ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT relative to the proposed California Waterfix Project.

Recommendations for Council action, as initiated by Motion (Martinez - Ryu):

- REQUEST the Los Angeles Department of Water and Power (LADWP) to provide comment and request confirmation and assurances from the Metropolitan Water District (MWD) that the City's financial, environmental, and local water principles are protected as follows:
 - a. The project cost will be based on either the \$16.7 billion estimate provided in MWD's white papers or the amount validated by the Department of Water Resources, whichever is lower.
 - b. MWD participation, if any, shall be capped at 26 percent of this project cost.
 - c. MWD financial investment shall come LAST and only after all other participants have committed.
 - d. Any increase in MWD's participation rate above these amounts should be approved by ballot measure.
 - e. Any purchase of additional water supply should only come AFTER the project is fully financed, rather than serve to further subsidize construction costs at the expense of local ratepayers.
 - f. Any participation by MWD shall be contingent on the California EcoRestore Initiative being fully funded.
 - g. MWD will increase their financial investment in local water, including local stormwater capture and related initiatives.
 - h. MWD will invest resources to remediate contaminated groundwater in the San Fernando Valley.
- 2. INSTRUCT the LADWP to report back with the following:
 - a. A review of LADWP's low-income/lifeline program, and ways to improve and increase enrollment and participation.
 - b. A review of LADWP's efforts to remediate the contaminated groundwater in the San Fernando Valley, including costs and funds identified.
 - c. A review of LADWP's water supply and delivery infrastructure for the valley, and ways LADWP will help reduce the valley's reliance on water imported from the State Water Project.

<u>Fiscal Impact Statement</u>: Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

Community Impact Statement: Yes

For If Amended: Historic Highland Park Neighborhood Council.

Summary:

At a meeting held on September 19, 2017, the Energy, Climate Change and Environmental Justice Committee considered reports from the LADWP and the Office of Public Accountability in response to Motion (Martinez - Ryu) relative to the proposed California Waterfix Project. During the discussion of this item, representatives from the LADWP provided a thorough overview of the project and responded to various related questions posed by the Committee members. After providing an opportunity for public comment, the Committee recommended that Council approve the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE

<u>MEMBER</u>	VOTE
MARTINEZ:	YES
KORETZ:	YES
CEDILLO:	YES
KREKORIAN:	YES
O'FARRELL:	YES

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-NOT OFFICIAL UNTIL COUNCIL ACTS-