



# S A W P A

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

<b>Meeting Access Via Computer (Zoom):</b>	<b>Meeting Access Via Telephone:</b>
• <a href="https://sawpa.zoom.us/j/89421829198">https://sawpa.zoom.us/j/89421829198</a>	• 1 (669) 900-6833
• Meeting ID: 894 2182 9198	• Meeting ID: 894 2182 9198

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.

## AGENDA

**TUESDAY, MAY 2, 2023 – 10:00 A.M.**

### **REGULAR MEETING OF THE PROJECT AGREEMENT 24 COMMITTEE**

Inland Empire Brine Line

#### **Committee Members**

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

#### **1. CALL TO ORDER | PLEDGE OF ALLEGIANCE**

#### **2. 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.org](mailto:publiccomment@sawpa.org) with the subject line "Public Comment". Submit your electronic comments by 5:00 p.m. on Monday, May 1, 2023. 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.

#### **3. 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.

**4. 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: APRIL 4, 2023** .....5  
**Recommendation:** Approve as posted.

**5. COMMITTEE DISCUSSION/ACTION ITEMS**

- A. **INLAND EMPIRE BRINE LINE RATE RESOLUTION (PA24#2023.7)** .....7  
**Presenter:** David Ruhl  
**Recommendation:** Recommend approval by the SAWPA Commission of Resolution No. 2023-5 establishing the Fiscal Year 2023-24 Inland Empire Brine Line Rates.

**6. INFORMATIONAL REPORTS**

**Recommendation:** Receive for information.

- A. **BRINE LINE FINANCIAL REPORT – FEBRUARY 2023** .....31  
**Presenter:** Karen Williams

**7. REQUEST FOR FUTURE AGENDA ITEMS**

**8. CLOSED SESSION**

There were no Closed Session items anticipated at the time of the posting of this agenda.

**9. 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](http://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 April 27, 2023, a copy of this agenda has been uploaded to the SAWPA website at [www.sawpa.org](http://www.sawpa.org) and posted at SAWPA's office, 11615 Sterling Avenue, Riverside, California.

**2023 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.)

<b>January</b> 1/3/23 <del>Regular Committee Meeting</del> [cancelled]	<b>February</b> 2/7/23 Regular Committee Meeting
<b>March</b> 3/7/23 Regular Committee Meeting	<b>April</b> 4/4/23 Regular Committee Meeting
<b>May</b> 5/2/23 Regular Committee Meeting	<b>June</b> 6/6/23 Regular Committee Meeting
<b>July</b> 7/4/23 Regular Committee Meeting	<b>August</b> 8/1/23 Regular Committee Meeting
<b>September</b> 9/5/23 Regular Committee Meeting	<b>October</b> 10/3/23 Regular Committee Meeting
<b>November</b> 11/7/23 Regular Committee Meeting	<b>December</b> 12/5/23 Regular Committee Meeting

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**PROJECT AGREEMENT 24 COMMITTEE**  
Inland Empire Brine Line  
**REGULAR MEETING MINUTES**  
**April 4, 2023**

**COMMITTEE MEMBERS PRESENT**

T. Milford Harrison, Chair, San Bernardino Valley Municipal Water District Governing Board  
Mike Gardner, Vice Chair, Western Municipal Water District Governing Board  
Joe Mouawad, Eastern Municipal Water District General Manager  
Jasmin A. Hall, Inland Empire Utilities Agency Governing Board

**ALTERNATE COMMITTEE MEMBERS PRESENT [Non-Voting]**

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

**STAFF PRESENT**

Jeff Mosher, Karen Williams, Mark Norton, David Ruhl, Edina Goode, John Leete, Pete Vitt,  
Daniel Vasquez, Sara Villa, Zyanya Ramirez

**OTHERS PRESENT**

Andrew D. Turner, Lagerlof, LLP; Derek Kawaii, Western Municipal Water District

**1. CALL TO ORDER | PLEDGE OF ALLEGIANCE**

The regular meeting of the PA 24 Committee was called to order at 10:00 a.m. by Chair T. Milford Harrison on behalf of the Santa Ana Watershed Project Authority, 11615 Sterling Avenue, Riverside, California.

**2. PUBLIC COMMENTS**

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

**3. ITEMS TO BE ADDED OR DELETED**

There were no added or deleted items.

**4. CONSENT CALENDAR**

**A. APPROVAL OF MEETING MINUTES: MARCH 7, 2023**

Recommendation: Approve as posted.

**MOVED**, to approve the March 7, 2023, meeting minutes with the inclusion of the list of Committee Members Absent.

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

**5. COMMITTEE DISCUSSION/ACTION ITEMS**

**A. BRINE LINE SERVICE CONTRACTS REQUEST FOR PROPOSALS (PA24#2023.6)**

Daniel Vasquez provided a presentation titled Brine Line Service Contracts Request for Proposals (RFPs), contained in the agenda packet on pages 11-15. SAWPA relies on several outside service providers to perform critical maintenance activities on the brine line requiring specialty equipment SAWPA does not own. The Brine Line service contracts that are being inquired about are Line Draining and Emergency Response, Debris Hauling and Disposal, and On-Call Surveying. The service contracts are generally awarded for a period of two years with an option to renew for one additional year. Responses to the Requests for Proposals (RFPs) will be due May 15, 2023, and authorization of the service contracts will be presented to the Committee on June 6, 2023.

It was asked how the cost estimate compares to last year's cost. Mr. Vasquez noted that the costs are very similar, though what's increased are the labor costs. It was asked what selection criteria is used, and Mr. Vasquez noted that it applies to cost, qualification, quality of work, and previous agency experience. It was suggested for staff to consider for the line draining and emergency response to include traffic control and safety as a criterion, and possibly look into selecting more than one vendor in case the preferred vendor is not able to respond to an emergency, you have the other vendor to fall back on.

**MOVED**, to direct the General Manager to issue Request for Proposals (RFPs) for the following Inland Empire Brine Line Service Contracts: Line Draining and Emergency Response, Debris Hauling and Disposal, and On Call Surveying.

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

**6. INFORMATIONAL REPORTS**

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

**A. BRINE LINE FINANCIAL REPORT – JANUARY 2023**

**Presenter:** Karen Williams

**7. REQUEST FOR FUTURE AGENDA ITEMS**

There were no requests for future Agenda items.

**8. CLOSED SESSION**

There was no Closed Session.

**9. ADJOURNMENT**

There being no further business for review, Committee Chair T. Milford Harrison adjourned the meeting at 10:15 a.m.

**Approved at a Regular Meeting of the Project Agreement 24 Committee on May 2, 2023.**

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T. Milford Harrison, Chair

Attest:

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Sara Villa, Clerk of the Board

## PA 24 COMMITTEE MEMORANDUM NO. 2023.7

**DATE:** May 2, 2023

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

**SUBJECT:** Inland Empire Brine Line Rate Resolution

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

### RECOMMENDATION

That the Project Agreement 24 Committee recommend approval by the SAWPA Commission of Resolution No. 2023-5 establishing the Fiscal Year 2023-24 Inland Empire Brine Line Rates.

### DISCUSSION

The proposed Fiscal Year 2023-24 Brine Line Rates for flow, BOD, TSS, fixed pipe, and fixed treatment are shown in Table 1. 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).

*Table 1. Summary of FY 2022-23 (Current) Rates and FY 2023-24 (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&amp;D*</i>
Current FY 2022-23	\$1,049	\$353	\$520	\$6,654	\$13,505
<b>Proposed FY 2023-24</b>	<b>\$1,073</b>	<b>\$394</b>	<b>\$494</b>	<b>\$6,654</b>	<b>\$13,505</b>

\*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 (\$292/MG) is included as part of the total SAWPA Brine Line Flow rate (\$1,073/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 2023, SAWPA received the proposed Brine Line rates from OC San (Flow, BOD, TSS) that include a 18.2% increase in the flow charge, a 11.6% increase in the BOD charge and a 5.0% decrease in the TSS charge. The increase is due to a decrease in OC San’s annual flow and an increase in operation and maintenance expenses. Although this increase is significant, SAWPA is able to maintain a 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 will increase 11.6% and the rate for TSS will decrease 5.0%. One of the intended purposes of the Brine Line Operating Reserve is to mitigate the effects of unplanned or unexpectedly large rate increases. The potential impact on the FY 2023-24 approved budget due to the 18.2% increase in flow is approximately \$130,000. SAWPA staff will evaluate the unexpected expense during the upcoming fiscal year and if necessary provide a recommendation to PA 24 to transfer funds from the Operating Reserve to Fund 240.

As part of the Brine Line Rate Resolution, planned rates for FY 2024-25 are presented to assist Member Agencies in their budget process for next fiscal year. Since these rates are presented for “planning” purposes only, they will require PA 24 and Commission approval prior to the beginning of the next fiscal year (July 1, 2024). SAWPA’s Planned rates for FY 2024-25 will

include a 2.25% increase in the flow component and will include a 5.0% increase in the BOD and TSS rate. Fixed charges (pipeline and treatment and disposal) are expected to remain the same. Table 2 provides a summary of the proposed FY 2023–24 Brine Line Rates and the planned FY 2024-25 Brine Line Rates.

*Table 2. Summary of the proposed FY 2023-24 rates and the planned FY 2024-25 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&amp;D*</i>
Proposed FY 2023-24	\$1,073	\$394	\$494	\$6,654	\$13,505
Planned FY 2024-25	\$1,097	\$413	\$519	\$6,654	\$13,505

\*Fixed pipeline and Fixed T&D charges are per million gallons per month.

Table 3 summarizes the Brine Line rates and the percent increase/decrease from FY 2018 through FY 2024.

*Table 3. SAWPA Brine Line Rates and % increase (+/-) from FY 2018 through FY 2025*

<i>SAWPA Rates</i>	<i>FY18</i>	<i>FY19</i>	<i>FY20</i>	<i>FY21 6 mo.</i>	<i>FY21 6 mo.</i>	<i>FY22</i>	<i>FY23 Current</i>	<i>FY24 Proposed</i>	<i>FY 25 Planned</i>
Flow	901	946	979	979	1,018	1,018	1,049	<b>1,073</b>	1,097
% Increase	5%	5%	4%	0%	4%	0%	3%	<b>2.3%</b>	2.2%
BOD	307	307	316	316	329	329	353	<b>394</b>	413
% Increase	0%	0%	3%	0%	4%	0%	7%	<b>11.6%</b>	4.8%
TSS	429	429	442	442	460	460	520	<b>494</b>	519
% Increase	0%	0%	3%	0%	4%	0%	13%	<b>-5.0%</b>	5.1%
Fixed Pipe	5,921	6,217	6,398	6,398	6,654	6,654	6,654	<b>6,654</b>	6,654
% Increase	5%	5%	3%	0%	4%	0%	0%	<b>0%</b>	0%
Fixed T&D	12,007	12,607	12,985	12,985	13,505	13,505	13,505	<b>13,505</b>	13,505
% Increase	5%	5%	3%	0%	4%	0%	0%	<b>0%</b>	0%

The truck disposal rates will continue to be based on two (2) tiers: a Brine Tier and a Non-Brine Tier. These charges remain unchanged from FY 2022-23. The current (FY 2022-23) and proposed rates for FY 2023-24 indirect discharger rates are summarized in Table 4.

*Table 4. Indirect Discharger Rates Current Rates*

<i>Hauled Waste</i>	<i>Current FY 2022-23 and Proposed FY 2023-24</i>
Brine Tier (less than 100 mg/l BOD or TSS)	\$0.016/gallon
Non-Brine Tier (100 mg/l and above)	\$0.016/gallon plus charge per lb of BOD/TSS
BOD Charges	\$0.780/lb BOD
TSS Charges	\$0.745/lb TSS



The proposed permit fees for FY 2023-24 remained unchanged from FY 2022-23 as shown in Table 5.

*Table 5. Permit Fees*

<i>Permit Type</i>	<i>Current Fee (FY 2022-23) and Proposed Fee (FY 2023-24)</i>
Direct Discharger	\$600
Indirect Discharger	\$300
Liquid Waste Hauler permit (trucking companies)	\$250
Connection Authorization Rate	\$1,100

The proposed Capacity Lease rates for FY 2023-24 remain unchanged from the rates from FY 2022-23. Discharges not exceeding 250 mg/L of BOD and 250 mg/L of TSS are as follows:

*Table 6. Capacity Lease Rates*

<i>Lease Option Proposed (FY 2023-24)</i>	<i>Flow (per gallon)</i>	<i>BOD (per pound)</i>	<i>TSS (per pound)</i>
Pipeline and Treatment and Disposal	\$0.00263	\$0.4080	\$0.2501
Treatment and Disposal Only	\$0.00117	\$0.4080	\$0.2501

All dischargers leasing capacity will be charged the rates in Table 1, in addition to the corresponding Brine Line lease option identified in Table 6.

Treatment and Disposal surcharge rates are charged when the contractually owned capacity for Flow, BOD, and/or TSS is exceeded in any given month. Rates for Treatment and Disposal surcharges remain unchanged from FY 2022-23. The proposed Treatment and Disposal surcharge rates are as shown in Table 7.

*Table 7. Treatment and Disposal (T&D) Surcharge Rates*

<i>Option</i>	<i>Flow (per gallon)</i>	<i>BOD (per pound)</i>	<i>TSS (per pound)</i>
Current (FY 22-23)	\$0.0021	\$0.4080	\$0.2501
Proposed (FY 23-24)	\$0.0021	\$0.4080	\$0.2501

## RESOURCE IMPACTS

The proposed Brine Line rates will provide the revenue to pay expected costs for brine treatment, pipeline operations, maintenance and repair including SAWPA's share of costs in Orange County, capital repair costs and repayment of outstanding debts.

Attachments:

1. Resolution 2023-5
2. Powerpoint Presentation

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## RESOLUTION NO. 2023-5

### A RESOLUTION OF THE COMMISSION OF THE SANTA ANA WATERSHED PROJECT AUTHORITY ESTABLISHING THE RATES (FOR THE TREATMENT AND DISPOSAL OF NON-RECLAIMABLE WASTEWATER, TEMPORARY DOMESTIC WASTEWATER, COLLECTION STATION DISCHARGES, AND CHARGES FOR SUSPENDED SOLIDS AND BIOCHEMICAL OXYGEN DEMAND) IN THE INLAND EMPIRE BRINE LINE AND RESCINDING RESOLUTION NO. 2022-9 AS STATED

**WHEREAS**, the Santa Ana Watershed Project Authority (hereafter “SAWPA”) has constructed the Inland Empire Brine Line (Brine Line, also known as the Santa Ana Regional Interceptor) for the treatment and disposal of non-reclaimable wastewater, temporary domestic wastewater, and collection station discharges;

**WHEREAS**, the best and highest use of the Brine Line is the export of salt with the ultimate goal of achieving watershed “salt balance” and requires maximum utilization of the Brine Line;

**WHEREAS**, SAWPA’s vision is to maintain and operate the Brine Line as efficiently as possible, collect charges from SAWPA’s Member Agencies (“dischargers”) for the treatment and disposal of highly saline wastewater, temporary domestic wastewater, and collection station discharges, including charges for the discharge of total suspended solids (“TSS”) and biochemical oxygen demand (“BOD”);

**WHEREAS**, it is the policy of the Commission to accurately and equitably allocate costs to those who generate the costs;

**WHEREAS**, SAWPA has implemented a rate structure using a characteristics-based rate that results in a “pass-through” of charges for Flow, BOD, and TSS from the Orange County Sanitation District (“OC San”);

**WHEREAS**, SAWPA will make an adjustment to the flow measured at each discharge site if the total flow at the SARI metering station (SMS), located at the Orange County line, is higher than the aggregate of all dischargers;

**WHEREAS**, OC San charges and other factors affecting the rate are outside SAWPA’s control, and it is the intention of the Commission that staff review the rates, propose modifications as necessary, and seek approval of any modifications prior to the beginning of each fiscal year;

**WHEREAS**, the sampling and monitoring fee policy allows recovery of all SAWPA costs related to sampling and monitoring of discharges;

**WHEREAS**, SAWPA is implementing a planned long-term capital improvement program for the long-term repair and replacement of the Brine Line and is funding a pipeline replacement and capital investment reserve for the Brine Line, all of which are intended to ensure the long-term reliability of the Brine Line;

**WHEREAS**, Connection Authorizations will be issued upon adoption of Ordinance No. 9 and a Letter to Discharge will be issued authorizing an infrequent discharge to the Brine Line;

**WHEREAS**, long-term system reliability is beneficial to the Brine Line, SAWPA has included debt repayment, long-term replacement, and operating reserve components in the rate structure;

**WHEREAS**, the collection station discharge rates, permit fees, and lease rates are derived from the same rate structure, and inclusion in this resolution provides clarity;

**WHEREAS**, a Peaking, Emergency Rate or Connection Authorization Rate and two fixed charge components are included, consistent with the adoption of Resolution No. 461 establishing SAWPA's fee for service business model;

**WHEREAS**, some dischargers may from time-to-time fall below economical billing levels, a minimum charge is included;

**WHEREAS**, "Fiscal Year" means the period beginning July 1 of each year and ending June 30 of the following year for purposes of initiating a new rate period;

**WHEREAS**, "Rate Period" means the period of time from July 1, 2023 through June 30, 2024 and from July 1, 2024 through June 30, 2025.

**WHEREAS**, SAWPA conducted a solids formation study to accurately measure and allocate TSS formed within the pipeline and has used a formula since July 1, 2007 to distribute the additional load created. The total TSS load is measured at the SMS and allocated to dischargers based on the individual discharger's direct and indirect contribution to the total load; the TSS allocation is based on a twelve (12) month rolling average. Any required adjustment will be approved by the Commission by separate action;

**WHEREAS**, SAWPA has completed and continues to update closed-circuit television (CCTV) inspection of the gravity flow portion of the system and found significant accumulation of material throughout most of the pipeline. Pipeline cleaning in these areas is required on a recurring basis. The cost for pipeline cleaning is included in the Flow charge;

**WHEREAS**, a surcharge for Flow, BOD, and TSS treatment and disposal capacity is applicable when discharge quantities exceed owned capacity; and

**WHEREAS**, SAWPA and the Member Agencies established a Lease Capacity Pool Agreement to allow smaller dischargers to lease Pipeline and Treatment & Disposal Capacity Rights from SAWPA in lieu of purchasing capacity rights. Brine Line lease rates are derived from the same rate structure, and inclusion in this resolution provides clarity. Leasing capacity requires a lease agreement between SAWPA and the discharger, if lease capacity is available.

**NOW, THEREFORE, BE IT RESOLVED** that the Commission of the Santa Ana Watershed Project Authority hereby resolves that:

- For the Rate Periods identified below, the treatment and volumetric user charges paid to SAWPA for treatment and disposal of non-reclaimable and temporary domestic wastewater shall be as follows, with a minimum charge of \$150.00 for the flow component:

<u>Rate Period</u>	<u>Flow/MGD</u> <u>(a)</u>	<u>BOD/</u> <u>1,000</u> <u>lbs.</u> <u>(b)</u>	<u>TSS/</u> <u>1,000</u> <u>lbs.</u> <u>(c)</u>	<u>Fixed</u> <u>Pipe</u> <u>(d)</u>	<u>Fixed</u> <u>Treatment</u> <u>(e)</u>
7/1/2023 – 6/30/2024	\$1,073	\$394	\$494	\$6,654	\$13,505
7/1/24 - 6/30/2025 (f)	\$1,097	\$413	\$519	\$6,654	\$13,505

- This component shall be calculated and assessed per gallon (i.e., \$0.001073) of discharge (flow) to the Brine Line each month. The flow charge is comprised of an OC San “Pass-Through” flow charge as well as a SAWPA flow charge.
  - This component shall be calculated and assessed per pound (i.e., \$0.394) of dry weight of BOD calculated from the average of sample results each month.
  - This component shall be calculated and assessed per pound (i.e., \$0.494) of dry weight of TSS calculated from the average of sample results each month.
  - This component for fixed costs (also known as Readiness to Serve) shall be assessed per MGD of owned pipeline/connection capacity per month.
  - This component for fixed costs shall be assessed per MGD of owned treatment and disposal capacity per month for the corresponding rate period.
  - Future rates are for planning purposes only. The Commission will separately evaluate and set the rates annually for each FY.
- Total flow for each discharger will be adjusted if flows at SMS are higher than the aggregate of all the discharger flows.
  - Actual OC San charges for Flow, BOD, and TSS shall be “passed through” to dischargers.
  - A sampling surcharge shall be applied to all BOD and TSS dischargers to account for the actual cost of necessary sampling and shall be assessed to all dischargers. Increased sampling is defined as any and all costs in excess of one sample per month. Increased sampling shall be determined solely by SAWPA and billed monthly. High BOD, TSS, or high variability dischargers will be sampled more frequently as required, and low BOD/TSS or low variability dischargers will be sampled monthly or quarterly as required to obtain reliable data.

5. SAWPA shall continue to measure BOD and TSS entering and exiting the system. Should a difference in BOD and TSS exist between the total of all dischargers and the SAWPA discharge to OC San, the strength values for each discharger shall be adjusted to fully allocate the SAWPA discharge to OC San. This adjusted strength shall be used for determining discharger invoice amounts.
6. The annual permit fee for each directly connected discharger shall be not less than \$600. The annual permit fee for each indirect discharger shall be not less than \$300. The annual fee for Connection Authorizations that require a letter to discharge is \$1,100. Additional permit fees may be charged for speculative or special permit work to cover actual costs and administration as determined by the SAWPA General Manager. The annual fee for a Liquid Waste Hauler permit shall be not less than \$250.
7. Truck-delivered non-reclaimable wastewater discharges from sources within the Santa Ana River Watershed at SAWPA-authorized collection stations shall be charged based on the strength of the waste discharged. Waste shall be charged at \$0.016 per gallon for Brine discharges (less than 100 milligrams per liter (mg/l) average concentration for BOD and TSS), and a Non-Brine tier which shall be charged based on the measured strength for each load as defined by Note (b). Proposed and future estimated rates are shown below. All permitting, permit fees, monitoring, labor, and other costs are the responsibility of the member agency providing the service.

<b>Waste Strength</b>	<b>BOD or TSS Concentration</b>	<b>7/1/2023 – 6/30/2024</b>	<b>7/1/2024 – 6/30/2025 (a)</b>
Brine Tier	Less than 100 mg/l	\$0.016	\$0.016
Non Brine Tier	100 mg/l and higher	(b)	(b)

(a) Future rate for planning purposes only. The Commission will separately evaluate and set the rates annually for each FY. Planned FY24-25 charges are: \$0.016 per gallon, \$0.78/pound of BOD, and \$0.745/pound of TSS.

(b) If either BOD or TSS exceeds the concentration of 100 mg/l, the full discharge will be charged using the following cost component: \$0.016 per gallon, \$0.78/pound of BOD, and \$0.745/pound of TSS

8. If approved in the future by OC San and the Commission, truck-delivered non-reclaimable wastewater discharges from outside the Santa Ana River Watershed at SAWPA-authorized collection stations, shall be charged a surcharge of 10% on waste discharged to the Brine Line. This surcharge shall be added to the rates indicated in paragraph 7 and represents the administrative costs associated with serving these customers. All permitting, monitoring, labor, and other costs are the responsibility of the Member Agency providing the service. Discharges from sources outside the watershed require specific Commission and OC San approval.
9. A Connection Authorization Rate or Emergency Rate shall be charged for discharges approved by a Letter to Discharge. The Connection Authorization Rate or Emergency Rate shall be comprised of 110% of the surcharges in Paragraph 10, plus 110% of the Flow, BOD, and TSS charges in Paragraph 1. Surcharges shall be assessed for discharges in excess of the owned capacity, subject to General Manager's approval.

10. A treatment and disposal surcharge shall be charged when contractually owned capacity for BOD, TSS, and/or Flow is exceeded in any given month. Rates from July 1, 2023 through June 30, 2024 shall be \$0.4080 per pound BOD, \$0.2501 per pound TSS, and \$0.0021 per gallon Flow. These charges are in addition to the charges for Flow, BOD, and TSS outlined in Paragraph 1.
11. Capacity Lease Rate. Capacity Lease Rates for Pipeline Capacity Right and Treatment and Disposal Capacity Right from July 1, 2023 through June 30, 2024 shall be \$0.00263 per gallon up to 250 mg/l BOD and 250 mg/l TSS. Capacity Lease Rates for Treatment and Disposal Capacity Right Only from July 1, 2023 through June 30, 2024 shall be \$0.00117 per gallon up to 250 mg/l BOD and 250 mg/l TSS. These rates are in addition to the charges for Flow, BOD, and TSS outlined in Paragraph 1. Any discharge exceeding the 250 mg/l BOD and 250 mg/l TSS concentration shall be billed as a loading surcharge for the period between July 1, 2023 through June 30, 2024 at a rate of \$0.4080 per pound of BOD and \$0.2501 per pound of TSS.
12. The provisions of SAWPA Ordinance No. 8 and any amendments or successors thereto, are hereby incorporated by this reference, as though set forth herein in full.
13. Payment of invoices not made within 45 days of the invoice date shall bear interest at a rate of one percent (1.0%) per month from the date of invoice.
14. The user's charges and surcharges established by this Resolution are effective July 1, 2023 and Resolution No. 2022-9 is rescinded once this Resolution takes effect.

**ADOPTED** this 16<sup>th</sup> day of May 2023.

**SANTA ANA WATERSHED PROJECT AUTHORITY**

By: \_\_\_\_\_  
Bruce Whitaker, Chair

Attest:

By: \_\_\_\_\_  
Sara Villa, Clerk of the Board

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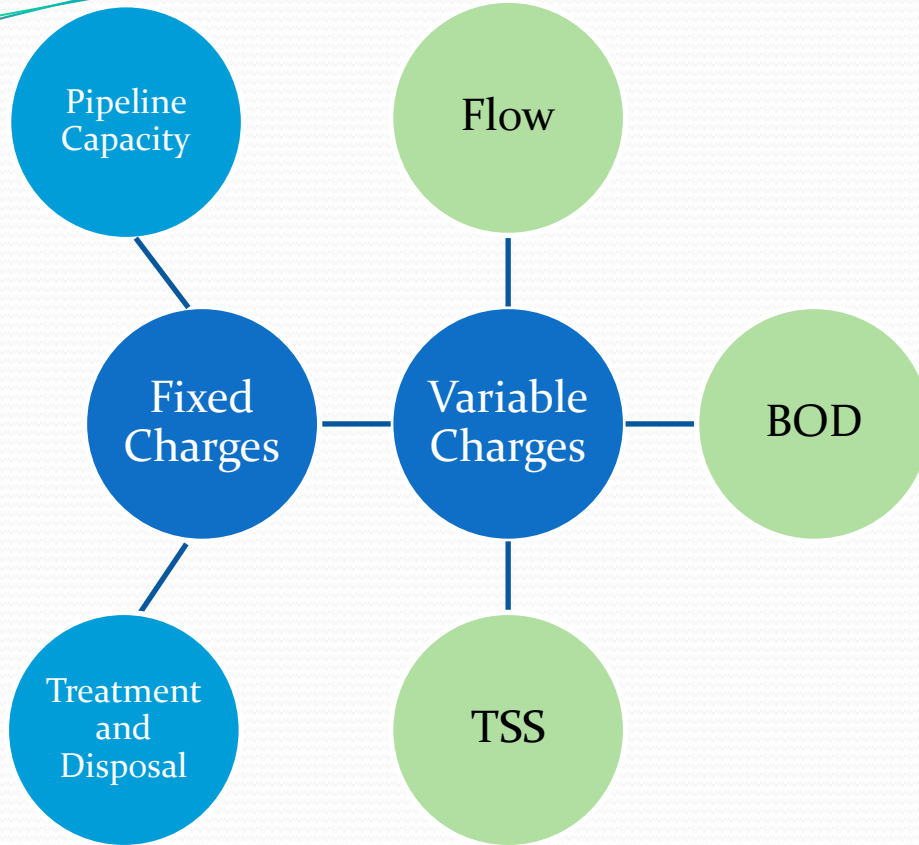
# Inland Empire Brine Line Rate Resolution 2023-5

David Ruhl, Executive Manager of Engineering and  
Operations

PA24 Committee | May 2, 2023

# Recommendation

- That the Project Agreement 24 Committee recommend approval by the SAWPA Commission of Resolution No. 2023-5 establishing the Fiscal Year 2023-24 Inland Empire Brine Line Rates.



## Brine Line Rate Components:

- Flow
  - Per Million Gallons
- Biochemical Oxygen Demand (BOD)
  - Per 1,000 lbs
- Total Suspended Solids (TSS)
  - Per 1,000 lbs
- Fixed Charges for Pipeline and Treatment and Disposal Capacity Owned
  - Per Million Gallons/Day

# Brine Line Rates Direct Dischargers (FY2023-24)

Options	Effective date	Flow MG	BOD(1) 1,000 lbs	TSS(1) 1,000 lbs	Fixed Pipe	Fixed T&D
Current FY 2022-23	-	1,049	353	520	6,654	13,505
Proposed FY 2023-24	7/1/2023	1,073	394	494	6,654	13,505

- (1) BOD and TSS is a “pass through” cost from OC San. BOD and TSS proposed rate for FY 2023-24 match OC San charge received in April 2023.

# Brine Line Rates FY 2018 – FY 2025

Fiscal Year	Flow (MG)	BOD (1,000 lbs)	TSS (1,000 lbs)	Monthly Fixed Pipeline	Monthly Fixed Treatment
2025 Planned	1,097	\$413	\$519	\$6,654	\$13,505
<b>2024 Proposed</b>	<b>1,073</b>	<b>394</b>	<b>494</b>	<b>6,654</b>	<b>13,505</b>
2023 Current	1,049	353	520	6,654	13,505
2022	1,018	329	460	6,654	13,505
2021 Jan - Jun	1,018	329	460	6,654	13,505
2021 Jul – Dec	979	316	442	6,398	12,985
2020	979	316	442	6,398	12,985
2019	946	307	429	6,217	12,607
2018	901	307	429	5,921	12,007

# Brine Line Rates % Change (+/-) FY 2018 – FY 2025

Fiscal Year	Flow MG	BOD (1,000 lbs)	TSS (1,000 lbs)	Monthly Fixed Pipeline	Monthly Fixed Treatment
2025 Planned	2.2%	4.8%	5.1%	0%	0%
<b>2024 Proposed</b>	<b>2.3%</b>	<b>11.6%</b>	<b>-5.0%</b>	<b>0%</b>	<b>0%</b>
2023 Current	3%	7%	13%	0%	0%
2022	0%	0%	0%	0%	0%
2021 Jan-Jun	4%	4%	4%	4%	4%
2021 Jul-Dec	0%	0%	0%	0%	0%
2020	4%	3%	3%	3%	3%
2019	5%	0%	0%	5%	5%
2018	5%	0%	0%	5%	5%

# Indirect Dischargers

- Currently using a 2-tier system:
  - Brine (  $< 100$  mg/L of both BOD or TSS)
  - Non-Brine (  $\geq 100$  mg/L of either BOD or TSS)
  - Charges based on a per gallon base for brine tier and a per gallon base plus pounds of BOD and pounds of TSS for non-brine tier.

# Indirect Discharger Rates

Option	Brine <sup>(a)</sup> Tier ( $< 100$ mg/L) / gallon	Non-Brine <sup>(b)</sup> Tier* ( $\geq 100$ mg/L) / gallon	BOD/lb	TSS/lb
Current (FY2022-23) and Proposed (FY2023-24)	\$0.016	\$0.016	\$0.780	\$0.745

*\*Non-brine tier charges the flow component plus any pounds of BOD and TSS.*

*(a) Brine Tier if both BOD and TSS concentrations are less than 100 mg/L*

*(b) Non-Brine Tier if any of the BOD or TSS concentrations are 100 mg/L or greater.*



# Capacity Lease Rates

Lease Option Proposed (FY 2023 – 24)	Flow (per gallon)	Additional BOD (per lb)	Additional TSS (per lb)
Pipeline and Treatment and Disposal	\$0.00263	\$0.4080	\$0.2501
Treatment and Disposal Only	\$0.00117	\$0.4080	\$0.2501

*(a) Discharges not exceeding 250 mg/l of BOD and 250 mg/l of TSS*

# Treatment & Disposal Surcharge Rates

Option	Flow (per gallon)	BOD (per lb)	TSS (per lb)
Current (FY 2022-23) and Proposed (FY 2023-24)	\$0.0021	\$0.4080	\$0.2501

These rates apply to dischargers that exceed their contractually owned capacity in any given month.

# Proposed Permit Fees

Type of Permit	Current Fee (FY 2022-23) And Proposed Fee (FY 2023-24)
Direct Discharger	\$600
Indirect Discharger	\$300
Connection Authorization	\$1,100
Liquid Waste Hauler	\$250

# Recommendation

- That the Project Agreement 24 Committee recommend approval by the SAWPA Commission of Resolution No. 2023-5 establishing the Fiscal Year 2023-24 Inland Empire Brine Line Rates.



Questions?


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**Santa Ana Watershed Project Authority  
PA24 - Brine Line - Financial Report  
February 2023**

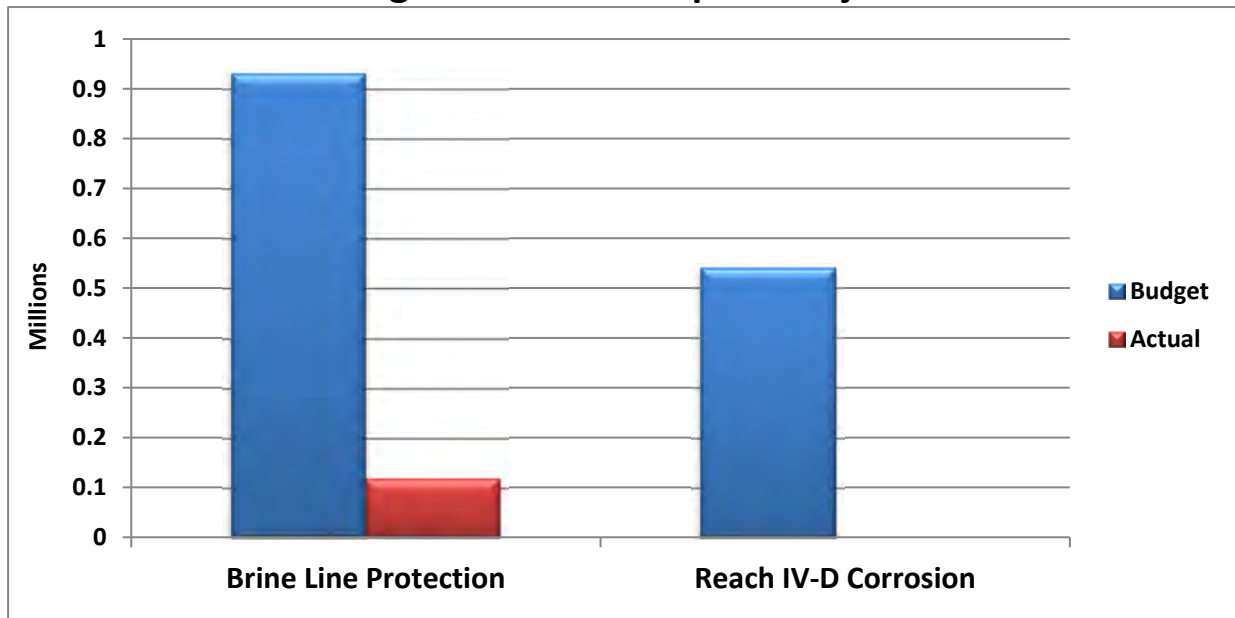
*Staff comments provided on the last page are an integral part of this report.*

<b>Overview</b>	This report highlights the Brine Line’s key financial indicators for the Fiscal Year-to-Date (FYTD) through February 2023 unless otherwise noted.
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**Brine Line - Capital Projects**

<b>Budget to Actual – Capital Projects</b>				 <b>Concern</b>
	<b>Annual Budget</b>	<b>FYTD Budget</b>	<b>FYTD Actual</b>	<b>Favorable (Unfavorable) Variance</b>
<b>Brine Line Protection</b>	\$1,397,185	\$931,457	\$119,444	\$812,013
<b>Reach IV-D Corrosion</b>	810,746	540,497	-	540,497
<b>Total Capital Costs</b>	<b>\$2,207,931</b>	<b>\$1,471,954</b>	<b>\$119,444</b>	<b>\$1,352,510</b>

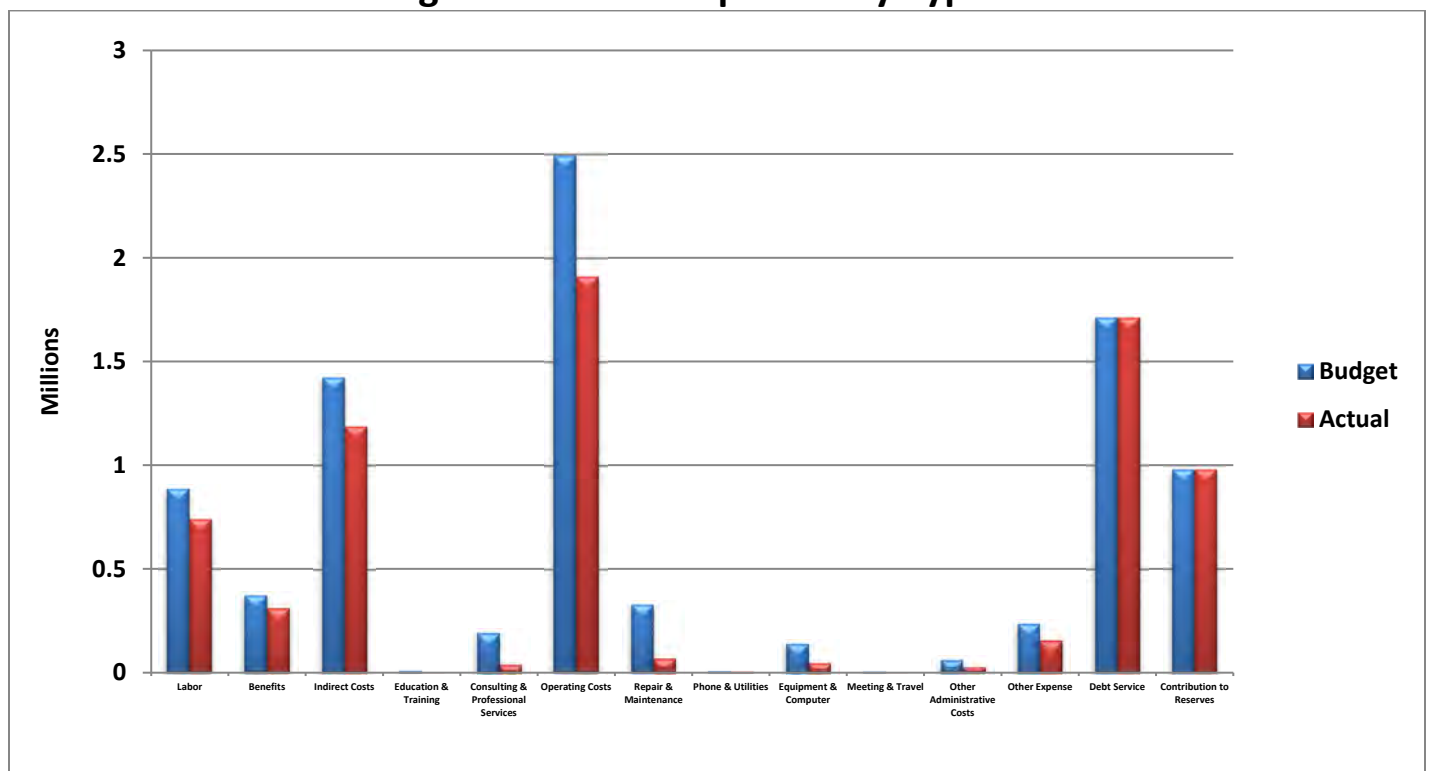
**Budget to Actual - Capital Projects**



## Brine Line – Operating

Budget to Actual - Expenses by Type				 Favorable
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
Labor	\$1,326,650	\$884,433	\$738,280	\$146,153
Benefits	556,753	371,169	310,078	61,091
Indirect Costs	2,133,400	1,422,267	1,187,154	235,113
Education & Training	14,500	9,667	1,236	8,431
Consulting & Prof Svcs	285,000	190,000	39,172	150,828
Operating Costs	3,739,650	2,493,100	1,910,698	582,402
Repair & Maintenance	490,000	326,667	69,304	257,363
Phone & Utilities	11,500	7,667	6,833	834
Equip & Computers	206,500	137,667	49,115	88,552
Meeting & Travel	10,000	6,667	1,445	5,222
Other Admin Costs	90,900	60,600	27,871	32,729
Other Expense	355,000	236,667	155,785	80,882
Debt Service	1,709,476	1,709,476	1,709,476	-
Contribution to Reserves	1,467,543	978,362	978,362	-
<b>Total</b>	<b>\$12,396,872</b>	<b>\$8,834,409</b>	<b>\$7,184,809</b>	<b>\$1,649,600</b>

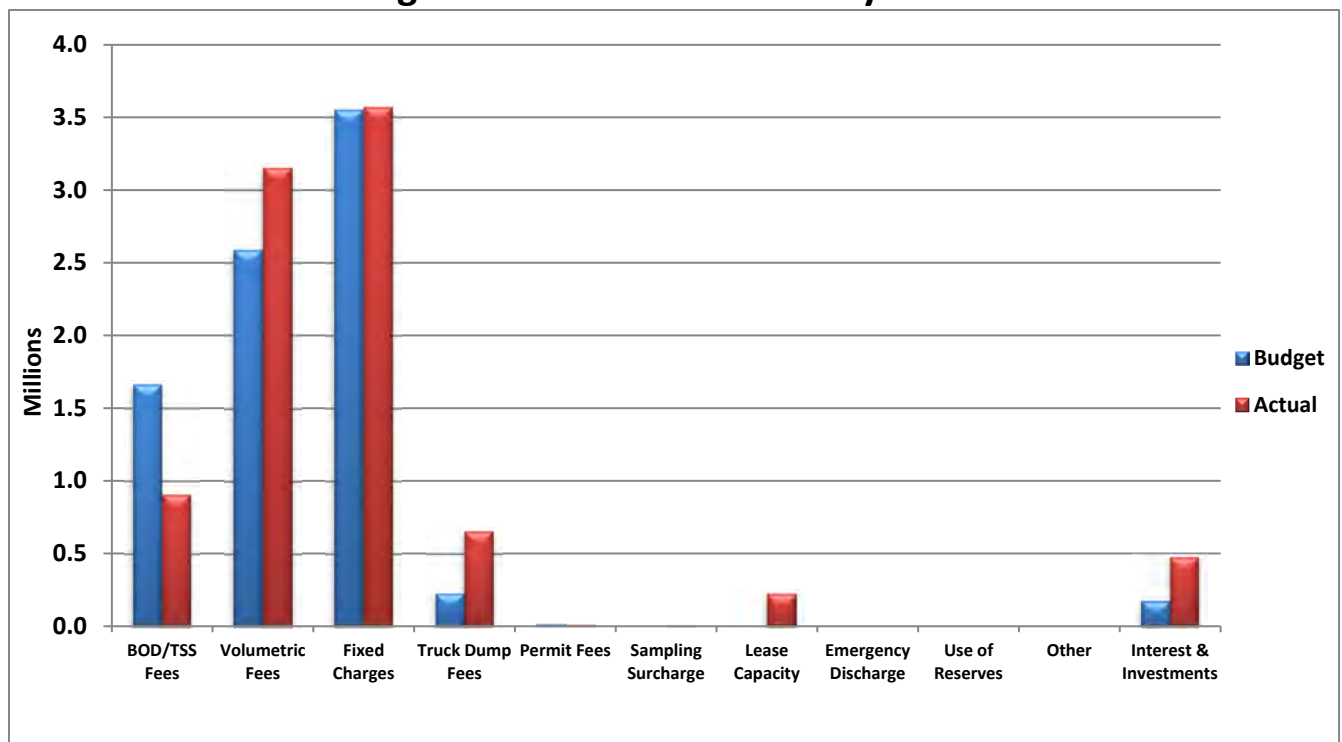
### Budget to Actual - Expenses by Type



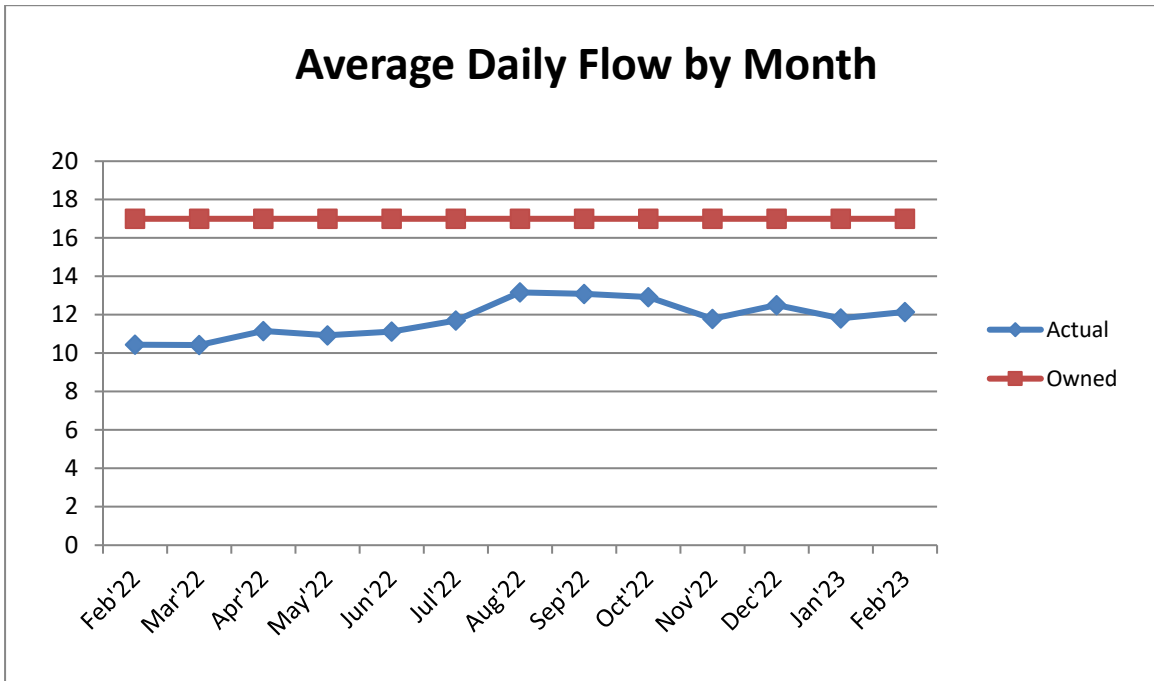


Budget to Actual - Revenues by Source				✓ Favorable
	Annual Budget	FYTD Budget	FYTD Actual	Favorable (Unfavorable) Variance
BOD/TSS Fees	\$2,492,400	\$1,661,600	\$906,338	(\$755,262)
Volumetric Fees	3,881,300	2,587,533	3,152,434	564,901
Fixed Charges	5,323,422	3,548,948	3,570,420	21,472
Truck Dump Fees	346,500	231,000	654,528	423,528
Permit Fees	28,250	13,700	7,950	(5,750)
Sampling Surcharge	-	-	6,920	6,920
Lease Capacity Revenue	-	-	222,422	222,422
Emergency Discharge Fees	-	-	46	46
Use of Reserves	-	-	-	-
Other Revenue	-	-	549	549
Interest & Investments	325,000	175,000	470,080	295,080
<b>Total</b>	<b>\$12,396,872</b>	<b>\$8,217,781</b>	<b>\$8,991,687</b>	<b>\$773,906</b>

Budget to Actual - Revenues by Source



### Average Daily Flow by Month

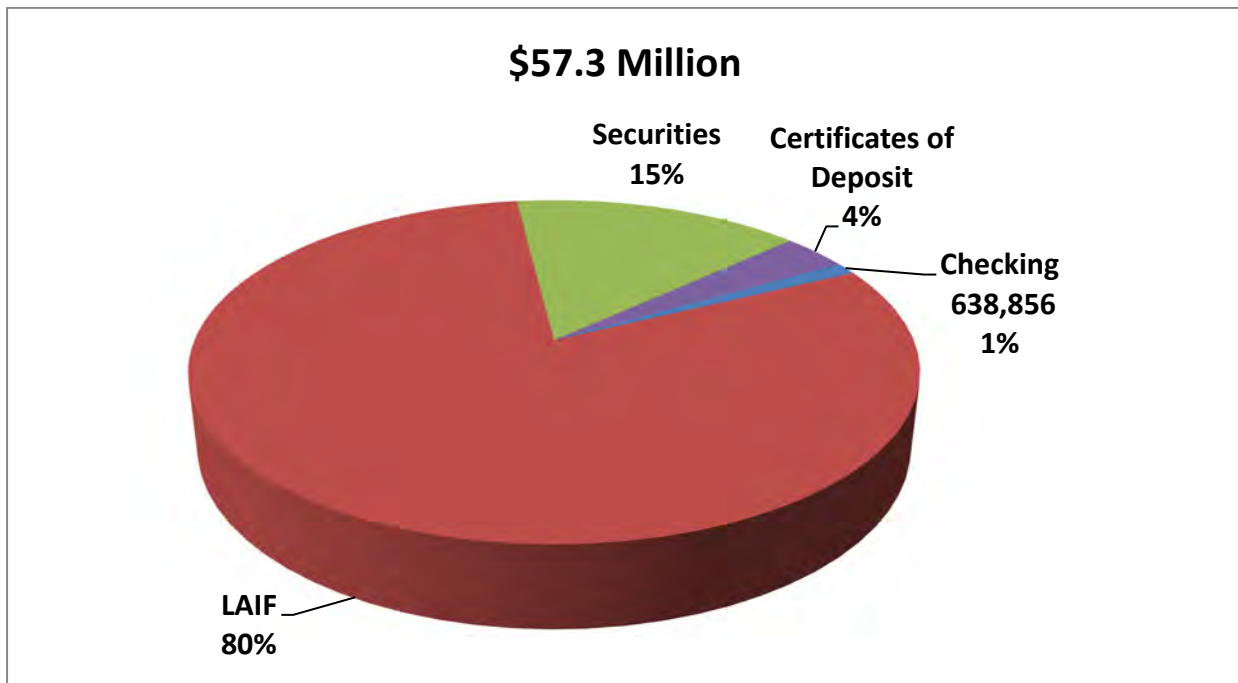


### Total Discharge by Agency (in million gallons)

Discharger	Jul'22	Aug'22	Sep'22	Oct'22	Nov'22	Dec'22	Total
Chino Desalter Authority	111.8155	102.6702	100.1597	114.7575	101.6451	123.4241	654.4721
Eastern Municipal Water District	81.6087	109.4320	113.3346	128.5429	104.8525	128.1452	665.9159
Inland Empire Utilities Agency	13.9156	14.2653	13.1931	12.4871	11.8342	12.9665	78.6618
San Bernardino Valley MWD	31.2026	30.7288	30.6280	30.2635	37.1176	42.4740	202.4145
Western Municipal Water District	131.3138	134.1083	117.7155	122.9665	94.1258	114.6190	714.8489
Truck Discharge	4.4561	3.9106	4.4300	4.3521	3.9594	3.3356	24.4438
<b>Total</b>	<b>374.3123</b>	<b>395.1152</b>	<b>379.4609</b>	<b>413.3696</b>	<b>353.5346</b>	<b>424.9644</b>	<b>2,340.7570</b>

Discharger	Jan'23	Feb'23	Total
Chino Desalter Authority	93.6116	93.3203	841.4040
Eastern Municipal Water District	105.6255	99.0024	870.5438
Inland Empire Utilities Agency	11.1641	10.2370	100.0629
San Bernardino Valley MWD	39.8892	38.7740	281.0777
Western Municipal Water District	87.1749	99.2994	901.3232
Truck Discharge	3.2635	2.8998	30.6071
<b>Total</b>	<b>340.7288</b>	<b>343.5329</b>	<b>3,025.0187</b>





## Total Cash & Investments



## Reserve Fund Balance

	Amount
Debt Retirement	2,858,445
Pipeline Replacement	31,410,371
OC San Rehabilitation	2,414,028
Capacity Management	12,156,407
Future Capacity	1,861,185
Brine Line Operating	2,288,209
Brine Line Operating Cash	4,299,392
<b>Total Reserves</b>	<b>\$57,288,037</b>

## 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 91.8% below budget. It is expected that the projects will be on budget by the end of the year.