

Inland Empire Brine Line Discharger Lease Agreement

David Ruhl, Engineering Manager Project Agreement 24 Committee October 5, 2021 Item No. 5.A.

Discharger Lease Agreement

Recommendation:

 Authorize the General Manager to execute a Discharger Lease Agreement with EMWD to lease 0.5 MGD of Brine Line 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 5 years.

Lease Capacity Pool

- Option to industrial customers and agencies to lease rather than purchase pipeline capacity and treatment and disposal 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
- Capacity Utilization Program, utilizes unused portion of capacity right in the Brine SAWPA contribute
- Individual Discharger Lease Agreements
- Discharger obtain permit to discharge
- Discharger pay brine rates, permit fees and lease rate
- Member Agencies receive proportionate 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)
Total Leased Capacity Right			0.0	(0.25)
Lease Capacity Pool Balance			3.013	1.27

^{*} SAWPA contribution through Capacity Utilization Program

Lease Discharger Agreement

- EMWD Perris II Desalter
- 0.5 MGD of capacity right (100 mg/l BOD and 100 mg/l TSS)
- A discharge permit is required to use the leased capacity
- Effective date is the 1st day of the month following date of the agreement (December 1, 2021)
- Monthly lease charge is \$17,794
- EMWD will pay regular brine line rates to SAWPA
- 5 year term, renewal of lease by agreement by both parties

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Questions?