



PROJECT AGREEMENT 24 COMMITTEE
Inland Empire Brine Line
REGULAR MEETING MINUTES
June 7, 2022

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
Marco Tule, Inland Empire Utilities Agency Governing Board

ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]

David Slawson, Eastern Municipal Water District

STAFF PRESENT

Jeff Mosher, David Ruhl, Dean Unger, Edina Goode, Marie Jauregui, Sara Villa, Haley Mulla, Zyanya Ramirez, John Leete

OTHERS PRESENT

Andrew D. Turner, Lagerlof, LLP; Nick Kanetis, Eastern Municipal Water District; Ken Tam, Inland Empire Utilities Agency; Matt Howard, San Bernardino Valley Municipal Water District; Craig Miller, Western Municipal Water District; Derek Kawaii, Western Municipal Water District

1. CALL TO ORDER| PLEDGE OF ALLEGIANCE

The regular meeting of the PA 24 Committee was called to order at 10:37 a.m. by Chair Harrison on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California. Pursuant to the provisions of AB 361, 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: APRIL 5, 2022

Chair Harrison called for a motion to approve the April 5, 2022; meeting minutes as posted.

MOVED, approve the April 5, 2022, meeting minutes.

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

5. COMMITTEE DISCUSSION/ACTION ITEMS

A. INLAND EMPIRE BRINE LINE RATE RESOLUTION (PA24#2022.5)

David Ruhl provided a presentation on the Inland Empire Brine Line Rate Resolution 2022-9, contained in the agenda packet on pages 19-31. The Brine Line Rate components are Flow, Biochemical Oxygen Demand (BOD) Total Suspended Solids (TSS) and the fixed charges for pipeline, treatment, and disposal capacity owned. The proposed rates have been calculated using

the financial model prepared in 2018 and are based on the approved two-year budget (FY 2021-22 and FY 2022-23). SAWPA staff reviewed the current and proposed budget expenditures and revenues to ensure the rates are consistent and in-line with the budget assumptions and goals when the budget was approved.

Summary of FY 2021-22 (Current) Rates and FY 2022-23 Proposed Rates

<i>Fiscal Year</i>	<i>Flow (MG)</i>	<i>BOD/1,000 lbs.</i>	<i>TSS/1,000 lbs.</i>	<i>Fixed Pipeline*</i>	<i>Fixed T&D*</i>
Current FY 2021-22	\$1,018	\$329	\$460	\$6,654	\$13,505
Proposed FY 2022-23	\$1,049	\$353	\$520	\$6,654	\$13,505

*Fixed pipeline and Fixed Treatment and Disposal (T&D) charges are per million gallons (MG) per month.

SAWPA received the proposed Brine Line rates from OC San (Flow, BOD, TSS) that include a 9.97% increase in their charges from last fiscal year, due to an increase in their treatment and disposal budget. Although this increase is significant, SAWPA is able to maintain a rate increase of 3.0% for Flow and no change in the rate for Fixed Pipeline and Fixed Treatment and Disposal. Since BOD and TSS are pass through costs the rate for BOD will increase 7.3% and the rate for TSS will increase 13.0%. As part of the Brine Line Rate resolution, planned rates for FY 2023-24 are presented to assist Member Agencies in their budget process for next fiscal year. Since these rates are presented for "planning" purposes only, they require PA 24 and Commission approval prior to the beginning of the next fiscal year (July 1, 2023). OC San has also provided planned rates for FY 2023-24. OC San's planned charges include a 5.2% increase in their charges due to an increase in their treatment and disposal budget. SAWPA's Planned rates for FY 2023-24 will include a 5.0% increase in the flow component and will include a 5.2% increase in the BOD and TSS rate to match OC San's increase. Fixed charges (pipeline, treatment, and disposal) are expected to remain the same.

The truck disposal rates will continue to be based on two (2) tiers: a Brine Tier and a Non-Brine Tier. These charges remain unchanged from FY 2021-22. The current FY 2021-22 and proposed rates for FY 2022-23 for indirect discharger rates remain the same, as well as the proposed permit fees. The proposed Capacity Lease rates for FY 2022-23 remain unchanged from the rates from FY 2021-22.

Vice Chair Gardner asked if there has been communication with our customers or member agencies. David Ruhl noted that the customers are aware and there have been discussions with our member agencies in regard to the proposed rates. Committee Member Mouawad questioned the adjustments to the monthly fixed treatment and fixed pipeline though no increases to the BOD and TSS surcharge, is that a function of OC San's cost? David Ruhl noted that it is discretionary based on site, not related to the increase in fees from OC San.

MOVED, to recommend approval by the SAWPA Commission of Resolution No. 2022-9 establishing the Fiscal Year 2022-23 Inland Empire Brine Line Rates.

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

B. INLAND EMPIRE BRINE LINE PIPELINE CLEANING SERVICES (PA24#2022.6)

David Ruhl provided a presentation on the Inland Empire Brine Line Pipeline Cleaning Services, contained in the agenda packet on pages 35-41. SAWPA relies on outside service providers to perform pipeline cleaning activities on the Brine Line. A Request for Proposals (RFPs) is issued every two (2) years for pipeline cleaning activities. The current Task Order with Downstream Services expires on June 30, 2022. In April, the PA 24 Committee authorized staff to issue an RFP for line cleaning services. A total of four (4) proposals were received on May 10, 2022; Downstream Services, Inc., Houston & Harris, Inc., Innerline Engineering, Inc., and Pro-Pipe, Inc.

Based on the evaluation of the proposals, costs, qualifications, and SAWPA's experience with working with Innerline, most recently on the Upper Reach IVA pipeline cleaning efforts, it is recommended to award a contract to Innerline Engineering for pipeline cleaning services in the amount not-to-exceed \$264,880. The Task Order is for a period of two years (through June 30, 2024) commencing on July 1, 2022, with an option to renew for an additional year (through June 30, 2025).

MOVED, to authorize the General Manager to issue Task Order INN240-05 to Innerline Engineering, Inc., for Brine Line Pipeline Cleaning Services for a period of two (2) years of in amount not-to-exceed \$264,880.

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

C. INLAND EMPIRE BRINE LINE MASTER PLAN (PA24#2022.7)

David Ruhl provided a presentation on the Inland Empire Brine Line Master Plan, contained in the agenda packet on pages 59-70. A Master Plan is a long-term planning document that addresses facility needs over a defined planning period. The purpose of the Brine Line Master Plan is to determine how best to manage and implement the growth and expansion of the Brine Line to best serve the watershed and our Member Agencies. The Brine Line Master Plan scope of work consists of coordination amongst the Member Agencies, City and County Planning/Development Departments to review relevant existing plans and do a Brine Line System Analysis to update and calibrate existing hydraulic model, do an evaluation of the existing Brine Line System and determine the critical infrastructure and evaluate potential system improvements to the Brine Line, as well as a market analysis of future growth projects.

In August 2021, the PA 24 Committee directed staff to prepare a scope of work in collaboration with the Member Agencies and present to the PA 24 Committee for discussion and approval. In January 2022, an outline of the proposed Master Plan was developed and discussed with the Member Agency General Managers. In May 2022, a workshop with Member Agency staff was held to review and discuss the scope of work. Comments received were incorporated in the scope of work and a Request for Proposals (RFP) will be prepared and presented to the PA 24 Committee for approval. The proposed schedule for the RFP is as follows:

- PA 24 Committee direct staff to prepare RFP June 2022
- Incorporate PA 24 Committee feedback/comments June 2022
- PA 24 Committee direct staff to issue RFP July/August 2022

- Receive proposals / conduct interviews October 2022
- Select consultant and recommend award to PA 24 Committee November 2022

Committee Member Mouawad commended SAWPA staff on all the efforts and noted that he strongly believes this Master Plan is needed to better understand the needs of the Brine Line going into the future and the way the scope of work is laid out is a fairly comprehensive approach. He agrees on having regular workshops with the member agency staff to provide feedback since there is a lot of experience and knowledge relative to various sections of the Brine Line. Committee Member Gardner noted that it is an important effort, and we will be able to serve our customers better if we plan, rather than react to circumstances, and expressed his full support.

MOVED, to review the Inland Empire Brine Line Master Plan scope of work and direct staff to prepare a Request for Proposals for the preparation of the Inland Empire Brine Line Master Plan.

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

6. INFORMATIONAL REPORTS

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

A. BRINE LINE FINANCIAL REPORT – FEBRUARY 2022

Presenter: Karen Williams

B. BRINE LINE FINANCIAL REPORT – MARCH 2022

Presenter: Karen Williams

7. REQUEST FOR FUTURE AGENDA ITEMS

There were no requests for future Agenda items.

8. CLOSED SESSION

There was no Closed Session.

9. ADJOURNMENT

There being no further business for review, Chair Harrison adjourned the meeting at 11:21 a.m.

Approved at a Regular Meeting of the Project Agreement 24 Committee on August 2, 2022.

DocuSigned by:

T. Milford Harrison

T. Milford Harrison, Chair

Attest:

DocuSigned by:

Sara Villa

Sara Villa, Clerk of the Board