Organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment.

### **GENERAL PLAN CONSISTENCY**

Approval of the proposed action also complies with the following City of Rialto Guiding Principles, General Plan Goals and Policies: *“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.”*

### **LEGAL REVIEW**

The City Attorney’s Office has reviewed the staff report.

### **FINANCIAL IMPACTS**

#### **Operating Budget Impact**

By implementing an AMI meter system, it is anticipated that there will be a reduction in Veolia’s field service staff due to reduced field visits. The reduction will be calculated during the 2024-2027 Labor Reset of the Concession Agreement for Water and Wastewater with Rialto Water Services.

#### **Capital Improvement Budget Impact**

The Project will be funded through \$8 million in grant funds to implement the Advanced Metering Infrastructure (AMI): 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.

The grants will go before the City Council for acceptance of the grant monies at the same time that the FCWA is awarded to Veolia for the AMI project.

The Veolia Recovery, 2017-24 Project Development fee of \$350,000 will be paid from the Water Fund's Rate Stabilization Account.

**ATTACHMENTS**

FCWA with Rialto Water Services, as operated by Veolia North Operating Services, Inc., for the Automatic Meter Infrastructure Project.

## **FINAL CONSTRUCTION WORK AUTHORIZATION**

### **RIALTO ADVANCED METERING INFRASTRUCTURE PROJECT**

#### **Project History**

- 2016 – 2019 City requested from the Veolia Resource Optimization (VRO) team a commercial offer for a Targeted Meter Replacement program. VRO team developed a target meter replacement program and business case for an AMI/AMR technology upgrade (August 2017), and presented to Rialto's City Council late 2018/early 2019.
- 2023 – 2024 City awarded two (2) grants, state (DWR) and federal (USBR) for a total of \$8M (September 2023). Veolia embarked on the AMI procurement, conducting workshops and meetings with City, Operations, etc. Three rounds of bidding completed with 4 bids received in the third round - three bidders shortlisted and USG selected.
- 2024 – 2025 City chose to manage the project as an owner-initiated project, led a new procurement/bid process for the project (July 2025), and requested that Veolia then implement the project as the main contractor, subcontracting the selected bidder USG.
- In July 2025, RWS and the City agreed that RWS will implement the AMI project.

#### **Project Goals and Objectives**

The City's AMI grants are to automate the data collection of water meter information and to have more in-depth information on its customers' usage and system operation. The AMI System will serve as the foundational technology to meet RWS's future Smart Water vision and goals, including the following:

- Reduce costs through efficiencies and improve quality of service.
- Empower customers to help manage their water consumption.
- Provide a technology platform to meet the increased information needs of its customers.

The AMI project's objectives are listed below and further detailed in the Scope of Work section.

Supply and installation of the AMI system, including:

- Field area network and backhaul communications infrastructure
- AMI head-end hardware and software, in a Software as a Service model
- Customer facing portal/software that interfaces with current customer service website to display captured usage history.
  - Set up an automated notification process by internal reports and directly to customers to alert for any rules set. (i.e. potential leak, inconsistent usage, no usage...)
  - Water meters and MIUs for replacement of non "AMI-ready" meters
  - MIUs for retrofitting of "AMI-ready" meters
- Implementation of a Meter Data Management System (MDMS)
- Implementation of a Customer portal
- System integration with the RWS's existing CIS/billing systems,



- AMI system testing
- AMI system training
- Annual equipment and software maintenance and support
- Customer Outreach and Communication Planning
- Operational Change Management
- Process Re-engineering

### **Bid Period**

In July 2025, The City requested sealed bids for the supply and installation of an Advanced Metering Infrastructure System for the City of Rialto Water System (RWS). Two bids were received on August 12, 2025.

### **Bid Results from August 12, 2024:**

<b>Contractor Name</b>	<b>Bid Amount</b>
Aqua Metric	\$6,024,439.79
Utility Service Group Water Solutions LLC	\$6,742,040.00

Exhaustive bid reviews were conducted on proposals from Aqua Metric and Utility Service Group Water Solutions, LLC. These bids were reviewed and scored independently by a review panel designated by the City (ranking sheet attached for reference). Ultimately, The City selected Utility Service Group Water Solutions LLC as the optimal partner to deliver this project.

In addition, subcontractor Advanced Utility Systems (Advanced), was selected for the integration of the new AMI systems with the Rialto billing system.

### **Scope of Work**

The project will be implemented in Phases as described below:

1. Installation of the AMI System Head End and network components
  - Implementation of the AMI Head End software with integration with existing CIS system.
  - Implementation of customer facing portal/software to allow customers to view their water usage and other conservation goals.
  - Installation of Network Infrastructure to provide coverage for approximately 12,200 water meters in the RWS service territory.
2. Supply and install water meters and endpoints
  - Provide and install approximately 7,200 water meters of varying sizes.
  - Provide and install approximately 12,200 Meter Interface Units (MIUs) to be installed on all new meters and retrofitted on existing AMI-ready meters.
  - Provide and install approximately 12,200 water meter pit lids compatible with the MIUs provided.
3. Subcontractor shall be responsible for completing a survey to identify all connections to confirm existing size and type prior to ordering any materials.

4. Subcontractor shall be responsible for preparing and obtaining approvals on the engineered Traffic Control Plans, implementing traffic control throughout the duration of the work, as necessary.
5. Subcontractor shall be responsible for obtaining no fee encroachment permit from the City of Rialto.
6. Subcontractor shall be responsible for coordinating sequence of work and schedule with Veolia Project Management.
7. Subcontractor shall be responsible to field fit pipes, valves, and appurtenances as required.

### **Attachments**

#### **Cost Estimate**

See Attachment 1 – Final Cost Sheet with total cost of **\$7,998,719** and breakdown costs. This includes USG bid amount, Advanced Utility Systems integration estimate, the AMI project's development work through feasibility, procurement, review and award, Veolia's fee for construction insurance, O&M (risk, labor and compliance), CPM labor, corporate overhead and profit, and 0% owner held contingency.

<b>FCWA COST PROPOSAL FOR AMI PROJECT</b>				
<b>Q</b>	<b>Unit</b>	<b>Description</b>	<b>Unit Price</b>	<b>Total Price</b>
1	Lumpsum	Veolia fee + Insurance (12.2%)	\$831,679	\$831,679
2	Lumpsum	Veolia Recovery, 2017-24 Project Development	\$350,000	\$350,000
3	Lumpsum	USG Contract	\$6,742,040	\$6,742,040
4	Lumpsum	Advanced Utility Systems	\$75,000	\$75,000
<b>Implementation cost</b>				<b>\$7,998,719</b>

*\*The subcontractor's cost from Advanced Utility Systems (Advanced), for the integrations with the Rialto billing system is estimated at \$75,000*

#### **Notice of Inviting Bids, Request for Bid (RFB) and Clarifications**

See Attachment 2

#### **Contractor Firm Proposals Received on August 12, 2025**

See Attachment 3

**Approved By Rialto City Council/Rialto Utility Authority:**

Date: \_\_\_\_\_ Tab Item No. \_\_\_\_\_

**Issued by:**

Rialto Utility Authority

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Received by:**

Rialto Water Services, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



# City of Rialto

## Legislation Text

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**File #:** WS-25-0596, **Version:** 1, **Agenda #:**

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For Water Subcommittee Meeting August 28, 2025

TO: Water Subcommittee Members

APPROVAL: Tanya Williams, City Manager

FROM: Nicole Hemmans, Senior Administrative Analyst

Update on the City of Rialto/IEUA Agreement Relating to the Long-Term Sale of Wastewater Effluent for Recycled Water Purposes.

### **BACKGROUND:**

The City of Rialto operates a Wastewater Treatment Plant (WWTP) that treats domestic sewage and generates recycled water, discharging it into the Santa Ana River. The WWTP produces about 7 million gallons of recycled water daily, with a maximum treatment capacity of 11.7 million gallons per day. The Santa Ana River is vital for local ecosystems, and the City is required to discharge 3.8 million gallons per day of recycled water to support this ecosystem. However, the City's recycled water system uses a concrete-lined drainage channel, and during summer months, the increased temperature of the water may harm the river's sensitive ecosystem.

The Inland Empire Utilities Agency (IEUA), which serves a large region in western San Bernardino County, is focused on improving local water resources and reducing dependence on imported water. Despite having a supply of 56,800 acre-feet per year of recycled water, IEUA faces a shortfall of up to 6,000 acre-feet per year during the summer.

To address this issue, on March 8, 2022, the City of Rialto/RUA approved a Principles of Agreement with the Inland Empire Utility Authority (IEUA) that outlined the framework for compensation by IEUA to the City, and IEUA capital improvement contributions for the required infrastructure to convey the water needed by IEUA. The Principles of Agreement served as the foundation for the more detailed Term Sheet that the City Council would later consider.

On September 27, 2022, the Rialto City Council/RUA approved a Final Agreement Term Sheet with IEUA relating to the long-term sale of wastewater effluent for recycled water purposes.

### **ANALYSIS/DISCUSSION:**

Stephen Dopudja, with Dopudja Wells, Inc., will provide an update on the progress of the City of Rialto/IEUA effluent project.

### **ATTACHMENT(S):**

IEUA Phase 1 Construction PDB Award\_PowerPoint





# City of Rialto / IEUA Pump Station and Pipeline Progressive Design Build Award

City of Rialto  
Water Subcommittee Meeting  
August 28, 2025



# Background

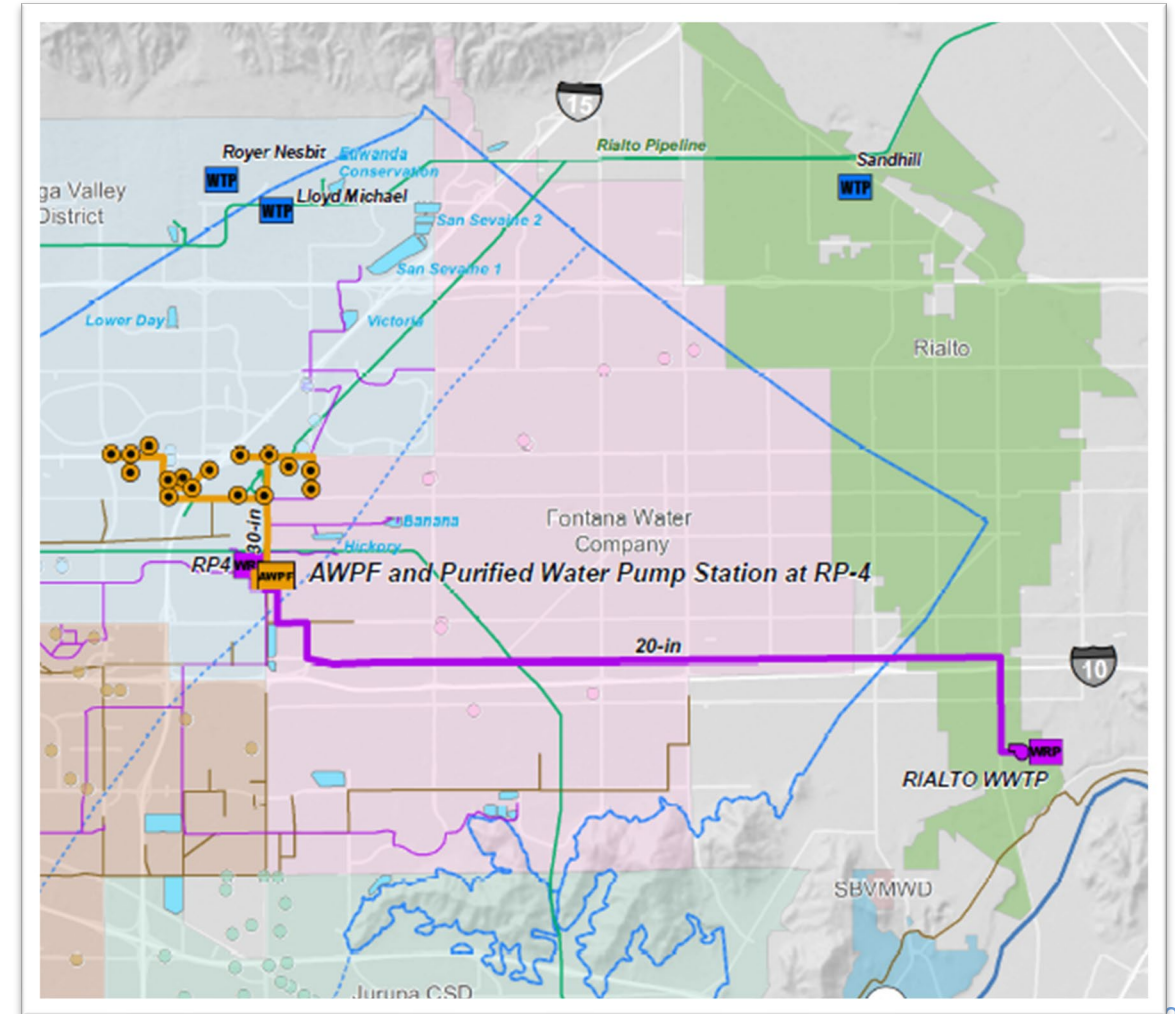
- The City of Rialto was interested in monetizing its recycled water as an annual revenue source.
- Due to the seasonality of recycled water supplies, IEUA needed to augment its recycled water supply during peak demand months between May and October.
- IEUA and the City of Rialto initiated water resources partnership discussions in 2019 and signed a Final Agreement Term Sheet on September 27, 2022.
- IEUA has completed their preliminary design and awarded a Phase 1 Progressive Design Build Contract to the team of Steve P. Rados and Stantec in July 2025.



# Proposed Infrastructure & Final Agreement Summary

- **City of Rialto RW supply:  $\approx 7,840$  AFY**
  - Project considered under Upper SAR MSHCP
- **Project Components**
  - 7 MGD for six months [May to October]  
3,500 AFY
  - (1) Pump station + pipeline + interconnection
  - Up to \$1M for supplemental well to meet HCP discharge requirements

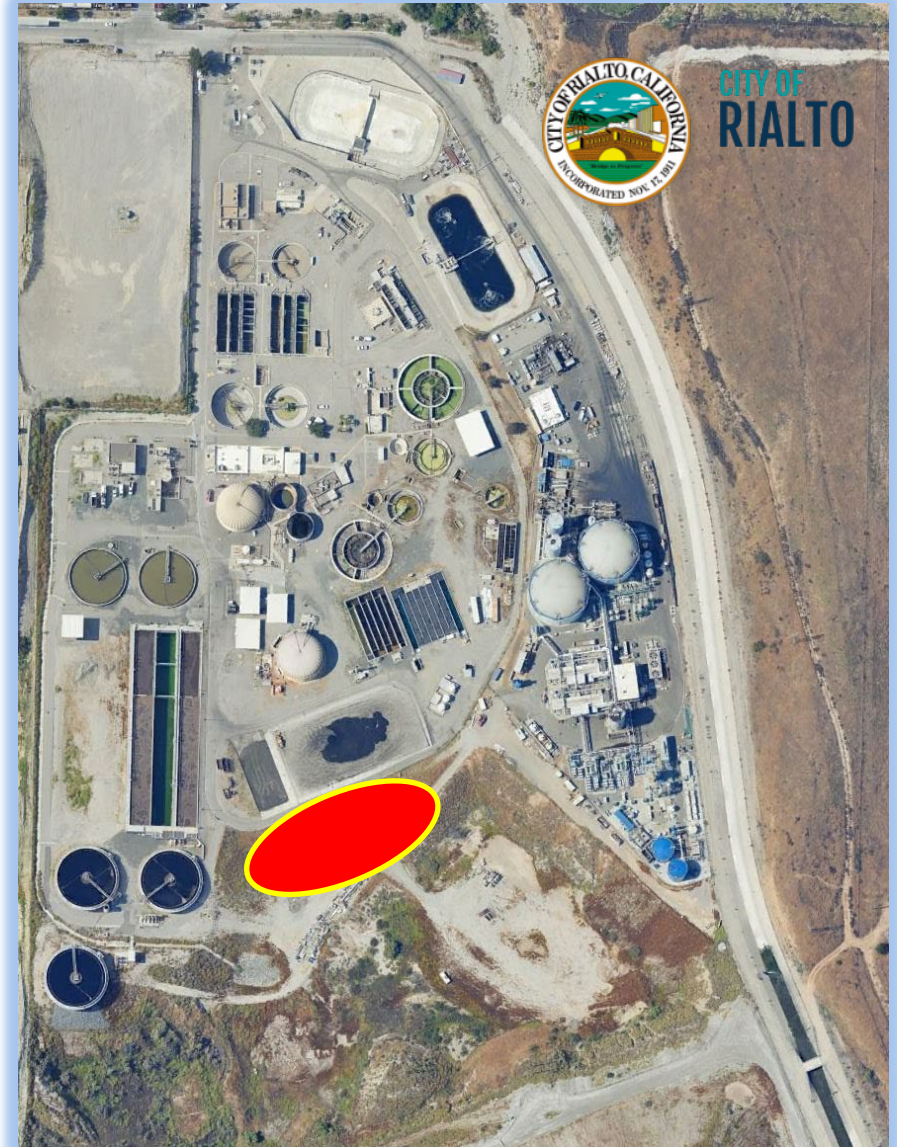
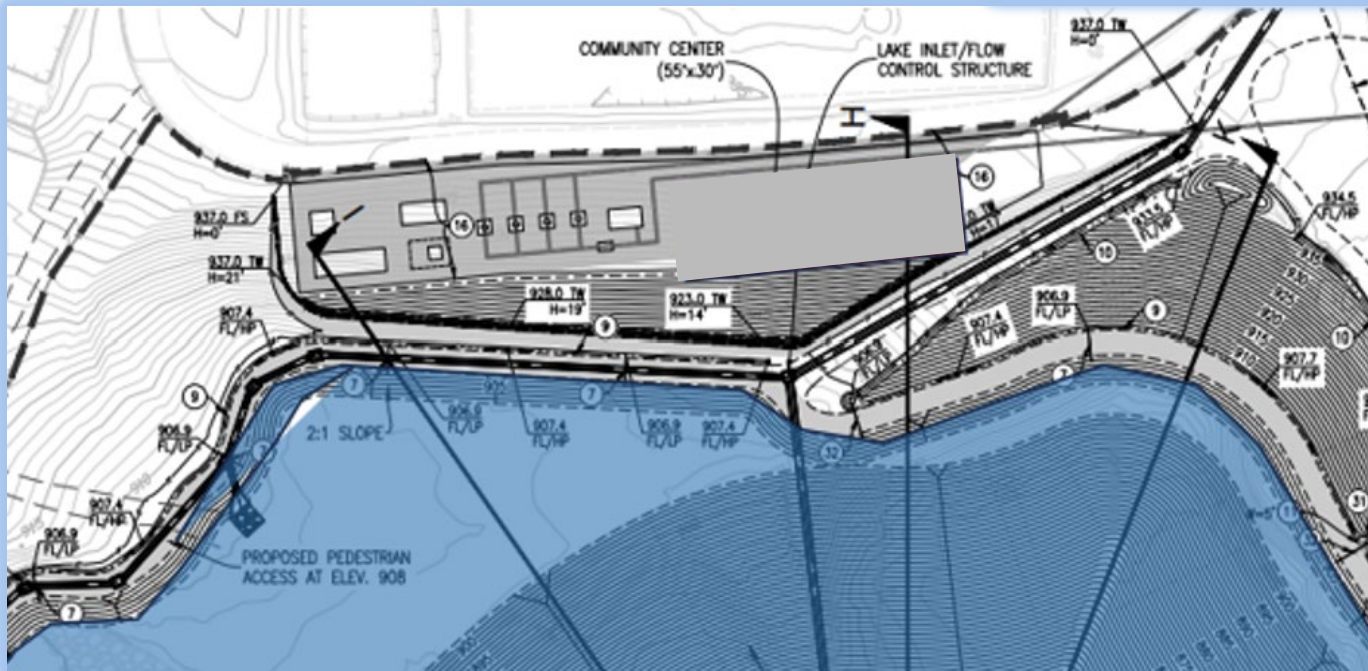
Term [Years]	Proposed Commodity Rate
50	\$275/AF
Option to purchase beyond 3,500 AFY	\$375 - \$400/AF





# Pump Station Location

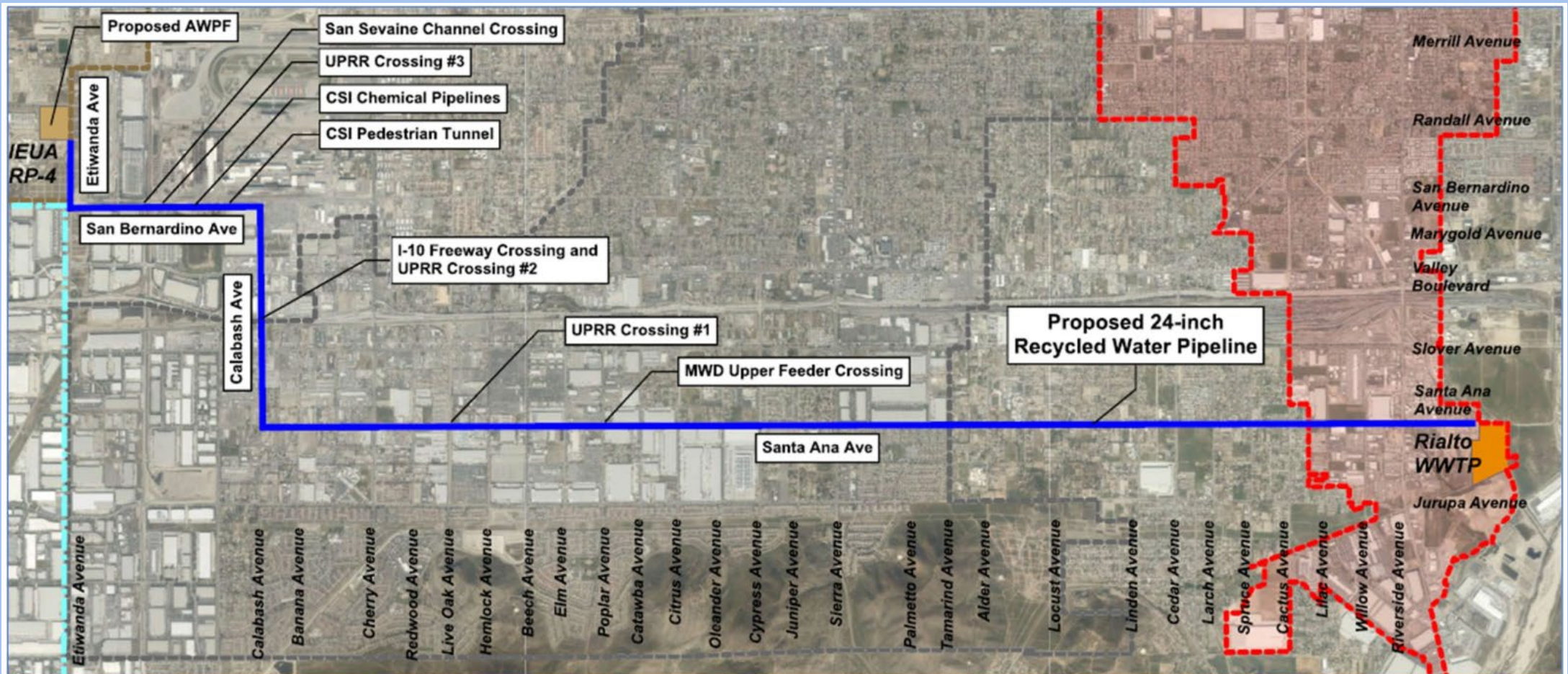
- The pump station is located south of the existing sludge drying beds at the WWTP.
- A new pad will be constructed using soil retention blocks.





# Proposed Pipeline Alignment

- The current proposed pipeline alignment has shifted it east to west alignment.
  - Was originally expected to be on the north side of the I-10 (in Valley Blvd)
  - Is now predominantly south of the I-10 (in Santa Ana Blvd)
  - New alignment has fewer significant alignment conflicts (i.e. utilities, flood control, railroad, bridges, etc.)



# IEUA's Proposed Schedule

Project Milestone	Date
Phase 1 Contract Award	July 2025
Receive GMP	August 2027
Award Phase 2	February 2028
Project Completion	August 2031

# Questions/Discussion



# City of Rialto

## Legislation Text

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**File #:** WS-25-0663, **Version:** 1, **Agenda #:**

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For Water Subcommittee Meeting September 25, 2025

TO: Water Subcommittee Members

APPROVAL: Tanya Williams, City Manager

Sevana Bioenergy Operational Update



# City of Rialto

## Legislation Text

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**File #:** WS-25-0664, **Version:** 1, **Agenda #:**

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For Water Subcommittee Meeting September 25, 2025

TO: Water Subcommittee Members

APPROVAL: Tanya Williams, City Manager

Utilities Director Update: NONE