

WHEREAS, the Los Angeles Department of Water and Power (LADWP) proposes to enter into Agreement No. WR-19-1012 (Agreement) with Ultramar (a subsidiary of Valero Energy Corporation) regarding advanced treated recycled water (ATRW) service at the Valero Wilmington Refinery (Property); and

WHEREAS, Ultramar desires to use ATRW for cooling tower makeup water needs at the Property at no increase in cost to Ultramar compared to continued use of potable water; and

WHEREAS, Water Rate Ordinance No. 184130, Schedule D requires that Commodity Charges for Recycled Water Service shall be set by contract approved by the Board of Water and Power Commissioners; and

WHEREAS, Agreement establishes contractual terms for ATRW service at the Property for a term of 10 years, which can be extended in two increments of ten years, including the price Ultramar will pay for ATRW, which shall be 95 percent of the all-in commodity rate for potable water service otherwise available to Ultramar; and

WHEREAS, Agreement provides that LADWP shall reimburse Ultramar up to \$6 million for the cost of their on-site capital retrofit required to serve ATRW to Property Cooling Towers, which shall be amortized over 10 years and repaid pro rata by Ultramar in the event of early termination of recycled water service.

NOW, THEREFORE, BE IT RESOLVED that Agreement No. WR-19-1012, approved as to form and legality by the City Attorney, and filed with the Secretary of the Board, is hereby approved.

BE IT FURTHER RESOLVED that the Chief Accounting Employee of LADWP, upon proper certification, is authorized and directed to draw demands on the Water Revenue Fund, in accordance with the terms of this Agreement and this Resolution.

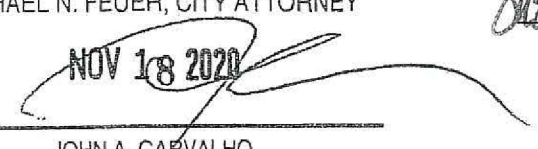
BE IT FURTHER RESOLVED that the President or Vice President of the Board, the General Manager, or such person as the General Manager shall designate in writing, and the Secretary, Assistant Secretary, or the Acting Secretary of the Board are hereby authorized and directed to execute said Agreement for and on behalf of LADWP.

BE IT FURTHER RESOLVED, that the Board recommends City Council's approval of the Agreement as required in City Charter Section 373.

I HEREBY CERTIFY that the foregoing is a full, true, and correct copy of the Resolution adopted by the Board of Water and Power Commissioners of the City of Los Angeles at its meeting held **DEC 08 2020**

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY


Secretary

NOV 18 2020
BY 
JOHN A. CARVALHO
DEPUTY CITY ATTORNEY