

AMENDED IN ASSEMBLY AUGUST 2, 2016

AMENDED IN ASSEMBLY JUNE 20, 2016

AMENDED IN SENATE MAY 23, 2016

AMENDED IN SENATE MAY 4, 2016

AMENDED IN SENATE APRIL 14, 2016

AMENDED IN SENATE MARCH 28, 2016

## **SENATE BILL**

**No. 1233**

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**Introduced by Senator McGuire**  
**(Coauthors: Senators Hertzberg and Wolk)**  
(Coauthors: Assembly Members Levine and Wood)

February 18, 2016

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An act to add Section 6588.8 to, and to repeal and amend Section 6586.7 of, the Government Code, relating to water.

### LEGISLATIVE COUNSEL'S DIGEST

SB 1233, as amended, McGuire. Joint powers authorities: Water Bill Savings Act.

Existing law, the Marks-Roos Local Bond Pooling Act of 1985, authorizes joint powers authorities, among other powers, to issue bonds and loan the proceeds to local agencies to finance specified types of projects and programs.

This bill would enact the Water Bill Savings Act, which would authorize a joint powers authority to provide funding for a customer of a local agency or its publicly owned utility to acquire, install, or repair a water efficiency improvement on the customer's property served by the local agency or its publicly owned utility. The bill would require

the customer to repay the authority through an efficiency charge on the customer's water bill to be established and collected by the local agency or its publicly owned utility on behalf of the authority pursuant to a servicing agreement. The bill would authorize the authority to issue bonds to fund the program. *The bill would require the Department of Water Resources to provide ongoing oversight of activities undertaken pursuant to these provisions, including, but not limited to, monitoring an authority's administration of an efficiency improvement financing program, as specified.* The bill would also make technical changes.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. The Legislature finds and declares all of the  
2 following:

3 (a) Water conservation efforts are indispensable to combating  
4 the current and continuing drought conditions faced by the state  
5 and advancing the state's greenhouse gas emission reduction goals.

6 (b) The up-front cost of acquiring, installing, and repairing water  
7 efficiency improvements is often prohibitive and may prevent  
8 customers from using them on residential, commercial, industrial,  
9 agricultural, or other real property.

10 (c) Increasing customer water efficiency is a core component  
11 of the provision of water utility service.

12 (d) The conservation to be accomplished by efficiency  
13 improvements is a core component of water utility service and  
14 makes existing water supplies available for all water customers  
15 by displacing demand for those supplies. Accordingly, a pledge  
16 pursuant to paragraph (5) of subdivision (f) of Section 6588.8 of  
17 the Government Code of water enterprise revenue as security for  
18 bonds an authority has secured with a pledge of, and intends to  
19 pay from, efficiency charges is an appropriate use of water  
20 enterprise revenues as explained in *Capistrano Taxpayers*  
21 *Association, Inc. v. City of San Juan Capistrano* (2015) 235  
22 Cal.App.4th 1493, 1501-1504.

23 SEC. 2. (a) It is the intent of the Legislature to make water  
24 efficiency improvements more affordable and promote the  
25 acquisition, installation, and repair of those improvements by  
26 allowing local agencies to establish a mechanism by which they

1 may help their water customers to acquire, install, and repair water  
2 efficiency improvements on privately owned customer properties.

3 (b) It is the intent of the Legislature that this act authorize the  
4 development of a program to be established by a joint powers  
5 authority that would provide a water customer with an alternative  
6 and voluntary means to acquire, install, or repair water efficiency  
7 improvements. It is further the intent of the Legislature that the  
8 cost of this voluntarily acquired, installed, or repaired water  
9 efficiency improvement be repaid through an efficiency charge  
10 added to the water bill associated with the publicly owned utility's  
11 water meter at the customer property upon which the water  
12 efficiency improvement is located.

13 SEC. 3. Section 6586.7 of the Government Code, as added by  
14 Section 4 of Chapter 723 of the Statutes of 2000, is repealed.

15 SEC. 4. Section 6586.7 of the Government Code, as added by  
16 Section 1 of Chapter 724 of the Statutes of 2000, is amended to  
17 read:

18 6586.7. (a) A copy of the resolution adopted by an authority  
19 authorizing bonds or any issuance of bonds, or accepting the benefit  
20 of any bonds or proceeds of bonds, except bonds issued or  
21 authorized pursuant to Article 1 (commencing with Section 6500),  
22 or bonds issued for the purposes specified in subdivision (c) of  
23 Section 6586.5, shall be sent by certified mail to the Attorney  
24 General and the California Debt and Investment Advisory  
25 Commission not later than five days after adoption by the authority.

26 (b) This section does not apply to bonds:

27 (1) Specified in subdivision (c) of Section 6586.5.

28 (2) Issued pursuant to the Community Redevelopment Law  
29 (Part 1 (commencing with Section 33000) of Division 24 of the  
30 Health and Safety Code).

31 (3) To finance transportation facilities and vehicles.

32 (4) To finance a facility that is located within the boundaries of  
33 an authority, provided that the authority that issues those bonds  
34 consists of any of the following:

35 (A) Local agencies with overlapping boundaries.

36 (B) A county and a local agency or local agencies located  
37 entirely within that county.

38 (C) A city and a local agency or local agencies located entirely  
39 within that city.

(5) To finance a facility for which an authority has received an allocation from the California Debt Limit Allocation Committee.

(6) Of an authority that consists of no less than 100 local agencies and the agreement that established that authority requires the governing body of the local agency that is a member of the authority in whose jurisdiction the facility will be located to approve the facility and the issuance of the bonds.

(7) Issued pursuant to Section 6588.8.

SEC. 5. Section 6588.8 is added to the Government Code, to read:

6588.8. (a) This section shall be known and may be cited as the Water Bill Savings Act.

(b) For purposes of this section, the following terms have the following meanings:

(1) *“Bill neutral” means, based on a customer’s recent billing history, the monetary savings achieved by the customer’s efficiency improvement is projected to be greater than or equal to the efficiency charge on the customer’s monthly water bill.*

~~(1)~~

(2) “Customer” means a person or entity that purchases water from a local agency or its publicly owned utility and is billed for the water by the local agency or its publicly owned utility.

~~(2)~~

(3) “Customer property” means residential, commercial, industrial, agricultural, or other real property owned, leased, or licensed for occupancy by the customer.

(4) *“Department” means the Department of Water Resources.*

~~(3)~~

(5) “Efficiency charge” means a charge on a customer’s water bill that is paid by the customer directly to the local agency or its publicly owned utility in order to pay for an efficiency improvement pursuant to this section.

~~(4)~~

(6) “Efficiency improvement” means a water efficiency improvement, as defined by the authority. An efficiency improvement shall not include living vegetation.

~~(5)~~

(7) “Financing costs” mean all of the following:

(A) An interest and redemption premium payable on a bond.

1 (B) The cost of retiring the principal of a bond, whether at  
2 maturity, including acceleration of maturity upon an event of  
3 default, or upon redemption, including sinking fund redemption.

4 (C) A cost related to issuing or servicing bonds, including, but  
5 not limited to, a servicing fee, trustee fee, legal fee, administrative  
6 fee, bond counsel fee, bond placement or underwriting fee,  
7 remarketing fee, broker dealer fee, independent manager fee,  
8 municipal adviser fee, accounting report fee, engineering report  
9 fee, rating agency fee, and payment made under an interest rate  
10 swap agreement.

11 (D) A payment or expense associated with a bond insurance  
12 policy, financial guaranty, or a contract, agreement, or other credit  
13 enhancement for bonds or a contract, agreement, or other financial  
14 agreement entered into in connection with a bond.

15 (E) The funding of one or more reserve accounts related to a  
16 bond.

17 ~~(6)~~

18 (8) “Local agency” means a “local government” as defined in  
19 subdivision (b) of Section 1 of Article XIII C of the California  
20 Constitution.

21 ~~(7)~~

22 (9) “Publicly owned utility” means a utility furnishing water  
23 service to customers that is owned and operated by a local agency  
24 or a department or other subdivision of a local agency and includes  
25 any successor to the powers and functions of the department or  
26 other subdivision.

27 ~~(8)~~

28 (10) “Servicing agreement” means an agreement between a  
29 local agency or its publicly owned utility and the authority for the  
30 collection of the efficiency charge, pursuant to which the local  
31 agency or its publicly owned utility acts as a servicing agent for  
32 purposes of collecting the efficiency charge for the authority.

33 (c) (1) Notwithstanding any other law, if the requirements of  
34 paragraphs (2) and (3) are met, an authority may provide funding  
35 for a customer of a local agency or its publicly owned utility to  
36 acquire, install, or repair an efficiency improvement on a customer  
37 property served by the local agency or its publicly owned utility.

38 (2) (A) The authority, by resolution, establishes or extends a  
39 program to provide funding for a customer of a local agency or its  
40 publicly owned utility to acquire, install, or repair an efficiency

1 improvement on a customer property served by the local agency  
2 or its publicly owned utility. The resolution shall do all of the  
3 following:

4 (i) State the intent of the authority to operate the program.

5 (ii) Define the geographical scope of the operation of the  
6 program as an area that is limited to only the territories within  
7 which retail water service is provided by those local agencies that  
8 have expressly requested the authority to provide funding for the  
9 local agency's customers through the program, in accordance with  
10 the requirements of paragraph (3).

11 *(iii) Specify the types of efficiency improvements that may be*  
12 *financed by the program, in accordance with paragraph (1) of*  
13 *subdivision (i).*

14 ~~(iii)~~

15 (iv) Approve a standardized servicing agreement.

16 ~~(iv)~~

17 (v) Authorize one or more designated officials of the authority  
18 to execute and deliver the servicing agreement on behalf of the  
19 authority.

20 (B) The authority acknowledges receipt of the resolution  
21 described in subparagraph (C) of paragraph (3).

22 (C) The authority may determine that all proceedings were valid  
23 and in conformity with the requirements of this paragraph and that  
24 finding shall be final and conclusive.

25 (3) The legislative body of the local agency requests the  
26 authority to provide funding for its customers through a program  
27 established by the authority pursuant to this section by doing all  
28 of the following:

29 (A) The legislative body adopts a resolution declaring its  
30 intention to request the authority to establish or extend a program  
31 to a customer represented by the legislative body, calling for a  
32 public hearing that shall be held at least 30 days later and directing  
33 the clerk or secretary of the legislative body to publish a notice of  
34 the hearing at least five days before the hearing in a newspaper of  
35 general circulation in the boundaries of the local agency. If the  
36 local agency wishes to pledge its water enterprise revenue as  
37 security for the payment of the principal of, and interest and  
38 redemption premium on, bonds issued by the authority in the event  
39 that efficiency charges are insufficient for those purposes pursuant

1 to paragraph (5) of subdivision (f), the legislative body shall declare  
2 that intention in the resolution.

3 (B) The legislative body conducts the noticed public hearing  
4 and, after considering the testimony of any interested person,  
5 concludes that the program and the proposed pledge of water  
6 enterprise revenue, if applicable, would provide significant public  
7 benefits in accordance with the criteria specified in Section 6586.

8 (C) The legislative body adopts a resolution that does all of the  
9 following:

10 (i) Authorizes the authority to establish or extend a program  
11 pursuant to this section within the boundaries of the local agency.

12 (ii) Declares that the operation of the program by the authority  
13 in the local agency's geographic boundaries would provide  
14 significant public benefits in accordance with the criteria specified  
15 in Section 6586.

16 *(iii) Specifies the types of efficiency improvements that may be*  
17 *financed by the program, in accordance with paragraph (1) of*  
18 *subdivision (i).*

19 ~~(iii)~~

20 (iv) Approves the standardized servicing agreement and  
21 authorizes one or more designated officials of the local agency to  
22 execute and deliver the servicing agreement with the authority.

23 ~~(iv)~~

24 (v) If applicable, approves the pledge of water enterprise revenue  
25 as security for the payment of the principal of, and interest and  
26 redemption premium on, bonds issued by the authority in the event  
27 that efficiency charges are insufficient for those purposes.

28 ~~(v)~~

29 (vi) If applicable, authorizes execution and delivery of one or  
30 more pledge agreements to evidence a pledge.

31 ~~(vi)~~

32 (vii) In the resolution, the legislative body may determine that  
33 all proceedings were valid and in conformity with the requirements  
34 of this section and that finding shall be final and conclusive.

35 *(4) An authority shall report the establishment of an efficiency*  
36 *improvement financing program to the department.*

37 *(5) An authority administering an efficiency improvement*  
38 *financing program shall submit an annual report to the department*  
39 *in accordance with paragraph (3) of subdivision (i).*

(d) (1) A customer shall repay the authority through an efficiency charge on the customer's water bill that is established and collected by the local agency or its publicly owned utility upon verification that the efficiency improvement has been installed. The duty to pay the efficiency charge shall arise from and be evidenced by a written agreement executed at the time of installation of the efficiency improvement among the customer; the property owner of record, if different than the customer; the authority; and the local agency or its publicly owned utility.

(2) The written agreement shall include all of the following:

(A) An agreement by the customer to pay an efficiency charge for the period and in the amount specified in the agreement unless the efficiency charge is prepaid in the manner set forth in the agreement. The period designated for repayment shall not exceed the estimated useful life of the funded efficiency improvements.

(B) A description of the financial calculation, formula, or other method that the authority used to determine the efficiency charge. The efficiency charge may include a component for reasonable administrative expenses incurred by the local agency or its publicly owned utility and the authority in connection with the program and the funding. *A component for reasonable administrative expenses shall be listed separately in the written agreement.*

(C) A description of the efficiency improvement funded with the efficiency charge. A determination in the agreement that an improvement is an efficiency improvement shall be final and conclusive.

(D) A representation by the customer that the customer intends to acquire, install, or repair and use the efficiency improvement on the customer's property for the useful life of the efficiency improvement. Any failure of the efficiency improvement by damage, removal, or other fault of the customer during the useful life of the efficiency improvement shall not affect the customer's obligation to pay the efficiency charge as set forth in the agreement.

(E) Any failure of the efficiency improvement not involving damage, removal, or other fault of the customer shall result in the efficiency charge being suspended until the efficiency improvement is repaired and returned to service. ~~The authority's~~ *local agency's or its publicly owned utility's* decision on the reasons for failure of the efficiency improvement and its repair and return to service shall be final and conclusive.



1     (F) *A demonstration by the local agency or its publicly owned*  
2     *utility that the customer's payment of the efficiency charge will be*  
3     *bill neutral.*

4     (3) The timely and complete payment of an efficiency charge  
5     by a customer that has agreed to pay an efficiency charge may be  
6     a condition of receiving water service from the local agency or its  
7     publicly owned utility, and a local agency and its publicly owned  
8     utility are authorized to use their established collection policies  
9     and all rights and remedies provided by law to enforce payment  
10    and collection of the efficiency charge. A person liable for an  
11    efficiency charge shall not be entitled or authorized to withhold  
12    payment, in whole or in part, of the efficiency charge for any  
13    reason.

14    (4) A customer's obligation to pay the efficiency charge shall  
15    remain associated with the meter at the customer property on which  
16    the efficiency improvement is located until the efficiency charge  
17    related to the efficiency improvement has been repaid in full or  
18    the efficiency charge has been transferred to a subsequent customer  
19    who receives water service at a property with installed efficiency  
20    measures for the remainder of the obligation. Notwithstanding any  
21    other provision of this section, the efficiency charge shall not  
22    transfer to a subsequent customer and shall remain an obligation  
23    of the previous customer if the efficiency improvements were  
24    removed or damaged, and not restored to service, by the previous  
25    customer. A local agency or its publicly owned utility shall record,  
26    no later than 10 days after funding an efficiency improvement, a  
27    notice of the efficiency charge in the records of the county recorder  
28    of the county in which the customer's property is located. The  
29    notice shall include the real property address and assessors' parcel  
30    number of the meter affected by the efficiency charge. The notice  
31    shall be prominently titled "NOTICE OF EFFICIENCY CHARGE"  
32    in uppercase, 14-point bold type in the heading, and shall provide  
33    contact information for the person or entity authorized to provide  
34    a prompt and accurate written statement of the outstanding charges  
35    and payoff amounts related to the efficiency charge for which the  
36    notice of efficiency charge was recorded. The recordation of the  
37    notice of efficiency charge shall be considered sufficient notice to  
38    a subsequent customer at a property with installed efficiency  
39    measures of the customer's obligation to pay the efficiency charge  
40    for installed measures.

(5) (A) Within 10 days of full repayment of the outstanding charges related to the recorded notice of the efficiency charge, the entity responsible for the collection and servicing of the charge shall record a notice of the full repayment and removal of the efficiency charge in the records of the county recorder of the county in which the customer's property is located. The notice of the full repayment and removal of the efficiency charge shall include a reference to the recorded notice of the efficiency charge.

(B) Within 10 days of a decision by the ~~authority~~ *local agency or its publicly owned utility* not to repair and return to service a failed efficiency improvement when failure did not involve damage, removal, or other fault of the customer, the entity responsible for the collection and servicing of the charge shall record a notice of removal of the efficiency charge in the records of the county recorder of the county in which the customer's property is located. The notice of the removal of the efficiency charge shall include a reference to the recorded notice of the efficiency charge.

(6) Because the efficiency charge is a voluntary charge that will be made pursuant to a written agreement between the customer, the property owner of record if this is different than the customer, the authority, and the local agency or its publicly owned utility, the Legislature finds and declares that voluntary efficiency charges under this section are not taxes, assessments, fees, or charges for the purposes of Articles XIII C and XIII D of the California Constitution and therefore the provisions of Articles XIII C and XIII D and Article 4.6 (commencing with Section 53750) of Chapter 4 of Part 1 of Division 2 of Title 5 are not applicable to voluntary efficiency charges levied pursuant to this section. Furthermore, a program established pursuant to this section provides a "water" service, as defined in subdivision (m) of Section 53750.

(e) (1) The authority and a local agency or its publicly owned utility shall enter into a servicing agreement for the collection of one or more efficiency charges and the local agency or its publicly owned utility shall act as a servicing agent for purposes of collecting the efficiency charge.

(2) The authority, local agency, or utility responsible for the collection of the efficiency charges shall ensure that the contact information in the notice of efficiency charge recorded in the

1 records of the county recorder pursuant to this section is accurate  
2 so that interested parties may request and promptly receive a  
3 written and accurate payoff amount or verification of the  
4 outstanding charges associated with the recorded notice of  
5 efficiency charge.

6 (3) In the event that the servicing agent or entity responsible  
7 for the collection of the efficiency charge changes, a new notice  
8 of efficiency charge shall be recorded within 10 days.

9 (4) Any party requesting written payoff or amount verification  
10 of outstanding charges from the authority, local agency, or utility  
11 identified as the contact on the recorded notice of efficiency charge  
12 may rely upon the written payoff amount or verification as being  
13 accurate for 45 days from the receipt of this written information.  
14 If the authority, local agency, or utility provides a written  
15 amendment to the written payoff amount or verification, any party  
16 may rely on the written amendment for 45 days from receipt of  
17 the written amendment.

18 (5) Moneys collected as an efficiency charge by the local agency  
19 or its publicly owned utility, acting as a servicing agent on behalf  
20 of the authority, shall be held in trust for the exclusive benefit of  
21 the persons entitled to the financing costs to be paid, directly or  
22 indirectly, from the efficiency charge and shall not lose their  
23 character as revenues of the authority because the local agency or  
24 its publicly owned utility possesses them.

25 (6) In the servicing agreement, the local agency or its publicly  
26 owned utility shall contract with the authority that the local agency  
27 or its publicly owned utility will continue to operate its publicly  
28 owned utility system to provide service to its customers, will, as  
29 servicer, collect the efficiency charge for the benefit and account  
30 of the authority and, if applicable, the beneficiaries of the pledge  
31 of the efficiency charge, and will account for and remit these  
32 amounts to, or for the account of, the authority.

33 (7) The servicing agreement shall provide that the obligation to  
34 pay the efficiency charge shall remain associated with the meter  
35 at the customer property on which the efficiency improvement is  
36 located until the authority is fully repaid. When the property is not  
37 owner occupied, the servicing agreement shall provide that the  
38 obligation to pay the efficiency charge appear in the terms through  
39 which the customer leases or licenses the property for occupancy.

(8) In the servicing agreement, the local agency or its publicly owned utility may agree that the timely and complete payment of all efficiency charges by a customer that has agreed to pay an efficiency charge shall be a condition of receiving service from the publicly owned utility, and the local agency or its publicly owned utility shall use their established collection policies and all rights and remedies provided by law to enforce payment and collection of the efficiency charge.

(9) In the servicing agreement, the local agency or its publicly owned utility shall agree that in the event of default by the local agency or its publicly owned utility in payment of revenues arising with respect to the efficiency charge, the authority, upon the application by the beneficiaries of the authority's pledge described in this section, and without limiting any other remedies available to the beneficiaries by reason of the default, shall order the sequestration and payment to the beneficiaries of revenues arising with respect to the efficiency charge.

(f) (1) The authority may issue one or more bonds for the purpose of providing funds for the acquisition, installation, and repair of an efficiency improvement on customer property pursuant to this section.

(2) An authority issuing a bond shall include in its preliminary notice and final report for the bonds submitted to the California Debt and Investment Advisory Commission pursuant to Section 8855 a statement that the bond is being issued pursuant to this section.

(3) An authority that issues a bond pursuant to this section shall establish a debt service reserve fund for the bond to the extent required by the purchaser of the bond.

(4) (A) The authority may, pursuant to Section 5451, pledge one or more efficiency charges as security for the bonds issued pursuant to this section. Revenue from an efficiency charge shall be deemed special revenue of the authority and shall not constitute revenue of the local agency or its publicly owned utility for any purpose, including without limitation any dedication, commitment, or pledge of revenue, receipts, or other income that the local agency or its publicly owned utility has made or will make for the security of any of its obligations.

(B) The validity and relative priority of a pledge created or authorized under this section is not defeated or adversely affected

1 by the commingling of efficiency charge revenue with other  
2 moneys collected by a local agency or its publicly owned utility.

3 (5) A local agency may pledge water enterprise revenue as  
4 security for the payment of the principal of, and interest and  
5 redemption premium on, bonds issued by the authority if efficiency  
6 charges are insufficient for that purpose, and may execute one or  
7 more pledge agreements pursuant to Section 5451 for the benefit  
8 of the authority or for the exclusive benefit of the persons entitled  
9 to the financing costs to be paid from the efficiency charges.

10 (6) A local agency that pledges water enterprise revenues as  
11 security for the payment of the principal of, and interest and  
12 redemption premium on, a bond issued by the authority shall  
13 establish a debt service reserve fund for the bond to the extent  
14 required by the purchaser of the bond.

15 (g) If a local agency for which bonds have been issued and  
16 remain outstanding ceases to operate a water utility, either directly  
17 or through its publicly owned utility, references in this section to  
18 the local agency or to its publicly owned utility shall be deemed  
19 to refer to the entity providing water utility services in lieu of the  
20 local agency and that entity shall assume and perform all  
21 obligations of the local agency or its publicly owned utility required  
22 by this section and the servicing agreement with the authority while  
23 the bonds remain outstanding.

24 (h) If the local agency, its publicly owned utility, and the  
25 authority have complied with the procedures set forth in this  
26 section, they shall not be required to comply with Section 6586.5.

27 (i) (1) *The department shall analyze the work performed for*  
28 *the CalConserve Water Use Efficiency Revolving Loan Program*  
29 *pursuant to Division 30 (commencing with Section 81000) of the*  
30 *Water Code to establish a list of efficiency improvements that are*  
31 *eligible to be financed pursuant to this section.*

32 (2) *The department shall provide ongoing oversight over*  
33 *activities undertaken pursuant to this section, including, but not*  
34 *limited to, monitoring an authority's administration of an efficiency*  
35 *improvement financing program. This monitoring shall include,*  
36 *but is not limited to, reviewing the annual reports described in*  
37 *paragraph (3) that are submitted to the department by authorities*  
38 *pursuant to paragraph (5) of subdivision (c).*

39 (3) *The department shall compile annual reporting requirements*  
40 *for authorities administering efficiency improvement financing*

- 1 *programs pursuant to this section that shall include, but are not*  
2 *limited to, all of the following:*
- 3 *(A) Which local agencies are participating in the program.*  
4 *(B) The number of written agreements entered into as part of*  
5 *the program.*  
6 *(C) The water efficiency savings achieved by the program.*  
7 *(D) The amount of upfront financing the authority provides as*  
8 *part of the program.*  
9 *(E) The amount of revenue the authority collects pursuant to*  
10 *the program.*  
11 *(F) A copy of the authority's report submitted to the California*  
12 *Debt and Investment Advisory Commission pursuant to Section*  
13 *8855.*  
14 *(G) The authority's complaint process for customers and local*  
15 *agencies or their publicly owned utilities.*  
16 *(H) The authority's oversight mechanism for contractors and*  
17 *marketing.*