

## RESOLUTION NO. 2024-3

### A RESOLUTION OF THE SANTA ANA WATERSHED PROJECT AUTHORITY ESTABLISHING THE PURCHASE PRICE FOR TREATMENT AND DISPOSAL RIGHTS IN THE INLAND EMPIRE BRINE LINE

**WHEREAS**, the Santa Ana Watershed Project Authority (hereinafter "SAWPA") has constructed the Inland Empire Brine Line (Brine Line) formerly known as the Santa Ana Regional Interceptor System, intended for the treatment and disposal of non-reclaimable wastewater;

**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**, for the long-term operation and maintenance of the Brine Line, it is necessary to collect charges from SAWPA's Member Agencies for the treatment and disposal of highly saline wastewater, including charges for the discharge of suspended solids ("TSS") and biochemical oxygen demand ("BOD");

**WHEREAS**, one of SAWPA's goals is to fund the long-term maintenance, operations and replacement of the Brine Line to ensure the long-term reliability of the Brine Line;

**WHEREAS**, the Project Agreement 24 Committee of the Santa Ana Watershed Project Authority, created by Project Agreement 24 entered into as of July 17, 2019, was established for the purpose of establishing policy and providing oversight to the Brine Line operations, maintenance, planning, administration, implementation, and improvement of the Brine Line, including but not limited to rate-setting and revenue collection, permit issuance and enforcement, and usage of the Brine Line Enterprise Fund; and

**WHEREAS**, the Project Agreement 24 Committee of the Santa Ana Watershed Project Authority establishes rates and charges for the purchase of treatment and disposal capacity rights for non-reclaimable wastewater that are effective when approved by a majority of the SAWPA Commissioners representing members of the Project Agreement 24 Committee.

**NOW, THEREFORE, BE IT RESOLVED** that the Project Agreement 24 Committee of the Santa Ana Watershed Project Authority (PA 24 Committee) hereby establishes the following rates and charges, effective immediately, for the purchase of treatment and disposal rights for non-reclaimable wastewater;

1. The purchase price shall be Orange County Sanitation District's (OC San) sales price charged to SAWPA for such treatment and disposal rights including OC San's contract cost and SAWPA's administrative costs. The purchase price may change from time-to-time as determined by OC San. By way of example, the purchase price as of the date of this Resolution is as follows:
  - a. \$7,407,683 per MGD, for wastewater strength not exceeding 288 mg/l of BOD and 290 mg/l of TSS on an average basis.
  - b. If the wastewater is or will be at a higher strength as determined by SAWPA, added BOD and TSS capacity also shall be purchased at the rate of

\$1,577.98 per pound of BOD for discharges over the strength level of 288 mg/l, and \$1,145.15 per pound of TSS for discharges over the strength level of 290 mg/l and shall be purchased as part of the initial purchase price.

2. The prices set forth in Section 1 above are subject to the following terms and conditions:
  - a. The price shall automatically increase as prices and rates are increased by OC San, and the price charged by SAWPA to its member agencies for the purchase of such OC San treatment and disposal rights shall be no less than the prices charged to SAWPA by OC San notwithstanding the prices set forth in this Resolution;
  - b. OC San treatment and disposal rights shall be sold on a "first-come-first-serve" basis consistent with SAWPA's Transfer Policy as set forth in Resolution No. 308 and any successors thereto;
  - c. Each purchase contract for OC San treatment and disposal rights shall include a provision that a purchaser only may sell unused treatment and disposal rights to SAWPA at a price not-to-exceed the then current price for such rights or the price originally paid for such treatment and disposal rights by the purchaser, whichever is lower. However, SAWPA shall not be obligated to purchase such unused treatment and disposal rights. Further, there shall be no refund or repurchase by SAWPA for unused or unnecessary high-strength wastewater capacity previously purchased by a Member Agency.
3. Supersession: All previous Resolutions adopted by the PA 24 Committee establishing prices for purchasing treatment and disposal rights on the Brine Line are hereby superseded.
4. Effective Date: This Resolution No. 2024-3 shall be effective on February 6, 2024, and remain in effect until superseded.

**APPROVED AND ADOPTED** this 6<sup>th</sup> day of February, 2024

**SANTA ANA WATERSHED PROJECT AUTHORITY  
PROJECT AGREEMENT 24 COMMITTEE**

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 By: T. Milford Harrison  
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 T. Milford Harrison, Chair

Attest:  
 DocuSigned by:  
Sara Villa  
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 Sara Villa, Clerk of the Board