

HOLLY L. WOLCOTT
CITY CLERK

City of Los Angeles
CALIFORNIA

OFFICE OF THE
CITY CLERK

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EXECUTIVE OFFICER



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ERIC GARCETTI
MAYOR

BRIAN E. WALTERS
DIVISION CHIEF

CLERK.LACITY.ORG

When making inquiries relative to
this matter, please refer to the
Council File No.: [17-1335](#)

OFFICIAL ACTION OF THE LOS ANGELES CITY COUNCIL

February 6, 2018

Council File No.: [17-1335](#)

Council Meeting Date: February 02, 2018

Agenda Item No.: Special 1

Agenda Description: CONTINUED CONSIDERATION OF ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT and RESOLUTIONS relative to authority to apply for and accept financial assistance for the Donald C. Tillman Advanced Water Purification Facility and Groundwater Replenishment Project.

Council Action: ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT, RESOLUTIONS AND AMENDING MOTION (MARTINEZ - O'FARRELL) - ADOPTED

Council Vote:

YES	BLUMENFIELD	ABSENT	HARRIS-DAWSON	YES	O'FARRELL
YES	BONIN	ABSENT	HUIZAR	YES	PRICE
ABSENT	BUSCAINO	YES	KORETZ	YES	RODRIGUEZ
YES	CEDILLO	YES	KREKORIAN	YES	RYU
YES	ENGLANDER	YES	MARTINEZ	YES	WESSON

HOLLY L. WOLCOTT
CITY CLERK

Pursuant to Charter/Los Angeles Administrative Code Section(s): 341

FILE SENT TO MAYOR:

LAST DAY FOR MAYOR TO ACT:

APPROVED

*DISAPPROVED

*VETO

02/07/2018

Mayor

DATE SIGNED

ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT and RESOLUTIONS relative to authority to apply for and accept financial assistance for the Donald C. Tillman Advanced Water Purification Facility (AWPF) and Groundwater Replenishment Project.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the Director, Bureau of Sanitation (BOS), or designee, to apply for, accept, negotiate, and execute all documents, including but not limited to, applications, agreements, or amendments, subject to the approval of the City Attorney as to form and legality, which may be necessary to secure financial assistance of up to \$460,000,000 from the California State Water Resources Control Board's (CSWRCB) Water Recycling Funding Program (WRFP) for the Donald C. Tillman Water Reclamation Plant AWPF and Groundwater Replenishment Project.
2. ADOPT the accompanying RESOLUTIONS as required by the State.

Fiscal Impact Statement: The City Administrative Officer (CAO) reports that there is no impact to the General Fund as a result of participating in the CSWRCB's WRFP. Should the BOS accept and execute an agreement with the State for financial assistance, all project costs will be paid from the Sewer Capital Fund.

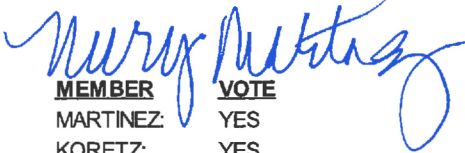
Community Impact Statement: None submitted.

Summary:

At a meeting held on December 5, 2017, the Energy, Climate Change and Environmental Justice Committee considered a report from the CAO relative to a request from the BOS for authority to apply for and accept financial assistance for the Donald C. Tillman AWPF and Groundwater Replenishment Project. 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

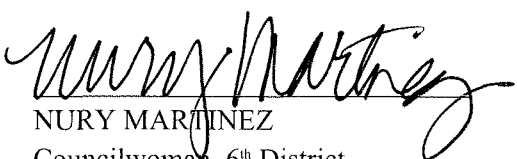


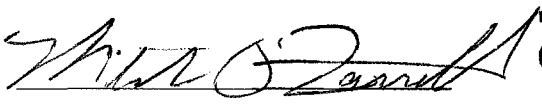
<u>MEMBER</u>	<u>VOTE</u>
MARTINEZ:	YES
KORETZ:	YES
CEDILLO:	ABSENT
KREKORIAN:	YES
O'FARRELL:	YES

-NOT OFFICIAL UNTIL COUNCIL ACTS-

MOTION

I MOVE that the matter of the ENERGY, CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE COMMITTEE REPORT and RESOLUTIONS relative to authority to apply for and accept financial assistance for the Donald C. Tillman Advanced Water Purification Facility and Groundwater Replenishment Project (CF# 17-1335; Item No. 26 on today's Council Agenda) BE AMENDED to adopt the attached RESOLUTIONS in lieu of the RESOLUTIONS contained in the file.

PRESENTED BY: 
NURY MARTINEZ
Councilwoman, 6th District

SECONDED BY: 

COUNCIL



JAN 31 2018

AUTHORIZING RESOLUTION

RESOLUTION OF THE COUNCIL OF THE CITY OF LOS ANGELES AUTHORIZING THE PREPARATION AND SUBMISSION OF AN APPLICATION FOR FINANCIAL ASSISTANCE FROM THE STATE WATER RESOURCES CONTROL BOARD FOR THE PLANNING, DESIGN AND CONSTRUCTION OF A PROPOSED DONALD C. TILLMAN ADVANCED WASTEWATER PURIFICATION FACILITY PROJECT PLANNED TO BE LOCATED AT THE DONALD C. TILLMAN WATER RECLAMATION PLANT AND GROUNDWATER SPREADING BASINS

WHEREAS, the Bureau of Sanitation ("LA Sanitation"), acting on behalf of the City of Los Angeles (the "City"), intends to apply to the State Water Resources Control Board (the "SWRCB") to obtain financial assistance that is expected to be in the form of a low interest rate loan to assist in financing the planning, design and construction of a proposed Donald C. Tillman Advanced Water Purification and Groundwater Replenishment Project (CWSRF Project No. 8063) to be located at the Donald C. Tillman Water Reclamation Plant and Groundwater Spreading Basins (collectively, the "Project"); and

WHEREAS, the SWRCB requires that the City's legislative body designate a City representative (the "Authorized Representative") and authorize the Authorized Representative to act on the City's behalf in submitting an application for financial assistance for the Project to the SWRCB.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Los Angeles as follows:

Section 1. The foregoing recitals are true and the Council of the City (the "City Council") so finds and determines.

Section 2. The Director of LA Sanitation or their designee shall be the Authorized Representative to execute and file, for and on behalf of the City, a financial assistance application (the "Application") in the form of a loan evidenced by an installment sale agreement or other form of agreement (the "Financing Agreement") from the SWRCB, for the financing, design and construction of the Project. The Authorized Representative is authorized to provide the assurances, certifications and commitments required by the SWRCB for the Application.

Section 3. In the event the SWRCB approves the Application, the Authorized Representative is further authorized to work with City staff, the City Attorney and Bond Counsel to prepare the necessary documents to assist in financing the Project, including but not limited to the form of Financing Agreement approved by the parties, and a supplemental resolution (the "Supplemental Resolution") supplementing that certain Wastewater System Revenue Bonds General Resolution duly adopted by the City Council on November 10, 1987 (the "General Resolution"), as previously

supplemented and amended, pursuant to which Supplemental Resolution the City Council would approve the Financing Agreement as a "Bond" under the General Resolution. The City Council hereby confirms that pursuant to the General Resolution, and subject to, among other things, the approval by SWRCB of the financial assistance to be provided to the City for the Project and the execution of the Financing Agreement, the City shall pledge the Revenues (as defined in the General Resolution) to the repayment of debt service on all Bonds to be issued pursuant to the General Resolution.

Section 4. This Resolution shall take effect immediately upon its adoption.

PASSED and ADOPTED by the City council this _____ day of _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

APPROVED AS TO FORM

MICHAEL N. FEUER, City Attorney

By:


Timothy J. Fitzpatrick
Deputy City Attorney

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2018.

HOLLY L. WOLCOTT, City Clerk

By: _____
City Clerk

REIMBURSEMENT RESOLUTION

RESOLUTION OF THE COUNCIL OF THE CITY OF LOS ANGELES STATING ITS PRESENT INTENTION AND EXPECTATION TO REIMBURSE EXPENDITURES TO BE INCURRED BY THE CITY IN THE PLANNING, DESIGN AND CONSTRUCTION OF THE PROPOSED DONALD C. TILLMAN ADVANCED WASTEWATER PURIFICATION FACILITY PROJECT PLANNED TO BE LOCATED AT THE DONALD C. TILLMAN WATER RECLAMATION PLANT AND GROUNDWATER SPREADING BASINS PRIOR TO THE ISSUANCE OF OBLIGATIONS APPROVED BY THE STATE WATER RESOURCES CONTROL BOARD OR THE APPROVAL BY SAID BOARD OF FINANCING FOR SUCH WATER PURIFICATION FACILITY

WHEREAS, the City of Los Angeles (the "City") intends to obtain assistance in financing the cost of planning, design and construction of certain public facilities related to the City's Wastewater System, consisting of a proposed Donald C. Tillman Advanced Water Purification and Groundwater Replenishment Project (CWSRF Project No. 8063) to be located at the Donald C. Tillman Water Reclamation Plant and Groundwater Spreading Basins (collectively, the "Project");

WHEREAS, subject to the approval of the City's application and the finalization and execution of necessary documentation related to the financing of the Project to the mutual satisfaction of the parties thereto, the City intends to obtain assistance in financing the planning, design and construction of the Project or portions of the Project with moneys including loans and grants ("Project Funds") to be provided by the State of California, acting by and through the State Water Resources Control Board (the "SWRCB");

WHEREAS, the SWRCB may fund the Project Funds as it determines is necessary or desirable, including with proceeds from the sale of obligations the interest upon which is excluded from gross income for federal income tax purposes (the "Obligations");

WHEREAS, prior to either the issuance of the Obligations or the approval by the SWRCB of Project Funds, the City intends to incur certain capital expenditures for the Project including costs and expenses relating to planning, design and construction of the Project (the "Expenditures") and to have such Expenditures paid from available moneys of the City pursuant to this Resolution; and

WHEREAS, the City has determined that those moneys to be advanced on or after the date hereof to pay the Expenditures are available only for a temporary period and that it is necessary to, and the City shall be, reimbursed for the Expenditures from the proceeds of the Obligations.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Los Angeles as follows:

Section 1. The foregoing recitals are true and the Council of the City (the "City Council") so finds and determines.

Section 2. The City reasonably expects to reimburse Expenditures for the Project prior to the issuance of the Obligations or the approval by the SWRCB of the Project Funds.

Section 3. The reasonably expected maximum principal amount of the Project Funds is \$460,000,000.

Section 4. This Resolution is being adopted no later than 60 days after the date on which the City will expend moneys for Project costs to be reimbursed with Project Funds.

Section 5. The Expenditures will be of a type properly chargeable to a capital account under general federal income tax principles.

Section 6. To the best knowledge of the City, the City is not aware of the previous adoption of official intents by the City that have been made as a matter of course for the purpose of reimbursing expenditures and for which tax-exempt obligations have not been issued.

Section 7. This Resolution is adopted as the official intent of the City and is designed to comply with Treasury Regulation Section 1.150-2 and any other regulations of the Internal Revenue Service relating to the qualification for reimbursement of the Project costs.

Section 8. This Resolution shall take effect immediately upon its adoption.

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PASSED and ADOPTED by the City council this _____ day of _____, 2018,
by the following vote:

AYES:

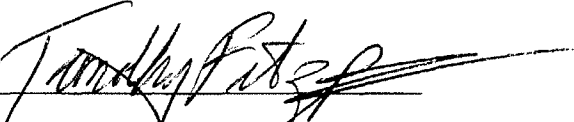
NOES:

ABSENT:

APPROVED AS TO FORM

MICHAEL N. FEUER, City Attorney

By: _____


Timothy J. Fitzpatrick
Deputy City Attorney

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2018.

HOLLY L. WOLCOTT, City Clerk

By: _____
City Clerk

PLEGGED REVENUES AND FUND RESOLUTION

RESOLUTION OF THE COUNCIL OF THE CITY OF LOS ANGELES PLEDGING REVENUES HELD IN THE SEWER CONSTRUCTION AND MAINTENANCE CAPITAL FUND AND CERTAIN OTHER FUNDS ATTRIBUTABLE TO THE WASTEWATER SYSTEM SET FORTH UNDER THE HEREIN DESCRIBED GENERAL RESOLUTION IN CONNECTION WITH AN APPLICATION FOR FINANCIAL ASSISTANCE FROM THE STATE WATER RESOURCES CONTROL BOARD FOR THE PLANNING, DESIGN AND CONSTRUCTION OF A PROPOSED DONALD C. TILLMAN ADVANCED WASTEWATER PURIFICATION FACILITY PROJECT PLANNED TO BE LOCATED AT THE DONALD C. TILLMAN WATER RECLAMATION PLANT AND GROUNDWATER SPREADING BASINS

WHEREAS, the Bureau of Sanitation ("LA Sanitation"), acting on behalf of the City of Los Angeles (the "City"), intends to apply to the State Water Resources Control Board (the "SWRCB") to obtain financial assistance that is expected to be in the form of a low interest rate loan to assist in financing the planning, design and construction of a proposed Donald C. Tillman Advanced Water Purification and Groundwater Replenishment Project (CWSRF Project No. 8063) to be located at the Donald C. Tillman Water Reclamation Plant and Groundwater Spreading Basins (collectively, the "Project"); and

WHEREAS, in the event the SWRCB approves the City's application for financial assistance for the Project on terms acceptable to the City, the City shall execute, among other things, a financing agreement approved by the parties ("Financing Agreement"), and a supplemental resolution (the "Supplemental Resolution") supplementing that certain Wastewater System Revenue Bonds General Resolution duly adopted by the City Council on November 10, 1987 (the "General Resolution"), as previously supplemented and amended.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Los Angeles as follows:

Section. 1. The foregoing recitals are true and the Council of the City (the "City Council") so finds and determines.

Section. 2. The City Council hereby dedicates and pledges the Revenues (as defined in the General Resolution) held in the Sewer Construction and Maintenance Capital Fund and certain other funds attributable to the wastewater system set forth under the General Resolution (collectively, the "Fund") to the payment of any and all Clean Water State Revolving Fund and/or Water Recycling Funding Program financing for the Project (the "SRF Loan").

Section 3. The City commits to collecting such Revenues and maintaining the Fund throughout the term of the SRF Loan and until the City has satisfied its repayment obligation thereunder, unless modification or change is approved by the SWRCB. So long as the SRF Loan and the Financing Agreement are outstanding, the City's pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing Fund and Revenues without any further action necessary. So long as the SRF Loan and the Financing Agreement are outstanding, the City commits to maintaining the Fund and Revenues at levels sufficient to meet its obligations under the Financing Agreement.

Section 4. This Resolution shall take effect upon the execution of the Financing Agreement.

PASSED and ADOPTED by the City council this _____ day of _____, 2018, by the following vote:

AYES:

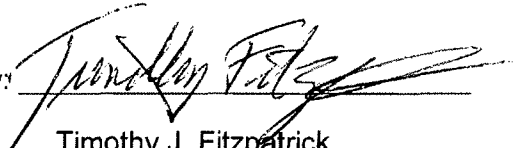
NOES:

ABSENT:

APPROVED AS TO FORM

MICHAEL N. FEUER, City Attorney

By: _____


Timothy J. Fitzpatrick
Deputy City Attorney

I certify that the foregoing Resolution was adopted by the Council of the City of Los Angeles at its meeting on _____, 2018.

HOLLY L. WOLCOTT, City Clerk

By: _____
City Clerk