



MARK PESTRELLA, Director

**COUNTY OF LOS ANGELES  
DEPARTMENT OF PUBLIC WORKS**

*"To Enrich Lives Through Effective and Caring Service"*

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**ADOPTED**

IN REPLY PLEASE  
REFER TO FILE

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

August 14, 2018

45 August 14, 2018

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

CELIA ZAVALA  
ACTING EXECUTIVE OFFICER

Dear Supervisors:

**WATER RESOURCES CORE SERVICE AREA  
LOS ANGELES COUNTY WATERWORKS DISTRICT NOS. 37 (ACTON) AND  
40 (ANTELOPE VALLEY)  
APPROVE VARIOUS CAPITAL IMPROVEMENT PROJECTS AND  
ADOPT RESOLUTIONS TO SECURE FINANCING  
FROM THE STATE WATER RESOURCES CONTROL BOARD'S DRINKING WATER  
STATE REVOLVING FUND PROGRAM  
(SUPERVISORIAL DISTRICT 5)  
(3 VOTES)**

**SUBJECT**

Public Works is seeking Board approval to find the Acton Well 37-5; Acton 3220 Pressure Zone Tank; Avenue J-12 and 50th Street West Site Improvements, Well 4-91; and Avenue H and 50th Street West Well Site, Wells 4-93 and 4-94, planning and engineering projects exempt from the provisions of the California Environmental Quality Act, and to authorize the Los Angeles County Waterworks District Nos. 37 (Acton) and 40 (Antelope Valley) to secure financing through the State Water Resources Control Board's Drinking Water State Revolving Fund Program for the projects.

**IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NOS. 37 (ACTON) AND 40 (ANTELOPE VALLEY):**

1. Find that the proposed projects are statutorily and categorically exempt from the provisions of the California Environmental Quality Act for the reasons stated in this letter and in the record of the project.
2. Approve the Acton Well 37-5; Acton 3220 Pressure Zone Tank; Avenue J-12 and 50th Street West

Site Improvements, Well 4-91; and Avenue H and 50th Street West Well Site, Wells 4-93 and 4-94, planning and engineering projects at an estimated total cost of \$800,000, \$950,000, \$455,000, and \$775,000, respectively, and authorize the Director of Public Works to proceed with the projects.

3. Adopt the resolution authorizing the Director of Public Works or his designee to apply for loans from the State Water Resources Control Board's Drinking Water State Revolving Fund Program on behalf of the Los Angeles County Waterworks District Nos. 37 (Acton) and 40 (Antelope Valley) for the projects.

4. Authorize the Director of Public Works or his designee to sign financing agreements, amendments, and certifications for funding under the Drinking Water State Revolving Fund Program administered by the State Water Resources Control Board; approve claims for reimbursement, execute budget and expenditure summaries, sign the final release forms, and certify project completions for the projects; and adopt a resolution pledging the necessary funds to repayment of financing.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the recommended actions will authorize the Los Angeles County Waterworks District Nos. 37 (Acton) and 40 (Antelope Valley) (herein after referred to as Districts) to apply for a planning and engineering loan from the State Drinking Water State Revolving Fund (DWSRF) Program administered by the State Water Resources Control Board (SWRCB).

The Los Angeles County Waterworks Districts (LACWD) supplies water to approximately 240,000 people and is comprised of five Districts providing retail water service to Kagel Canyon, Malibu, Val Verde, Acton, and the Antelope Valley. The mission of LACWD is to provide reliable, high-quality water and responsive customer care in a safe, cost-effective, sustainable, and environmentally responsible manner.

The eventual implementation of these projects will reduce dependency on imported water supplies and improve the water distribution systems in the Districts.

The following are descriptions of the projects that we intend to apply for loan financing:

A drinking water well in Acton (Well 37-5), an 80,000-gallon tank, a pump station, a disinfection facility, a 1.2-million-gallon tank with an access road, and approximately 1,500 feet of 12-inch pipeline.

In Waterworks District No. 40, three wells (Well 4-91, 4-93, and 4-94), approximately 800 feet of 10-inch diameter pipeline, a 300,000-gallon tank, a booster pump station, a disinfection facility, and approximately 1,900 feet of 12 to 16 inches water line.

The DWSRF loan for the design of these facilities will be repaid from the annual Districts' capital improvement project revenues. The 5-year duration of the loan repayment is the maximum length allowed by the DWSRF Program. We intend to go back to the Board at a later date with a recommendation to apply for a construction loan under the same program.

### **Implementation of Strategic Plan Goals**

The County Strategic Plan directs the provision of Strategy III.3, Pursue Operational Effectiveness, Fiscal Responsibility, and Accountability. The recommended action will respond to public needs by

providing the residents and property owners within the Districts with a more reliable water supply system. It will also allow the Districts to apply for the DWSRF loan financing from the SWRCB, which will help maintain the Districts' ability to accommodate repairs and projects.

### **FISCAL IMPACT/FINANCING**

There will be no impact to the County General Fund.

The costs of Acton Well 37-5; Acton 3220 Pressure Zone Tank; Avenue J-12 and 50th Street West Site Improvements, Well 4-91; and Avenue H and 50th Street West Well Site, Wells 4-93 and 4-94, planning and engineering projects are estimated to be \$800,000, \$950,000, \$455,000, and \$775,000, respectively. These project engineering costs include the cost of preparing plans and specifications, survey, geotechnical exploration, and all necessary jurisdictional approvals.

Funding for these planning and engineering projects is included in the Los Angeles County Waterworks District Nos. 37 (Acton) and 40 (Antelope Valley) Accumulative Capital Outlay (ACO) Funds Fiscal Year 2018-19 Budget. Once the SWRCB approves the application and the Districts secure the loan, Public Works will begin drawing on the loan to reimburse the planning and engineering costs.

After the planning portion of these projects is completed, the requested DWSRF financing loans in the amount of \$2,980,000 will be repaid by the Districts over five years at an interest rate that is set at 50 percent of the State of California's average general obligation bond rate, which is currently at 1.80 percent. The interest rate is adjusted annually and has fluctuated from 1.60 to 2.57 percent over the past seven years. The Districts will commit the necessary funds to repay the DWSRF financing.

The requested loan amount for Waterworks District No. 40 is anticipated to be \$1,230,000 with an annual payback amount of \$246,000 over five years. Sufficient funding is available in the Waterworks District No. 40 ACO Fund to fund the debt service.

The requested loan amount for Waterworks District No. 37 is anticipated to be \$1,750,000 with an annual payback amount of \$350,000 over five years. Sufficient funding is available in the Waterworks District No. 37 ACO Fund to fund the debt service.

Contingent upon approval of this action, the Districts will return to the Board for approval to advertise the projects for construction bids at a later date.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Per Section 55339 of the California Water Code, the Districts may contract with the State Division of Financial Assistance to finance any water system improvement project if the term of the contract does not exceed 30 years.

The SWRCB requires that all governing boards dedicate an authorized representative to file the financing application and execute an agreement with the SWRCB. All governing boards must also formally establish a dedicated source of revenue to repay the financing. Securing DWSRF financing will allow the Districts to leverage water revenues to complete other upgrades of critical water system infrastructure. The enclosed resolutions meet these requirements and have been approved as to form by County Counsel.

## **ENVIRONMENTAL DOCUMENTATION**

The recommended actions are statutorily and categorically exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15262 of the State CEQA Guidelines and Section 21102 of the Public Resources Code. They relate to planning and feasibility studies for possible future actions, which the Board has not adopted, approved, or funded and also, pursuant to Section 15306, relate to information gathering including basic data collection and resource evaluation activities, which do not result in a serious disturbance to an environmental resource. In addition, based on the project records, it is not in a sensitive environment and there are no cumulative impacts, unusual circumstances, damage to scenic highways, listing on hazardous waste site lists compiled pursuant to Government Code Section 65962.5, or indications that it may cause a substantial adverse change in the significance of a historical resource that would make the exemption inapplicable.

By approving these studies for future proposed projects, the County does not commit to or otherwise endorse, authorize, or approve any specific project. Any future recommendations on any proposed development remain subject to the Board's sole discretion to approve, deny, or modify a proposed project and to consider factors that would accompany CEQA review. Authorization of any future project activities would occur only following compliance with CEQA, and Public Works will return to the Board for consideration of appropriate environmental documentation.

Upon the Board's approval of the recommended actions, Public Works will file a Notice of Exemption with the County Clerk in accordance with Section 15062 of the State CEQA Guidelines. Public Works will also file the Notice of Exemption with the Office of Planning and Research, State Clearinghouse, in accordance with the requirements of the DWSRF application.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no negative impact on current County services or projects as a result of the recommended action. The projects will provide District residents with a more reliable water supply.

## **CONCLUSION**

Please return two adopted copies of this letter and two signed originals of the resolutions to the Department of Public Works, Waterworks Division.

The Honorable Board of Supervisors

8/14/2018

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mark Pestrella". The signature is fluid and cursive, with the first name "Mark" and last name "Pestrella" clearly distinguishable.

MARK PESTRELLA

Director

MP:AA:ea

Enclosures

c: Chief Executive Office (Chia-Ann Yen)  
County Counsel  
Executive Office

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 37, ACTON  
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO APPLY  
FOR A DRINKING WATER STATE REVOLVING FUND LOAN FOR THE  
ACTON 3220 PRESSURE ZONE TANK PROJECT**

WHEREAS, the Los Angeles County Board of Supervisors is the governing body of the Los Angeles County Waterworks District No. 37, Acton (District); and

WHEREAS, the District is planning the construction of a new water storage tank in the Acton 3220 Pressure Zone Tank Project; and

WHEREAS, the District is pursuing funding from the Drinking Water State Revolving Fund for planning and design activities of the construction of a new storage tank at the Acton 3220 Pressure Zone Tank Project to improve water supply reliability; and

WHEREAS, the application by the District will be furnished to the State Water Resources Control Board (SWRCB) to obtain a loan to fund the planning and design phases of the project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles, acting as the governing body of the District:

1. The Director of Public Works or his designee is hereby authorized and directed to sign and file, for and on behalf of the District, a Financial Assistance Application for a financing agreement from the SWRCB for the planning and design of the Acton 3220 Pressure Zone Tank Project.
2. The Director of Public Works or his designee is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the SWRCB and any amendments or changes thereto.
3. The Director of Public Works or his designee is designated to represent the District in carrying out the District's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the District and compliance with applicable State and Federal laws.

The foregoing resolution was adopted on the 14<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 37, Acton.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smithman  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By Mary C. Wickham  
Deputy

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 37, ACTON  
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO APPLY  
FOR A DRINKING WATER STATE REVOLVING FUND LOAN FOR THE  
ACTON WELL 37-5 PROJECT**

WHEREAS, the Los Angeles County Board of Supervisors is the governing body of the Los Angeles County Waterworks District No. 37, Acton (District); and

WHEREAS, the District is planning the construction of a new water source in the Acton Well 37-5 Project; and

WHEREAS, the District is pursuing funding from the Drinking Water State Revolving Fund for planning and design activities of the construction of a new well at the Acton Well 37-5 Project to improve water supply reliability; and

WHEREAS, the application by the District will be furnished to the State Water Resources Control Board (SWRCB) to obtain a loan to fund the planning and design phases of the project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles, acting as the governing body of the District:

1. The Director of Public Works or his designee is hereby authorized and directed to sign and file, for and on behalf of the District, a Financial Assistance Application for a financing agreement from the SWRCB for the planning and design of the Acton Well 37-5 Project.
2. The Director of Public Works or his designee is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the SWRCB and any amendments or changes thereto.
3. The Director of Public Works or his designee is designated to represent the District in carrying out the District's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the District and compliance with applicable State and Federal laws.



The foregoing resolution was adopted on the 14<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 37, Acton.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smitherman  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By [Signature]  
Deputy

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY  
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO  
APPLY FOR A DRINKING WATER STATE REVOLVING FUND LOAN FOR THE  
AVENUE H AND 50TH STREET WEST WELL SITE,  
WELLS 4-93 AND 4-94, PROJECT**

WHEREAS, the Los Angeles County Board of Supervisors is the governing body of the Los Angeles County Waterworks District No. 40, Antelope Valley (District); and

WHEREAS, the District is planning the construction of new water sources in the Avenue H and 50th Street West Well Site, Wells 4-93 and 4-94 Project; and

WHEREAS, the District is pursuing funding from the Drinking Water State Revolving Fund for planning and design activities of two new wells at the Avenue H and 50th Street West Well Site, Wells 4-93 and 4-94, Project to improve water supply reliability; and

WHEREAS, the application by the District will be furnished to the State Water Resources Control Board (SWRCB) to obtain a loan to fund the planning and design phases of the project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles, acting as the governing body of the District:

1. The Director of Public Works or his designee is hereby authorized and directed to sign and file, for and on behalf of the District, a Financial Assistance Application for a financing agreement from the SWRCB for the planning and design of the Avenue H and 50th Street West Well Site, Wells 4-93 and 4-94, Project.
2. The Director of Public Works or his designee is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the SWRCB and any amendments or changes thereto.
3. The Director of Public Works or his designee is designated to represent the District in carrying out the District's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the District and compliance with applicable State and Federal laws.

The foregoing resolution was adopted on the 14<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 40, Antelope Valley.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smith  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By Mary C. Wickham  
Deputy

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
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AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO APPLY  
FOR A DRINKING WATER STATE REVOLVING FUND LOAN FOR THE  
AVENUE J-12 AND 50TH STREET WEST SITE IMPROVEMENTS, WELL 4-91 PROJECT**

WHEREAS, the Los Angeles County Board of Supervisors is the governing body of the Los Angeles County Waterworks District No. 40, Antelope Valley (District); and

WHEREAS, the District is planning the replacement of aging water sources in the Avenue J-12 and 50th Street West Site Improvements, Well 4-91 Project; and

WHEREAS, the District is pursuing funding from the Drinking Water State Revolving Fund for planning and design activities of the replacement of a well at the Avenue J-12 and 50th Street West Site Improvements, Well 4-91, Project to improve water supply reliability; and

WHEREAS, the application by the District will be furnished to the State Water Resources Control Board (SWRCB) to obtain a loan to fund the planning and design phase of the project.

NOW, THEREFORE, BE IT RESOLVED, by the Board of Supervisors of the County of Los Angeles, acting as the governing body of the District:

1. The Director of Public Works or his designee is hereby authorized and directed to sign and file, for and on behalf of the District, a Financial Assistance Application for a financing agreement from the SWRCB for the planning and design of the Avenue J-12 and 50th Street West Site Improvements, Well 4-91 Project.
2. The Director of Public Works or his designee is designated to provide the assurances, certifications, and commitments required for the financial assistance application, including executing a financial assistance agreement from the SWRCB and any amendments or changes thereto.
3. The Director of Public Works or his designee is designated to represent the District in carrying out the District's responsibilities under the financing agreement, including certifying disbursement requests on behalf of the District and compliance with applicable State and Federal laws.

The foregoing resolution was adopted on the 14<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 40, Antelope Valley.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smith  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By Mary C. Wickham  
Deputy

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 37, ACTON  
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO  
PLEDGE REVENUES AND FUNDS TO REPAYMENT OF  
DRINKING WATER STATE REVOLVING FUND FINANCING**

WHEREAS, the Los Angeles County Board of Supervisors (Board of Supervisors) is the governing body of the Los Angeles County Waterworks District No. 37, Acton (District); and

WHEREAS, the District seeks financing from the State Water Resources Control Board (SWRCB) for the planning and design of a project commonly known as the Acton 3220 Pressure Zone Tank Project (Project); and

WHEREAS, the Drinking Water State Revolving Fund (DWSRF) loan program is administered by the SWRCB; and

WHEREAS, the District requests DWSRF financing for the Project's planning and design costs; and

WHEREAS, prior to the SWRCB issuing a DWSRF financing agreement for the Project, the Board of Supervisors is required to pass a resolution to formally establish a dedicated source of revenue to repay said financing and designate an authorized representative of the District to file financial assistance applications, execute said financing agreements and amendments, and carryout the District's said financing agreement responsibilities.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the Board of Supervisors, acting as the governing body of the District;

1. The District does hereby dedicate and pledge its net water revenues and its water enterprise fund to payment of the DWSRF financing for the Project. The District commits to collecting such revenues and maintaining such fund throughout the term of such financing and until the District has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the SWRCB. So as long as the financing agreements are outstanding, the District pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreements. If for any reason, the said source of revenues proves insufficient to satisfy the debt service of the DWSRF obligation, sufficient funds shall be raised through increased water rates, use charges or assessment, or any other legal means available to meet the DWSRF obligation and to operate and maintain the projects.

The foregoing resolution was adopted on the 14<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 37, Acton.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smithman  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By M. L. Wickham  
Deputy

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 37, ACTON  
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO  
PLEDGE REVENUES AND FUNDS TO REPAYMENT OF  
DRINKING WATER STATE REVOLVING FUND FINANCING**

WHEREAS, the Los Angeles County Board of Supervisors (Board of Supervisors) is the governing body of the Los Angeles County Waterworks District No. 37, Acton (District); and

WHEREAS, the District seeks financing from the State Water Resources Control Board (SWRCB) for the planning and design of a project commonly known as the Acton Well 37-5 Project (Project); and

WHEREAS, the Drinking Water State Revolving Fund (DWSRF) loan program is administered by the SWRCB; and

WHEREAS, the District requests DWSRF financing for the Project's planning and design costs; and

WHEREAS, prior to the SWRCB issuing a DWSRF financing agreement for the Project, the Board of Supervisors is required to pass a resolution to formally establish a dedicated source of revenue to repay said financing and designate an authorized representative of the District to file financial assistance applications, execute said financing agreements and amendments, and carryout the District's said financing agreement responsibilities.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the Board of Supervisors, acting as the governing body of the District;

1. The District does hereby dedicate and pledge its net water revenues and its water enterprise fund to payment of the DWSRF financing for the Project. The District commits to collecting such revenues and maintaining such fund throughout the term of such financing and until the District has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the SWRCB. So as long as the financing agreements are outstanding the District pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreements. If for any reason, the said source of revenues proves insufficient to satisfy the debt service of the DWSRF obligation, sufficient funds shall be raised through increased water rates, use charges or assessment, or any other legal means available to meet the DWSRF obligation and to operate and maintain the projects.



The foregoing resolution was adopted on the 14<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 37, Acton.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smith  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By Mary C. Wickham  
Deputy

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY  
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO  
PLEDGE REVENUES AND FUNDS TO REPAYMENT OF  
DRINKING WATER STATE REVOLVING FUND FINANCING**

WHEREAS, the Los Angeles County Board of Supervisors (Board of Supervisors) is the governing body of the Los Angeles County Waterworks District No. 40, Antelope Valley (District); and

WHEREAS, the District seeks financing from the State Water Resources Control Board (SWRCB) for the planning and design of a project commonly known as the Avenue H and 50th Street West Well Site, Wells 4-93 and 4-94, Project (Project); and

WHEREAS, the Drinking Water State Revolving Fund (DWSRF) loan program is administered by the SWRCB; and

WHEREAS, the District requests DWSRF financing for the Project's planning and design costs; and

WHEREAS, prior to the SWRCB issuing a DWSRF financing agreement for the Project, the Board of Supervisors is required to pass a resolution to formally establish a dedicated source of revenue to repay said financing and designate an authorized representative of the District to file a financial assistance application, execute said financing agreement and amendments, and carryout the District's said financing agreement responsibilities.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the Board of Supervisors, acting as the governing body of the District:

1. The District does hereby dedicate and pledge its net water revenues and its water enterprise fund to payment of the DWSRF financing for the Project. The District commits to collecting such revenues and maintaining such fund throughout the term of such financing and until the District has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the SWRCB. So as long as the financing agreement is outstanding, the District pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreement. If for any reason, the said source of revenues proves insufficient to satisfy the debt service of the DWSRF obligation, sufficient funds shall be raised through increased water rates, use charges or assessment, or any other legal means available to meet the DWSRF obligation and to operate and maintain the project.

The foregoing resolution was adopted on the 14<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 40, Antelope Valley.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smithman  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By Mary C. Wickham  
Deputy

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF  
LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY OF THE  
LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 40, ANTELOPE VALLEY  
AUTHORIZING THE DIRECTOR OF PUBLIC WORKS OR HIS DESIGNEE TO  
PLEDGE REVENUES AND FUNDS TO REPAYMENT OF  
DRINKING WATER STATE REVOLVING FUND FINANCING**

WHEREAS, the Los Angeles County Board of Supervisors (Board of Supervisors) is the governing body of the Los Angeles County Waterworks District No. 40, Antelope Valley (District); and

WHEREAS, the District seeks financing from the State Water Resources Control Board (SWRCB) for the planning and design of a project commonly known as the Avenue J-12 and 50th Street West Site Improvements, Well 4-91 Project (Project); and

WHEREAS, the Drinking Water State Revolving Fund (DWSRF) loan program is administered by the SWRCB; and

WHEREAS, the District requests DWSRF financing for the Project's planning and design costs; and

WHEREAS, prior to the SWRCB issuing a DWSRF financing agreement for the Project, the Board of Supervisors is required to pass a resolution to formally establish a dedicated source of revenue to repay said financing and designate an authorized representative of the District to file a financial assistance application, execute said financing agreement and amendments, and carryout the District's said financing agreement responsibilities.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED, by the Board of Supervisors, acting as the governing body of the District:

1. The District does hereby dedicate and pledge its net water revenues and its water enterprise fund to payment of the DWSRF financing for the Project. The District commits to collecting such revenues and maintaining such fund throughout the term of such financing and until the District has satisfied its repayment obligation thereunder unless modification or change is approved in writing by the SWRCB. So as long as the financing agreement is outstanding, the District pledge hereunder shall constitute a lien in favor of the SWRCB on the foregoing fund(s) and revenue(s) at levels sufficient to meet its obligations under the financing agreement. If for any reason, the said source of revenues proves insufficient to satisfy the debt service of the DWSRF obligation, sufficient funds shall be raised through increased water rates, use charges or assessment, or any other legal means available to meet the DWSRF obligation and to operate and maintain the project.

The foregoing resolution was adopted on the 4<sup>th</sup> day of August, 2018,  
by the Board of Supervisors of the County of Los Angeles as the governing body of the  
Los Angeles County Waterworks District No. 40, Antelope Valley.



CELIA ZAVALA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

By Lachelle Smithman  
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM  
County Counsel

By Mary C. Wickham  
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