

EXEMPTION, ENERGY AND ENVIRONMENT COMMITTEE REPORT and ORDINANCE FIRST CONSIDERATION relative to the utilization of an alternative project delivery method on a competitive sealed proposal basis and approval of project delivery criteria for the Encino Reservoir Floating Pilot Project (Project).

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. DETERMINE that this Project is exempt pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15060(c)(2). In accordance with this section, an activity is not subject to CEQA if it will not result in a direct or reasonably foreseeable indirect physical change in the environment. The approval of this draft ordinance will authorize the use of the competitive sealed bid proposal method to let a contract and will not result in any physical change in the environment; therefore, the proposed action is not subject to CEQA.
2. APPROVE Board of Water and Power Commissioners (Board) Resolution for the Project:
 - a. Authorizing the Department of Water and Power (DWP) to utilize a competitive sealed bid proposal process in accordance with Charter Section 371(b), establish alternative project delivery contract criteria using the Engineer-Procure-Construct method, and execute a contract for a term not-to-exceed five years, with two one- year renewal options for a total of seven years.
 - b. Award a contract at an estimated cost of \$24.175 million for the complete design, engineering, procurement, and construction of the Project.
3. PRESENT and ADOPT the accompanying ORDINANCE dated February 4, 2026, authorizing the Board to award an agreement pursuant to a competitive sealed proposal method, to permit negotiations relating to the engineering, procurement, and construction of the Project.

Fiscal Impact Statement: The City Administrative Officer reports that approval of the proposed Resolution and Ordinance authorizing DWP to use the competitive sealed proposal method to secure an Engineer-Procure-Construct contract for the Project will not have a General Fund impact. The ensuing contract will impact the DWP Power Revenue Fund and result in total estimated Project expenditures of \$24.175 million. The recommendations above comply with the DWP adopted Financial Policies.

Community Impact Statement: None submitted

SUMMARY

At the meeting held on March 3, 2026, your Energy and Environment Committee considered an Exemption, Board and City Attorney reports, and Ordinance relative to the utilization of an alternative project delivery method on a competitive sealed proposal basis and approval of project delivery criteria for the Encino Reservoir Floating Pilot Project.

After an opportunity for public comment, the Committee moved to approve the recommendations stated in the CAO report and approve the Ordinance, 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	YES
PADILLA	YES

ME

-NOT OFFICIAL UNTIL COUNCIL ACTS-