City of Rialto
California

March 22, 2010

PERC/Cal Water
959 South Coast Drive, Suite 315
Costa Mesa, CA 92626
Attn: Messrs. Brian Cullen and Steve Owen

Dear Messrs. Brian Cullen & Steve Owen:

The CITY OF RIALTO, CALIFORNIA, RIALTO UTILITY AUTHORITY (the "Authority") is issuing this Request for Proposals ("RFP") to the Pre-Qualified firms for the Operation, Maintenance (including all capital maintenance), and Management ("OM&M") of the Authority's Water, Wastewater, and Recycled Water systems ("Systems") which are leased by the Authority from the City of Rialto (the "City"), inclusive of all treatment, storage, collection, transmission, and distribution infrastructure, and all existing utility billing and customer service functions. Input received from the Pre-Qualified firms in response to the previously issued Draft RFP has been considered and appropriate revisions have been incorporated into the Final RFP.

Proposals shall be submitted and received by the Authority at the office of the City's Public Works Director, attention Ahmad R. Ansari, P.E., City of Rialto, 335 W. Rialto Avenue, Rialto, CA 92376, **NO LATER THAN 3:00 P.M., PACIFIC DAYLIGHT TIME ("PDT"), ON FRIDAY, MAY 21, 2010.** All Proposals shall be submitted in sealed packages and in accordance with the requirements of subsection 1.03 of this RFP. There shall be a public opening of the sealed Proposals immediately thereafter. At the public opening, only the names of the Proposers that have timely submitted Proposals shall be released.

The RFP and the reference documents that are available in electronic format have been posted on the City's web site, http://www.rialtoca.gov and may be accessed at the Finance Department's Purchasing window under the Request for Bid or Proposal heading section. Appointments for viewing reference documents that are available in hard copy should be coordinated through the office of the City's Public Works Director/City Engineer.

Proposed Procurement Schedule

A summary schedule of the anticipated major activities associated with this solicitation is presented below.

Activity	Date
■ Notification to Proposers of Short listing of EIs	December 9, 2009
■ Issue Draft RFP with Draft Contracts to Proposers	February 3, 2010
■ Proposer Comments on Draft RFP & Contracts Due	February 19
■ Issue Final RFP with Contracts	March 22
■ **Receive Proposals**	**May 21**
■ Proposer Interviews with Selection Committee	June 22-23
■ Select Proposer for Negotiation	June 23
■ Contract Negotiations	June 24 – July 23
■ Execute Final Contract	July 26, 2010

These dates reflect the Authority's target dates for all major activities to occur during the procurement process leading up to the Authority Council's approval of the commencement of negotiations of a final Concession Agreement/Qualified Management Contract with the top ranked Proposer to this RFP and execution of the Concession Agreement/Qualified Management Contract. This schedule is subject to change at any time in the sole discretion of the Authority.

Communications Protocol and Anti-Lobbying Policy

No Proposer or owner, director, officer, employee, consultant or agent of any Proposer shall initiate contact with any member of the City Council of the City of Rialto, or any member of the City's staff of the City of Rialto, City Attorney of the City of Rialto, with respect to this solicitation except the contact listed below, until after completion of the selection process and execution of the applicable contract. If any Respondent has any reason, not related to this Project, to contact any of the above parties, they will be required to disclose to that party that they are a Respondent in this solicitation. Failure to adhere to these requirements may result in disqualification from the solicitation. Staff means employees, consultants and agents of the City.

Questions and Requests for Clarification on the RFP and Concession Agreement/Qualified Management Contract

The Pre-qualified Respondents shall submit questions and requests for clarifications to the City's Public Works Director/City Engineer, Ahmad R. Ansari, P.E., City of Rialto, 335 W. Rialto Avenue, Rialto, CA 92376 (or by email to aansari@rialtoca.gov), **NO LATER THAN 3:00 P.M., PDT, ON APRIL 30, 2010**. All questions and clarification requests shall be in writing and Pre-qualified Respondents are encouraged to submit such questions and clarification requests in advance of the above deadline. The Authority shall not respond to Proposer questions or clarification requests received after the above deadline. The Authority's responses to all Proposer questions and clarification requests shall be provided to all Proposers. Only answers issued by formal written addenda or as posted on the City's Website shall be final and binding upon the Authority. Oral and other interpretations or clarifications shall be without legal effect and Proposers shall not rely on any such responses.

Authority's Right to Change the RFP

The Authority reserves the right to prepare and issue any Addenda to this RFP deemed to be in its best interests, prior to the receipt of Proposals, including changes that may expand or cancel any portion or all of the work described in this RFP, any term or condition of the Concession Agreement or the Qualified Management Contracts, or the schedule for any events associated with this procurement process including, without limitation, the date for receipt of Proposals or any other deadlines and dates set forth in this RFP. This RFP and all related documents are subject to change at any time in the sole discretion of the Authority.

Sincerely,

Ahmad R. Ansari, P.E.
Public Works Director/City Engineer