**Project Agreement 21 Committee Meeting**

**Meeting Minutes May 2, 2013**

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| COMMISSION MEMBERS PRESENT | REPRESENTING |
| Don Galleano, Chair | Western Municipal Water District |
| Ron Sullivan | Eastern Municipal Water District |
| Mark Bulot | San Bernardino Valley MWD |
| Terry Catlin | Inland Empire Utilities Agency |
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| OTHERS PRESENT |  |
| Paul JonesPaul Rugge Derek KawaiiScott GoldmanKraig EricksonSharon GuilliamsTom GaworskiJerry GantneyRich HallerKaren WilliamsDavid RuhlRegina Patterson | Eastern Municipal Water DistrictWestern Municipal Water DistrictWestern Municipal Water DistrictRMC Water and EnvironmentalRMC Water and EnvironmentalSharon Guilliams EngineeringOrange County Sanitation DistrictKennedy JenksSAWPASAWPASAWPASAWPA |
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The Project Agreement 21 Committee Meeting of the Santa Ana Watershed Project Authority was called to order at 10:30 a.m. by Chair Don Galleano at the Santa Ana Watershed Project Authority Office, 11615 Sterling Avenue, Riverside, CA 92503. The flag salute followed. Chair Galleano called for public comments; however, no comments were received.

**NEW BUSINESS**

**INLAND EMPIRE BRINE LINE TSS FORMATION BILLING FORMULA (CM#8748)**

Rich Haller presented the TSS formation billing formula, the current formula for suspended solids allocation. More suspended solids are measured leaving the system than coming into it, so this formula was developed to allocate the formed suspended solids in the system to the discharges based on the hardness and the BOD in their discharge. The 62,330 pounds is the average monthly formation amount over the last 12 months. It is the opposite for BOD; there is less BOD leaving the system than entering. Bills are lowered according to that reduction.

Upon motion by Commissioner Catlin, seconded by Commissioner Sullivan, the motion unanimously carried:

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| **PA21/13-05-01****MOVED,** approve a revised (reduced) monthly target TSS formation (TSSf) amount of 62,000 pounds/month in the Inland Empire Brine Line TSS Formation Billing Formula, effective with the April 2013 invoices. |

**INLAND EMPIRE BRINE LINE RATE RESOLUTION (CM#8750)**

Rich Haller discussed the Brine Line rate outlining the proposed FY 2014 rates as based on a financial model developed by FCS Group in 2010. Rates include the charges from OCSD, SAWPA’s O&M, and the Capital Improvement Program. There are fixed costs due to flow in the pipeline such as maintaining the air-vac valves, so the cost is allocated to the fixed treatment charge. He noted that the costs for BOD and TSS are passed through, so for every dollar charged by OCSD, a dollar of revenue is collected from the dischargers. We have the formation formula because the pounds have to balance to make the dollars balance. Costs are added to the flow rate for maintaining the Brine Line within Riverside and San Bernardino Counties, as well as the flow treatment charge from OCSD, and O&M activities from OCSD for SAWPA’s proportional share within Orange County.

The flow rate also includes costs for the flow imbalance and self insurance funds. Commissioner Catlin asked where the new pretreatment costs are to be captured. Karen Williams said the revenues required to pay pretreatment costs come from all three revenue sources, 40% flow, 30% fixed pipeline, and 30% fixed treatment. Rich Haller displayed the proposed rates for current, FY 13-14, and FY 14-15 showing flow, BOD and TSS.

Commissioner Bulot arrived at the meeting at 10:40 a.m.

Upon motion by Commissioner Sullivan, seconded by Commissioner Bulot, the motion unanimously carried:

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| **PA21/13-05-02****MOVED,** that the Commission adopt Resolution No. 2013-05, establishing the new Inland Empire Brine Line rates to be effective July 1, 2013.  |

**CONSENT CALENDAR**

Upon motion by Commissioner Catlin, seconded by Commissioner Sullivan, the motion unanimously carried:

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| **PA21/13-05-03****MOVED,** approval of the Minutes from the meeting held April 4, 2013. |

**INFORMATIONAL REPORTS**

**INLAND EMPIRE BRINE LINE REACH V PIPELINE CONDITION STUDY (CM#8749)**

David Ruhl said RMC Water and Environmental (RMC) was hired to prepare a Pipeline Condition Study to evaluate five miles of the Reach V Brine Line. RMC completed their draft Condition Study on April 24, 2013.

Scott Goldman of RMC provided background and current information on Contracts 2 and 3, stating that it is a gravity line with low pressure portions. The contributors are Eastern Municipal Water District (two desalters, a power plant, and an industrial discharger). The purpose of the study came from the October 2011 spill. Subsequent test pits revealed that at that time there was poor soil compaction, pipe deflection from 3%-7%, large cobbles in the backfill and no sand in the pipe zone. He reviewed the risk assessment findings and rehabilitation options, stating that there were five rehabilitation options considered. Those five options were pressure grouting, tight fit lining, pipe bursting, open cut replacement, and pressure cured-in-place lining (CIPP). The CIPP was the recommended alternative. The CIPP process will require some bypass pumping that has been factored into the cost estimate. Other recommendations include replacing some air/vacuum valves, installing maintenance access structures, and installing isolation valves. The “phased” approach is recommended so that the work can be done in two or three phases.

Commissioner Sullivan asked for clarification on the “red areas” in the risk assessment findings. RMC said it could mean traffic. Commissioner Sullivan asked that detail be provided at the next meeting on what those red areas mean. Paul Jones asked that a sensitivity analysis be done for each risk area (high, medium, and low).

Rich Haller said staff will report to the Committee in June with an RFP recommendation for design along with an analysis of those options. This is a top priority because of the risk of catastrophic failure. In response to an inquiry about an estimate of time, if you were to combine the design phases into one phase, RMC indicated the design work would take approximately five months. This informational report was received and filed.

**SAWPA PRETREATMENT PROGRAM UPDATE**

Rich Haller reported on the Remedial Plan activities. Staff met with OCSD staff earlier this week to present the organization recommendation that was developed with the assistance of Dudek. We await comments from OCSD staff and will report the status soon. This informational report was received and filed.

**CLOSED SESSION**

None

There being no further business for review, Chair Galleano adjourned the meeting at 11:14 a.m.

**APPROVED**: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

July 11, 2013 Don Galleano, Chair

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