

CATEGORICAL EXEMPTION, ENERGY, CLIMATE CHANGE, ENVIRONMENTAL JUSTICE, AND RIVER COMMITTEE REPORT relative to Agreement No. WR-20-1004 with Air Products and Chemicals, Incorporated, for advanced treated recycled water service to the Air Products Wilmington Plant Industrial Water System.

Recommendations for Council action:

1. FIND that the matter is exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15301. In accordance with this section, the agreement for the construction of advanced treated recycled water service at the Air Products Wilmington Plant Industrial Water System is categorically exempt pursuant to Class 1 (b) as described in CEQA Guidelines Section 15301. This exemption applies to the minor alteration of existing facilities used to provide public utility services.
2. CONCUR with the Board of Water and Power Commissioners (Board) action on May 10, 2022, approving Board Resolution 022-188, authorizing the Air Products and Chemicals, Inc. Agreement for a ten year term, with two automatic ten year renewal extensions, for a total up to 30 years between the Los Angeles Department of Water and Power and Air Products and Chemicals, Inc. for Advanced Treated Recycled Water (ATRW) service; and authorizing and directing the Chief Accounting Employee, LADWP, upon proper certification, to direct and draw demands on the Water Revenue Fund in accordance with the terms of the Agreement.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. Approval of the proposed Resolution authorizes a one-time reimbursement expenditure up to \$2.85 million for ATRW service at the Air Products Plant, and \$115 million in anticipated revenue for the Water Revenue Fund for the initial 10 year term. This fiscal impact does not assume anticipated revenue from contract extension.

Financial Policies Statement: The CAO reports that the recommendations complies with the City's financial policies.

Community Impact Statement: None submitted.

**TIME LIMIT FILE - JULY 11, 2022
(LAST DAY FOR COUNCIL ACTION - JULY 1, 2022)**

Summary:

On June 16, 2022, your Committee considered the May 11, 2022 Board report relative to Board Resolution No. 022-188, which approves Agreement No. WR-20-1004 with Air Products and Chemicals, Incorporated, for advanced treated recycled water service to the Air Products Wilmington Plant Industrial Water System. The report attached to the Council file includes some background on the matter.

After providing an opportunity for public comment, the Committee moved to approve the recommendations reflected above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

ENERGY, CLIMATE CHANGE, ENVIRONMENTAL JUSTICE, AND RIVER COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
O'FARRELL:	YES
KORETZ:	ABSENT
CEDILLO:	ABSENT
DE LEON:	YES
KREKORIAN:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-