

**ORDINANCE NO. 2021-02**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AZUSA, CALIFORNIA, REPEALING SECTION 78-40 OF THE AZUSA MUNICIPAL CODE RELATING TO A RESERVE FOR STRANDED INVESTMENT WITHIN THE ELECTRIC FUND**

**WHEREAS**, in January 1997 the City Council adopted Ordinance No. 97-01 establishing a Reserve for stranded investment within the Electric Fund; and

**WHEREAS**, the Reserve was needed at the time in order to mitigate financial impacts of electricity retail market conditions; and

**WHEREAS**, under Section 78-40 of the Azusa Municipal Code, the City Council can make a finding that the reasons for maintaining Rate Stabilization Fund for Stranded Investment are no longer applicable and direct staff to transfer this special reserve fund into the Electric Fund's unrestricted reserves; and

**WHEREAS**, the City Council wishes to repeal and rescind Section 78-40 of the Azusa Municipal Code, at the recommendation of staff, by reason of the fact that the power resources, previously considered stranded assets under market condition in the mid 1990's, are now economic and market conditions have since stabilized, and the Reserve created by said section is no longer needed.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AZUSA DOES HEREBY ORDAIN AS FOLLOWS:**

**SECTION 1. Recitals.** The City Council of the City of Azusa hereby finds and determines that the forgoing Recitals of this Ordinance are true and correct and are hereby incorporated into this Ordinance as fully set forth herein.

**SECTION 2. Repealed.** Section 78-40 of Chapter 78 of the Azusa Municipal Code, entitled "Reserve for stranded investment," is hereby repealed in its entirety and is of no further force or effect.

**SECTION 3. Reserved.** Section 78-40 of Chapter 78 of the Azusa Municipal Code is hereby reserved for future use.

**SECTION 4. Severability.** If any provision of this Ordinance or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provision or application, and to this end, the provisions of this Ordinance are severable. The Utility Board of the City of Azusa hereby declares that it would have adopted this Ordinance irrespective of the invalidity of any particular portion thereof.

**SECTION 5. Signature and Attestation.** In accordance with California Government Code Section 36932, this Ordinance shall be signed by the Mayor of the City of Azusa and attested to by the City Clerk of the City of Azusa.

**SECTION 6. Publication; Effective Date.** In accordance with California Government Code Section 36933, within fifteen (15) days of the passage of this

Ordinance, the City Clerk of the City of Azusa shall cause this Ordinance to be published, at least once, in a newspaper of general circulation published and circulated in the City of Azusa, California. This Ordinance shall take effect thirty (30) days after the date of adoption.

**PASSED, APPROVED, AND ADOPTED** this 3<sup>rd</sup> day of May, 2021.

/s/ Robert Gonzales, Mayor

**ATTEST:** /s/ Jeffrey Lawrence Cornejo, Jr., City Clerk

STATE OF CALIFORNIA                    )  
COUNTY OF LOS ANGELES            ) ss.  
CITY OF AZUSA                            )

**I HEREBY CERTIFY** that the foregoing Ordinance No. 2021-02, was duly introduced and placed for its first reading at an adjourned regular meeting of the City Council on the 26<sup>th</sup> day of April, 2021, and that thereafter, said Ordinance was duly adopted and passed at a regular meeting of the City Council on the 3<sup>rd</sup> day of May, 2021 by the following vote of the Council:

AYES:                    COUNCILMEMBERS: GONZALES, ALVAREZ, AVILA, MENDEZ  
NOES:                    COUNCILMEMBERS: MACIAS  
ABSENT:                COUNCILMEMBERS: NONE

/s/Jeffrey Lawrence Cornejo, Jr., City Clerk

**APPROVED AS TO FORM:**

/s/City Attorney, Best Best & Krieger, LLP

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