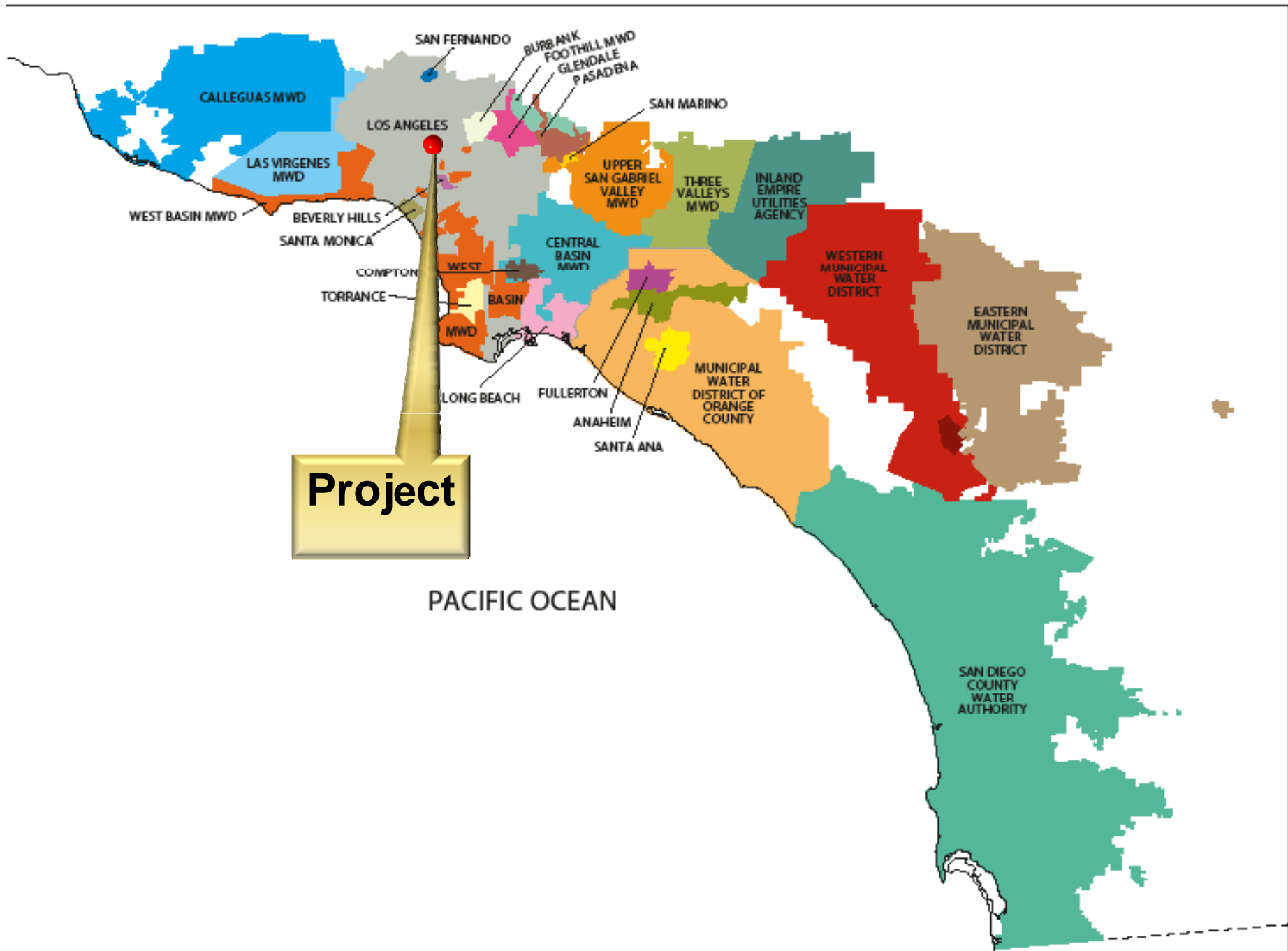


Authorize entering into a LRP agreement with the Los Angeles Department of Water and Power for the Van Nuys Area Water Recycling Project

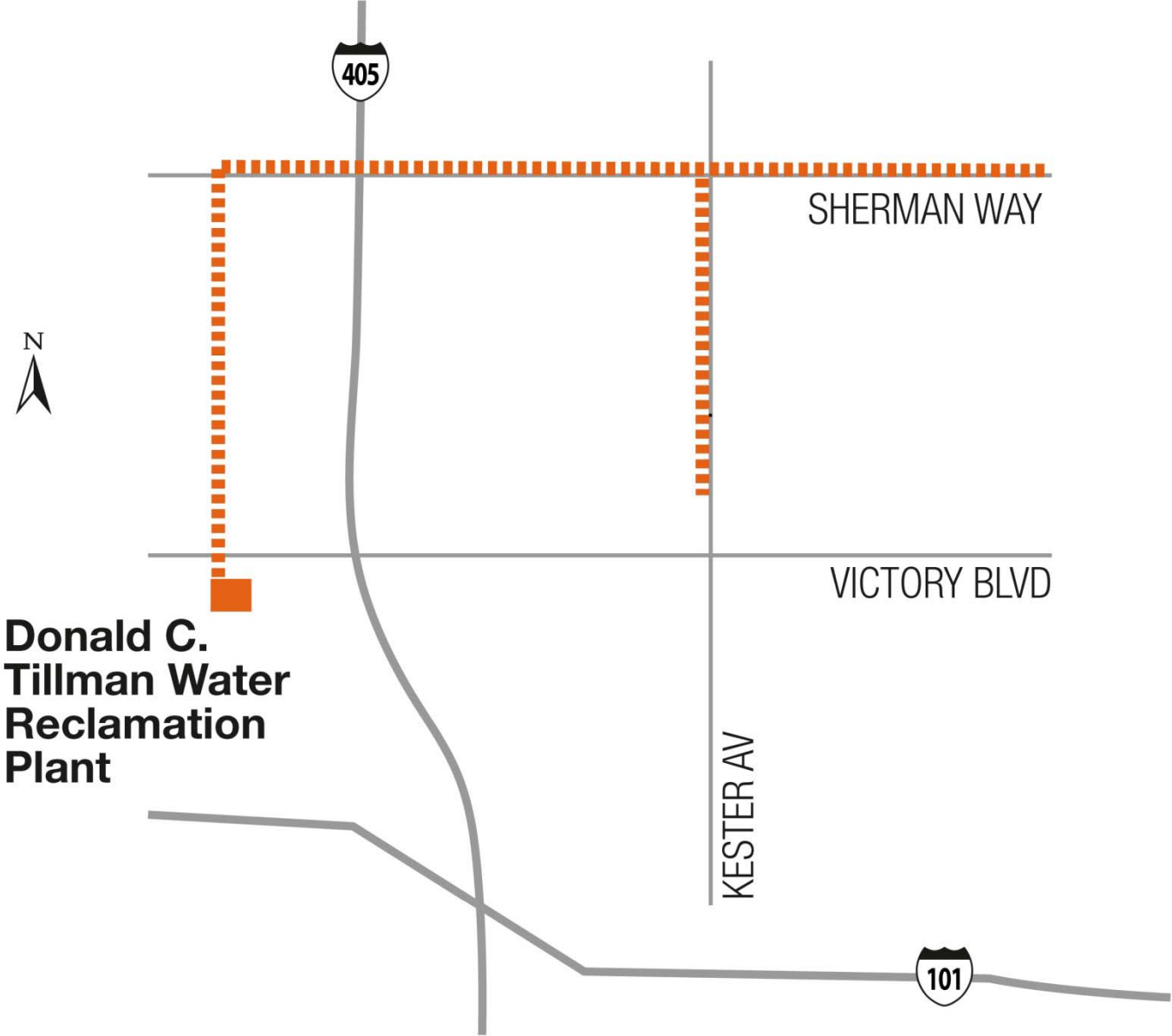
Water Planning and Stewardship Committee

September 14, 2010

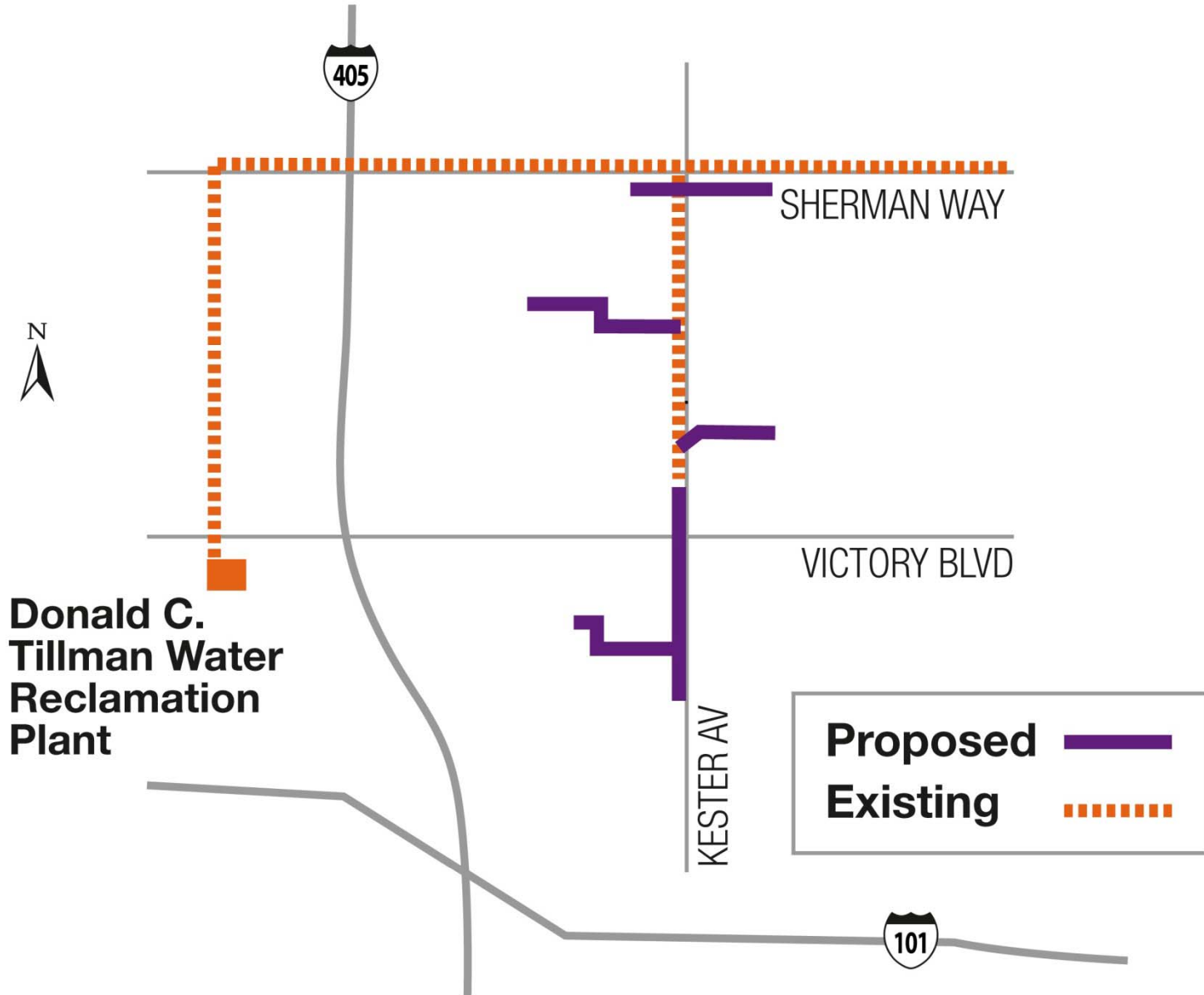
Item 8-3



LADWP Existing Recycled Water System



Van Nuys Area Water Recycling Project



Key LRP Agreement Terms

- 150 AFY for 25 years
- Incentives up to \$250/AF
 - Estimated \$0.5 million over 14 years
 - Potential maximum \$0.9 million over 25 years
- Construction and operation milestones
- Annual production assessments and cost reconciliation
- Rate structure integrity language

Board Options

Option 1:

- Adopt the CEQA determination
- Authorize entering into an LRP agreement with the Los Angeles Department of Water and Power for the Van Nuys Area Water Recycling Project

Option 2:

- Do not authorize execution of an LRP agreement for proposed project

Staff Recommendation

Option #1