

WHEREAS, Nevada Power Company, Salt River Project Agricultural Improvement and Power District (SRP), and Southern California Edison Company (SCE) entered into the Mohave Project Plant Site Conveyance and Co-Tenancy Agreement (Mohave Co-Tenancy Agreement) on May 29, 1967, for the ownership, construction, operation and maintenance of the Mohave Project which consists of real property and related appurtenances, two steam-electric generating units with a nameplate rating of 755 MW each, and all project agreements related thereto; and

WHEREAS, the Los Angeles Department of Water and Power (LADWP) executed the Plant Site Conveyance 2 and the Mohave Project Plant Site Conveyance and Co-Tenancy Agreement Assignment, LADWP Agreement No. 10211, with SCE on December 23, 1968, whereby, LADWP acquired a 20 percent interest in the Mohave Plant Site and Mohave Project; and

WHEREAS, LADWP retained a 10 percent interest in the Mohave Project after divesting half of its original interest in December 2001; and

WHEREAS, the Mohave Co-Tenancy Agreement expired by its term on July 1, 2006; and

WHEREAS, the Mohave Generating Station was removed from service in January 2006, permanently shut down in October 2007 and completely decommissioned in 2013; and

WHEREAS, each co-owner continues to have residual environmental and payment obligations as tenants-in-common for the Mohave Project and related post-decommissioning maintenance of the site; and

WHEREAS, by Resolution No. 015-214 dated May 19, 2015 and Ordinance No. 183629 dated June 17, 2015 LADWP and the Los Angeles City Council (City Council), respectively, agreed through the Navajo Generating Station Purchase and Sale Agreement with SRP to acquire SRP's undivided 20 percent interest in the Mohave Project, which increased LADWP's interest in the Mohave Project to 30 percent, as of July 1, 2016; and

WHEREAS, the co-owners agree in principle to a disposition plan for the Mohave Project site which includes plans to dispose of approximately 2047 of the 2500 acres of real property; and

WHEREAS, the co-owners have established and agreed in principle to the Operation and Maintenance Expense Budget for the Mohave Project for Fiscal Years 2016-2017, 2017-2018, and 2018-2019 which includes, among other things, ongoing administrative costs, property maintenance costs, property disposition costs and property taxes (Mohave Project Budget).


NOW, THEREFORE, BE IT RESOLVED that the Board of Water and Power Commissioners requests that the City Council approve, by ordinance, payments up to \$1,437,498.15 for LADWP's 30 percent proportionate share of the Mohave Project Budget, on file with the Secretary of the Board.

BE IT FURTHER RESOLVED that the Chief Accounting Employee is authorized and directed, upon proper certification, to draw demands on the Power Revenue Fund for payment of LADWP's proportionate share of the Mohave Project Budget consistent with this Resolution and on file with the Secretary of the Board.

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 SEP 20 2016


Secretary

APPROVED AS TO FORM AND LEGALITY
MICHAEL N. FEUER, CITY ATTORNEY


SEP 01 2016

BY _____
VAUGHN MINASSIAN
DEPUTY CITY ATTORNEY