

COMMUNICATION FROM THE CHAIR AND MEMBER, ENERGY AND ENVIRONMENT COMMITTEE, relative to the First Amendment to a Memorandum of Agreement (MOA) with the Bureau of Sanitation (BOS) for construction of the Groundwater Replenishment Project.

Recommendations for Council action:

1. APPROVE the Department of Water and Power (DWP) proposed Resolution authorizing the First Amendment to MOA No. WR-24-1000 with the BOS for construction of the Groundwater Replenishment Project, increasing the not-to-exceed cost of the project by \$190 million, from \$740 million to \$930 million, and expanding the production of highly treated recycled water from 25 million gallons per day to 45 million gallons per day by December 2027.
2. AUTHORIZE and DIRECT, upon proper certification the Chief Accounting Employee to draw demands on the Water Revenue Fund over the term of Agreement WR-24-1000, incurred by such Agreement.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed Resolution and First Amendment to Agreement No. WR-24-1000 between the DWP and BOS for the construction, operation, and maintenance of the Groundwater Replenishment Project will not have an impact on the General Fund. The total construction cost of \$930 million is funded by grants and the DWP Water Revenue Fund. The recommendations above comply with the DWP adopted Financial Policies.

Community Impact Statement: None submitted

TIME LIMIT FILE – DECEMBER 29, 2025

(LAST DAY FOR COUNCIL ACTION – DECEMBER 12, 2025)

SUMMARY

At the meeting held on December 2, 2025, the Chair and member of the Energy and Environment Committee considered a Board of Water and Power Commissioners report relative to the First Amendment to MOA No. WR-24-1000 with the BOS for construction of the Groundwater Replenishment Project

After an opportunity for public comment, the Chair and member of the Committee moved to approve the recommendations stated in the transmittal, as detailed above. This matter is now forwarded to the Council for its consideration.

Respectfully Submitted,

COUNCILMEMBER ADRIN NAZARIAN, CHAIR
ENERGY AND ENVIRONMENT COMMITTEE

COUNCILMEMBER IMELDA PADILLA, MEMBER
ENERGY AND ENVIRONMENT COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
NAZARIAN	YES
YAROSLAVSKY	ABSENT
JURADO	ABSENT
RAMAN	ABSENT
PADILLA	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-