

Understanding the Second Amended and Restated Agreement (SARA)

What is SARA?

- The Second Amended and Restated Agreement (SARA) amends the current operating agreement between the City of San Diego and the twelve Participating Agencies (PAs) that use the regional Metro Wastewater System.
- SARA is the result of over four years of negotiations between the PAs and the City of San Diego. It's the work product of hundreds of hours of research and negotiation from the staffs of the JPA and the City of San Diego, with additional layers of review from the PA's legal team, its Technical Advisory Committee, and the JPA Board members.

What does SARA do?

- Updates the legal document that governs our regional cooperation on wastewater treatment and recycled/repurified water planning, particularly related to the City's Pure Water Project.
- Reorganizes the document and modernizes the language.
- Establishes the JPA's standing and streamlines authority to handle administrative, technical and operational issues.
- Resolves six specific "Parking lot Items" issues that were left unresolved in 2021.
- Provides more flexibility for future adjustments to keep the document relevant.

Key Updates in SARA:

- Establishes cost-sharing approaches for Phases 1 and 2 of the City's Pure Water Program.
- Introduces a new billing method (Functional Allocated Billing) to allocate Metro System costs more accurately based on how each agency uses the Metro System.
- Establishes the Uniform Enforcement of the Pretreatment Program by the City of San Diego.
- Outlines how future regional water reuse projects may be included in capital cost calculations.
- Provides a sample formula for calculating revenue from repurified water.
- Includes provisions for the treatment and billing of wastewater from military bases.

Key Structural and Operational Improvements in SARA:

- Clarifies how fines, penalties, and regulatory enforcement actions are allocated among the parties.
- Creates a process for developing, amending, and terminating Administrative Agreements to address technical or operational matters without renegotiating the main agreement.
- Establishes four approval paths to update SARA in the future, allowing for more tailored and efficient decision-making.

Approval Process:

- On Oct 2, 2025, SARA was approved, on an advisory vote, by the PA representatives on the Metro JPA. It is now sitting with each PA for formal review and approval.
- San Diego will agendaize SARA for approval after a majority or most of the PA's have approved the agreement.
- After San Diego and all thirteen PAs approve, it will replace the current agreement for the next forty years (through 2065).