

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, the State's Joint Exercise of Powers Act (Act) allows two or more public agencies to form a Joint Powers Authority (JPA) to jointly exercise any power common to the parties; and

WHEREAS, the City's 2013-14 State Legislative Program sponsored/supported legislation, AB 850, amending the Act to allow JPA's to issue Rate Reduction Bonds to fund water quality capital improvement projects; and

WHEREAS, Rate Reduction Bonds are a public financing tool which can be used to finance water quality capital improvement projects in a cost effective way; and

WHEREAS, a number of mandated water quality capital improvement projects are eligible to be funded through this mechanism such as groundwater contamination clean-up in the San Fernando Valley and other water quality/water conservation projects; and

WHEREAS, the Governor signed AB 850 in October 2013; the provisions of the measure terminate on December 31, 2020; and

WHEREAS, the Department of Water and Power (DWP) urges the City to sponsor/support legislation to amend the Act to remove the December 31, 2020 sunset date; and

WHEREAS, the DWP also seeks amending the Act to allow Rate Reduction Bonds to finance wastewater capital improvement projects in addition to water quality projects; and to clarify the role of the California Pollution Control Financing Authority in the review and issuance of Rate Reduction Bonds; and

WHEREAS, the DWP also urges amending the Act to expressly state that Rate Reduction Bond's financing documents and resolutions are irrevocable to ensure proper securitization; and

WHEREAS, the proposed amendments to the Joint Exercise of Powers Act are intended to allow the City to implement mandated water system capital improvement projects in a manner that is cost-effective for the ratepayers;

NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2019-2020 State Legislative Program SPONSORSHIP/SUPPORT for legislation that seeks to amend the Joint Exercise of Powers Act to:

- Remove the December 31, 2020 sunset date; and
- Allow Rate Reduction Bonds to finance wastewater capital improvement projects in addition to water quality capital improvement projects; and



- Clarify the role of the California Pollution Control Financing Authority in the review of the Rate Reduction Bonds in order to facilitate review/issuance; and
- Specify that Rate Reduction Bond's financing documents/resolutions are irrevocable to ensure proper securitization.

PRESENTED BY:

  
NURY MARTINEZ  
Councilwoman, 6<sup>th</sup> District

SECONDED BY:



ORIGINAL

JAN 2 9 2019