



**PROJECT AGREEMENT 24 COMMITTEE**  
Inland Empire Brine Line  
**REGULAR MEETING MINUTES**  
September 7, 2021

**COMMITTEE MEMBERS PRESENT**

T. Milford Harrison, Chair, San Bernardino Valley Municipal Water District Governing Board  
Mike Gardner, Vice Chair, Western Municipal Water District Governing Board  
Joe Mouawad, Eastern Municipal Water District General Manager  
Jasmin A. Hall, Inland Empire Utilities Agency Governing Board

**ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]**

David Slawson, Alternate, Eastern Municipal Water District Governing Board  
Shivaji Deshmukh, Alternate, Inland Empire Utilities Agency  
Gil Botello, Alternate, San Bernardino Valley Municipal Water District Governing Board

**SAWPA COMMISSIONERS PRESENT**

Kelly Rowe, Alternate, Orange County Water District  
Brenda Dennstedt, Alternate, Western Municipal Water District

**STAFF PRESENT**

Jeff Mosher, Karen Williams, Carlos Quintero, David Ruhl, Dean Unger, Marie Jauregui, Sara Villa, Haley Mullay

**OTHERS PRESENT**

Andrew D. Turner, Lagerlof, LLP; Nick Kanetis, Eastern Municipal Water District; Derek Kawaii, Western Municipal Water District; Tim Barr, Western Municipal Water District; Brian Dickinson, City of Colton

**1. CALL TO ORDER | PLEDGE OF ALLEGIANCE**

The regular meeting of the PA 24 Committee was called to order at 10:04 a.m. by Chair Harrison on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California. Pursuant to the provisions of Executive Order N-29-20 and N-08-21, this meeting was conducted virtually. All votes taken during this meeting were conducted via oral roll call.

**2. PUBLIC COMMENTS**

There were no public comments; there were no public comments received via email.

**3. ITEMS TO BE ADDED OR DELETED**

There were no added or deleted items.

**4. APPROVAL OF MEETING MINUTES: August 3, 2021**

Chair Harrison called for a motion to approve the August 3, 2021; meeting minutes as posted.

**MOVED**, approve the August 3, 2021, meeting minutes.

Result:	<b>Adopted by Roll Call Vote (Unanimously)</b>
Motion/Second:	Mouawad/Gardner
Ayes	Gardner, Hall, Harrison, Mouawad
Nays:	None
Abstentions:	None
Absent:	None

**5. COMMITTEE DISCUSSION/ACTION ITEMS**

**A. RESERVE POLICY REQUEST FOR PROPOSALS (PA24#2021.15)**

David Ruhl provided a presentation titled *Inland Empire Brine Line Reserve Policy*, contained in the agenda packet on pages 11-17. SAWPA's Reserve Funds Policy was established to ensure that sufficient funding is available for current operating, capital, and debt service needs. SAWPA maintains nine (9) distinct reserves that pertains to the Brine Line. The nine (9) reserves and their balances as of May 31, 2021, are as follows:

<b>Reserve Account</b>	<b>Amount</b>
Self-Insurance	\$4,486,031
Debt Retirement	\$3,569,642
Pipeline Replacement	\$21,710,633
OC San Rehabilitation	\$2,377,813
Capacity Management	\$11,974,038
OC San Future Capacity	\$1,833,264
Rate Stabilization	\$1,027,311
Flow Imbalance	\$83,681
Brine Line Operating	\$3,558,373
<b>Total Reserves</b>	<b>\$50,620,786</b>

The Reserve Policy Request for Proposal (RFP) scope of work includes: the review the existing policies and see if there are any recommended changes and review the methodology and make recommendations to determine reserve levels, including minimum and maximum levels if warranted, and to review the lease rate for the Brine Line capacity; prepare a Technical Memorandum; and present recommendations to the PA 24 Committee and Commission. It is anticipated that the RFP will be issued on September 15, 2021, with Proposals due October 14, 2021, and recommend award by November 2, 2021. Chair Harrison noted that some of the reserves could either be combined and/or deleted and it's very appropriate that a third party look over the policy and make changes as needed. Committee member Mouawad questioned the last time the policy was reviewed; and recommended an interactive workshop for an opportunity for the Commissioners to weigh in on the consultant's recommendations. Karen Williams noted that in 2018, Raftelis was hired to update the rate model and review the reserve policies.

**MOVED**, to direct staff to release a Request for Proposals (RFP) for professional services for review of the SAWPA Reserve Funds Policy.

Result: **Adopted by Roll Call Vote (Unanimously)**  
 Motion/Second: Gardner/Mouawad  
 Ayes: Gardner, Hall, Harrison, Mouawad  
 Nays: None  
 Abstentions: None  
 Absent: None

**B. OC SAN/SAWPA JOINT POLICY COMMITTEE (PA24#2021.16)**

David Ruhl informed the Committee that the OC San/SAWPA Joint Policy Committee met on August 19, 2021. SAWPA's members include Commissioners David Slawson and T. Milford Harrison. OC San's members include Directors John Withers and Chad Wanke. David Ruhl referenced the Joint Policy Committee Agenda on page 57 of the agenda packet

and provided a summary of the items discussed including OC San's New NPDES Permit, process for infrequent discharges, SAWPA's Draft Ordinance No. 9, resiliency planning, and emerging issues. The Joint Policy Committee meetings are held at least twice a year to go over any issues and collaborate with OC San to continue to have transparency between both agencies. Commissioner's Slawson and Harrison noted that the meeting was very informative and are appreciative with the partnership of both agencies.

This item was for informational and discussion purposes; no action was taken on Agenda Item No. 5.B.

**6. INFORMATIONAL REPORTS**

Recommendation: Receive and file the following oral/written reports/updates.

**A. BRINE LINE FINANCIAL REPORT – JUNE 2021**

**B. FINANCIAL REPORT FOR THE FOURTH QUARTER ENDING JUNE 30, 2021**

Karen Williams provided a presentation on the Financial Report of the Fourth Quarter ending June 30, 2021, on pages 65-73 of the agenda packet. There was no discussion.

**7. REQUEST FOR FUTURE AGENDA ITEMS**

There were no requests for future Agenda items.

Chair Harrison recessed the meeting at 10:38 a.m. for Closed Session.

**8. CLOSED SESSION**

**A. CONFERENCE WITH LEGAL COUNSEL – EXPOSURE TO LITIGATION – PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(2)**


Number of Potential Cases: One

Chair Harrison resumed Open Session at 11:45 a.m. and Legal Counsel, Andy Turner announced that the PA 24 Committee received a report from SAWPA staff and counsel; no action was taken on Agenda Item No. 8.A.

**9. ADJOURNMENT**

There being no further business for review, Chair Harrison adjourned the meeting at 11:45 a.m.

**Approved at a Regular Meeting of the Project Agreement 24 Committee on October 5, 2021.**

  
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T. Milford, Harrison, Chair

Attest:

  
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Sara Villa, Clerk of the Board