

CITY OF LOS ALAMITOS



Mayor:
Troy D. Edgar

Mayor Pro Tem:
Marilynn M. Poe

Council Members:
Gerri L. Graham-Mejia
Warren Kusumoto
Ken Stephens

City Manager:
Angie Avery

May 1, 2012

Honorable Jerry Brown
Governor of California
State Capitol Building
Sacramento, CA 95814
Fax: (916) 558-3160

**RE: LETTER OF SUPPORT OF SENATE BILL 1364 RELATIVE TO
WATER CORPORATIONS**

Dear Governor Brown,

As elected officials for Los Alamitos residents that are ratepayers of Golden State Water Company (GSWC), the City Council would have expressed support for State Senator Bob Huff's Senate Bill 1364, which would amend the Public Utilities Code making transactions made by private water companies more transparent and giving ratepayers opportunities to gain greater involvement in the rate adjustment process.

Water companies, like GSWC, have been dramatically increasing water rates over the past few years. These water companies are not subject to the same reporting and audit oversight as electrical, gas, and telephone corporations. The Council believes that Senate Bill 1364 is a step in the right direction which will have long term benefits for ratepayers who receive their water from water corporations such as GSWC. The Council encourages you to support Senate Bill 1364 in order to provide better transparency and rate protection for taxpayers.

Sincerely,

CITY OF LOS ALAMITOS

A handwritten signature in cursive script, appearing to read "Angie Avery".

Angie Avery
City Manager

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90720-5600

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RESOLUTION NO. 2012-08

**A RESOLUTION OF CITY COUNCIL OF THE CITY OF
LOS ALAMITOS, CALIFORNIA, SUPPORTING SENATE
BILL 1364 RELATING TO WATER CORPORATIONS**

WHEREAS, on July 21, 2011, the Golden State Water Company filed an application with the California Public Utilities Commission (CPUC) to raise water rates in 2013, 2014, and 2015 for a combined rate increase equal to 29.83%; and,

WHEREAS, private water companies are considered natural monopolies similar to gas, electric, and telephone companies, but unlike these other utilities, private water companies are not statutorily required to submit annual reports to the CPUC, nor are private water companies subject to audits; and,

WHEREAS, in response to Golden State Water Company's continued request for rate increases and to establish a level playing field for private water utilities similar to that of other utility companies, State Senator Bob Huff has introduced Senate Bill 1364 related to water corporations; and,

WHEREAS, Senate Bill 1364 amends legislation to toughen regulations on water utilities allowing the California Public Utilities Commission to audit water companies; and,

WHEREAS, Senate Bill 1364 would amend sections of the Public Utilities Code to extend certain provisions to water utilities that currently apply only to gas, electric, and telephone companies; and,

WHEREAS, Senate Bill 1364 would require water corporations to submit an annual report to the CPUC describing all significant transactions between the corporation and every subsidiary or affiliate of, or corporation holding a controlling interest; and,

WHEREAS, Senate Bill 1364 would expand the definition of a customer to include a local government that receives water from a water corporation for the purpose of participating in a proceeding involving the water corporation.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LOS ALAMITOS DOES RESOLVE AS FOLLOWS:

SECTION 1. The City Council of the City of Los Alamitos, California, finds that the above recitals are true and correct.

SECTION 2. The City of Los Alamitos hereby supports Senate Bill 1364, an act to amend Sections 314, 454, 587, 797, 798, 1756 and 1802 of the Public Utilities Code, relating to water corporations.

SECTION 3. The City Council of the City of Los Alamitos does hereby encourage all residents to demonstrate their support for Senate Bill 1364 by contacting members of the State Senate and request their support for this needed legislation that will put water corporations under the same rules as other public utilities.


SECTION 4. The City Clerk shall certify as to the adoption of this Resolution.

PASSED, APPROVED, AND ADOPTED this 16th day of April, 2012.




Troy D. Edgar, Mayor

ATTEST:



Angie Avery, City Clerk

APPROVED AS TO FORM:




Sandra J. Levin, City Attorney

STATE OF CALIFORNIA)
COUNTY OF ORANGE) ss
CITY OF LOS ALAMITOS)

I, Angie Avery, City Clerk of the City of Los Alamitos, do hereby certify that the foregoing Resolution was adopted at a regular meeting of the City Council held on the 16th day of April, 2012, by the following vote, to wit:

AYES:	COUNCILMEMBERS:	Graham-Mejia, Stephens, Edgar, Kusumoto, Poe
NOES:	COUNCILMEMBERS:	None.
ABSENT:	COUNCILMEMBERS:	None.
ABSTAIN:	COUNCILMEMBERS:	None.



Angie Avery, City Clerk