



PROJECT AGREEMENT 24 COMMITTEE
Inland Empire Brine Line
REGULAR MEETING MINUTES
September 5, 2023

COMMITTEE MEMBERS PRESENT

T. Milford Harrison, Chair, San Bernardino Valley Municipal Water District Governing Board
Jasmin A. Hall, Inland Empire Utilities Agency Governing Board
David Slawson, Alternate, Eastern Municipal Water District Governing Board

COMMITTEE MEMBERS ABSENT

Mike Gardner, Vice Chair, Western Municipal Water District Governing Board
Joe Mouawad, Eastern Municipal Water District General Manager

ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]

Gil Botello, San Bernardino Valley Municipal Water District Governing Board
Shivaji Deshmukh, Inland Empire Utilities Agency General Manager

STAFF PRESENT

Jeff Mosher, Karen Williams, David Ruhl, Daniel Vasquez, Dean Unger, John Leete, Sara Villa,
Marie Jauregui, Melissa Bustamonte

OTHERS PRESENT

Andrew D. Turner, Lagerlof, LLP; Ken Tam, Inland Empire Utilities Agency; Kelly Rowe,
Orange County Water District; Lisa Haney, Orange County Water District; Mallory O'Connor,
Western Municipal Water District

1. CALL TO ORDER | PLEDGE OF ALLEGIANCE

The Meeting of the PA 24 Committee was called to order at 10:20 a.m. by Chair T. Milford Harrison on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

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. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: AUGUST 1, 2023

Recommendation: Approve as posted.

MOVED, to approve the Consent Calendar as posted.

Result:	Adopted by Roll Call Vote
Motion/Second:	Harrison/Hall
Ayes:	Hall, Harrison, Slawson
Nays:	None
Abstentions:	None
Absent:	Gardner

5. COMMITTEE DISCUSSION/ACTION ITEMS

A. INLAND EMPIRE BRINE LINE RESERVE FUNDS REVIEW (PA24#2023.12)

Karen Williams provided a presentation titled Inland Empire Brine Line Reserve Funds Review, contained in the agenda packet on pages 25-35. The updated Inland Empire Brine Line Reserve Policy was approved by the PA 24 Committee on November 1, 2022, and the SAWPA Commission on December 20, 2022. On February 7, 2023, it was approved to eliminate three (3) reserves and transfer the balance of \$5.5 million to the R-07 Pipeline Replacement and Capital Investment. As per the approved Reserve Policy, funding above the target level in the reserve will be discussed and approved by the PA 24 Committee and SAWPA Commission annually and during the biennial budget adoption process. For the reserves under the target level, staff will involve member agencies in reviewing the timing for each reserve to achieve its target. During the FYE 2024 and 2025 budget process, contributions to the two reserve accounts that are under the target levels were reviewed and contribution amounts were approved for the next two years. There are four reserves that are over the target levels set in the Reserve Policy. The following table shows each reserve level on June 30, 2023, the minimum balance, target, and the amount over or under the target.

Reserve Fund	No.	Balance @ 06/30/2023	Minimum Balance	Target	Amount Over/(Under) Target	Comments
Brine Line Operating	R-01	\$2,321,017	\$2,273,388	\$2,273,388	\$47,629	Interest through 06/30/2023
Debt Retirement	R-02	\$2,899,430	\$1,709,476	\$1,709,476	\$1,189,954	1.5x annual debt plus interest through 06/30/2023
Pipeline Capacity Management	R-04	\$12,330,705	\$3,894,181	\$9,735,454	\$2,595,251	Funds from pipeline capacity sales plus interest
OC San Future Treatment and Disposal Capacity	R-05	\$1,887,871	\$1,842,396	\$1,842,396	\$45,475	Target set at 06/30/2022 balance. Interest through 06/30/2023
OC San Pipeline Rehabilitation	R-06	\$2,448,640	\$2,425,147	\$7,250,000	(\$4,801,360)	Budget contributions in FYE 2024 and 2025 (\$325,309, \$155,786)
Pipeline Replacement and Capital Investment	R-07	\$32,448,955	\$17,503,000	\$42,911,000	(\$10,462,045)	Budget contributions in FYE 2024 and 2025 (\$1.9 million each year)
Totals		\$54,336,618	\$29,647,588	\$65,721,714	(\$11,385,096)	

Ms. Williams referenced each reserve fund and provided a description of the target set, interest earned, balance, and set forth the recommendation that the PA 24 Committee set a target limit for R-01 Brine Line Operating Reserves to \$2,179,659 for FYE 2024 and transfer the amount over target of \$141,358 to R-07 Pipeline Replacement and Capital Investment, and to keep the current balances at June 30, 2023, and continue to accrue interest for the following reserves; R-02, R-04, and R-05. Ms. Williams informed the PA 24 Committee that the member agencies' Chief Financial Officers were provided with the recommendations and there were no questions or concerns received. There was no discussion.

MOVED, that the Project Agreement 24 Committee:

1. Set target limit for R-01 Brine Line Operating Reserves to \$2,179,659 for FYE 2024 and transfer the amount over target of \$141,358 to R-07 Pipeline Replacement and Capital Investment, and
2. Keep the current balances at 06/30/2023 and continue to accrue interest for the following reserves:
 - a. R-02 Brine Line Debt Service

- b. R-04 Pipeline Capacity Management
- c. R-05 OC Future Treatment & Disposal Capacity

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

B. REACH IV EASEMENT DEED ACCEPTANCE AND COUNTY RECORDING (PA24#2023.13)

Daniel Vasquez provided a presentation titled Reach IV Easement Deed Acceptance and County Recording, contained in the agenda packet on pages 57-64. In 2014, Orange County Flood Control passed an easement to Riverside County Flood Control to maintain a grade stabilizer for the Brine Line as part of a construction project. In 2015, SAWPA agreed to accept sole responsibility of ownership, operation, and maintenance of the project once completed in the Cooperation Agreement-Santa Ana Canyon-Below Prado, Inland Empire Brine Line Sheet Pile Protection Project. In 2017, the project was completed, and the operation and maintenance of the protection structure was given to SAWPA, though the easement was never recorded with the Riverside County Recorder's Office. Due to the oversight, the recommendation is to authorize the General Manager to accept the Grant of Deed from Riverside County Flood Control and Water Conservation District for maintenance of the Reach IV sheet pile protection structure and record the Grant of Deed at the Riverside County Recorder's Office. There was no discussion.

MOVED, to authorize the General Manager to accept the Grant of Deed from Riverside County Flood Control and Water Conservation District for maintenance of the Reach IV sheet pile protection structure and record the Grant of Deed at the Riverside County Recorder's Office.

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

C. INLAND EMPIRE BRINE LINE REACH IV-D REHABILITATION WORK PLAN (PA#2023.14)

David Ruhl provided a presentation titled Inland Empire Brine Line Reach IV-D Rehabilitation Work Plan, contained in the agenda packet on pages 79-87. The Brine Line Reach IV-D was constructed in the early 1990's and runs from the intersection with Reach IV-A in the City of Chino approximately 21 miles East, to the intersection with Reach IV-E in the City of Rialto. A portion of seven (7) miles of Reach IV-D consists of T-lock lined 42-inch reinforced concrete pipe (RCP). The T-lock lining is a polyvinyl chloride (PVC) lining on the interior circumference of the pipe that provides a protective corrosion barrier between the flow and concrete pipe. The T-lock lining on this portion of the Brine Line was installed on the upper 270 degrees of the pipeline leaving the invert or bottom 90 degrees of the pipe unlined. Low flows during the initial years of operation placed the flow line below the termination of the T-lock liner and exposed the concrete to corrosion and uplifting of the T-lock liner.

In 2018, Woodard & Curran prepared a Reach IV-D Rehabilitation Work Plan. The work included a pipeline condition assessment to evaluate the condition and the remaining useful life of this portion of Reach IV-D. The Work Plan includes an evaluation of potential repair methods, recommended actions to monitor the condition of the Brine Line and a schedule

and order of magnitude cost estimate for the near-term, mid-term and long-term recommendations. The condition assessment of the Reach IV-D pipeline was conducted through visual assessment (manned entry and CCTV inspection), physical tests of the unlined concrete surface and estimating the depth of concrete cover over the steel reinforcement in the concrete pipe. Based on this assessment the consultant estimated the predicted remaining useful life of 10 to 20 years. The variability of 10 years in the estimated useful life is due to the lack of historical information on the rate of deterioration of the unlined concrete.

The consultant recommended additional field investigation in five (5) years to characterize the rate of deterioration and further refine the remaining useful life of the pipe (mid-term recommendation). To obtain a complete baseline with which to compare future inspection results the consultant recommended completing two additional manned entry inspections at two key locations along with additional cleaning and CCTV (near-term recommendation). Lastly, based on the predicted remaining useful life of 10 – 20 years, the consultant recommended implementing the recommended rehabilitation method prior to the predicted remaining useful life. The predicted remaining useful life is recommended to be updated upon completion of the mid-term field investigations in five (5) years. A summary of the Work Plan recommendations is provided in the table below.

Summary of Work Plan Recommendations

Project	Anticipated Schedule (1)	Project Recommendation	Order of Magnitude Cost
Near-Term	Within One Year (Complete)	Man-entry inspections at two key locations, Clean and CCTV 1 pipe segment	\$50,000
Mid-Term	5 years	Clean and CCTV entire 7 miles of pipeline. Man-entry inspection at 7 locations. Refine useful life estimate.	\$500,000
Long-Term	10 – 20 years	Rehabilitate pipeline, if required within boundaries as identified with Mid-Term Inspections.	\$40 Million (+/-) Subject to reevaluation.

On August 1, 2023, the PA 24 Committee approved issuance of a Request for Proposals (RFP) for Engineering Services for the Inland Empire Brine Line Reach IV-D Rehabilitation Mid-Term recommendations. The RFP was posted to PlanetBids, and 18 firms registered as prospective bidders. Two (2) firms attended the non-mandatory pre-proposal meeting on August 10, 2023, and one (1) proposal was received from Woodard & Curran on August 30, 2023. SAWPA staff reviewed the proposal to ensure that it meets the criteria outlined in the RFP, Woodard & Curran is qualified and has the experience to perform the work since Woodard & Curran prepared the IV-D Work Plan in 2018 and the update to the Work Plan in 2019. SAWPA was pleased with the work performed by Woodard & Curran and would recommend working with Woodard & Curran on the Mid-term Recommendations.

The cost proposal was reviewed by SAWPA staff to ensure the level of effort was consistent with the project objectives. A conference call was conducted with Woodard & Curran to discuss the scope of work, schedule, allocation of billing hours and assumptions made in the proposal. Based on the discussions it was determined to include penetrating radar testing as part of the condition assessment. The fee estimate was revised to \$247,174 (an increase of \$578) to include the cost to rent the equipment to perform the test. There was no discussion.

MOVED, to authorize the General Manager to execute Task Order No. W&C327-03 with Woodard & Curran for Engineering Services for the Inland Empire Brine Line Reach IV-D Rehabilitation Work Plan Mid-Term Recommendations, for an amount not to exceed \$247,174.

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

6. INFORMATIONAL REPORTS

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

A. BRINE LINE FINANCIAL REPORT – JUNE 2023

Karen Williams referenced page 111, slide 18 of the agenda packet and noted that it was requested in a previous meeting to see the difference between the revenue billed vs. OC San charges for the Flow, BOD, and TSS over the last five (5) years. Overall, SAWPA is over budget on revenue, and under budget with expenditures.

B. FINANCIAL REPORT FOR THE FOURTH QUARTER ENDING JUNE 30, 2023

C. GENERAL MANAGER COMMENTS

Jeff Mosher noted that the Master Plan is ongoing, and an update will be presented to the Committee as an informational item soon. The SAWPA/OC San Joint Policy Committee meeting is scheduled for October 12, 2023, and it includes a Tour of Plant No. 2.

D. COMMITTEE MEMBERS COMMENTS

There were no Committee Member comments.

E. CHAIR’S COMMENTS/REPORT

There were no Chair comments.


7. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS


There were no requests for future Agenda items.

8. ADJOURNMENT

There being no further business for review, Committee Chair T. Milford Harrison adjourned the Regular meeting at 10:55 a.m.

Approved at a Regular Meeting of the Project Agreement 24 Committee on December 5, 2023.

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 T. Milford Harrison, Chair

Attest:
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 Sara Villa, Clerk of the Board