

ORDINANCE NO. \_\_\_\_\_

An ordinance providing for the issuance of subordinate bonds for the Wastewater System (Bonds) and amending Sections 5.168.1(a), 5.168.1(d), 5.168.1(e) and 5.168.2 of the Los Angeles Administrative Code to add special funds related to the issuance of the Bonds, and to revise the administration of existing Wastewater System funds.

**THE PEOPLE OF THE CITY OF LOS ANGELES  
DO ORDAIN AS FOLLOWS:**

Section 1. That bonds of the City of Los Angeles, designated as Wastewater System Subordinate Revenue Bonds, in the aggregate principal amount not to exceed \$300,000,000, shall be issued for the purpose of constructing, improving and expanding the wastewater collection and treatment systems of the City, and Wastewater System Subordinate Revenue Refunding Bonds shall be issued to refund certain outstanding Wastewater System Subordinate Revenue Bonds to accomplish a desirable restructuring of such existing debt.

Sec. 2. New Subdivisions (52), (53) and (54) are added to Subsection (a) of Section 5.168.1 of the Los Angeles Administrative Code to read as follows:

(52) Wastewater System Subordinate Revenue Bonds Debt Service Fund, Series 2018-A (the "**Subordinate 2018-A Debt Service Fund**");

(53) Wastewater System Subordinate Revenue Bonds Debt Service Fund, Refunding Series 2018-B (the "**Subordinate 2018-B Debt Service Fund**");

(54) Wastewater System Subordinate Revenue Bonds Debt Service Fund, Variable Rate Refunding Series 2018-C (the "**Subordinate 2018-C Debt Service Fund**");

Sec. 3. Subdivision (1) of Subsection (d) of Section 5.168.1 of the Los Angeles Administrative Code is deleted, and Subdivisions (2) through (31) are renumbered as (1) through (30), respectively.

Sec. 4. A new Subdivision (31) is added to Subsection (d) of Section 5.168.1 of the Los Angeles Administrative Code to read as follows:

(31) Wastewater System Subordinate Revenue Bonds Construction Fund, Series 2018-A (Green Bonds) (the "**Subordinate 2018-A (Green Bonds) Construction Fund**");

Sec. 5. New Subdivisions (50), (51) and (52) are added to Subsection (e) of Section 5.168.1 of the Los Angeles Administrative Code to read as follows:

(50) Wastewater System Subordinate Revenue Bonds Rebate Fund, Series 2018-A (the “**Subordinate 2018-A Rebate Fund**”);

(51) Wastewater System Subordinate Revenue Bonds Rebate Fund, Refunding Series 2018-B (the “**Subordinate 2018-B Rebate Fund**”);

(52) Wastewater System Subordinate Revenue Bonds Rebate Fund, Variable Rate Refunding Series 2018-C (the “**Subordinate 2018-C Rebate Fund**”);

Sec. 6. Section 5.168.2 of the Los Angeles Administrative Code is amended in its entirety to read as follows:

**Sec. 5.168.2. Deposits Into Wastewater System Revenue Bond Funds.**

In accordance with instructions received from the Director of the Bureau of Accounting, Department of Public Works, and concurred by the Controller, the Treasurer shall, on or before the twenty-fifth day of each month commencing on November 25, 1987, withdraw from the Sewer Construction and Maintenance Fund, and, if needed, the Sewer Operation and Maintenance Fund and the Sewer Capital Fund (these three funds hereafter referred to as the “**Sewer Revenue Funds**”) as directed by the Director of the Bureau of Accounting, Department of Public Works, with the concurrence of the Controller, an amount sufficient to make the required monthly deposit to the Debt Service Funds and Debt Service Reserve Funds and, thereafter, if funds remain in the Sewer Revenue Funds, to make any required deposit to the Emergency Fund. Such deposits shall be in such amounts as provided for in the Wastewater System General Resolutions and the supplements thereto. So long as the conditions set forth in the Wastewater System General Resolution and the Subordinate Wastewater General Resolution are met, the Treasurer, in accordance with instructions received from the Director of the Bureau of Accounting, Department of Public Works, and concurred by the Controller, shall withdraw money from the Sewer Revenue Funds in such amounts and at such times as shall be needed to pay debt service or make deposits to be used to pay debt service on or fund reserves for the subordinate wastewater system revenue bonds and notes as provided in the Subordinate Wastewater General Resolution and the supplements thereto.

The **Construction Funds** shall be funded in accordance with the Wastewater System General Resolution and the Subordinate Wastewater General Resolution, and the supplements thereto, with proceeds of the corresponding wastewater system revenue bonds and subordinate wastewater system revenue bonds, respectively.

The “**A**” **CP Construction Fund** and the “**B**” **CP Construction Fund** shall be funded in accordance with the Wastewater Subordinate General Resolution and supplements thereto with proceeds of the sale of new issue Wastewater System Commercial Paper Revenue Notes.

The **Rebate Funds** will be funded as required, in accordance with instructions provided by the City Administrative Officer and concurred by the Controller, with funds withdrawn from the Sewer Revenue Funds or, if required and permitted by the Wastewater System General Resolution, with funds withdrawn from the Debt Service Reserve Fund, or with any funds permitted to be deposited to a rebate fund, including the construction fund for the related series of bonds.

The **Emergency Fund** will be funded at the time the Wastewater System Revenue Bonds Series 1987 are issued with \$5,000,000, or such other amount as shall from time to time be recommended as provided in the Wastewater System General Resolution, which shall be withdrawn from the Sewer Construction and Maintenance Fund for such purpose.

The **Debt Service Reserve Funds** shall be funded, respectively, at the time the corresponding wastewater system revenue bonds, respectively, are issued in accordance with the supplemental resolutions to the Wastewater System General Resolution, in an amount sufficient, when the amounts in such funds are combined, to equal Maximum Annual Debt Service as defined in the Wastewater System General Resolution which amounts shall be derived primarily from the proceeds of the bonds and a portion of which may be withdrawn from the Sewer Revenue Funds for such purposes. At the time of issuance of any wastewater system revenue refunding bonds, amounts shall be transferred from any or all of those Debt Service Reserve Funds described above which were created in connection with the refunded bonds to the Debt Service Reserve Fund created for the refunding bonds or to any escrow account or fund created in connection with the refunding, in such amounts, if any, as shall be directed by the Treasurer.

Sec. 7. Pursuant to City Charter Section 252(k), this ordinance shall take effect upon its publication.

Sec. 8. The City Clerk shall certify to the passage of this ordinance and have it published in accordance with Council policy, either in a daily newspaper circulated in the City of Los Angeles or by posting for ten days in three public places in the City of Los Angeles: one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall; one copy on the bulletin board located at the Main Street entrance to the Los Angeles City Hall East; and one copy on the bulletin board located at the Temple Street entrance to the Los Angeles County Hall of Records.

Approved as to Form and Legality

MICHAEL N. FEUER, City Attorney

By  \_\_\_\_\_  
AMY PHAM  
Deputy City Attorney

Date 9/20/18

File No. \_\_\_\_\_

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I hereby certify that the foregoing ordinance was passed by the Council of the City of Los Angeles.

CITY CLERK

MAYOR

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Ordinance Passed \_\_\_\_\_

Approved \_\_\_\_\_