

## FINAL CONSTRUCTION WORK AUTHORIZATION

### RIALTO ADVANCED METERING INFRASTRUCTURE PROJECT

#### Project History

- 2016 - City of Rialto requested from the Veolia Resource Optimization (VRO) team a commercial offer for a Targeted Meter Replacement program
- ~ 2016 - Mayor attended a water conference and was very interested in exploring a meter reading technology upgrade to shift from manual reading to automated reading
- 2017 - Veolia VRO team developed a target meter replacement program (June 2017) and delivered a business case for an AMI/AMR technology upgrade (August 2017)
- 2018/2019 - Veolia presented to City (late 2018 / early 2019).
- 2023 - In September 2023, the City of Rialto was awarded two (2) grants, state (DWR) and federal (USBR), for a total of \$8M for AMI implementation.
- 2023 & 2024 - Three rounds of bidding completed and in the 3rd round, four bids received - three bidders shortlisted and one bidder selected after interviews and discussions
- 2025 - The City led a new RFP process for the project, with Veolia to implement the project, subcontracting to the selected bidder from the RFP.

#### Project Goals and Objectives

The City received two grants to obtain funding for implementation of an Advanced Metering Infrastructure (AMI) solution, 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. (e.g. 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**

On July 10, 2025, the City issued a Notice For Request For Proposals (RFP) #25-047 for the supply and installation of an Advanced Metering Infrastructure System for the City of Rialto Water System (RWS). Two proposals were received on August 12, 2025.

**Cost Proposal Results from August 12, 2024:**

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

Exhaustive 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 selection committee determined Utility Service Group Water Solutions LLC as the most qualified firm partner to deliver the AMI project.

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

This FCWA approval is subject to satisfactory resolution of all outstanding negotiation points with USG for the Advanced Metering Infrastructure contracts. The USG-Veolia contracts are subject to review and approval by the City and RWS respectively.

**Scope of Work**

The project scope is outlined in detail in RFP #25-047 and summarized below. 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.

\*Specific reporting and invoicing requirements related to the grants will be done by others.

**Attachments**

**Cost Estimate**

Final Cost Table below shows total cost of **\$7,998,719** and breakdown costs. This includes subcontractor costs, a portion of Veolia’s work incurred up to date, Veolia’s fee for construction insurance, O&M (risk, labor and compliance), Veolia CPM labor, corporate overhead and profit, and 0% Owner held contingency.

<b>PROJECT COST FOR AMI PROJECT</b>				
<b>Q</b>	<b>Unit</b>	<b>Description</b>	<b>Price</b>	<b>Total Price</b>
1	Lumpsum	Subcontractor cost - USG	\$6,742,040	
2	Lumpsum	Subcontractor cost - Advanced Utility Systems (Advanced Metering Infrastructure) <sup>1</sup>	\$75,000	
<b>Total 3rd Party Project Cost</b>				<b>\$6,817,040</b>
3	Lumpsum	Veolia Fee + Insurance (12.2%)	\$831,679	
4	Lumpsum	Veolia Recovery, 2017-24 Project Development <sup>2</sup>	\$350,000	
<b>Veolia Scope</b>				<b>\$1,181,679</b>
			<b>TOTAL FCWA COST</b>	<b>\$7,998,719 *</b>

<sup>1</sup>The subcontractor’s cost from Advanced Utility Systems (Advanced), for the integrations with the Rialto billing system is estimated at \$75,000

*<sup>2</sup>A remaining portion of the Veolia Recovery, 2017-24 Project Development of \$350,000 is requested to be paid from the Water Fund's Rate Stabilization Account.*

Negotiations are underway with USG Systems on the deviations/exceptions taken by USG on the standard terms and conditions included in the O&M Schedule R 8 provided as part of Request for Bids document package.

Additionally, a operational cost proposal for Years 2-15 is expected from USG for negotiation, covering annual network support fees, software upgrades, licensing fees, hosting fees, customer portal interface, site leases, backhaul communications costs, etc.

**Notice for Request For Proposals (RFP) and Clarifications**

See Attachment 1

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

See Attachment 2

**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: \_\_\_\_\_