

ENERGY AND ENVIRONMENT COMMITTEE REPORT relative to the Second Amendment to the Master Memorandum of Understanding (MOU) for Project Delivery and Service Needs with the City.

Recommendations for Council action:

1. APPROVE the Department of Water and Power (DWP) Board Resolution authorizing the DWP to execute a Second Amendment to the Master MOU with the City to effectuate the following:
 - a. Extend the term by an additional five years for a total of ten years, from September 26, 2025 to September 25, 2030.
 - b. Increase the total cost for services by \$20 million for a total not-to-exceed cost of \$60 million.
 - c. Add the Bureau of Street Lighting to the list of City departments and bureaus agreeing to provide services to DWP.
2. AUTHORIZE, upon proper certification, the Chief Accounting Employee to draw demands on the Water and Power Revenue Funds, in accordance with the terms of this Amendment to the MOU and Board Resolution.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the Second Amendment to the Memorandum of Agreement with the City for project delivery and service needs may have a potential revenue impact to the General Fund. Revenue is dependent on acceptance of DWP work. Approval of the proposed Board Resolution and contract amendment will increase the not-to-exceed cost for services by \$20 million, from \$40 million to \$60 million. Funding will be available and budgeted as part of individual project budgets in the Water and Power Revenue Funds. The recommendations above comply with the DWP adopted Financial Policies.

Community Impact Statement: None submitted

TIME LIMIT FILE – SEPTEMBER 27, 2025

(LAST DAY FOR COUNCIL ACTION – SEPTEMBER 26, 2025)

SUMMARY

At the meeting held on September 16, 2025, your Energy and Environment Committee considered a Board of Water and Power Commissioners report relative to the Second Amendment to the Master MOU for Project Delivery and Service Needs with the City.

After an opportunity for public comment, 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,

ENERGY AND ENVIRONMENT COMMITTEE

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

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-