

WHEREAS, the Los Angeles Department of Water and Power (LADWP) has long been working to enhance its local water supplies and reduce reliance on purchased imported water through projects that utilize recycled water for beneficial reuse; and

WHEREAS, the City of Los Angeles (City) identified the Groundwater Replenishment (GWR) Project as a means of increasing the long-term sustainability of the City's local water supply by recycling up to 100 percent of tertiary treated water from the Donald C. Tillman Water Reclamation Plant with the goal of producing purified recycled water for groundwater replenishment of the San Fernando Groundwater Basin (SFB) and to supplement the City's drinking water supply; and

WHEREAS, Metropolitan Water District of Southern California (MWD)'s Local Water Resources Program (LRP) provides financial assistance to local water recycling projects; and

WHEREAS, LADWP's participation in MWD's LRP will provide financial incentives to the GWR Project; and

WHEREAS, the LADWP proposes to enter into Agreement No. AO-5302 (Agreement) with MWD for LRP funding for the GWR Project for a term of 25 years, starting when the GWR Project has started delivering purified recycled water; and

WHEREAS, the maximum amount of \$139,350,750 at an annual maximum allowed incentive of \$475 per acre-foot will be awarded to LADWP by MWD for a 15-year period so long as the GWR Project delivers the full capacity over a 15-year period, continues recycled water production for the entire 25 years of the Agreement, and extracts groundwater from the SFB above a minimum threshold; and

WHEREAS, MWD's agreement process requires approval and execution of the Agreement by LADWP in advance of MWD's approval and execution of the Agreement; and

WHEREAS, MWD's LRP and the provisions for financial incentives are premised upon, and require verification of, actual costs for delivering recycled water from the project named herein.

NOW, THEREFORE, BE IT RESOLVED that the Agreement, approved as to form and legality by the City Attorney, and filed with the Secretary of the Board of Water and Power Commissioners (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, or the General Manager and Chief Engineer, or such person as the General Manager and Chief Engineer 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.

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

APPROVED AS TO FORM AND LEGALITY  
HYDEE FELDSTEIN SOTO, CITY ATTORNEY  
September 5, 2024

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Secretary

*Mark Reusch*

BY

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MARK S. REUSCH  
Deputy City Attorney