



S A W P A

SANTA ANA WATERSHED PROJECT AUTHORITY
11615 Sterling Avenue, Riverside, California 92503 • (951) 354-4220

Meeting Access Via Computer (Zoom):	Meeting Access Via Telephone:
<ul style="list-style-type: none"> • https://sawpa.zoom.us/j/84232297006 	<ul style="list-style-type: none"> • 1 (669) 900-6833
<ul style="list-style-type: none"> • Meeting ID: 842 3229 7006 	<ul style="list-style-type: none"> • Meeting ID: 842 3229 7006

This meeting will be conducted in person at the address listed above. As a convenience to the public, members of the public may also participate virtually using one of the options set forth above. Any member of the public may listen to the meeting or make comments to the Committee using the call-in number or Zoom link above. However, in the event there is a disruption of service which prevents the Authority from broadcasting the meeting to members of the public, the meeting will not be postponed or rescheduled but will continue without remote participation. The remote participation option is provided as a convenience to the public and is not required. Members of the public are welcome to attend the meeting in-person.

REGULAR MEETING OF THE PROJECT AGREEMENT 24 COMMITTEE

Inland Empire Brine Line

TUESDAY, JUNE 4, 2024 – 10:00 A.M.

(or immediately following the 9:30 a.m. SAWPA Commission meeting)

Committee Members

Eastern Municipal Water District	Inland Empire Utilities Agency
Joe Mouawad, General Manager	Director Jasmin A. Hall
Director David J. Slawson (Alt)	Shivaji Deshmukh, General Manager (Alt)
San Bernardino Valley Municipal Water District	Western Municipal Water District
Director T. Milford Harrison, Chair	Director Mike Gardner, Vice Chair
Director Gil Botello (Alt)	Craig Miller, General Manager (Alt)

AGENDA

1. CALL TO ORDER | PLEDGE OF ALLEGIANCE (T. Milford Harrison, Chair)

2. ROLL CALL

3. PUBLIC COMMENTS

Members of the public may address the Committee on items within the jurisdiction of the Committee; however, no action may be taken on an item not appearing on the agenda unless the action is otherwise authorized by Government Code §54954.2(b).

Members of the public may make comments in-person or electronically for the Committee's consideration by sending them to publiccomment@sawpa.gov with the subject line "Public Comment". Submit your electronic comments by 5:00 p.m. on Monday, June 3, 2024. All public comments will be provided to the Chair and may be read into the record or compiled as part of the record. Individuals have a limit of three (3) minutes to make comments and will have the opportunity when called upon by the Committee.

4. ITEMS TO BE ADDED OR DELETED

Pursuant to Government Code §54954.2(b), items may be added on which there is a need to take immediate action and the need for action came to the attention of the Santa Ana Watershed Project Authority subsequent to the posting of the agenda.

5. CONSENT CALENDAR

All matters listed on the Consent Calendar are considered routine and non-controversial and will be acted upon by the Committee by one motion as listed below.

- A. **APPROVAL OF MEETING MINUTES: MAY 14, 2024**5
Recommendation: Approve as posted.

6. COMMITTEE DISCUSSION/ACTION ITEMS

- A. **INLAND EMPIRE BRINE LINE SERVICE CONTRACTS AND SSMP AUDIT (PA24#2024.12)**9

Presenter: Daniel Vasquez

Recommendation: That the Project Agreement 24 Committee (PA 24) authorize the General Manager to:

1. Issue a General Services Agreement and Task Order INN240-07 to Innerline Engineering for On-Call CCTV for a period of two (2) years for the amount not-to-exceed \$102,530.00; and
2. Issue Task Order INN240-06 to Innerline Engineering for Pipeline Cleaning Services for a period of two (2) years for an amount not-to-exceed \$316,700.00.

- B. **INLAND EMPIRE BRINE LINE DISCHARGER LEASE AGREEMENT (PA24#2024.13)**.....41

Presenter: David Ruhl

Recommendation: Authorize the General Manager to execute a Discharger Lease Agreement with the City of Beaumont (Beaumont) to lease 0.03 million gallons per day (MGD) of Brine Line pipeline capacity right and treatment and disposal capacity right at a wastewater strength of 100 mg/l Biological Oxygen Demand (BOD) and 100 mg/l Total Suspended Solids (TSS) from the Lease Capacity Pool for a period of four (4) years.

7. INFORMATIONAL REPORTS

Recommendation: Receive for information.

- A. **BRINE LINE FINANCIAL REPORT – MARCH 2024**57

Presenter: Karen Williams

- B. **FINANCIAL REPORT FOR THE THIRD QUARTER ENDING MARCH 31, 2024**.....63

Presenter: Karen Williams

- C. **GENERAL MANAGER REPORT**

Presenter: Jeff Mosher

- D. **COMMITTEE MEMBERS COMMENTS**

- E. **CHAIR’S COMMENTS/REPORT**

8. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

9. CLOSED SESSION

- A. **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)**

In Re Rialto Bioenergy Facility, LLC

U.S. Bankruptcy Court for the Southern District of California

Case No.: 23-01467-CL11

10. CLOSED SESSION REPORT

11. ADJOURNMENT

PLEASE NOTE:

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (951) 354-4220. Notification at least 48 hours prior to the meeting will enable staff to make reasonable arrangements to ensure accessibility to this meeting.

Materials related to an item on this agenda submitted to the Committee after distribution of the agenda packet are available for public inspection during normal business hours at the SAWPA office, 11615 Sterling Avenue, Riverside, and available at www.sawpa.org, subject to staff's ability to post documents prior to the meeting.

Declaration of Posting

I, Sara Villa, Clerk of the Board of the Santa Ana Watershed Project Authority declare that on May 30, 2024, a copy of this agenda has been uploaded to the SAWPA website at www.sawpa.gov and posted at SAWPA's office, 11615 Sterling Avenue, Riverside, California.

2024 Project Agreement 24 Committee Regular Meetings

Inland Empire Brine Line
 First Tuesday of Every Month

(Note: All meetings begin at 10:00 a.m., or immediately following the 9:30 a.m. SAWPA Commission meeting, whichever is earlier, unless otherwise noticed, and are held at SAWPA.)

January 1/2/24 Regular Committee Meeting [cancelled]	February 2/6/24 Regular Committee Meeting
March 3/5/24 Regular Committee Meeting	April 4/2/24 Regular Committee Meeting
May 5/7/24 Regular Committee Meeting [cancelled] 5/14/24 Special Committee Meeting	June 6/4/24 Regular Committee Meeting
July 7/2/24 Regular Committee Meeting	August 8/6/24 Regular Committee Meeting
September 9/3/24 Regular Committee Meeting	October 10/1/24 Regular Committee Meeting
November 11/5/24 Regular Committee Meeting	December 12/3/24 Regular Committee Meeting

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PROJECT AGREEMENT 24 COMMITTEE
Inland Empire Brine Line
SPECIAL MEETING MINUTES
May 14, 2024

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
David Slawson, Alternate, Eastern Municipal Water District Governing Board
Jasmin Hall, Inland Empire Utilities Agency Governing Board

COMMITTEE MEMBERS ABSENT

Joe Mouawad, Eastern Municipal Water District General Manager

ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]

Gil Botello, San Bernardino Valley Municipal Water District Governing Board

STAFF PRESENT

Jeff Mosher, Karen Williams, David Ruhl, Dean Unger, John Leete, Sara Villa, Shavonne Turner, Zyanya Ramirez

OTHERS PRESENT

Andrew D. Turner, Lagerlof, LLP; Ken Tam, Inland Empire Utilities Agency; Bruce Whitaker, Orange County Water District; Derek Kawaii, Western Municipal Water District; Leo Ferrando, San Bernardino Valley Municipal Water District; Dawn Coulson; Epps & Coulson, LLP

1. CALL TO ORDER | PLEDGE OF ALLEGIANCE

The Special Meeting of the PA 24 Committee was called to order at 10:02 a.m. by Chair T. Milford Harrison on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

2. ROLL CALL

3. PUBLIC COMMENTS

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

4. ITEMS TO BE ADDED OR DELETED

There were no added or deleted items.

5. CONSENT CALENDAR

A. APPROVAL OF MEETING MINUTES: APRIL 2, 2024

Recommendation: Approve as posted.

MOVED, to approve the Consent Calendar as posted.

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

6. COMMITTEE DISCUSSION/ACTION ITEMS

A. INLAND EMPIRE BRINE LINE RATE RESOLUTION (PA24#2024.10)

David Ruhl provided a presentation titled Inland Empire Brine Line Rate Resolution 2024-5, contained in the agenda packet on pages 19-32. The proposed Fiscal Year 2024-25 Brine Line Rates for flow, BOD, TSS, fixed pipe, and fixed treatment are shown in Table below. The proposed rates have been calculated using the financial model prepared in 2018 and are based on the approved two-year budget (FY 2023-24 and FY 2024-25). 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 2023-24 (Current) Rates and FY 2024-25 (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 2023-24	\$1,073	\$394	\$494	\$6,654	\$13,505
Proposed FY 2024-25	\$1,097	\$396	\$497	\$6,654	\$13,505

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

The Brine Line rates include the cost that Orange County Sanitation District (OC San) charges SAWPA to treat and dispose of brine, which includes a Flow, BOD and TSS charge. The OC San Flow charge (\$294/MG) is included as part of the total SAWPA Brine Line Flow rate (\$1,097/MG). The OC San BOD and TSS charges are considered “pass-through” costs. Hence, SAWPA’s rate for BOD and TSS match the OC San BOD and TSS charge.

In April 2024, SAWPA received the proposed Brine Line rates from OC San (Flow, BOD, TSS) that include a 0.5% increase in their charges from last fiscal year. Due to the minor increase in the rates from OC San, SAWPA can maintain the proposed rate increase of 2.25% 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 and TSS will increase 0.5%.

The fixed charges (pipeline treatment and disposal) are expected to remain the same. These planned rates will be evaluated during the development of the next two-year budget beginning in late 2024. The truck disposal rates will continue to be based on two (2) tiers: the Brine Tier and a Non-Brine Tier. These charges will increase 2.5% from FY 2023-24. The Capacity Lease rates and proposed permit fees for FY 2024-25 will remain unchanged from the rates from FY 2023-24. There was no discussion.

Mr. Ruhl noted if approved today, these rates and resolution will be taken for Commission approval on May 21. There was no discussion.

MOVED, to recommend approval by the SAWPA Commission of Resolution No. 2024-5 establishing the Fiscal Year 2024-25 Inland Empire Brine Line Rates.

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

B. AGUA MANSA LATERAL PROJECT – NOTICE OF COMPLETION (PA24#2024.11)

David Ruhl provided a presentation titled Inland Empire Brine Line Agua Mansa Lateral, contained in the agenda packet on pages 37-45. In August 2024, the PA 24 Committee awarded a construction contract to Genesis Construction in the amount of \$2,207,290. The work commenced in September 2023 and was completed on April 30, 2024. The bid amount was \$2,207,290 and three change orders were issued totaling the final contract amount to \$2,266,170.94. The change orders were issued to the Contractor for additional work and time to complete the work. The additional work was due to unknown and unmarked utilities, additional potholing, and adjustment to the pipeline alignment to avoid utility conflicts. The original contract amount increased by 2.7% due to the additional work. It is requested that the PA 24 Committee approve the issuance of a Notice of Completion to be filed with the San Bernardino County Clerk upon receipt of documents required by the Contract Documents. There was no discussion.

MOVED, to authorize the General Manager to accept the Genesis Construction work on the Agua Mansa Lateral Project as complete and direct staff to file a Notice of Completion with the San Bernardino County Clerk upon the following:

1. Contractor has delivered all documents required by the Contract Documents; and
2. Notice from Engineer accepting the work; and
3. Receipt of Final Application for Payment from the Contractor; and
4. Notice from the Construction Manager recommending final payment.

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

7. INFORMATIONAL REPORTS

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

A. BRINE LINE FINANCIAL REPORT – FEBRUARY 2024

B. GENERAL MANAGER REPORT

Jeff Mosher commended David Ruhl and staff on the completion of the Agua Mansa Lateral Project. The Brine Line Master Plan is underway, and a draft report is forthcoming to the PA 24 Committee.

C. COMMITTEE MEMBERS COMMENTS

Committee Member Hall commended staff for all the ongoing efforts.

D. CHAIR’S COMMENTS/REPORT

Chair Harrison expressed his compliments to Genesis Construction for the completion of the Agua Mansa Lateral Project.

8. COMMITTEE MEMBER REQUESTS FOR FUTURE AGENDA ITEMS

There were no requests for future Agenda items.

Chair Harrison recessed the meeting at 10:33 a.m. for Closed Session.

9. CLOSED SESSION

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d)(1)

In Re Rialto Bioenergy Facility, LLC

U.S. Bankruptcy Court for the Southern District of California

Case No.: 23-01467-CL11

10. CLOSED SESSION REPORT

Chair Harrison resumed Open Session at 10:50 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. 9.A.

11. ADJOURNMENT

There being no further business for review, Committee Chair T. Milford Harrison adjourned the Special meeting at 10:51 a.m.

Approved at a Regular Meeting of the Project Agreement 24 Committee on June 4, 2024.

T. Milford Harrison, Chair

Attest:

Sara Villa, Clerk of the Board

PA 24 COMMITTEE MEMORANDUM NO. 2024.12

DATE: June 4, 2024

TO: Project Agreement 24 Committee
(Inland Empire Brine Line)

SUBJECT: Inland Empire Brine Line Service Contracts and SSMP Audit

PREPARED BY: Daniel Vasquez, Operations Manager

RECOMMENDATION

That the Project Agreement 24 Committee authorize the General Manager to:

1. Issue a General Services Agreement and Task Order INN240-07 to Innerline Engineering for On-Call CCTV for a period of two (2) years for the amount not-to-exceed \$102,530.00; and
2. Issue Task Order INN240-06 to Innerline Engineering for Pipeline Cleaning Services for a period of two (2) years for an amount not-to-exceed \$316,700.00.

BACKGROUND

In March 2024, the Project Agreement 24 Committee (PA 24) authorized staff to issue a Request for Proposals (RFP) for the following Inland Empire Brine Line Service contracts:

1. *Brine Line Flow Meter Calibration Services:* Regularly scheduled meter maintenance required by Sewer System Management Plan (SSMP).
2. *On-Call Line Cleaning Services:* Pipeline cleaning services including costs for water trucks and traffic control.
3. *On-Call CCTV Services:* Video assessment and rating of Brine Line material conditions.
4. *Brine Line SSMP 2024 Audit –* Data review and assessment for compliance with State requirements.

The on-call services are only compensated for work performed. Proposals have been received and a summary including amounts is provided below.

RFP PROPOSAL EVALUATIONS

Service Contract	Vendor	Cost	Evaluation Score Total
Brine Line Flow Meter Calibration Services	Golden Meter Service Inc.	\$10,950	15.4
	PE Instruments	\$19,950	18.3
On-Call Line Cleaning Services	Performance Pipe	\$429,640	11.8
	Innerline	\$ 316,700	12.0
On-Call CCTV Services	Performance Pipe	\$185,250	15.9
	Innerline	\$102,530	18.0
Brine Line SSMP 2024 Audit	Atkins	\$92,920.00	16.2
	Dudek	\$28,220	19.2

Proposals were reviewed and scored by SAWPA staff, and the determination of award was based on cost, qualifications, technological approach, and completeness of proposal.

DISCUSSION

Brine Line Flow Meter Calibration Services

Two (2) proposals were received for Brine Line Flow Meter Calibration Services from Golden Meter Services and PE Instruments. PE Instruments was selected based on proposal score. The Cost Proposal provided by PE Instruments is for a total of \$19,950 and is within the General Manager's expenditure authority.

On-Call Line Cleaning Services and On-Call CCTV Services

Both the On-Call Line Cleaning RFP and On-Call CCTV Services RFP received two (2) qualified proposals. Innerline Engineering was selected for award for both based on the score evaluation performed by staff.

Approval of the Task Orders for On-Call Line Cleaning Services and On-Call CCTV Services requires authorization from the PA 24 Committee since they each exceed the General Manager's expenditure authority. Both of these service contracts are for 2-years (July 1, 2024 through June 30, 2026) and provide an option to renew the associated contract for an additional year.

Brine Line SSMP 2024 Audit

Two (2) proposals were received for Brine Line SSMP 2024 Audit RFP. Staff reviewed and evaluated each proposal and have selected Dudek to perform the 2024 audit. The Cost Proposal provided by Dudek is for a total of \$28,220 and is within the GM's expenditure authority.

RESOURCE IMPACTS

Funds for the Brine Line Service Contracts are included in FY 2024-25 Brine Line budget for Fund 240 (Brine Line Enterprise).

Attachments:

1. PowerPoint Presentation
2. GSA and Task Order INN240-07 for On-Call CCTV for Innerline Engineering
3. Task Order INN240-06 for Pipeline Cleaning Services for Innerline Engineering



Brine Line Service Contracts and SSMP 2024 Audit

PA 24 Committee
Agenda Item No. 6.A
Daniel Vasquez
Manager of Operations
June 4, 2024

Recommendation

That the Project Agreement 24 Committee authorize the General Manager to:

1. Issue a General Service Agreement and Task Order INN240-07 to Innerline Engineering for On-Call CCTV for a period of two (2) years for the amount not-to-exceed \$102,530.00; and
2. Issue Task Order INN240-06 to Innerline Engineering for Pipeline Cleaning Services for a period of two (2) years for an amount not-to-exceed \$316,700.00

Request for Proposals

1. On-Call CCTV Services: Video assessment and rating of Brine Line material conditions.
2. On -Call Line Cleaning Services: Pipeline cleaning services including costs for water trucks and traffic control.
3. Brine Line Flow Meter Calibration Services: Regularly scheduled meter maintenance required by Sewer System Management Plan (SSMP).
4. SSMP 2024 Audit: Data review and assessment for compliance with State requirements

RFP Proposal Evaluations

Service Contract	Vendor	Cost	Evaluation Score Total
Brine Line Flow Meter Calibration Services	Golden Meter Service Inc.	\$10,950	15.4
	PE Instruments	\$19,950	18.3
On-Call Line Cleaning Services	Performance Pipe	\$429,640	11.8
	Innerline	\$ 316,700	12.0
On-Call CCTV Services	Performance Pipe	\$185,250	15.9
	Innerline	\$102,530	18.0
Brine Line SSMP 2024 Audit	Atkins	\$92,920.00	16.2
	Dudek	\$28,220	19.2

Brine Line Flow Meter Calibration Services

- Two Proposals Received
- PE Instruments chosen for award based on proposal score
- Task order amount is \$19,950 and within General Manager's expenditure authority

On-Call Line Cleaning

- Two Proposals Received
- Innerline Engineering scored highest on evaluation and recommended for award.
- Task Order amount is for \$316,700. This amount exceeds the General Manager's expenditure authority and requires PA 24 approval
- Task Order is for a period of two years with an option to renew for an additional year

On-Call CCTV Services

- Two Proposals Received
- Innerline Engineering chosen based on score evaluation and is recommended for award.
- Task Order amount is for \$102,530. This amount exceeds the General Manager's expenditure authority and requires PA 24 approval
- Task Order is for a period of two years with an option to renew for an additional year

Brine Line SSMP 2024 Audit

- Two Proposals Received
- Dudek chosen based on score evaluation
- Task Order amount is for \$28,220 and is within the General Manager's expenditure authority

Summary

Service Contract	Vendor	Cost	Proposed Action
Brine Line Flow Meter Calibration Services	PE Instruments	\$19,950	New Task Order
On-Call Line Cleaning Services	Innerline	\$ 316,700	New Task Order
On-Call CCTV Services	Innerline	\$102,530	New Task Order
Brine Line SSMP 2024 Audit	Dudek	\$28,220	New Task Order

Recommendation

That the Project Agreement 24 Committee authorize the General Manager to:

1. Issue a General Service Agreement and Task Order INN240-07 to Innerline Engineering for On-Call CCTV for a period of two (2) years for the amount not-to-exceed \$102,530.00
2. Issue Task Order INN240-06 to Innerline Engineering for Pipeline Cleaning Services for a period of two (2) years for an amount not-to-exceed \$316,700.00

Questions?

Daniel Vasquez

Santa Ana Watershed Project Authority
Office (951) 354-4220 | Cell (951) 941-7611
emailaddress@sawpa.org
sawpa.gov



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SANTA ANA WATERSHED PROJECT AUTHORITY
GENERAL SERVICES AGREEMENT FOR SERVICE BY CONTRACTOR

This Agreement is made this **4th day of June, 2024** by and between the Santa Ana Watershed Project Authority ("SAWPA") located at 11615 Sterling Avenue, Riverside, CA 92503 and Innerline Engineering ("Contractor") whose address is 1663 Commerce Street, Corona, CA 92878.

RECITALS

This Agreement is entered into on the basis of the following facts, understandings, and intentions of the parties to this Agreement:

- SAWPA desires to engage the services of Contractor to perform such services as may be assigned, from time to time, by SAWPA in writing;
- Contractor agrees to provide such services pursuant to, and in accordance with, the terms and conditions of this Agreement and has represented and warrants to SAWPA that Contractor possesses the necessary skills, qualifications, personnel, and equipment to provide such services; and
- The services to be performed by Contractor shall be specifically described in one or more written Task Orders issued by SAWPA to Contractor pursuant to this Agreement.

AGREEMENT

Now, therefore, in consideration of the foregoing Recitals and mutual covenants contained herein, SAWPA and Contractor agree to the following:

ARTICLE I

TERM OF AGREEMENT

1.01 This agreement shall become effective on the date first above written and shall continue until **December 31, 2027**, unless extended or sooner terminated as provided for herein.

ARTICLE II

SERVICES TO BE PERFORMED

2.01 Contractor agrees to provide such services as may be assigned, from time to time, in writing by the Commission and the General Manager of SAWPA. Each assignment shall be made in the form of a written Task Order. Each such Task Order shall include, but shall not be limited to, a description of the nature and scope of the services to be performed by Contractor, the amount of compensation to be paid, the expected time of completion and, if applicable, the requirements for a payment bond and/or performance bond.

2.02 Contractor may at Contractor's sole cost and expense, employ such competent and qualified independent professional associates, subcontractors, and other contractors as the Contractor deems necessary to perform each assignment; provided that Contractor shall not subcontract any work to be performed without the prior written consent of SAWPA.

ARTICLE III

COMPENSATION

3.01 In consideration for the services to be performed by Contractor, SAWPA agrees to pay Contractor as provided for in each Task Order.

3.02 Each Task Order shall specify a total not-to-exceed sum of money and shall be based upon the regular hourly rates customarily charged by Contractor to its clients.

3.03 Contractor shall not be compensated for any services rendered in excess of those authorized in any Task Order unless approved in advance by the Commission and General Manager of SAWPA, in writing.

3.04 Unless otherwise provided for in any Task Order issued pursuant to this Agreement, payment of compensation earned shall be made in monthly installments after receipt from Contractor of a timely, detailed, corrected, written invoice by SAWPA's Project Manager, describing, without limitation, the services performed, when such services were performed, the time spent performing such services, the hourly rate charged therefore, and the identity of individuals performing such services for the benefit of SAWPA. Upon approval by an authorized SAWPA employee, SAWPA will pay within 30 days after receipt of a valid invoice from Contractor.

ARTICLE IV

CONTRACTOR OBLIGATIONS

4.01 Contractor agrees to perform all assigned services in accordance with the terms and conditions of this Agreement including those specified in each Task Order. Contractor shall also obtain and pay for any permits required for the services it performs under this Agreement and any related Task Order, unless indicated in writing by SAWPA. Contractor represents and warrants that it now possesses, and at all times during performance of the work will possess, a Class __ contractor's license, which Contractor warrants is the classification of contractor's license required by law to enable the Contractor to perform the work contemplated under this Agreement. Contractor further represents and warrants that it now possesses California License No. _____, expiration date of _____, 20__, and is registered as a public works contractor with the Department of Industrial Relations.

4.02 Except as otherwise provided for in each Task Order, Contractor will supply all personnel and equipment required to perform the assigned services. The Contractor shall supervise and direct the work to be completed hereunder competently and efficiently, devoting such attention thereto and applying such skills and expertise as may be necessary to perform the work in accordance with this Agreement. The Contractor shall be solely responsible for the means, methods, techniques, sequences and procedures in completing its work.

4.03 Contractor shall be solely responsible for the health and safety of its employees, agents and subcontractors in performing the services assigned by SAWPA. In the performance of this Agreement and all Task Orders hereunder, the Contractor shall comply with all applicable federal, state and local statutory and regulatory requirements including, but not limited to California Department of Industrial Relations (Cal/OSHA) regulations; and the U.S. Department of Transportation Omnibus Transportation Employee Testing Act, related to their scope of work and operations. In case of conflict in regulations, the most stringent shall apply. Contractor assumes complete responsibility and liability for the conditions of the job site and safety of its employees, agents and subcontractors, and shall indemnify and hold harmless SAWPA from any claims, damages, fines, penalties, attorney's fees and costs arising from any injuries, damages or claims relating to this Agreement and all Task Orders performed hereunder. Safety precautions as applicable shall include, but not be limited to, adequate life protection and life saving equipment; adequate illumination for underground and night operations; instructions in accident prevention for all employees such as machinery guards, safe walkways, scaffolds, ladders, bridges, gang planks, confined space procedures, trenching and shoring, and other safety devices, equipment and wearing apparel as are necessary or lawfully required to prevent accident or injuries; and adequate facilities for the proper inspection and maintenance of all safety measures. The names and telephone numbers of at least two medical doctors practicing in the vicinity and the telephone number of the local ambulance service shall be prominently displayed adjacent to telephones.

4.04 Contractor shall procure and maintain for the duration of this Agreement and all Task Orders issued hereunder insurance against claims for injuries or death to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Contractor, his agents, representatives, employees or subcontractors.

4.04(a) **Coverage** - Coverage shall be at least as broad as the following:

1. **Commercial General Liability (CGL)** - Insurance Services Office (ISO) Commercial General Liability Coverage (Occurrence Form CG 00 01) including products and completed operations, property damage, bodily injury, personal and advertising injury with limit of at least two million dollars

(\$2,000,000) per occurrence or the full per occurrence limits of the policies available, whichever is greater. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (coverage as broad as the ISO CG 25 03, or ISO CG 25 04 endorsement provided to SAWPA) or the general aggregate limit shall be twice the required occurrence limit.

2. **Automobile Liability** - Insurance Services Office (ISO) Business Auto Coverage (Form CA 00 01), covering Symbol 1 (any auto) or if Contractor has no owned autos, Symbol 8 (hired) and 9 (non-owned) with limit of one million dollars (\$1,000,000) for bodily injury and property damage each accident.
3. **Workers' Compensation Insurance** - as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.
4. **Builders Risk (Course of Construction) Insurance** - covering all risks of loss for the completed value of the project with no co-insurance penalty provisions. SAWPA shall be named as a loss payee.
5. **Contractor's Pollution Liability Insurance** to provide coverage for bodily injury, property damage, defense, cleanup, and related defense costs as a result of pollution conditions (sudden/accidental or gradual) arising from operations performed by or on behalf of the Contractor. Such insurance shall have limits of no less than \$2,000,000 per occurrence and \$5,000,000 aggregate.

4.04(b) Waiver of Subrogation: The insurer(s) named above agree to waive all rights of subrogation against SAWPA, its elected or appointed officers, officials, agents, authorized volunteers and employees for losses paid under the terms of this policy which arise from work performed by the Named Insured for SAWPA; but this provision applies regardless of whether or not SAWPA has received a waiver of subrogation from the insurer.

4.04(c) If the Contractor maintains broader coverage and/or higher limits than the minimums shown above, SAWPA requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to SAWPA.

4.04(d) Other Required Provisions - The general liability policy must contain, or be endorsed to contain, the following provisions:

1. **Additional Insured Status:** SAWPA, its directors, officers, employees, and authorized volunteers are to be given insured status (at least as broad as ISO Form CG 20 10 10 01), with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts, or equipment furnished in connection with such work or operations.
2. **Primary Coverage:** For any claims related to this project, the Contractor's insurance coverage shall be primary at least as broad as ISO CG 20 01 04 13 as respects to SAWPA, its directors, officers, employees and authorized volunteers. Any insurance or self-insurance maintained by SAWPA, its directors, officers, employees and authorized volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.

4.04(e) Notice of Cancellation: Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to SAWPA.

4.04(f) Self-Insured Retentions - Self-insured retentions must be declared to and approved by SAWPA. SAWPA may require the Contractor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or SAWPA.

4.04(g) Acceptability of Insurers - Insurance is to be placed with insurers having a current A.M. Best rating of no less than A: VII or as otherwise approved by SAWPA.

4.04(h) Verification of Coverage – Contractor shall furnish SAWPA with certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by SAWPA before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. SAWPA reserves the right to require complete, certified copies of all required insurance policies, including policy Declaration pages and Endorsement pages.

4.04(i) Subcontractors - Contractor shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Contractor shall ensure that SAWPA, its directors, officers, employees and authorized are additional insureds on Commercial General Liability Coverage.

4.05 Contractor hereby covenants and agrees that SAWPA, its officers, employees, and agents shall not be liable for any claims, liabilities, penalties, fines or any damage to property, whether real or personal, nor for any personal injury or death caused by, or resulting from, or claimed to have been caused by or resulting from, any negligence, recklessness or willful misconduct of Contractor. To the extent permitted by law, Contractor shall hold harmless, defend at its own expense, and indemnify SAWPA, its directors, officers, employees, and authorized volunteers, against any and all liability, claims, losses, damages, or expenses, including reasonable attorney's fees and costs, arising from all acts or omissions of Contractor or its officers, agents, or employees in rendering services under this Agreement and all Task Orders issued hereunder; excluding, however, such liability, claims, losses, damages or expenses arising from SAWPA's sole negligence or willful acts.

4.06 In the event that SAWPA requests that specific employees or agents of Contractor supervise or otherwise perform the services specified in each Task Order, Contractor shall ensure that such individual(s) shall be appointed and assigned the responsibility of performing the services.

4.07 In the event Contractor is required to prepare plans, drawings, specifications and/or estimates, the same shall be furnished with a registered professional engineer's number and shall conform to local, State and Federal laws, rules and regulations. Contractor shall obtain all necessary permits and approvals in connection with this Agreement, any Task Order or Change Order. However, in the event SAWPA is required to obtain such an approval or permit from another governmental entity, Contractor shall provide all necessary supporting documents to be filed with such entity, and shall facilitate the acquisition of such approval or permit.

4.08 Contractor shall comply with all local, State and Federal laws, rules and regulations including those regarding nondiscrimination and the payment of prevailing wages. In accordance with Labor Code Section 1775, the Contractor shall forfeit as a penalty to SAWPA such amount as the Labor Commissioner shall determine for each calendar day or portion thereof for each worker paid less than the stipulated prevailing rates for such work or craft in which such worker is employed for any work done under the Agreement by them or by any subcontractor under them in violation of the provisions of the Labor Code and, in particular, Labor Code Sections 1770 to 1780, inclusive. In addition to said penalty and pursuant to said Section 1775, the difference between such stipulated prevailing wage rates and the amount paid to each worker for each calendar day or portion thereof for which each worker was paid less than the stipulated prevailing wage rate shall be paid to each worker by the Contractor.

4.09 Contractor shall maintain an accurate payroll record showing the name, address, Social Security Number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each employee in accordance with Labor Code Section 1776, and to ensure that each subcontractor also complies with all provisions of Labor Code Section 1776 and this requirement. Contractor shall furnish a copy of all payroll records, upon request, to employees or their authorized agents, to SAWPA, to the Division of Labor Standards Enforcement, and to the Division of Apprenticeship Standards of the Department of Industrial Relations. The Contractor shall also furnish a copy of payroll records to the general public upon request, provided the public request is made through SAWPA, the Division of Apprenticeship Standards, or the Division of Labor Standards Enforcement of the Department

of Industrial Relations. Failure of the Contractor to comply with any provision of this article or Labor Code Section 1776 within ten days of the date a written request for compliance is received shall result in a forfeiture of the maximum statutory amount per calendar day or portion thereof, for each worker, until strict compliance is obtained.

4.10 The Contractor shall and hereby does guarantee its work hereunder against defects in workmanship or materials for a period of one year after SAWPA's acceptance of the work. The Contractor shall repair or remove and replace any and all such work, together with any other work which may be displaced in so doing, that is found to be defective in workmanship and/or materials, ordinary wear and tear and unusual abuse or neglect excepted, within said one year period, without expense whatsoever to SAWPA. In the event of a failure to comply with the above-mentioned conditions within five (5) days after being notified in writing, SAWPA is hereby authorized to proceed to have the defects remedied and made good at the Contractor's expense. The Contractor agrees to pay all such expenses immediately on demand therefore by SAWPA. Such action by SAWPA will not relieve the Contractor of the guarantees required by this paragraph. Any Performance Bond and Payment Bond in place shall continue in full force and effect for the guarantee period.

4.11 Upon completion of its work, Contractor shall notify SAWPA, which shall inspect the Work and, if, in its sole discretion, it is satisfied with the work, accept the work in writing. Upon completion of the work, the Contractor shall clean the grounds occupied in connection with the work of all rubbish, excess materials and equipment, and all parts of the Work and grounds occupied shall be left in a neat and presentable condition. In the event the Contractor fails to clean up as specified herein, clean up may be performed by SAWPA at the Contractor's expense.

ARTICLE V **SAWPA OBLIGATIONS**

5.01 SAWPA shall:

5.01a Furnish all existing studies, reports and other available data pertinent to each Task Order that are in SAWPA's possession;

5.01b Designate a person to act as liaison between Contractor and the General Manager and Commission of SAWPA.

ARTICLE VI **ADDITIONAL SERVICES, CHANGES AND DELETIONS**

6.01 During the term of this Agreement, the Commission of SAWPA may, from time to time and without affecting the validity of this Agreement or any Task Order issued pursuant thereto, order changes, deletions, and additional services by the issuance of written Change Orders authorized and approved by the Commission of SAWPA.

6.02 In the event Contractor performs additional or different services than those described in any Task Order or authorized Change Order without the prior written approval of the Commission of SAWPA, Contractor shall not be compensated for such services.

6.03 Contractor shall promptly advise SAWPA as soon as reasonably practicable upon gaining knowledge of a condition, event, or accumulation of events, which may affect the scope and/or cost of services to be provided pursuant to this Agreement. All proposed changes, modifications, deletions, and/or requests for additional services shall be reduced to writing for review and approval or rejection by the Commission of SAWPA.

6.04 In the event that SAWPA orders services deleted or reduced, compensation shall be deleted or reduced by a comparable amount as determined by SAWPA and Contractor shall only be compensated for services actually performed. In the event additional services are properly authorized, payment for the same shall be made as provided in Article III above.

ARTICLE VII
TERMINATION OF AGREEMENT

7.01 In the event the time specified for completion of an assigned task in a Task Order exceeds the term of this Agreement, the term of this Agreement shall be automatically extended for such additional time as is necessary to complete such Task Order and thereupon this Agreement shall automatically terminate without further notice.

7.02 Notwithstanding any other provision of this Agreement, SAWPA, at its sole option, may terminate this Agreement at any time by giving 10 day written notice to Contractor, whether or not a Task Order has been issued to Contractor.

7.03 In the event of termination, the payment of monies due Contractor for work performed prior to the effective date of such termination shall be paid after receipt of an invoice as provided in this Agreement.

7.04 In addition to termination under Section 7.02, if the Contractor refuses or fails to prosecute all or any part of the work hereunder with such diligence as will ensure its completion within the time specified in the applicable Task Order, or any extension thereof, or fails to complete such work within such time, or if the Contractor is adjudged a bankrupt, or makes a general assignment for the benefit of its creditors, or if a receiver is appointed on account of its insolvency, or if the Contractor or any of its subcontractors violate any of the provisions of the Agreement, or refuse or fail to supply enough properly skilled workers or proper materials to complete the work in the time specified, as adjusted by any time extensions granted, or the Contractor fails to make prompt payment to subcontractors or for material or labor, or if the Contractor disregards any laws or ordinances, or instructions given by SAWPA, SAWPA may, without prejudice to any other right or remedy, serve written notice upon the Contractor and its surety, if applicable, of its intention to terminate the Agreement. Such notice by SAWPA shall set forth the reasons for the intended termination of the Agreement, and unless within five (5) days after the service of such notice such violations shall cease and satisfactory arrangements for the corrections thereof be made, the Agreement shall upon the expiration of said five (5) days cease and terminate. In such case, the Contractor shall not be entitled to receive any further payment until the work is finished. Upon termination as provided above, SAWPA shall immediately give written notice to the surety, if applicable, and the Contractor, and the surety, if applicable, shall have the right to take over and perform the Agreement; provided, however, that if the surety within five (5) days after receipt of a notice of termination does not notify SAWPA in writing of its intention to take over and perform the Agreement, or does not commence performance of the work within fourteen (14) days from the date of serving said notice, SAWPA may take over the work and prosecute the same to completion by contract or by any other method it may deem advisable for the account and at the expense of the Contractor, and, if applicable, the Contractor's surety shall be liable to SAWPA for any excess cost or other damage SAWPA incurs. For any portion of such work that SAWPA elects to complete by furnishing its own employees, materials, tools, and equipment, SAWPA shall be compensated in accordance with the usual hourly salaries paid to such employees who perform the required work.

ARTICLE VIII
CONTRACTOR STATUS

8.01 Contractor shall perform the services assigned by SAWPA in Contractor's own way as an independent contractor, in pursuit of Contractor's independent calling and not as an employee of SAWPA. Contractor shall be under the control of SAWPA only as to the result to be accomplished and the personnel assigned to perform services. However, Contractor shall regularly confer with SAWPA's liaison, General Manager, and Commission as provided for in this Agreement.

8.02 Contractor hereby specifically represents and warrants to SAWPA that the services to be rendered pursuant to this Agreement shall be performed in accordance with the standards customarily applicable to an experienced and competent contractor rendering the same or similar services. Furthermore, Contractor represents and warrants that the individual signing this Agreement on behalf of Contractor has the full authority to bind Contractor to this Agreement.

ARTICLE IX
AUDIT AND OWNERSHIP OF DOCUMENTS

9.01 All draft and final reports, plans, drawings, specifications, data, notes, and all other documents of any kind or nature prepared or developed by Contractor in connection with the performance of services assigned to it by SAWPA are the sole property of SAWPA, and Contractor shall promptly deliver all such materials to SAWPA. Contractor may retain copies of the original documents, at its option and expense. Use of such documents by SAWPA for project(s) not the subject of this Agreement shall be at SAWPA's sole risk without legal liability or exposure to Contractor.

9.02 Contractor shall retain and maintain, for a period not less than four years following termination of this Agreement, all time records, accounting records, certified payroll, and vouchers and all other records with respect to all matters concerning services performed, compensation paid and expenses reimbursed. At any time during normal business hours and as often as SAWPA may deem necessary, Contractor shall make available to SAWPA's agents for examination of all such records and will permit SAWPA's agents to audit, examine and reproduce such records.

ARTICLE X
MISCELLANEOUS PROVISIONS

10.01 This Agreement supersedes any and all previous agreements, either oral or written, between the parties hereto with respect to the rendering of services by Contractor for SAWPA and contains all of the covenants and agreements between the parties with respect to the rendering of such services in any manner whatsoever. Any modification of this Agreement will be effective only if it is in writing signed by both parties.

10.02 Contractor shall not assign or otherwise transfer any rights or interest in this Agreement without the prior written consent of SAWPA. Unless specifically stated to the contrary in any written consent to an assignment, no assignment will release or discharge the assignor from any duty or responsibility under this Agreement.

10.03 In the event Contractor is an individual person and dies prior to completion of this Agreement or any Task Order issued hereunder, any monies earned that may be due Contractor from SAWPA as of the date of death will be paid to Contractor's estate.

10.04 Time is of the essence in the performance of services required hereunder. The Contractor agrees to be bound by the schedule presented as part of this Task Order. Extensions of time within which to perform services may be granted by SAWPA if requested by Contractor and agreed to in writing by SAWPA. All such requests must be documented and substantiated and will only be granted as the result of unforeseeable and unavoidable delays not caused by the lack of foresight on the part of Contractor. Excusable delays (those beyond Contractor's control) shall not entitle the Contractor to any additional compensation. The Contractor's sole remedy shall be to request an extension of time.

10.05 SAWPA expects that Contractor will devote sufficient time, energy, interest, abilities and productive time to the performance of its duties and obligations under this Agreement, and shall not engage in any other activities or projects that would unreasonably interfere with the performance of Contractor's duties under this Agreement or create any conflicts of interest. If required by law, Contractor shall file a Conflict of Interest Statement with SAWPA.

10.06 Any dispute which may arise by and between SAWPA and the Contractor, including the Contractor's, its employees, agents and subcontractors, shall be submitted to binding arbitration. Arbitration shall be conducted by a neutral, impartial arbitration service upon which the parties shall mutually agree, in accordance with its rules and procedures. The arbitrator must decide each and every dispute in accordance with the laws of the State of California, and all other applicable laws. Unless the parties stipulate to the contrary prior to the appointment of the arbitrator, all disputes shall first be submitted to non-binding mediation conducted by a neutral, impartial mediation service upon which the parties mutually agree, in

accordance with its rules and procedures. However, Contractor shall continue to perform as required by the Agreement during any dispute between SAWPA and Contractor.

10.07 During the performance of the Agreement, Contractor and its subcontractors shall not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, race, color, gender, gender identity, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), pregnancy, veterans status, age (over 40), marital status and denial of family care leave. Contractor and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12290 et seq.) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 et seq., set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Contractor shall include the non-discrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

10.8 Contractor's employees, agents and subcontractors shall adhere to, and comply with, the California Drug Free Workplace Act at Government Code, Sections 8350 through 8357.

10.9 This contract may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts shall together constitute one and the same Contract. The parties shall be entitled to sign and transmit an electronic signature of this Contract (whether by facsimile, PDF or other email transmission), which signature shall be binding on the party whose name is contained therein. Each party providing an electronic signature agrees to promptly execute and deliver to the other party an original signed Contract upon request.

In witness whereof, the parties hereby have made and executed this Agreement as of the day and year first above-written.

SANTA ANA WATERSHED PROJECT AUTHORITY

Jeffrey J. Mosher, General Manager Date

INNERLINE ENGINEERING

(Signature) Date Typed/Printed Name



**SANTA ANA WATERSHED PROJECT AUTHORITY
TASK ORDER NO. INN240-07**

CONTRACTOR: Innerline Engineering
1663 Commerce Street
Corona, CA 92878

VENDOR NO.: 1450

COST: \$102,530.00

PAYMENT: Upon Receipt of Proper Invoice

REQUESTED BY: Daniel Vasquez, Operations Manager

June 4, 2024

FINANCE: _____
Karen Williams, Deputy GM/CFO Date

FINANCING SOURCE: Acct. Coding: 240-00-60159-00
Acct. Description: Facility Repair and Maintenance

COMMITTEE AUTHORIZATION REQUIRED FOR THIS TASK ORDER: YES (X) NO ()
Authorization: June 4, 2024; PA24#2024.12

This Task Order is issued upon approval and acceptance by the Santa Ana Watershed Project Authority (SAWPA) and Innerline Engineering (Contractor) pursuant to the General Services Agreement between SAWPA and Contractor, entered into on June 4, 2024, expiring December 31, 2027.

I. PROJECT NAME OR DESCRIPTION
On-Call CCTV

II. SCOPE OF WORK / TASKS TO BE PERFORMED
Contractor shall provide all labor, materials, and equipment for services to provide on-call CCTV services for Brine Line inspection needs according to SSMP periodicities as described in the attached proposal.

III. PERFORMANCE TIME FRAME
Contractor shall begin work July 1, 2024 and shall complete performance of such services by **June 30, 2026.**

IV. SAWPA LIAISON
Daniel Vasquez and/or David Ruhl shall serve as liaisons between SAWPA and Contractor.

V. COMPENSATION
For all services rendered by Contractor pursuant to this Task Order, Contractor shall receive a total not-to-exceed sum of **\$102,530.00**. Payment for such services shall be made monthly upon receipt of timely and proper invoices from Contractor, as required by the above-mentioned Agreement. Each such invoice shall be provided to SAWPA by Contractor within 15 days after the end of the month in which the services were performed.

On-Call Pipeline Inspection (CCTV) Services

ATTACHMENT A - COST PROPOSAL FORM
RFP for Brine Line On Call CCTV Inspection Services
SPECIFICATION NO. BRINE LINE ON-CALL CCTV INSPECTION-2024

Due Date and Time for Proposal Submittal: April 8, 2024 at 4:00 p.m. Any omissions, additions, substitutions, conditions or alternates in Offeror's proposal will be considered irregularities and may be cause for rejection of the Offeror's proposal, no matter how insignificant or immaterial such irregularity may be. Proposals must be completed in ink, indelible pencil or by typewriter. Erasures or "strike-outs" must be initialed by the Service Provider.

The undersigned does hereby propose to provide services in accordance with all provisions of the Request for Proposals including, but not limited, the Scope of Work, Exhibits, and references for the following price. Incomplete submittal of requested information as called out in the proposal specification requirements may deem the proposal as non-responsive. The cost proposal shall be submitted as a separate attachment. Submit total Contract amount not to exceed, as follows:

DESCRIPTION	QTY	UNIT	UNIT COST	TOTAL
CCTV Inspection				
Inspection 15-, 16-, and 18-inch sewer	24,000	LF	\$0.85	\$20,400.00
Inspection 24-, and 26-inch sewer	10,000	LF	\$0.90	\$9,000.00
Inspection 27- and 30-inch sewer	30,000	LF	\$0.85	\$25,500.00
Inspection 36- and 39-inch sewer	10,000	LF	\$0.90	\$9,000.00
Inspection 42-inch sewer	35,000	LF	\$0.95	\$33,250.00
Inspection 48-inch sewer	5,000	LF	\$0.95	\$4,750.00
Surcharge for emergency call out (2-hour response)	2	L.S	\$315.00	\$630.00
TOTAL				\$102,530.00

TOTAL (In Words): One hundred two thousand five hundred thirty dollars

On-Call Pipeline Inspection (CCTV) Services

The enclosed proposal includes the following required submittals.

- (1) Cost Proposal Form (Attachment A)
- (2) Non-Collusion Affidavit (Attachment B)
- (3) Acknowledgement of Insurance Requirements (Attachment C)
- (4) Copies of All Addendum Confirmation Form, if applicable.

Innerline Engineering, Inc.
Name of Firm

[Signature]
Signature

04/08/24
Date

11603 Commerce St.
Address

JC Yeh
Authorized Agent (Printed or Typed)

Corona, CA 92880
City, State, Zip Code

Jc.yeh@innerlineengineering.com
E-mail address

800-209-0000
Telephone

-
Fax

790418
California License No.

01/31/2025
Expiration Date



**SANTA ANA WATERSHED PROJECT AUTHORITY
TASK ORDER NO. INN240-06**

CONTRACTOR: Innerline Engineering
1663 Commerce Street
Corona, CA 92878

VENDOR NO.: 1450

COST: \$316,700.00

PAYMENT: Upon Receipt of Proper Invoice

REQUESTED BY: Daniel Vasquez, Operations Manager

June 4, 2024

FINANCE: _____
Karen Williams, Deputy GM/CFO Date

FINANCING SOURCE: Acct. Coding: 240-00-60159-00
Acct. Description: Facility Repair and Maintenance

COMMITTEE AUTHORIZATION REQUIRED FOR THIS TASK ORDER: YES (X) NO ()
Authorization: June 4, 2024; PA24#2024.12

This Task Order is issued upon approval and acceptance by the Santa Ana Watershed Project Authority (SAWPA) and Innerline Engineering (Contractor) pursuant to the General Services Agreement between SAWPA and Contractor, entered into on June 4, 2024, expiring December 31, 2027.

I. PROJECT NAME OR DESCRIPTION
Brine Line Pipeline Cleaning Services

II. SCOPE OF WORK / TASKS TO BE PERFORMED
Contractor shall provide all labor, materials, and equipment for services to provide the Brine Line Pipeline Cleaning Services according to SSMP periodicities as described in the attached proposal.

III. PERFORMANCE TIME FRAME
Contractor shall begin work July 1, 2024 and shall complete performance of such services by **June 30, 2026.**

IV. SAWPA LIAISON
Daniel Vasquez and/or David Ruhl shall serve as liaisons between SAWPA and Contractor.

V. COMPENSATION
For all services rendered by Contractor pursuant to this Task Order, Contractor shall receive a total not-to-exceed sum of **\$316,700.00**. Payment for such services shall be made monthly upon receipt of timely and proper invoices from Contractor, as required by the above-mentioned Agreement. Each such invoice shall be provided to SAWPA by Contractor within 15 days after the end of the month in which the services were performed.

**ATTACHMENT A
COST PROPOSAL FORM**

Due Date and Time for Proposal Submittal: Monday, April 8, 2024 at 4:00 p.m. Any omissions, additions, substitutions, conditions or alternates in Offeror’s proposal will be considered irregularities and may be cause for rejection of the Offeror’s proposal, no matter how insignificant or immaterial such irregularity may be. Proposals must be completed in ink, indelible pencil or by typewriter. Erasures or “strike-outs” must be initialed by the Service Provider.

The undersigned does hereby propose to provide services in accordance with all provisions of the Request for Proposals including, but not limited, the Scope of Work, Exhibits, and references for the following price. The Offeror may elect to provide bids for any of the tasks presented below; OWNER shall consider awarding specific tasks to one or more Offerors. All envelopes shall be clearly marked with the Specification number and envelope content. Submit total Contract amount not to exceed, as follows:

DESCRIPTION	QTY	UNIT	UNIT COST	TOTAL
1. Pipe Cleaning Services (Monday – Saturday) (12:00 am – 11:59 pm)				
a. Furnish all labor, materials, cleaning equipment and incidentals necessary to clean 24-,27-, 36-, 39-, 42- and 48-inch pipelines, laterals, and siphons.	120	Hour	\$320.00	\$38,400.00
b. Furnish all labor, materials, cleaning equipment and incidentals necessary to clean 16-, 18-, 20-, 24-, 36-, 39-, 42-, and 48-inch pipeline, as requested by OWNER within a 2 hour response timeline.	16	Hour	\$370.00	\$5,920.00
c. Furnish all labor, materials, cleaning equipment and incidentals necessary to clean 16-, 18-, and 20-inch pipelines (PVC, Ductile Iron, and HDPE)	160	Hour	\$320.00	\$51,200.00
d. Water Truck with operator (minimum capacity 2,000 gallons)	280	Hour	\$210.00	\$58,800.00
e. CCTV in support of line cleaning operations	160	Hour	\$290.00	\$46,400.00
Total for Pipe Cleaning Services				\$200,720.00

2. Traffic Control (Monday – Saturday) (12:00 am – 11:59 pm)				
a. Traffic Control for locations with light traffic (including cones, light board, signs, barriers, markers, no lane closure); 4 hours total	4	Each	\$750.00	\$3,000.00
b. Traffic Control for locations with heavy traffic (including cones, light board, signs, 2 flagmen, barriers, markers, lane closure); 4 hours total	4	Each	\$2,000.00	\$8,000.00
c. Traffic Control for locations with light traffic (including cones, light board, signs, barriers, markers, no lane closure); 8 hours total	20	Each	\$1,800.00	\$36,000.00
d. Traffic Control for locations with heavy traffic (including cones, light board, signs, 2 flagmen, barriers, markers, lane closure); 8 hours total	4	Each	\$2,800.00	\$11,200.00
e. Obtain Caltrans Encroachment Permit. (Permit fees will be reimbursed by SAWPA based on actual costs.)	2	Each*	\$90.00	\$180.00
Total for Traffic Control				\$58,380.00
GRAND TOTAL				\$259,100.00

*Permit is valid for up to 1 year.

DESCRIPTION	QTY	UNIT	UNIT COST	TOTAL
3. Pipe Cleaning Services (Sundays and Holidays) (12:00 am – 11:59 pm)				
a. Furnish all labor, materials, cleaning equipment and incidentals necessary to clean 24-,27-, 36-, 39-, 42- and 48-inch pipelines, laterals, and siphons.	32	Hour	\$370.00	\$11,840.00
b. Furnish all labor, materials, cleaning equipment and incidentals necessary to clean 16-, 18-, 20-, 24-, 27- 36-, 39-, 42-, and 48-inch pipeline, as requested by OWNER within a 2 hour response timeline.	8	Hour	\$390.00	\$3,120.00
c. Furnish all labor, materials, cleaning equipment and incidentals necessary to clean 16-, 18-, and 20-inch pipelines (PVC, Ductile Iron, and HDPE)	32	Hour	\$370.00	\$11,840.00
d. Water Truck with operator (minimum capacity 2,000 gallons)	32	Hour	\$250.00	\$8,000.00
e. CCTV in support of line cleaning operations	8	Hour	\$315.00	\$2,520.00
Total for Pipe Cleaning Services				\$37,320.00

4. Traffic Control (Sundays and Holidays) (12:00 am – 11:59 pm)				
a. Traffic Control for locations with light traffic (including cones, light board, signs, barriers, markers, no lane closure); 4 hours total	3	Each	\$1,200.00	\$3,600.00
b. Traffic Control for locations with heavy traffic (including cones, light board, signs, 2 flagmen, barriers, markers, lane closure); 4 hours total	2	Each	\$2,250.00	\$4,500.00
c. Traffic Control for locations with light traffic (including cones, light board, signs, barriers, markers, no lane closure); 8 hours total	3	Each	\$2,000.00	\$6,000.00
d. Traffic Control for locations with heavy traffic (including cones, light board, signs, 2 flagmen, barriers, markers, lane closure); 8 hours total	2	Each	\$3,000.00	\$6,000.00
e. Obtain Caltrans Encroachment Permit. (Permit fees will be reimbursed by SAWPA based on actual costs.)	2	Each*	\$90.00	\$180.00
Total for Traffic Control				\$20,280.00
GRAND TOTAL				\$316,700.00

*Permit is valid for up to 1 year.

1. Pipe Cleaning Services (Monday – Saturday) (12:00 am – 11:59 pm)

TOTAL (In Words): Two hundred thousand seven hundred twenty dollars

2. Traffic Control (Monday – Saturday) (12:00 am – 11:59 pm)

TOTAL (In Words): Two hundred fifty-nine thousand one hundred dollars

3. Pipe Cleaning Services (Sundays and Holidays) (12:00 am – 11:59 pm)

TOTAL (In Words): Thirty-seven thousand three hundred twenty dollars

4. Traffic Control (Sundays and Holidays) (12:00 am – 11:59 pm)

TOTAL (In Words): Twenty thousand two hundred eighty dollars

GRAND TOTAL (In Words): Three hundred sixteen thousand seven hundred dollars

The enclosed proposal includes the following required submittals.

- (1) Cost Proposal Form (Attachment A)
- (2) Non-Collusion Affidavit (Attachment B)
- (3) Acknowledgement of Insurance Requirements (Attachment C)
- (4) Copies of All Addendum Confirmation Form, if applicable.

Innerline Engineering, Inc.
Name of Firm

[Signature] 04/08/24
Signature Date

1663 Commerce St.
Address

JC Yeh
Authorized Agent (Printed or Typed)

Corona, CA 92880
City, State, Zip Code

JCYeh@innerlineengineering.com
E-mail address

800-209-0000
Telephone

—
Fax

790418
California License No.

01/31/2025
Expiration Date

PA 24 COMMITTEE MEMORANDUM NO. 2024.13

DATE: June 4, 2024

TO: Project Agreement 24 Committee
(Inland Empire Brine Line)

SUBJECT: Inland Empire Brine Line Discharger Lease Agreement

PREPARED BY: David Ruhl, Executive Manager of Engineering and Operations

RECOMMENDATION

Authorize the General Manager to execute a Discharger Lease Agreement with the City of Beaumont (Beaumont) to lease 0.03 million gallons per day (MGD) of Brine Line pipeline capacity right and treatment and disposal capacity right at a wastewater strength of 100 mg/l Biological Oxygen Demand (BOD) and 100 mg/l Total Suspended Solids (TSS) from the Lease Capacity Pool for a period of four (4) years.

DISCUSSION

The SAWPA Commission approved the creation of a Lease Capacity Pool in December 2018. The Lease Capacity Pool allows existing and potential customers to lease Brine Line capacity rights without the financial burden of purchasing the capacity right. Currently, one (1) MGD of pipeline and treatment and disposal capacity right is valued at approximately \$11.2 Million. SAWPA Member Agencies participate in the Lease Capacity Pool by contributing capacity that is not currently used.

The PA 24 Committee approved the Capacity Utilization Program in April 2021. Through the Capacity Utilization Program, 0.5 MGD of unused capacity right in the Brine Line was added to the Lease Capacity Pool and available to existing and potential customers. Currently, 3.013 MGD of pipeline capacity right and 1.52 MGD of treatment and disposal capacity right have been contributed to the Lease Capacity Pool from Western Municipal Water District (WMWD), Inland Empire Utilities Agency (IEUA) and SAWPA with two (2) discharger leases with Rialto Bioenergy Facility (RBF) and Eastern Municipal Water District (EMWD). Table 1 shows contributions by Member Agency and SAWPA (through the Capacity Utilization Program) to the Lease Capacity Pool, discharger leases and capacity pool balance available for lease.

EMWD and San Bernardino Valley Municipal Water District have not contributed to the pool since they do not have excess capacity to commit to the pool. Lease revenues are distributed to capacity pool participants based on the capacity contributed regardless of the discharger's location.

Table 1: Contributions, Discharger Leases and Lease Capacity Pool Balance

Date	Agency	Lessee	Pipeline Capacity Right (MGD)	Treatment and Disposal Capacity Right (MGD)
Contribution to Lease Capacity Pool				
	WMWD		2.163	0.67
	IEUA		0.350	0.35
	SAWPA		0.500	0.50
Total Contribution			3.013	1.52

Discharger Lease Agreement				
Aug 2020		RBF	0.0	0.25
Dec 2021		EMWD	0.0	0.50
Total Leased Capacity Right			0.0	0.75
Lease Capacity Pool Balance			3.013	0.77

Beaumont owns and operates the City of Beaumont Wastewater Treatment Plant. In 2020, Beaumont installed reverse osmosis (RO) treatment of a portion of its tertiary treated effluent to comply with Basin Plan objectives set by the Santa Ana Regional Water Quality Control Board for the Beaumont and San Timoteo Groundwater Management Zones. Beaumont owns 0.55 MGD of Brine Line Pipeline and Treatment and Disposal Capacity rights (Capacity). Beaumont has requested from SAWPA to lease 0.03 MGD of Brine Line Capacity in order to maximize their desalting efforts. Sufficient capacity is available in the Lease Capacity Pool to provide the requested lease amount to Beaumont.

The attached Lease Discharger Agreement contains the following pertinent points:

- SAWPA agrees to lease to Beaumont 0.03 MGD of treatment and disposal capacity right at a wastewater strength of 100 mg/l BOD and 100 mg/l TSS and 0.03 MGD of pipeline capacity right.
- A discharge permit is required to use the leased capacity.
- The effective date of the lease is July 1, 2024.
- Beaumont will pay SAWPA a Monthly lease charge of \$2,399.88 per month.
- Beaumont will pay regular brine line rates to Valley Water for flow, BOD, TSS, Fixed Pipe and Fixed Treatment.
- Term of the lease shall be for a period of four (4) years. Renewal of the lease is only allowed by agreement by SAWPA and Beaumont and is contingent upon the availability of Capacity in the Lease Capacity Pool.

RESOURCE IMPACTS

Minimal staff costs are necessary to administer the lease capacity pool program. Lease revenues from Beaumont are distributed to capacity pool participants based on the proportionate share of capacity contributed. SAWPA will receive additional brine line revenue due to additional discharges into the system.

Attachment:

1. PowerPoint Presentation
2. Discharger Lease Agreement



Inland Empire Brine Line Discharger Lease Agreement

Project Agreement 24 Committee

Agenda Item No. 6.B

David Ruhl

Executive Manager of Engineering and Operations

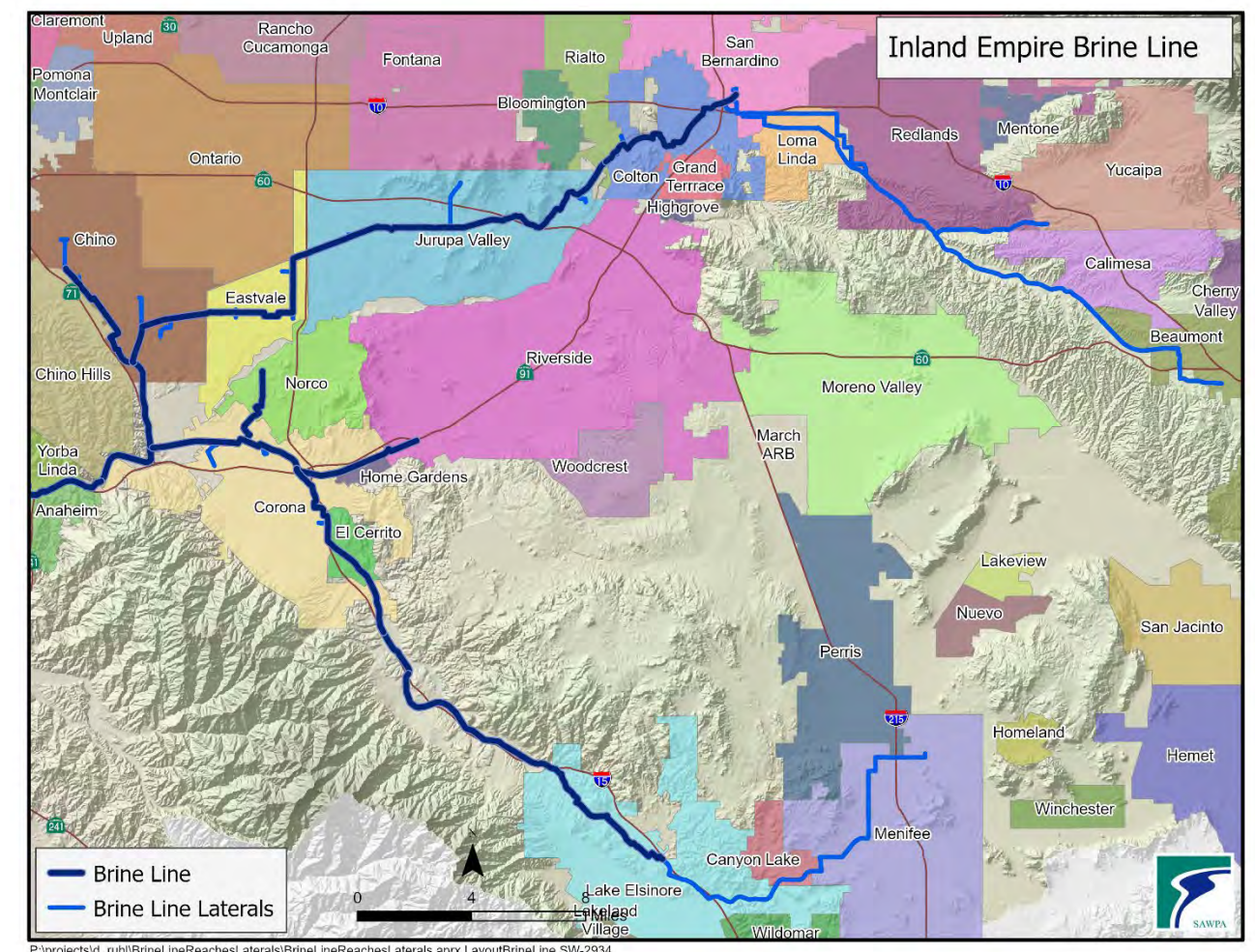
June 4, 2024

Recommendation

- Authorize the General Manager to execute a Discharger Lease Agreement with the City of Beaumont to lease 0.03 MGD of Brine Line pipeline capacity right and treatment and disposal capacity right at a wastewater strength of 100 mg/l BOD and 100 mg/l TSS from the Lease Capacity Pool for a period of four years.

Lease Capacity Pool

- Option to industrial customers and agencies to lease rather than purchase capacity rights
- Benefits
 - Provides some certainty
 - Easier to obtain
 - Less of a financial challenge to smaller customers
 - Increases the use of the Brine Line for salt removal
 - Spreads the cost of operating the Brine Line over more dischargers
 - Additional revenues for SAWPA and Member Agencies



Lease Capacity Pool

- Member Agencies own some capacity that is not utilized and contribute small quantity to Pool
- SAWPA contribute unused portion of capacity right to the pool through the Capacity Utilization Program
- Individual Discharger Lease Agreements
- Discharger obtain permit to discharge
- Discharge pay Brine Line rates, permit fees and lease rate
- Member Agencies received proportional share of lease revenues

Lease Capacity Pool

Date	Agency	Lessee	Pipeline Capacity Right (MGD)	Treatment and Disposal Capacity Right (MGD)
Contribution to Lease Capacity Pool				
	Western		2.163	0.67
	IEUA		0.350	0.35
	SAWPA		0.500	0.50
Total Contribution			3.013	1.52
Discharger Lease Agreement				
Aug 2020		RBF	0.0	(0.25)
Dec 2021		EMWD	0.0	(0.50)
Total Leased Capacity Right			0.0	(0.75)
Lease Capacity Pool Balance			3.013	0.77

Lease Discharger Agreement

- City of Beaumont Wastewater Treatment Plant
- 0.03 MGD of Pipeline and Treatment and Disposal Capacity Right
- Effective date is July 1st
- Monthly lease charge of \$2,399.88
- Beaumont will pay regular Brine Line rates to Valley
- 4-year term, renewal of lease by agreement by both parties

Recommendation

- Authorize the General Manager to execute a Discharger Lease Agreement with the City of Beaumont to lease 0.03 MGD of Brine Line pipeline capacity right and treatment and disposal capacity right at a wastewater strength of 100 mg/l BOD and 100 mg/l TSS from the Lease Capacity Pool for a period of four years.

Questions?

INLAND EMPIRE BRINE LINE DISCHARGER LEASE AGREEMENT
BETWEEN
SANTA ANA WATERSHED PROJECT AUTHORITY (SAWPA)
AND
CITY OF BEAUMONT (Beaumont)

This Agreement is made this ___ day of June, 2024, by and between SAWPA and Beaumont. SAWPA and Beaumont are individually and collectively referred to as the Party and Parties respectively.

RECITALS

- A. The Inland Empire Brine Line (Brine Line) is a wastewater pipeline conveyance system constructed for the transmission of non-reclaimable wastewater. The pipeline extends from the Orange County line into the Upper Santa Ana River Watershed. At the Orange County line, it connects to the Orange County Sanitation District's (OCS San's) Santa Ana River Interceptor (SARI), which conveys wastewater to OC San's treatment plant in Huntington Beach. SAWPA owns and operates the Brine Line, and Member Agencies and other agencies in the upper watershed (hereafter referred to as the "Agency" or "Agencies") own 30 million gallons per day (MGD) of pipeline capacity right in the SARI as defined in various agreements.
- B. Agencies in the upper watershed also own a treatment and disposal capacity right of 17 MGD and there is an ability to purchase up to 30 MGD in certain wastewater treatment and disposal facilities owned by OC San. This treatment and disposal right, and the pipeline capacity right referred to in Recital A above, are subject to certain payment obligations and other terms and conditions as defined in the Treatment and Disposal Capacity Agreement with OC San dated July 24, 1996 (1996 Agreement) that is administered by SAWPA and paid by the Agencies in the upper watershed.
- C. Through the 1996 Agreement, SAWPA has purchased 17 MGD of treatment and disposal capacity right from OC San and in turn sold this capacity right to Agencies in the upper watershed. Flow and water quality are defined components of the purchase based upon the maximum flow rate (in MGD) and strength of Biochemical Oxygen Demand (BOD) (measured as BOD5) and Total Suspended Solids (TSS) presented as milligrams per liter (mg/l) and pounds per day (lbs/day).
- D. The 1991 Memorandum of Understanding between SAWPA and OC San Governing Quality Control of Wastewaters Discharged continues to define the pretreatment roles and responsibilities for SAWPA and OC San. SAWPA's Ordinance No. 8, and any successors or amendments thereto, defines the discharge permitting requirements and process that applies to all discharges to the Brine Line.

- E. The Agencies utilize pipeline capacity and treatment and disposal capacity rights for individual dischargers in their service areas. Use of the capacity requires that the discharger obtain a discharge permit from the Agency, as well.
- F. A long-term "Lease Capacity Pool" was created by SAWPA and the Agencies to make available pipeline and treatment and disposal capacity rights. The Lease Capacity Pool is subject to terms and conditions as defined in the Agreement between SAWPA and the Agencies dated April 11, 2019 that is administered by SAWPA.
- G. Beaumont currently owns 0.55 MGD of pipeline capacity right in the Brine Line and 0.55 MGD of treatment and disposal capacity right.
- H. Beaumont discharges to the Brine Line in San Bernardino Valley Municipal Water District's (Valley) service area.
- I. Beaumont desires to lease additional pipeline capacity and treatment and disposal capacity right in the amount of 0.030 MGD (hereafter referred to as "Capacity Right"). SAWPA has evaluated the system capacity availability for Beaumont's location and found that a 0.030 MGD capacity lease can be accommodated.
- J. SAWPA anticipates having adequate commitments to the Lease Capacity Pool to implement this lease.

NOW THEREFORE, the Parties in consideration of the mutual promises contained in this Agreement do hereby covenant and agree as follows:

1. Leasing of 0.030 MGD of Capacity Right. SAWPA agrees to lease to Beaumont 0.030 MGD of Capacity Right for the delivery, treatment and disposal of Industrial Wastewater to the Brine Line at a wastewater strength of 100 mg/l BOD and 100 mg/l TSS, also expressed as 41.7 lbs/day BOD and 41.7 lbs/day TSS. Beaumont shall comply with SAWPA Ordinance No. 8 and any successors or amendments thereto. A discharge permit from SAWPA is required to use the leased capacity, and this Lease Agreement does not modify any permit processes or requirements. Beaumont shall install, own, operate and maintain a flow meter for Beaumont's discharge. Service to Beaumont is interruptible for O&M activities or in the event of an emergency as allowed by SAWPA's Ordinance No. 8 and any successors or amendments thereto, but SAWPA shall use best efforts to provide advance written notice to Beaumont before any interruption.
2. Effective Date: The Lease of 0.030 MGD of Capacity Right agreed to herein will occur on the First Day of the month following the date of the agreement.

3. Lease Connections. Beaumont's additional connections to the Brine Line, if any, for the 0.030 MGD of Capacity Right leased under this Lease Agreement shall be submitted for approval in advance to SAWPA and built at Beaumont's sole cost and expense. Beaumont shall obtain all necessary permits as required by SAWPA's Ordinance No. 8, and any successor or amendment thereto, and federal, state and local laws and regulations prior to making any additional connections to the Brine Line and prior to discharging its 0.030 MGD of flow to the Brine Line allowed under this Lease Agreement.
4. Monthly Lease Charge. Beaumont shall make lease payments to SAWPA for the 0.030 MGD of Capacity Right being leased under this Lease Agreement in the amount of \$2,399.88 per month. The lease payment is calculated as follows:

$$\text{Monthly Lease Charge} = A \times B \times 365 / 12$$

Where

A = Capacity Right quantity in gallons per day (gpd), 30,000 gpd

B = Lease Rate per SAWPA Resolution 2023-5, \$0.00263 / gallon

5. Lease Payment. SAWPA will invoice Beaumont on the Effective Date for the 1st month's lease charge. Subsequently, SAWPA will invoice the monthly lease charge on the first day of each month. Payment shall be made by Beaumont upon receipt of an invoice from SAWPA.
6. Brine Line Rates. In addition to the payment required for the lease of the Capacity Right reference above, Beaumont shall pay Valley the rates established by Valley for Brine Line discharges in their service area for Flow, BOD, TSS, Fixed Pipe and Fixed Treatment including any minimum costs attributable to the treatment and disposal capacity being leased under this Lease Agreement. Payment for these costs shall be made by Beaumont upon receipt of an invoice from Valley and the payment terms established by Valley for Brine Line discharges in their service area.
 - a. If the discharge during any month exceeds the Capacity Right leased for flow, BOD, or TSS, a surcharge for the month will be applied based on the maximum daily use. If a surcharge is applied for three consecutive months, Beaumont shall be required to modify the Lease Agreement increasing the Capacity Right leased. The surcharge will be based on the unit lease prices (flow, BOD, TSS) applied for the entire month. Flow will be based on the actual daily flow information. BOD and TSS will be based on the average of samples taken during the previous 12 month period. In the event of missing data, an average value will be used as determined by SAWPA.
7. Term of Lease: The term of the Lease shall be for a period of four (4) years from the Effective Date. Renewal of the Lease Agreement is only allowed by agreement by both Parties and is

contingent upon the availability of capacity in the Lease Capacity Pool. Upon expiration of the term Beaumont shall then remove its 0.030 MGD of flow from the Brine Line.

8. Termination: This Lease may be terminated as follows:
 - a. Automatically, when this Lease Agreement expires as describe above.
 - b. On the last day of the month, upon written notice provided to SAWPA by Beaumont by the first day of the same month.
 - c. For cause in the event that Beaumont fails to perform in accordance with, and is in default under, this Lease Agreement, including failure to pay the monthly lease charge or Brine Line rates. However, SAWPA shall first provide written notice of such nonperformance and default to Beaumont, and if Beaumont fails to correct or cure the default or nonperformance within thirty (30) days of the date of mailing of that notice, Beaumont's 0.050 MGD of leased Capacity Right shall terminate on the thirtieth (30th) day after such notice was delivered or sent, and Beaumont shall remove its 0.050 MGD of flows from the Brine Line within fourteen (14) days from the expiration of the foregoing thirty (30) day deadline.
 - d. For cause if Beaumont's permit for discharge to the Brine Line is revoked, withdrawn, or suspended.
9. Rights and Responsibilities of Orange County Sanitation District are retained. The parties to this Agreement understand and agree that OC San retains its rights and responsibilities as defined in the 1991 MOU and 1996 Agreement. This Lease Agreement in no way diminishes the effectiveness or reduces the scope of the 1991 MOU and 1996 Agreement.
10. Amendments and Modifications. The terms of this Agreement may only be amended or modified in writing and signed by the Parties.
11. No Third Party Beneficiaries. There are no intended third party beneficiaries of any right or obligation assumed by the Parties under this Lease Agreement. This Lease Agreement cannot be assigned nor can any right or obligation hereunder be subleased to any other party or entity without both Parties to this Lease Agreement agreeing to such assignment or sublease in writing.
12. Counterparts. This Lease Agreement may be signed in counterparts, each of which shall constitute an original and which collectively shall constitute one document.
13. Entire Agreement. This Lease Agreement contains the entire agreement between the Parties and supersedes any prior oral or written statements or agreements or representations between the Parties.

14. Notice. Except as otherwise provided herein, all notices and other communications required or permitted hereunder shall be in writing, and shall be delivered in person, by E-mail, or sent by certified mail, return receipt requested, and shall be deemed received upon actual receipt or 72 hours after deposit in the mail of the United States Postal Service, postage prepaid and addressed as follows:

To SAWPA:
Santa Ana Watershed Project Authority (SAWPA)
Attention: General Manager
11615 Sterling Avenue
Riverside, CA 92503
(951) 354-4220

To City of Beaumont:
Attention: Thaxton Van Belle, Director of Water Reclamation
550 East 6th Street
Beaumont, CA 92223
tvanbelle@beaumontca.gov
(951) 572-3195

In witness whereof, SAWPA and Beaumont have executed this Agreement as of the day and year first above written:

City of Beaumont

By: _____
Elizabeth Gibbs
City Manager

Date: _____

Santa Ana Watershed Project Authority

By: _____
Jeffrey Mosher
General Manager

Date: _____


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**Santa Ana Watershed Project Authority
PA24 - Brine Line - Financial Report
March 2024**

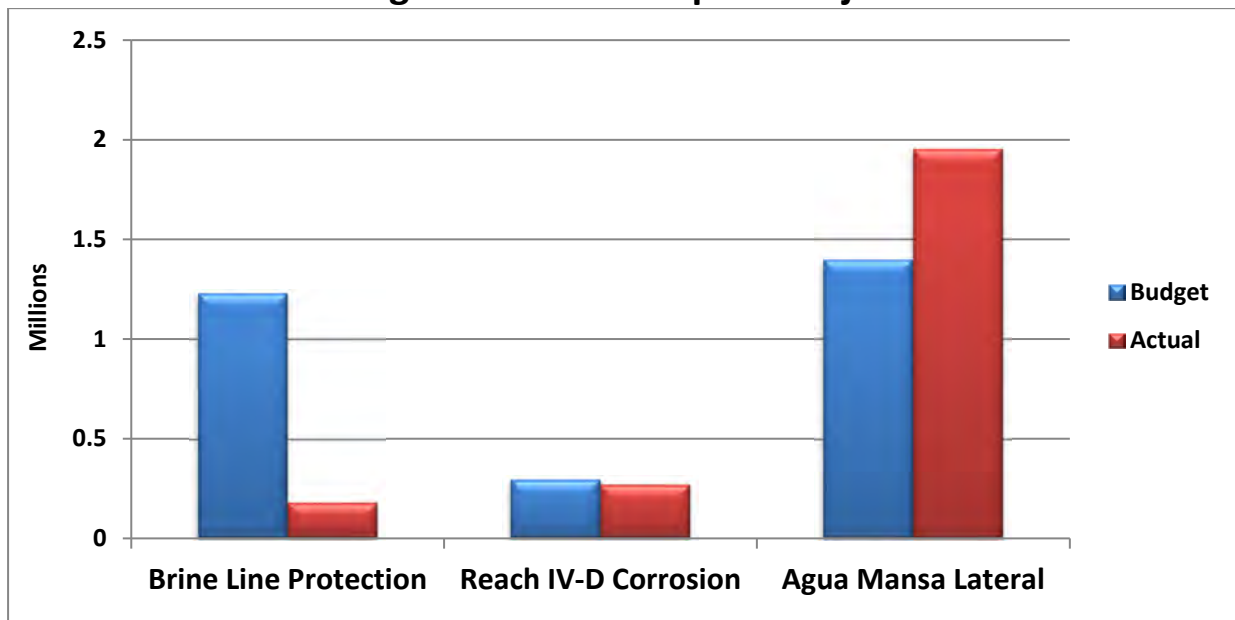
Staff comments provided on the last page are an integral part of this report.

Overview	This report highlights the Brine Line’s key financial indicators for the Fiscal Year-to-Date (FYTD) through March 2024 unless otherwise noted.
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Brine Line - Capital Projects

Budget to Actual – Capital Projects				 Concern
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Brine Line Protection	\$ 1,639,115	\$1,229,336	\$180,495	\$1,048,841
Reach IV-D Corrosion	391,577	293,683	268,083	25,600
Agua Mansa Lateral	1,862,445	1,396,834	1,952,895	(556,061)
Total Capital Costs	\$3,893,137	\$2,919,853	\$2,401,473	\$518,380

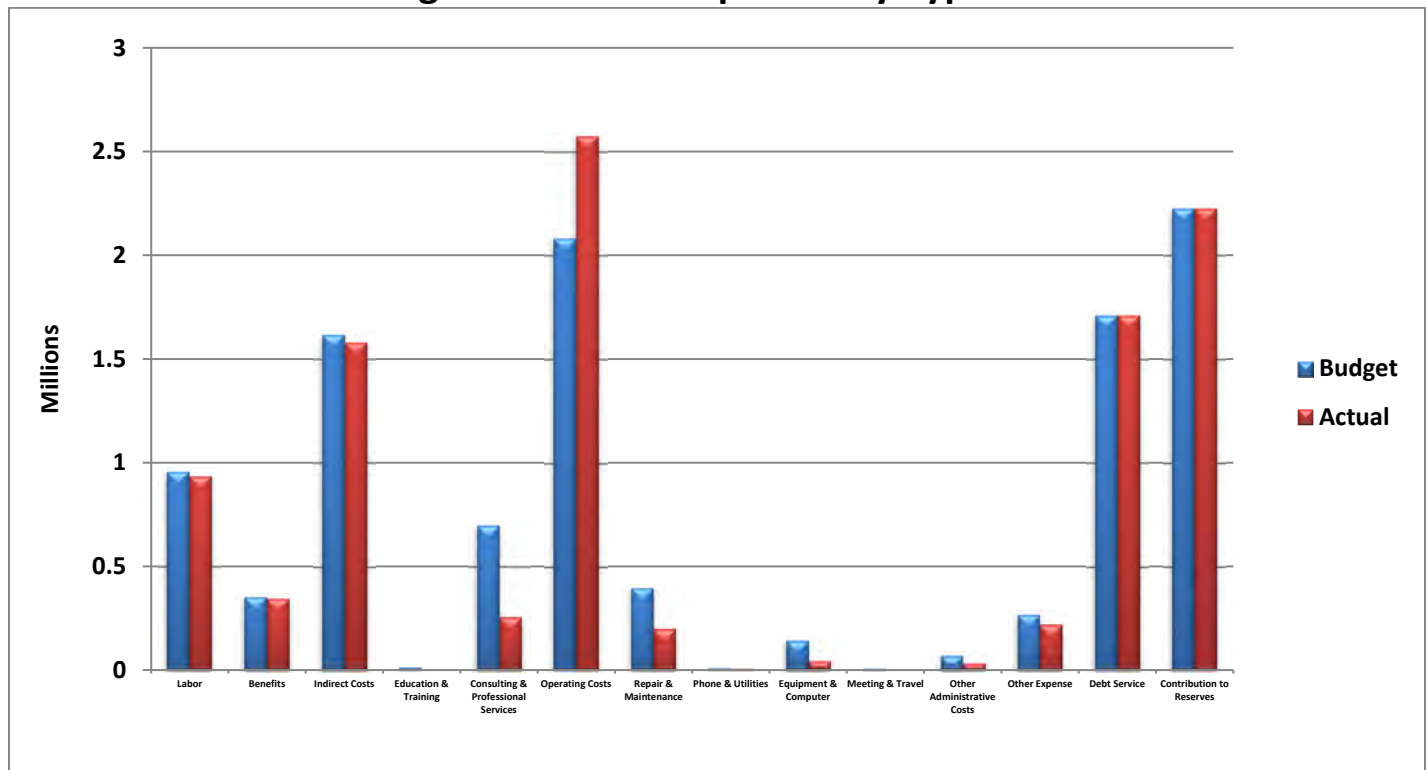
Budget to Actual - Capital Projects



Brine Line – Operating

Budget to Actual - Expenses by Type				 Favorable
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Labor	\$1,274,437	\$955,828	\$933,604	\$22,224
Benefits	467,548	350,661	342,633	8,028
Indirect Costs	2,155,749	1,616,813	1,579,658	37,155
Education & Training	14,500	10,875	-	10,875
Consulting & Prof Svcs	930,000	697,500	259,730	437,770
Operating Costs	2,776,349	2,082,262	2,575,446	(493,184)
Repair & Maintenance	525,080	393,810	199,643	194,167
Phone & Utilities	12,000	9,000	7,168	1,832
Equip & Computers	188,706	141,530	47,547	93,983
Meeting & Travel	7,000	5,250	541	4,709
Other Admin Costs	89,915	67,436	34,291	33,145
Other Expense	355,551	266,663	218,261	48,402
Debt Service	1,709,476	1,709,476	1,709,476	-
Contribution to Reserves	2,225,309	2,225,309	2,225,309	-
Total	\$12,731,620	\$10,532,413	\$10,133,307	\$399,106

Budget to Actual - Expenses by Type



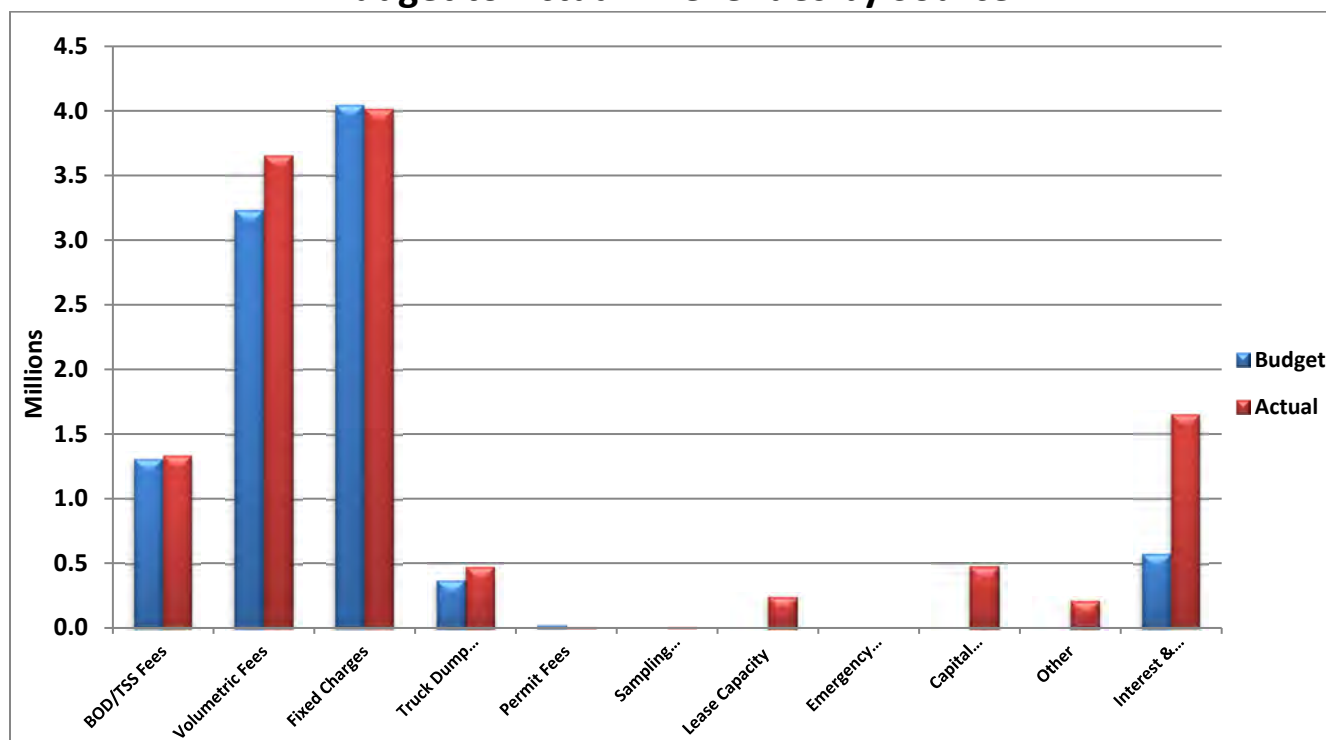
Budget to Actual - Revenues by Source



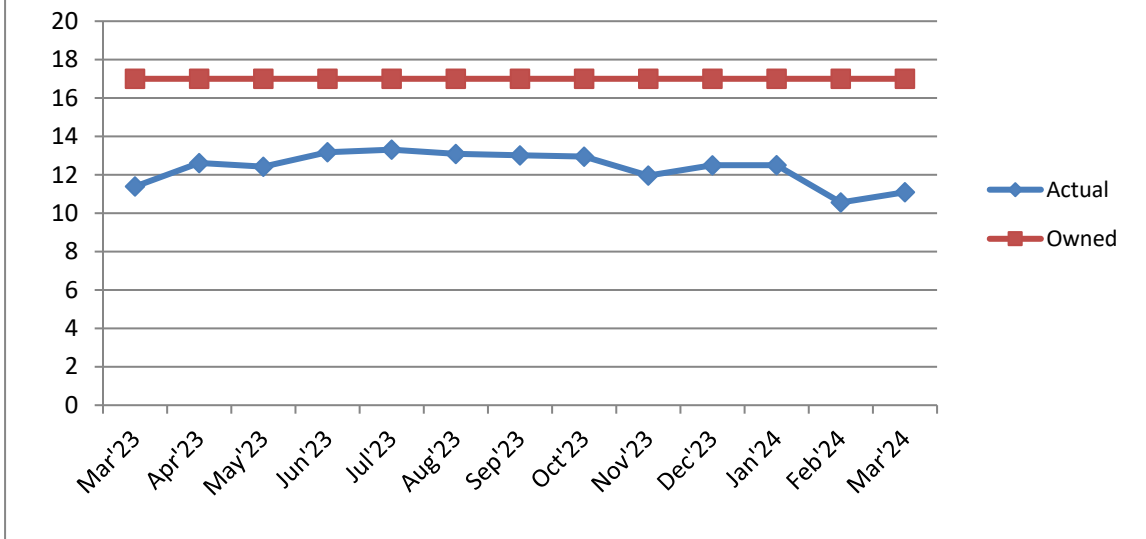
Favorable

	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
BOD/TSS Fees	\$1,738,500	\$1,303,875	\$1,329,010	\$25,135
Volumetric Fees	4,308,095	3,231,071	3,653,823	422,752
Fixed Charges	5,396,025	4,047,019	4,016,632	(30,387)
Truck Dump Fees	492,400	369,300	473,194	103,894
Permit Fees	26,600	19,950	7,900	(12,050)
Sampling Surcharge	-	-	7,484	7,484
Lease Capacity Revenue	-	-	240,216	240,216
Emergency Discharge Fees	-	-	567	567
Use of Reserves	-	-	-	-
Capital Contributions	-	-	475,081	475,081
Other Revenue	-	-	210,344	210,344
Interest & Investments	770,000	577,500	1,648,288	1,070,788
Total	\$12,731,620	\$9,548,715	\$12,062,539	\$2,513,824

Budget to Actual - Revenues by Source



Average Daily Flow by Month

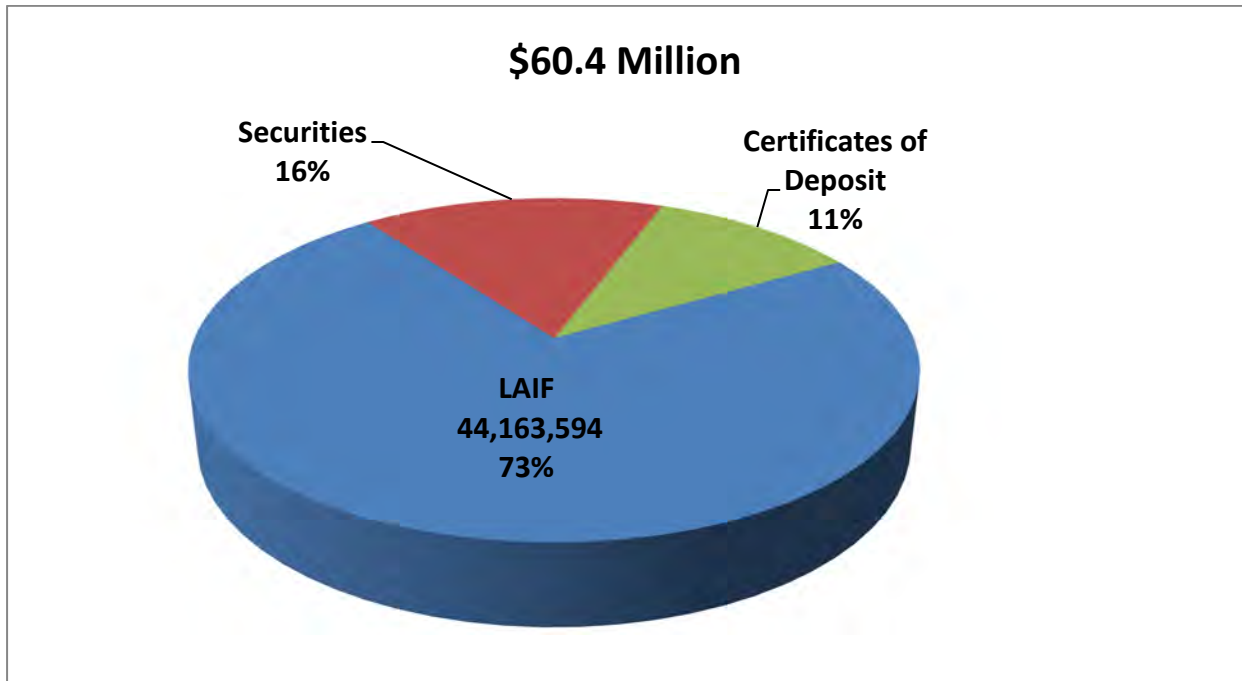


Total Discharge by Agency (in million gallons)

Discharger	Jul'23	Aug'23	Sep'23	Oct'23	Nov'23	Dec'23	Total
Chino Desalter Authority	112.9255	98.9731	115.9900	100.2035	100.3549	122.5894	651.0364
Eastern Municipal Water District	118.6649	113.3889	120.1618	103.9813	94.6151	119.3859	670.1979
Inland Empire Utilities Agency	14.0668	13.8985	13.1309	13.2450	13.5089	13.9267	81.7768
San Bernardino Valley MWD	45.5391	45.0113	43.0704	44.7854	44.5283	45.3451	268.2796
Western Municipal Water District	129.1791	128.7686	119.3664	109.8389	105.7687	107.9789	700.9006
SAWPA Adjustment	2.0000	2.5000	1.5000	0.0000	0.0000	0.0000	6.0000
Truck Discharge	3.3964	3.0670	3.0422	3.3005	2.9823	3.1076	18.8960
Total	425.7718	405.6074	416.2617	375.3546	361.7582	412.3336	2,397.0873

Discharger	Jan'24	Feb'24	Mar'24	Apr'24	May'24	Jun'24	Total
Chino Desalter Authority	100.8655	85.3453	99.1696				936.4168
Eastern Municipal Water District	88.6661	81.6807	99.2079				939.7526
Inland Empire Utilities Agency	12.8018	12.8128	14.1122				121.5036
San Bernardino Valley MWD	43.6713	37.5042	42.9846				392.4397
Western Municipal Water District	113.9276	91.4526	98.6692				1,004.9500
SAWPA Adjustment	0.0000	0.0000	0.0000				6.0000
Truck Discharge	3.1975	2.9483	3.3836				28.4254
Total	363.1298	311.7439	357.5271				3,429.4881





Total Cash & Investments



Reserve Fund Balance

	Amount
Debt Retirement	\$2,951,490
Pipeline Replacement & Capital Investment	33,985,636
OC San Pipeline Rehabilitation	2,823,097
Pipeline Capacity Management	12,552,108
OC San Future Treatment & Disposal Capacity	1,921,768
Brine Line Operating	2,219,372
Brine Line Operating Cash	3,902,910
Total Reserves	\$60,356,381

Legend

		<u>Compared to Budget</u>
	Ahead or Favorable	Above +5% Favorable Revenue or Expense Variance
	On Track	+5% to -2% Variance
	Behind	-3% to -5% Variance
	Concern	Below -5% Variance

Staff Comments

For this month's report, the item(s) explained below are either "behind", a "concern", or have changed significantly from the prior month.

Capital Projects are 17.8% below budget. It is expected that they will be on target by the end of the year.



SANTA ANA WATERSHED
PROJECT AUTHORITY

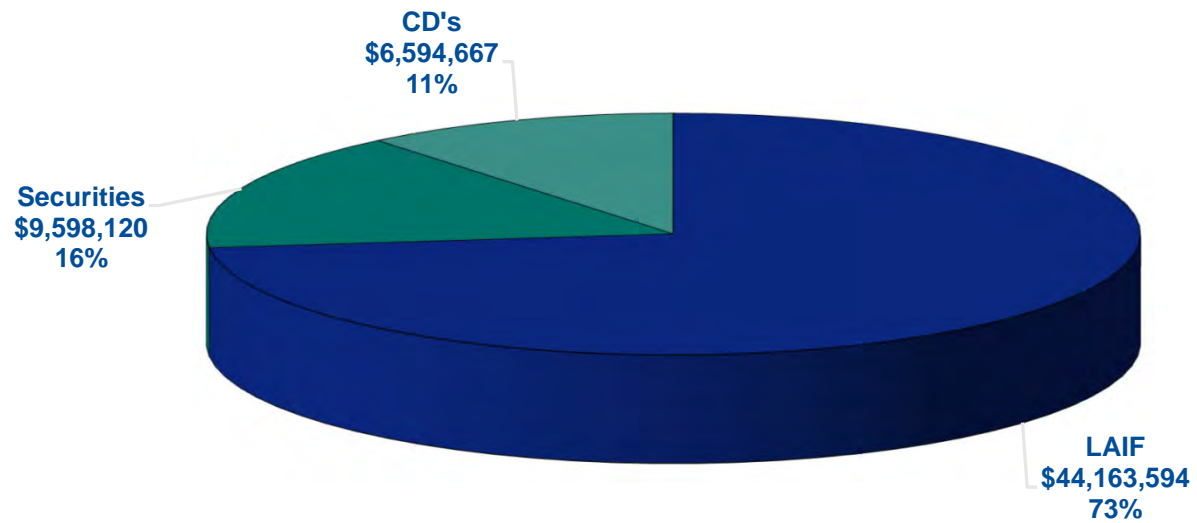
Financial Report for the Inland Empire Brine Line Enterprise/CIP for the 3rd Quarter Ending March 31, 2024

Agenda

- Cash & Investments
- Reserve Account Balances
- Transfer, Uses, and Contributions from/to Reserves
- Enterprise Revenues
- Enterprise Expenses
- Enterprise Performance
- Capital Improvement Program

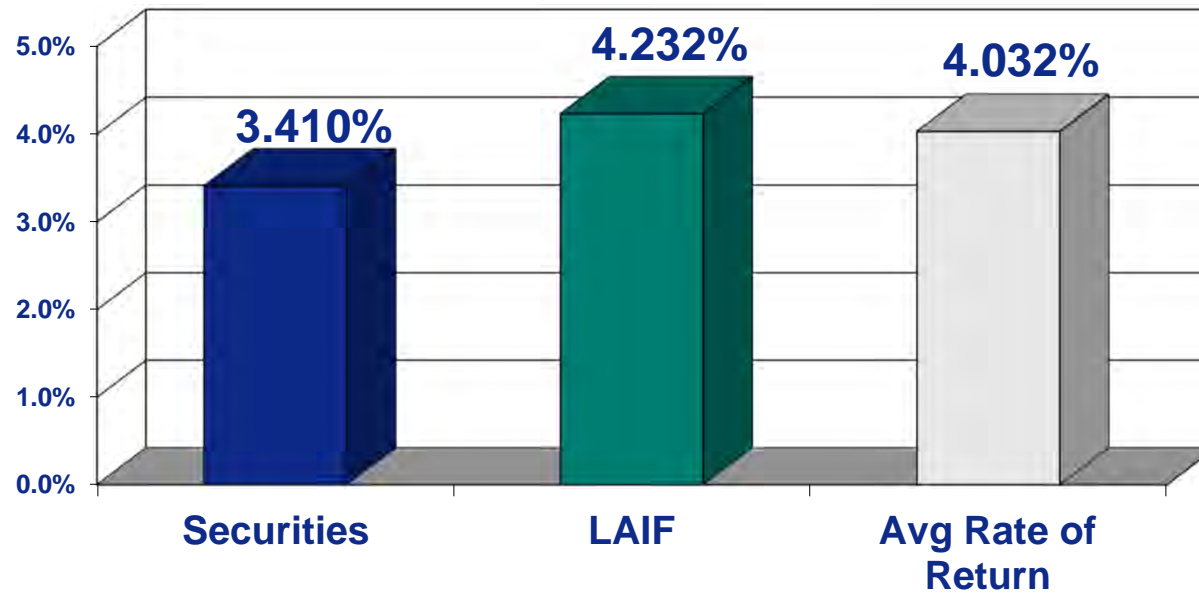
Cash & Investments

\$60,356,381



Cash & Investments

Interest Rate Analysis



Reserve Account Balance

Reserve Account	Balance
Debt Retirement	\$2,951,490
Pipeline Replacement & Capital Investment	33,985,636
OC San Pipeline Rehabilitation	2,823,097
Pipeline Capacity Management	12,552,108
OC San Future Treatment & Disposal Capacity	1,921,768
Brine Line Operating	2,219,372
Operating Cash	3,902,910
Total Reserves	\$60,356,381

Reserve Account Balance

Reserve	Balance @ 06/30/2023	Balance @ 09/30/2023	Balance @ 12/31/2023	Balance @ 03/31/2024
Debt Retirement	\$2,876,283	\$2,899,430	\$2,922,922	\$2,951,490
Pipeline Replacement & Capital Investment	32,045,367	34,592,116	34,710,784	33,985,636
OC San Pipeline Rehabilitation	2,429,092	2,773,949	2,795,769	2,823,097
Pipeline Capacity Mgmt	12,232,268	12,330,705	12,430,612	12,552,108
OC San Future Treatment & Disposal Capacity	1,872,800	1,887,871	1,903,167	1,921,768
Brine Line Operating	2,302,489	2,179,659	2,197,891	2,219,372
Operating Cash	3,451,591	2,581,116	3,392,879	3,902,910
Total	\$57,209,890	\$59,244,846	\$60,354,024	\$60,356,381

Transfers, Uses, and Contributions to/from Reserves

Pipeline Replacement & Capital Investment

- Contribution of \$1,900,000
- RBF Loan Payment #2 of \$291,684
- SBVMWD Cost Share Agua Mansa - \$214,649
- Transfer of \$141,358 from excess Operating Reserve

OC San Pipeline Rehabilitation

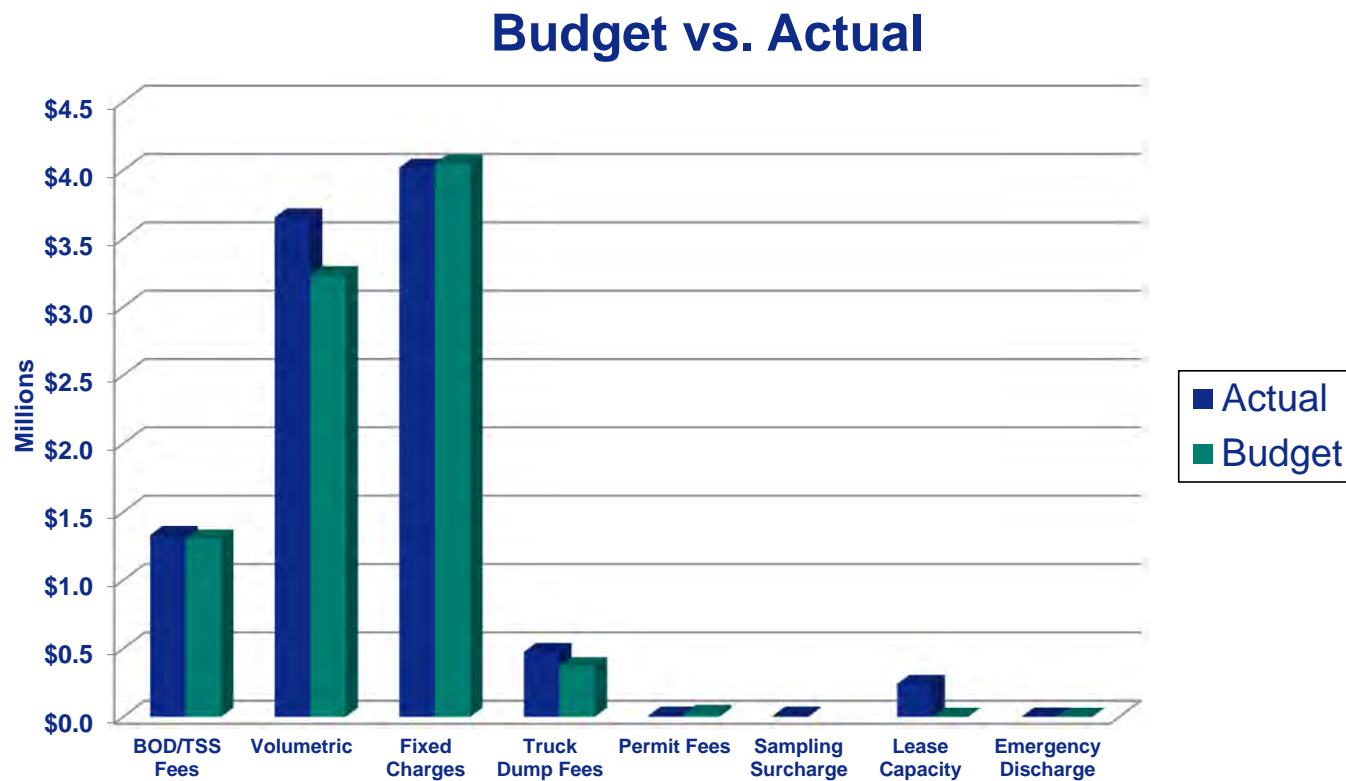
- Contribution of \$325,309

Interest Earned (All Reserve Funds) - \$1,648,288

Total Operating Revenues

Source	Actual	Budget	Variance Positive/(Negative)
BOD/TSS Fees	\$1,329,010	\$1,303,875	\$25,135
Volumetric Fees	3,653,823	3,231,071	422,752
Fixed Charges	4,016,632	4,047,019	(30,387)
Truck Discharge	473,194	369,300	103,894
Permit Fees	7,900	19,950	(12,050)
Sampling Surcharge	7,484	0	7,484
Lease Capacity Revenue	240,216	0	240,216
Emergency Discharge Fees	567	0	567
Total Operating Revenues	\$9,728,826	\$8,971,215	\$757,611

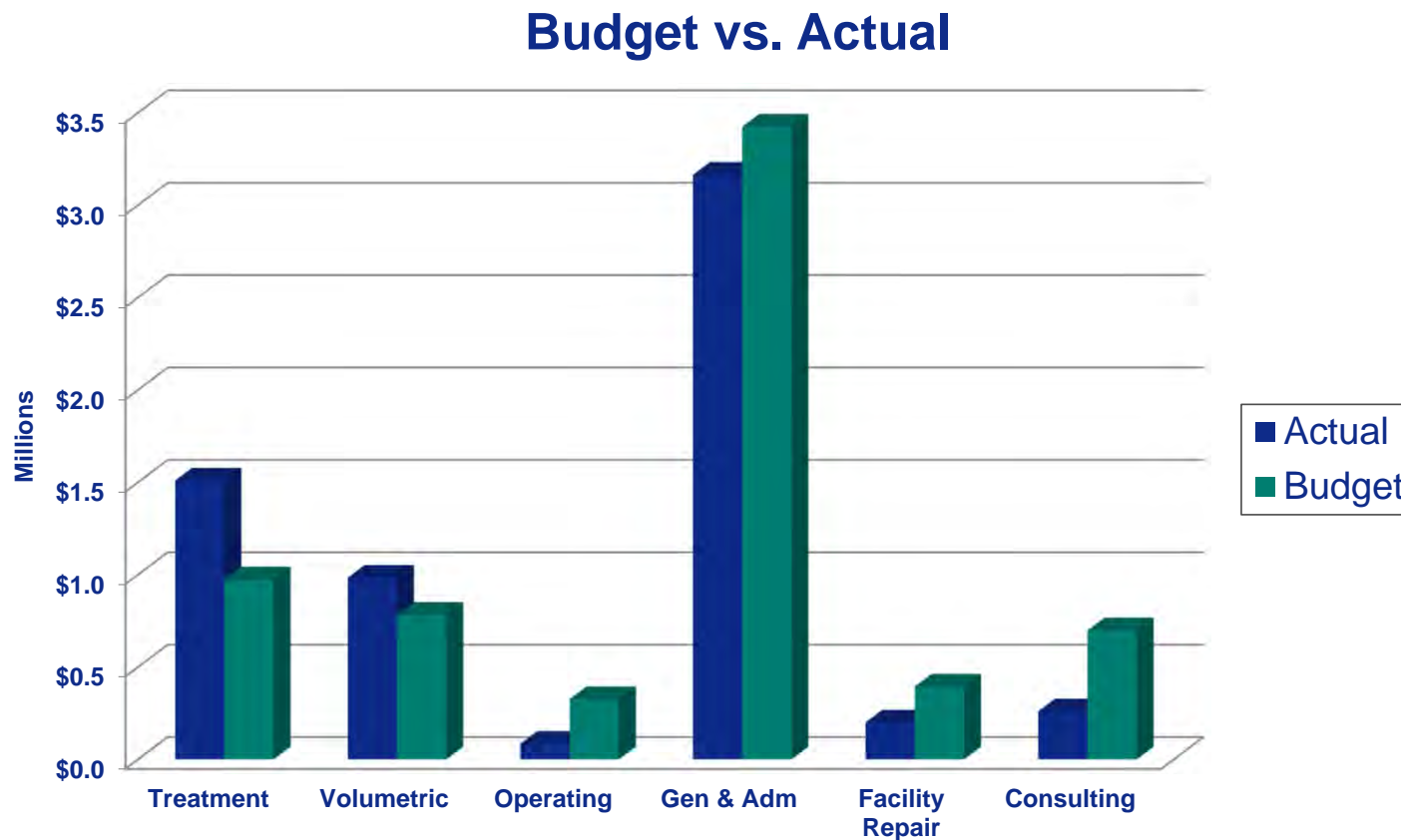
Operating Revenues vs. Budget



Total Operating Expenses

Source	Actual	Budget	Variance Positive/(Negative)
Treatment Costs	(\$1,508,951)	(\$973,875)	(\$535,076)
Volumetric Costs	(982,611)	(782,353)	(200,258)
Operating Costs	(83,884)	(326,034)	242,150
General & Administration	(3,163,703)	(3,424,056)	260,353
Facility Repair & Maintenance	(199,643)	(393,810)	194,167
Consulting & Prof. Services	(259,730)	(697,500)	437,770
Total Operating Expenses	(\$6,198,522)	(\$6,597,628)	\$399,106

Operating Expenses vs. Budget



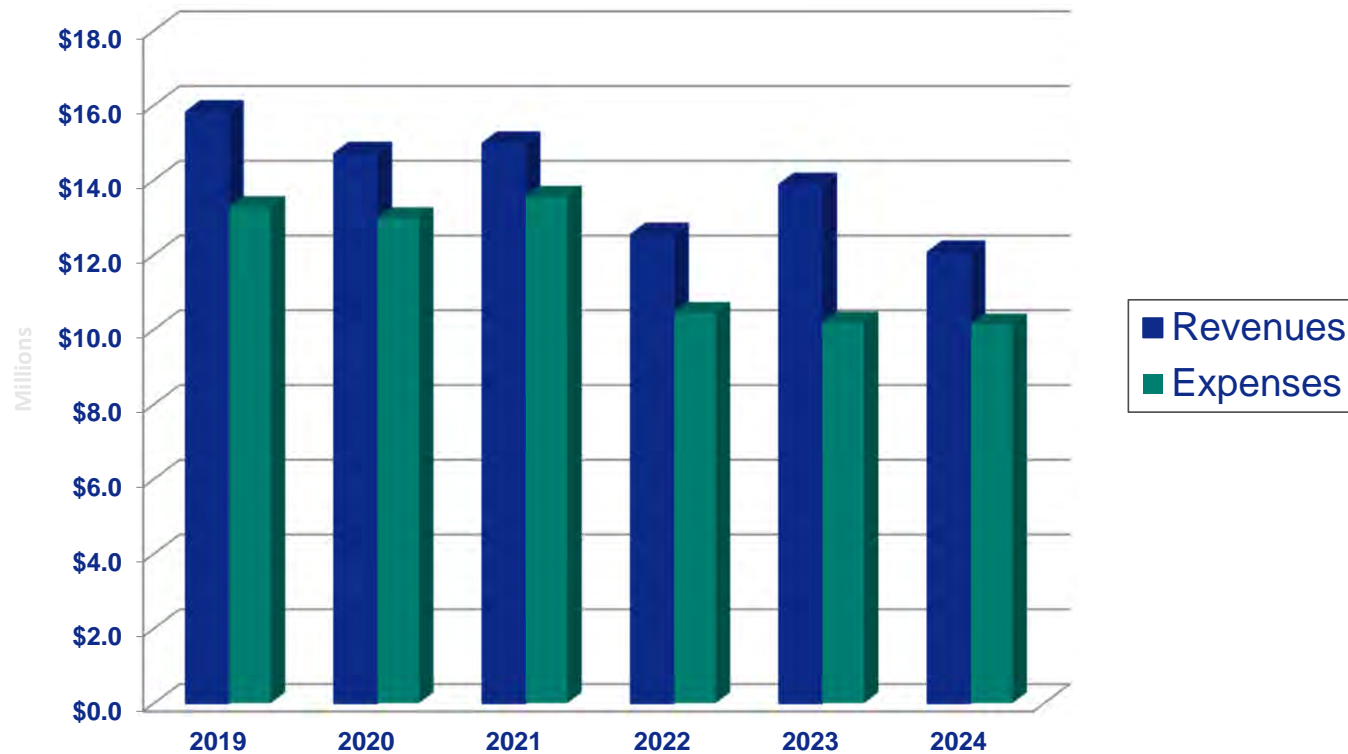
Non-Operating Revenues and Expenses

Source	Actual	Budget	Variance Positive/(Negative)
Interest & Investments	\$1,648,288	\$577,500	\$1,070,788
Other Income	210,344	0	210,344
Capital Contribution – RBF	260,432	0	260,432
Capital Contribution – SBVMWD	214,649	0	214,649
Debt Service	(1,044,273)	(1,044,273)	0
Contributions to Reserves	(2,225,309)	(2,225,309)	0
Total Non-Operating	(\$935,869)	(\$2,692,082)	\$1,756,213

5 Year Enterprise Performance

FYE	Revenue	Expense	Net Gain (Loss)
2019	\$15,815,809	(\$13,275,330)	\$2,540,479
2020	14,705,314	(12,973,136)	1,732,178
2021	14,979,869	(13,547,431)	1,432,438
2022	12,540,991	(10,440,350)	2,100,641
2023	13,875,754	(10,184,463)	3,691,291
2024	12,062,539	(10,133,307)	1,929,232

5 Year Enterprise Performance



Enterprise Performance

Flow, BOD, TSS Actual vs. OC San Billing

	SAWPA Billed	OC San Billing	Difference
Total Flow (MG)	3,417.8840	3,369.460	48.4240
Total BOD (1,000 lbs)	709.1620	701.357	7.805
Total TSS (1,000 lbs)	2,124.6974	2,537.037	(412.3396)
Flow - Pass through per MG	\$292.00	\$291.99	\$0.01
BOD cost per 1,000 lbs	\$394.00	\$393.64	\$0.36
TSS cost per 1,000 lbs	\$494.00	\$493.89	\$0.11

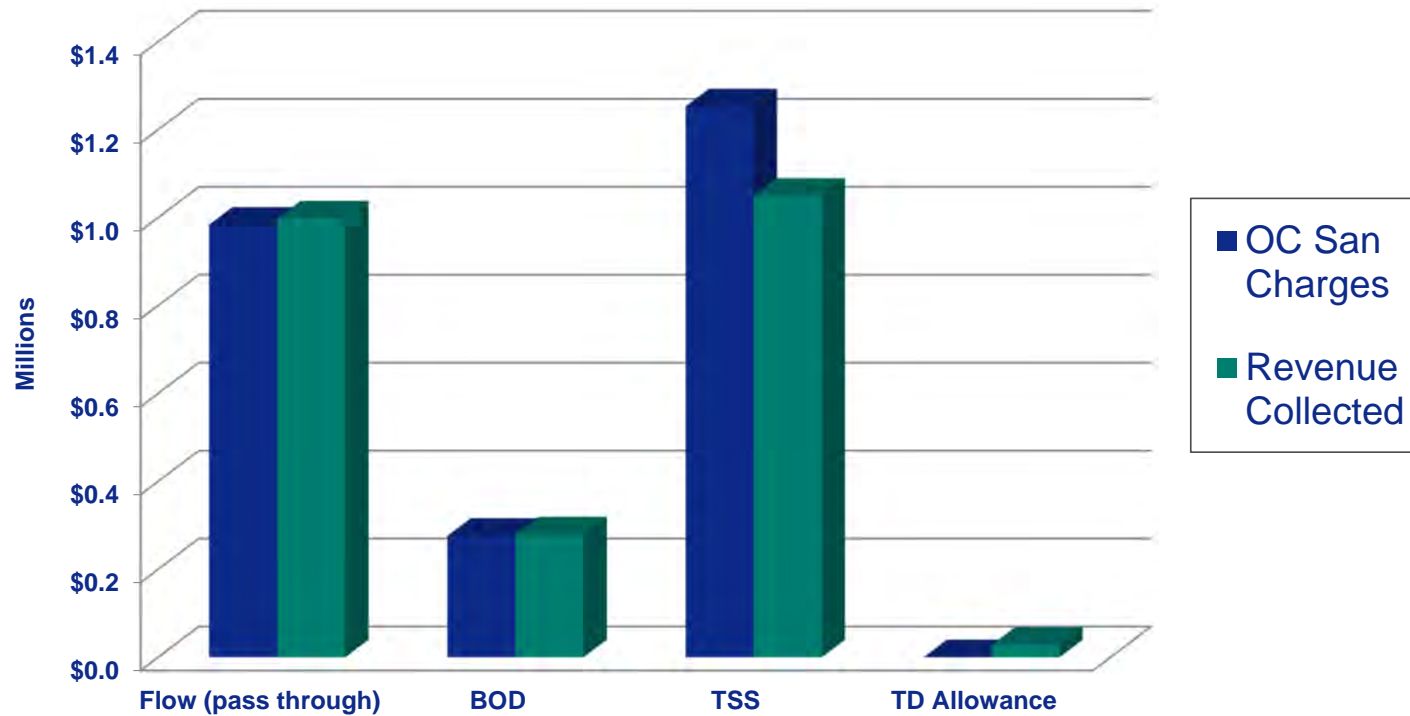
Enterprise Performance

OC San Flow, BOD & TSS Charges vs. Revenue Billed

	Revenue Billed	OC San Charges	Difference
Flow (pass through)	\$998,022	\$983,849	\$14,173
BOD	279,410	276,081	3,329
TSS	1,049,601	1,253,018	(203,417)
TD Allowance	28,240	0	28,240
Total	\$2,355,273	\$2,512,948	(\$157,675)

Enterprise Performance

OC San Flow, BOD & TSS Charges vs. Revenue Billed



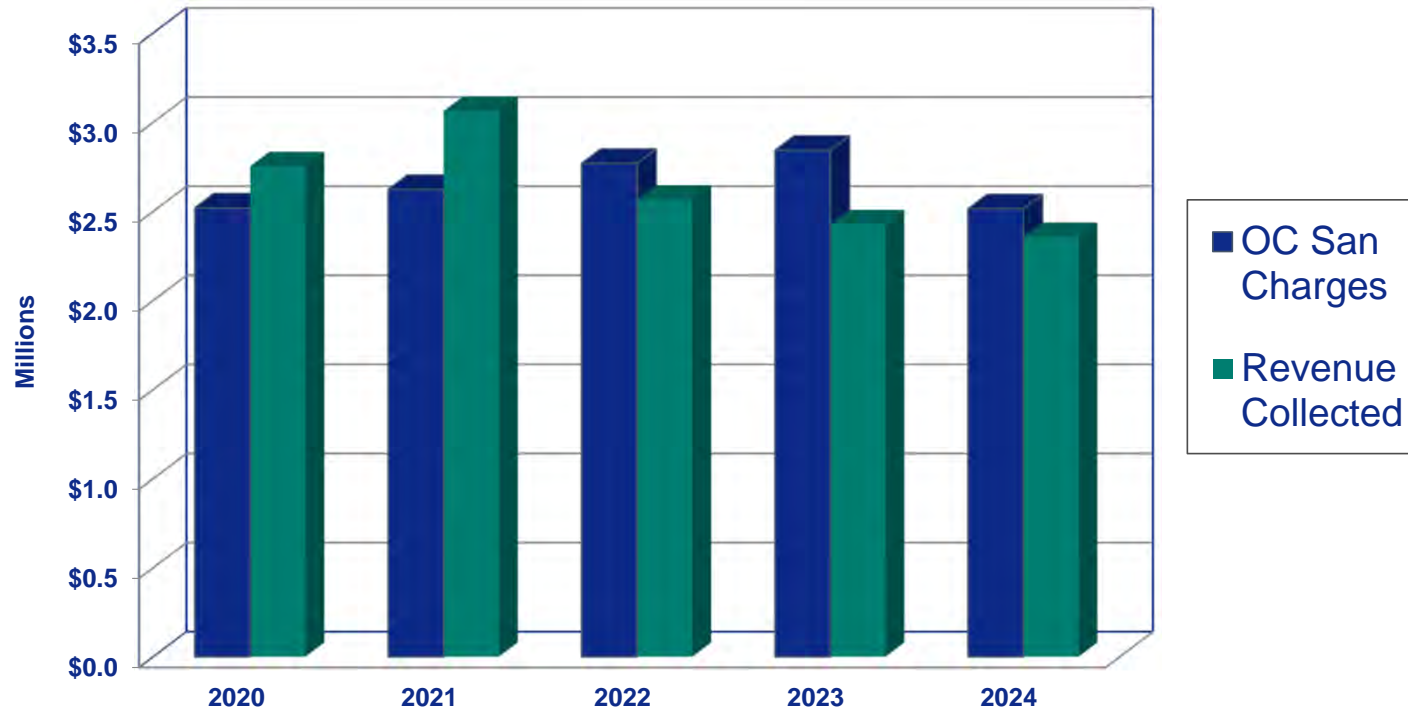
5 Year Enterprise Performance

Flow, BOD & TSS Charges vs. Revenue Billed – Last 5 Years

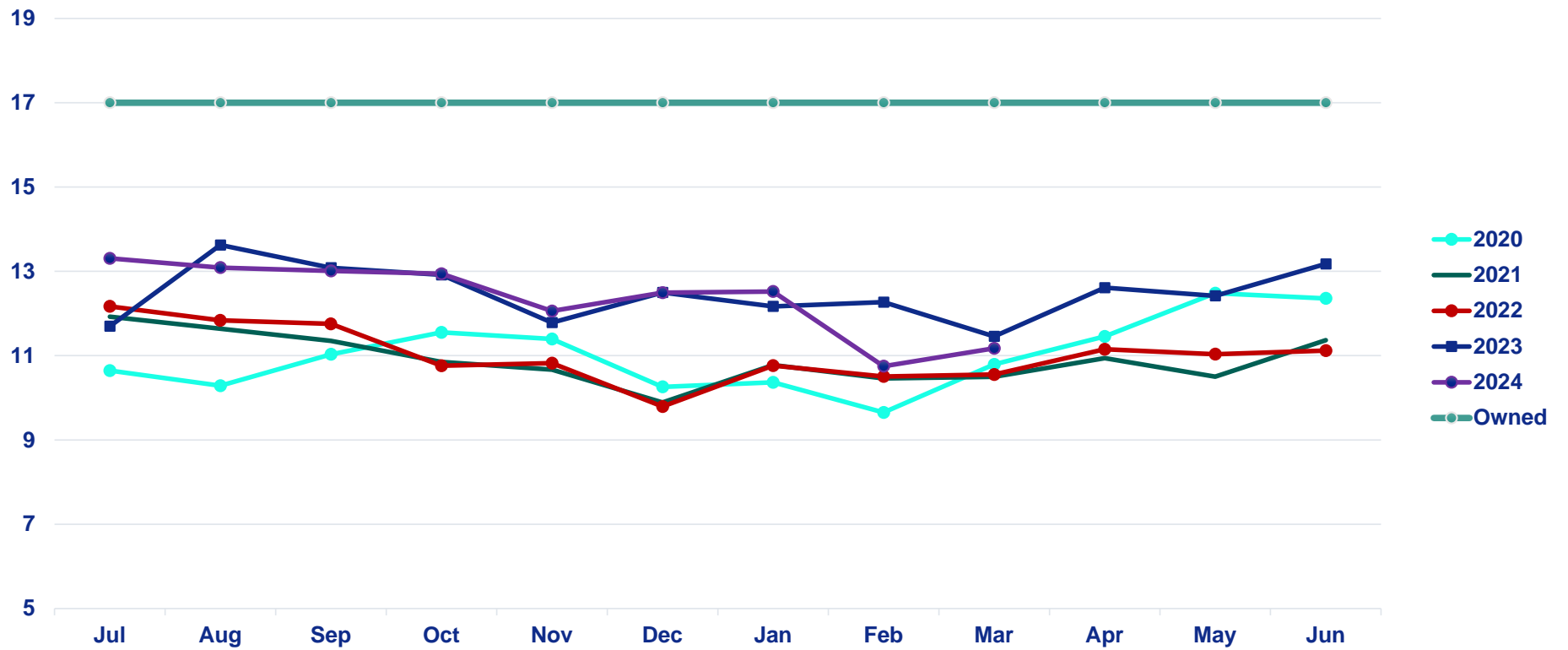
FYE	Revenue Billed	OC San Charges	Difference
2020	2,751,954	2,518,051	233,903
2021	3,061,944	2,621,142	440,802
2022	2,566,021	2,767,351	(201,330)
2023	2,427,005	2,841,389	(414,384)
2024	2,355,273	2,512,948	(157,675)
Total	\$13,162,197	\$13,260,881	(\$98,684)

5 Year Enterprise Performance

Flow, BOD & TSS Charges vs. Revenue Billed – Last 5 Years

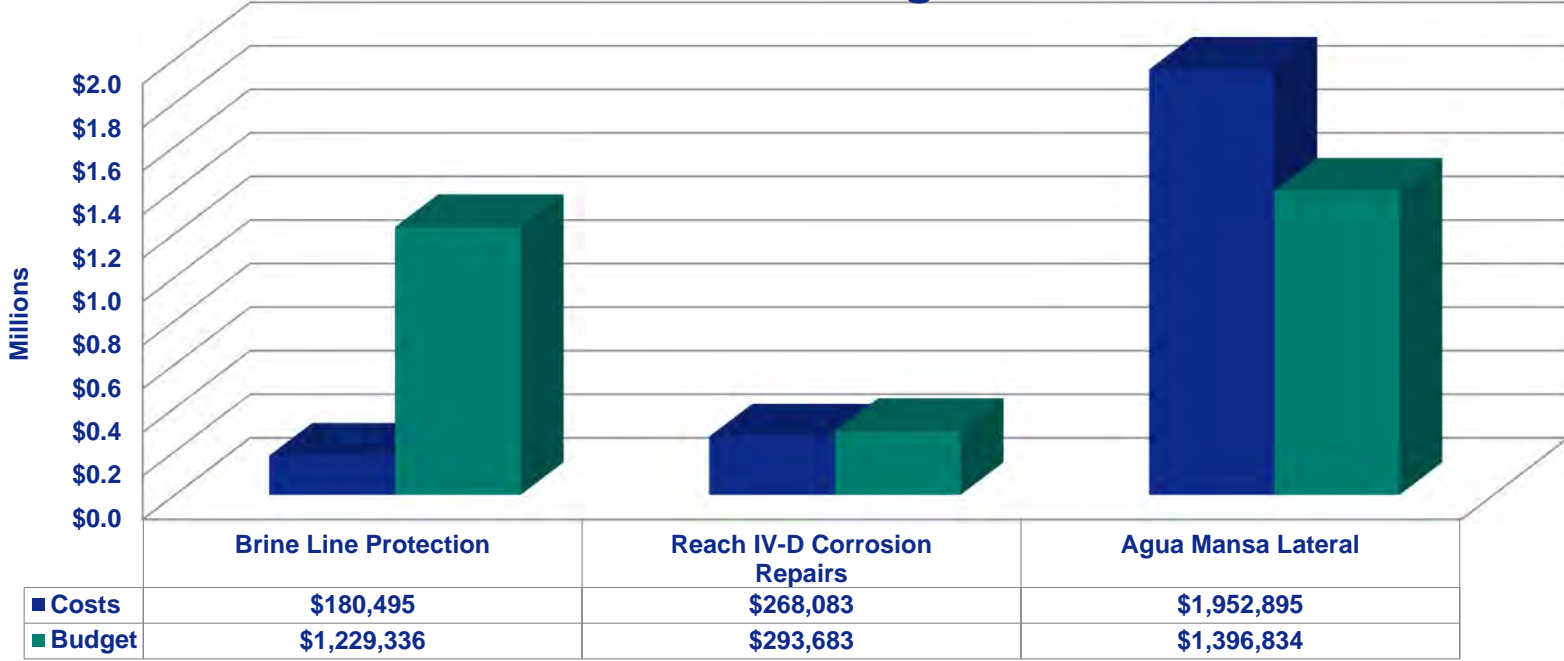


Average Daily Flow



Capital Projects

Costs vs. Budget



Capital Project Fund (320)

Brine Line Protection / Relocation Projects

- **D/S Prado in OC – emergency protection work, pipeline relocation**
- **Above Prado - pipeline relocation and manhole lid adjustments – when required**
- **D/S Prado in Riverside County – bank armoring**

Questions

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