

AGN. NO. _____

**MOTION BY SUPERVISORS MARK RIDLEY-THOMAS AND
JANICE HAHN**

OCTOBER 9, 2018

**Authorizations for County Department of Public Works to Serve as Interim
Administrator for Sativa Water District**

For many months now, the County of Los Angeles (County) has been intimately involved with on-going efforts to facilitate short- and long-term strategies to address the insufficient fiscal management and oversight of the Sativa Water District (Sativa), in response to a series of complaints from the Willowbrook and Compton communities over brown water flowing out of Sativa's pipes.

On April 24, 2018, via motion by Supervisor Ridley-Thomas, the Board of Supervisors (Board) instructed the Directors of the Department of Public Health (DPH) and Department of Public Works (DPW) to investigate the numerous water quality complaints raised by Sativa customers, and directed County Counsel, in coordination with the Directors of DPH and DPW, to explore solutions to ensure that appropriate

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management and governance are in place so that adequate water service can be provided to Sativa customers.

On June 12, 2018, via motion by Supervisor Ridley-Thomas, the Board unanimously agreed to support Assembly Bill (AB) 1577 (Gipson), which would empower the California Water Resources Control Board (Water Board) to assume authority over Sativa and require Sativa to accept administrative and managerial services from an administrator selected by the Water Board, while long-term strategies are pursued. To that end, on July 11, 2018, the Local Agency Formation Commission for Los Angeles County (LAFCO) formally initiated dissolution proceedings for Sativa with the objective of permanently replacing Sativa with another service provider.

On August 7, 2018, via motion by Supervisors Ridley-Thomas and Hahn, the Board directed the Chief Executive Officer and the County's legislative advocates in Sacramento to continue to support AB 1577, and work with Assemblymember Gipson's office to include amendments that would enable DPW to serve as the interim administrator, including providing for immediate fiscal and operational management and control over Sativa by an interim administrator, appropriate immunities from liability and financial resources from the State, and a streamlined pathway for the LAFCO to dissolve Sativa and facilitate the selection of a long-term service provider.

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AB 1577 was amended to include the requested provisions and on August 31, 2018, the Legislature approved AB 1577, as amended, as an urgency statute. The Legislature found that AB 1577 needed to take effect immediately in order to ensure that Sativa's ratepayers have access to affordable, safe drinking water as soon as possible.

On September 28, 2018, the Governor signed AB 1577. The Water Board will soon be initiating the administrator appointment process. In anticipation of the County being appointed the interim administrator for Sativa, the Water Board requires that the County identify an authorized representative to enter into a funding agreement for the assignment and to undertake the role of administrator, which will be the Director of Public Works.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

- 1) Adopt the attached Resolution authorizing the County of Los Angeles (County), by and through the Department of Public Works (DPW), to enter into a funding agreement with the California Water Resources Control Board (Water Board) and authorizing and designating the Director of DPW as the County's representative for the assignment of administrator and interim operation of Sativa Water District (Sativa) pursuant to AB 1577.

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- 2) Delegate authority to the Director of DPW to execute the funding agreement, after approval as to form by County Counsel, and carry out all other necessary actions to undertake the role of interim administrator of Sativa.

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RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES AUTHORIZING ENTERING INTO A FUNDING AGREEMENT WITH THE STATE WATER RESOURCES CONTROL BOARD AND AUTHORIZING AND DESIGNATING A REPRESENTATIVE FOR THE ASSIGNMENT OF ADMINISTRATOR AND INTERIM OPERATION OF SATIVA COUNTY WATER DISTRICT PURSUANT TO ASSEMBLY BILL 1577

WHEREAS, the State Legislature has authorized the State Water Resources Control Board ("Water Board"), pursuant to Assembly Bill ("AB") 1577 to order the Sativa County Water District ("Sativa") to accept administrative and managerial services, including full management and control, from an interim administrator selected by the Water Board (the "Project"); and

WHEREAS, the State Legislature has authorized the Water Board to expend \$200,000 for funding for the Project; and

WHEREAS, the Department of Public Works of the County of Los Angeles ("County") has the technical, managerial, and administrative expertise to manage and operate Sativa as an interim administrator appointed by the Water Board, and the Water Board desires to have the County, by and through its Department of Public Works, serve as the interim administrator for Sativa; and

WHEREAS, prior to the Water Board's executing a funding agreement for appointment of the interim administrator for Sativa, the Board of Supervisors of the County ("Board of Supervisors") is required to adopt this resolution authorizing an agent or representative to sign the funding agreement, amendments, and requests for reimbursement on behalf of the County, and to carry out other necessary Project-related activities.

NOW THEREFORE, be it resolved and ordered, that the County's Department of Public Works is hereby authorized to carry out the Project, enter into a funding agreement with the Water Board, and accept and expend State funds for the Project; and

Be it further resolved and ordered, that the County's Director of Public Works, or his designee, is hereby authorized and designated to sign, for and on behalf of the County, the funding agreement for the Project and any amendments thereto; and

Be it further resolved and ordered, that the County's Director of Public Works, or his designee, is hereby authorized and designated to represent the County in carrying out the County's responsibilities under the funding agreement, including approving and signing invoices and requests for reimbursement of Project costs; and

Be it further resolved and ordered, that any and all actions, whether previously or subsequently taken by the County, which are consistent with the intent and purposes of the foregoing resolution, shall be, and hereby are, in all respects, ratified, approved and confirmed.

The foregoing resolution was on the 9th day of October 2018, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

CELIA ZAVALA, Executive Officer-Clerk
of the Board of Supervisors
of the County of Los Angeles



By: *Danya Ruiz*
Deputy

APPROVED AS TO FORM:

MARY C. WICKHAM
County Counsel

By: *[Signature]*
Deputy