

## **RESOLUTION NO. 2006-34**

### **A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JUAN BAUTISTA AUTHORIZING THE CREATION AND OPERATION OF A MUNICIPALLY OWNED UTILITIES**

**WHEREAS**, the City of San Juan Bautista (the "City"), a municipal corporation, is authorized pursuant to Article XI, Section 9(a) of the California Constitution and the laws of the State of California, to establish, purchase and operate public works to furnish its inhabitants with natural gas, electric, cable television, telephone and telecommunications utility system, where appropriate; and

**WHEREAS**, the City has experienced high electric utility rates, rate structures and scheduled black-outs that ignore the special needs of its residents; and

**WHEREAS**, the City has experience with furnishing utility services through it's current water and sewer utility enterprises; and

**WHEREAS**, the City desires to ensure that its citizens are provided with utilities that meet the current and future needs of the community, that utilize advanced technology, that provide utility services at rates and charges that are fair and reasonable, that provide high quality customer service, that provide alternatives to existing providers of utility services and that protect the health, safety, and welfare of its citizens; and

**WHEREAS**, the City has studied, reviewed and analyzed the current status of deregulation of utilities in the State of California; and

**WHEREAS**, the City has consulted with and will continue to consult with experts to identify the prospective benefits of establishing a municipally owned utility; and

**WHEREAS**, as a result of deregulation of the utility industries in California, the City has identified numerous potential benefits that would derive from providing a municipally owned utility, including but not limited to the ability to offer competitive rates to citizens and businesses for utility services and control over rate tiering; and

**WHEREAS**, the City Council has found and determined that the creation of a municipally-owned utility could significantly enhance the quality of life and provide significant benefits to the citizens and businesses of the City.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of San Juan Bautista as follows:

Section 1. The City of San Juan Bautista does hereby establish a municipally owned utility (the "Municipal Utility") in the City of San Juan Bautista.

Section 2. The City Manager or his designee is hereby authorized to take all necessary steps to study the most economical means to provide electrical services. The City Manager or his designee is further authorized to take all necessary actions to provide the necessary studies and plans for the operation and maintenance of the Municipal Utility including but not limited to, determining the level of additional staffing required, if any, identifying outsourcing needs, negotiating agreements with consultants, special counsel, and financial advisors in connection with regulatory, legal or financial matters for approval by the City Council.

Section 3. The City Manager is authorized to negotiate and execute agreements with utility consultants, special counsel and financial advisors.

Section 4. The City Clerk shall certify to the adoption of this Resolution which shall be in full force and effect immediately upon adoption.

PASSED, APPROVED AND ADOPTED by the City Council of the City of San Juan Bautista, California this 15th day of August, 2006.

AYES: Reed, Hill, Medina, Geiger, Dias

NOES: None

ABSTAIN: None

ABSENT: None

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Priscilla Hill, Vice Mayor

ATTEST:

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Trish Paetz, Deputy City Clerk