



Inland Empire Brine Line New Lateral Construction and Cost Share Agreement

David Ruhl, Engineering Manager
Project Agreement 24 Committee
June 21, 2022| Item No. 5.A.

New Lateral Construction and Cost Share Agreement

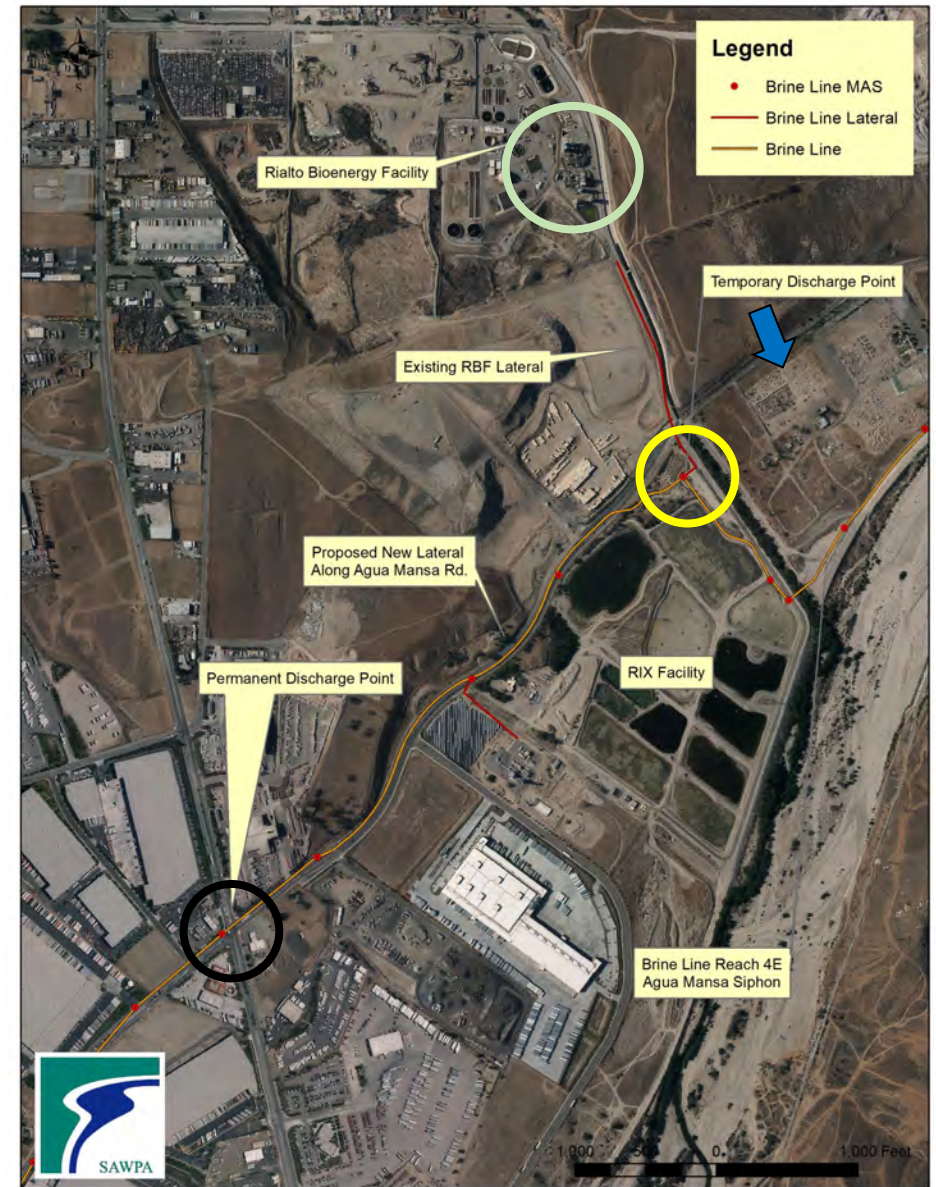
Recommendation:

Authorize the General Manager to execute the following:

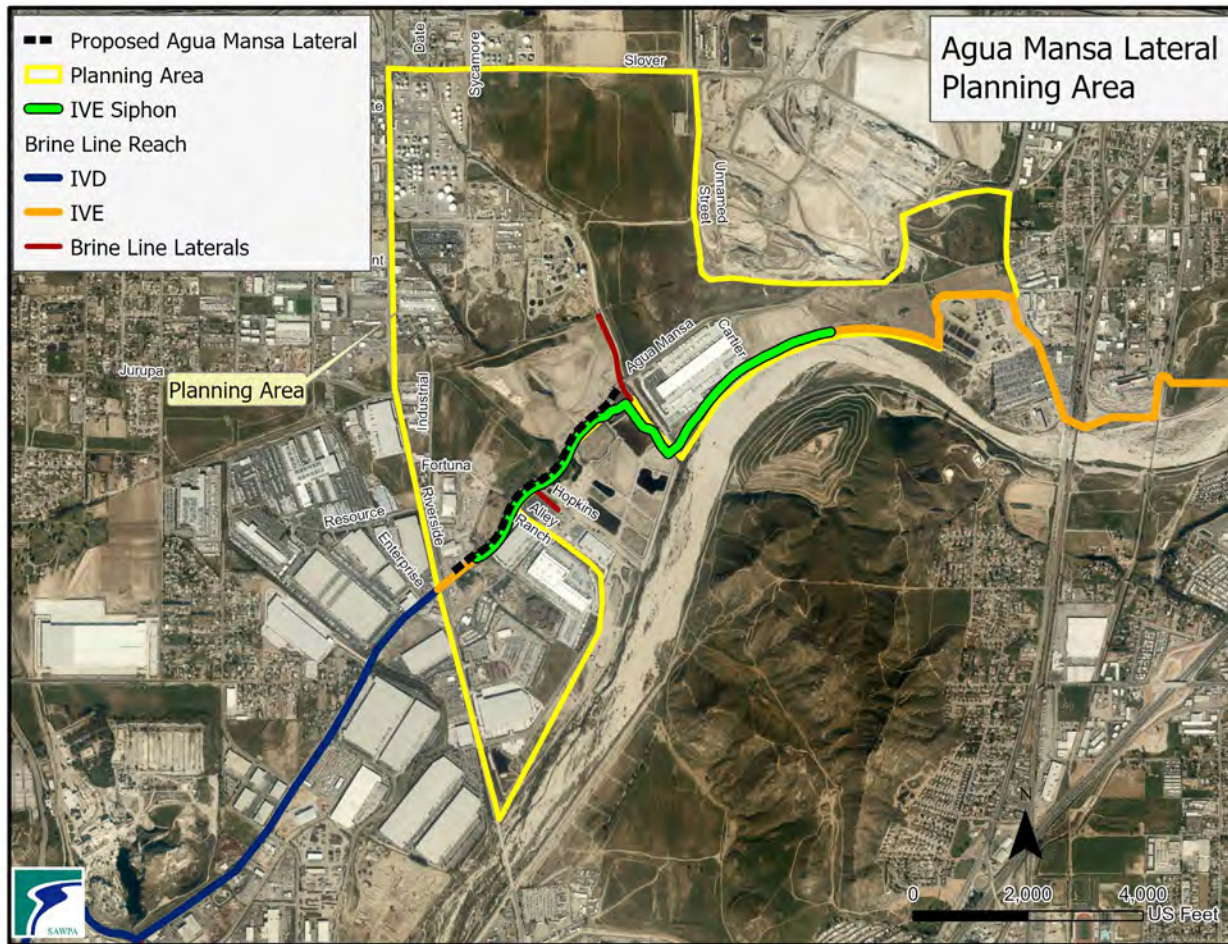
1. New Lateral Construction and Cost Share Agreement with San Bernardino Valley Municipal Water District and Rialto Bioenergy Facility Inc. and to proceed accordingly; and
2. Amendment No. 1 to the Inland Empire Brine Line Discharger Lease Agreement with RBF.

Rialto Bioenergy Facility

- Process 1,080 tons/day of food waste and municipal biosolids
- Lease capacity from Lease Pool
- Discharge permit issued Dec 2020
- Interim temporary discharge point
 - Low strength brine wastewater
- Permanent discharge point at gravity location through new lateral
 - High strength brine wastewater



Cost Share - Benefits



- Opportunity for future dischargers to connect to the Brine Line
- Operational flexibility
- Increased reliability
- Avoided maintenance costs

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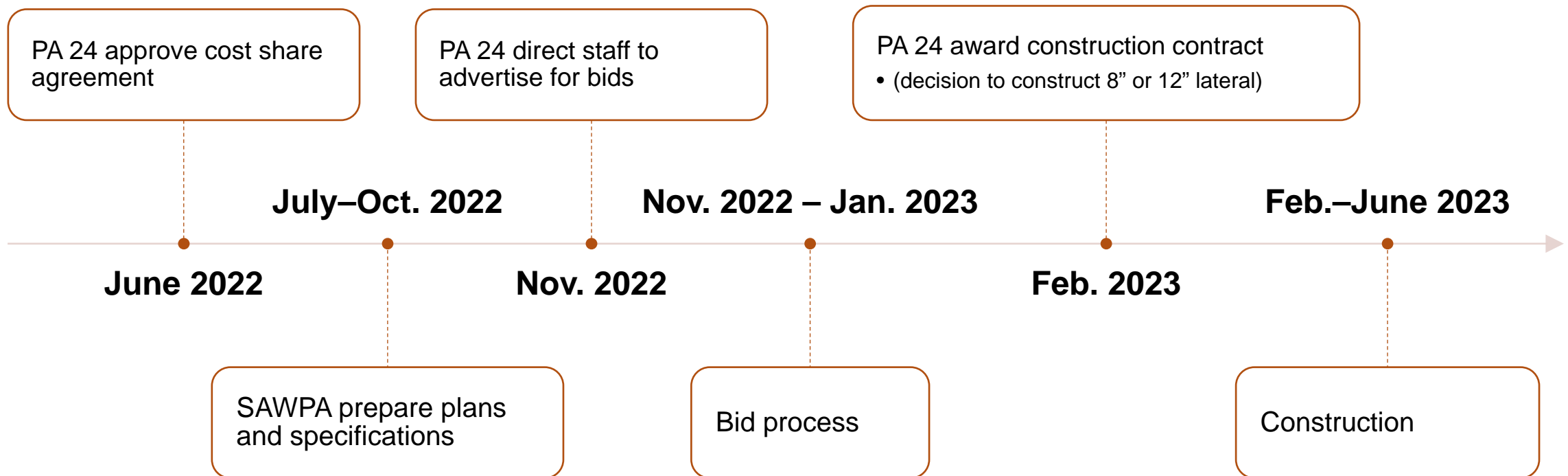
- SAWPA own and operate new lateral
- Cost Share

	<u>Construction</u>	<u>Design</u>
▪ RBF	82.0%	N/A
▪ SAWPA	4.5%	25%
▪ Valley	13.5%	75%

- SAWPA prepare plans and specifications
- SAWPA bid lateral with two alternatives (8" pipeline and 12" pipeline)
- RBF pay their cost share in 5 installments. 1st payment due upon execution of agreement, 4 annual installments thereafter
- RBF to pay 3% interest on unpaid balance
- RBF parent company (Anaergia) provide payment Guaranty
- Amend RBF Discharger Lease Agreement
- SAWPA distribute future connection fees (SAWPA 25% / Valley 75%)



Schedule



Preliminary Budget and Cost Summary

- Preliminary costs based on estimated design and construction costs
- SAWPA and Valley costs include additional design and bidding costs
- RBF would not pay any additional construction costs for upsizing to 12-inch lateral
- Final cost summary based on actual design and construction costs
- Design and construction costs paid from Brine Line Reserves (Pipeline Replacement Reserve)
- Cost share payments returned to Brine Line Reserves
- Estimated annual O&M costs \$11,000/year

Lateral Size	SAWPA Costs (4.5%)	Valley Costs (13.5%)	RBF Costs (82%)	Total Costs
8"	\$81,460	\$244,380	\$1,302,160	\$1.628M
12"	\$130,960	\$392,880	\$1,302,160	\$1.826M

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Questions?