

RESOLUTION NO. 40-25

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND,
CALIFORNIA, APPROVING A LEGISLATIVE SUBPOENA DIRECTED TO
CHEVRON U.S.A., INC. TO AID ENFORCEMENT OF THE
CITY'S BUSINESS LICENSE TAX**

WHEREAS, Chevron U.S.A., Inc. ("Chevron") is subject to the City's business license tax under Chapter 7.04 of the Richmond Municipal Code;

WHEREAS, section 7.04.430 of the Richmond Municipal Code authorizes City staff to examine the books, papers, tax returns, and records of any person subject to Chapter 7.04 of the Richmond Municipal Code for the purpose of verifying the accuracy of any declaration made, or if no declaration was made, to ascertain the business tax due;

WHEREAS, the City informed Chevron via its tax counsel not later than July 2024 of its desire to audit Chevron's records as necessary to confirm its tax liability for years since 2022;

WHEREAS, notwithstanding the confidentiality of taxpayer data afforded by section 13.08.040 of the Richmond, Chevron has refused to provide data for audit absent a non-disclosure agreement;

WHEREAS, the City has unsuccessfully attempted to reach such an agreement with Chevron since July 2024;

WHEREAS, on December 19, 2024, Chevron made a payment of and declaration as to that tax which appears to be substantially less than is due;

WHEREAS, On April 1, 2025, Chevron made an additional true-up payment of and declaration as to that tax which further appears to be substantially less than is due;

WHEREAS, the City is no longer willing to allow Chevron to delay the audit;

WHEREAS, Government Code section 37104 recognizes the City's authority to issue a legislative subpoena: "The legislative body may issue subpoenas requiring attendance of witnesses or production of books or other documents for evidence or testimony in any action or proceeding pending before it." A legislative subpoena is proper if "(1) it is authorized by ordinance or similar enactment, (2) it serves a valid legislative purpose, and (3) the witnesses or material subpoenaed are pertinent to the subject matter of the investigation." (*Connecticut Indem. Co. v. Superior Court* (2000) 23 Cal.4th 807, 813);

WHEREAS, section 7.04.430 of the Richmond Municipal Code also authorizes administrative subpoenas to compel the production of relevant books, papers and records and the attendance of all persons as parties or witnesses to facilitate an audit of Business License Tax compliance; and,

WHEREAS, obtaining information to ensure compliance with the City's taxes is a proper public purpose and the data and documents described in Exhibit A to the subpoena attached to this resolution are pertinent to the City's effort to ensure Chevron's compliance with its Business License Tax.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Richmond, as follows:

Section 1. The City Council hereby approves the subpoena attached hereto, authorizes the Mayor and City Clerk to execute it, and authorizes the City Attorney's Office to serve it.

Section 2. The City Attorney's Office is authorized to seek judicial assistance or other legal means to enforce the subpoena if necessary and Chevron may seek a protective order pursuant to Government Code section 37106 et seq. and other applicable law.

Section 3. This resolution shall take effect immediately upon its adoption.

I certify that the foregoing resolution was passed and adopted by the City Council of the City of Richmond at a regular meeting thereof held on April 22, 2025, by the following vote:

AYES:	Councilmembers Bana, Brown, Jimenez, Robinson, Wilson, Vice Mayor Zepeda, and Mayor Martinez.
NOES:	None.
ABSTENTIONS:	None.
ABSENT:	None.

PAMELA CHRISTIAN

 CLERK OF THE CITY OF RICHMOND
 (SEAL)

Approved:

EDUARDO MARTINEZ
 Mayor

Approved as to form:

DAVE ALESHIRE
 City Attorney



State of California	}	
County of Contra Costa	}	: ss.
City of Richmond	}	

I certify that the foregoing is a true copy of **Resolution No. 40-25**, finally passed and adopted by the City Council of the City of Richmond at a regular meeting held on April 22, 2025.

Pamela Christian

 Pamela Christian, Clerk of the City of Richmond

IN THE MATTER OF FACTUAL
INQUIRY RELATED TO CHEVRON
U.S.A. INC'S COMPLIANCE WITH
RICHMOND MUNICIPAL CODE
CHAPTER 7.04

LEGISLATIVE SUBPOENA

Date: May 27, 2025
Time: 3:30 p.m.
Place: City Hall, Council Chamber
Community Services Building
440 Civic Center Plaza
Richmond, California 94804

To: Custodian of Records for Chevron U.S.A., Inc.
841 Chevron Way
Richmond, CA 94801

Chevron Corporation
2710 Gateway Oaks Drive
Sacramento, CA 95833

Pursuant to City of Richmond ("City") Municipal Code section 7.04.430 and chapter 13.08 in furtherance of an investigation into apparent noncompliance with Chapter 7.04 of the Richmond Municipal Code, the Richmond City Council hereby orders Chevron U.S.A., Inc. to produce all documents, records, and other materials described in **Exhibit A** (the "Records") at the Richmond City Council meeting on **May 27, 2025 at 3:30 p.m.** to be held at Council Chamber at the Community Services Building, 440 Civic Center Plaza, Richmond, CA 94804.

You are not required to appear at the City Council meeting on the date and time set forth above if, **prior to May 27, 2025**, you produce and permit inspection and copying of the Records, by mailing or otherwise delivering such materials, together with a certification from an officer authorized to provide that certification, dated and signed under penalty of perjury under the laws of the State of California that the documents provided are true, correct and complete copies of all documents responsive to this Legislative Subpoena, to the City Council in care of the City Clerk at the following address:

City Council
c/o Pamela Christian, City Clerk
450 Civic Center Plaza
Richmond, California 94804

The subpoenaed items are relevant to the City's investigation of possible violations of law, including its Business License Tax (Richmond Municipal Code, chapter 7.04) and the documents requested are believed to contain evidence of such violations.

If you demonstrate to the reasonable satisfaction of the Richmond City Attorney's Office that the privacy rights of third parties are in issue, the City Attorney's Office is authorized to enter into an appropriate confidentiality agreement with you. Your own privacy rights are protected by section 13.08.040 of the Richmond Municipal Code.

If you have any questions regarding compliance with this subpoena, contact Assistant City Attorney Christopher J. Dykzeul, Tel: (510) 620-6507 or via email at Christopher_Dykzeul@ci.richmond.ca.us.

Please be advised that destruction or concealment of any items requested will result in a referral to law enforcement for criminal prosecution under California Penal Code section 135.

Failure to comply with the commands of this subpoena may subject you to citation for contempt or other penalties before the Superior Court of the State of California

Signed in the City of Richmond this 22nd day of April 2025

By: 
Eduardo Martinez
Mayor

By: 
Pamela Christian
City Clerk

EXHIBIT A

1. **Request No. 1.** Documents sufficient to explain how Chevron U.S.A. Inc., a California corporation (hereinafter, “Chevron”) calculated its December 19, 2024 and April 1, 2025 2025 payments of the City of Richmond’s (hereinafter, “City”) business license tax pursuant to Chapter 7.04 *et seq.* of the City of Richmond’s Municipal Code with respect to its business activity in the City in calendar year 2024 (together, “the Payment”).
2. **Request No. 2.** Chevron’s Richmond Refinery Income Statements (“the Statements”) and general ledgers (“General Ledgers”) by quarter and year-end for the 2024 calendar year.
3. **Request No. 3.** Documents sufficient to reconcile the information provided under Request No. 2 to the revenues Chevron reported on Securities and Exchange Commission 10Q and 10K reports for 2024;
4. **Request No. 4.** Documents sufficient to explain or reconcile any differences between Chevron’s audited financial statements for 2024 related to Chevron’s Richmond refinery and the Statements ;
5. **Request No. 5.** An excel file showing the line item details in the General Ledger of all accounts which comprise annual revenues received by Chevron. This should tie to the Statements;
6. **Request No. 6.** An excel file showing the line item details in the General Ledger of all accounts which support any deductions Chevron took for raw materials processed at Chevron’s Richmond refinery for the year 2024 in calculating the Payment;
7. **Request No. 7.** A detailed listing and documents sufficient to explain any exclusions from Chevron’s gross receipts used in calculating the Payment;
8. **Request No. 8.** Documents sufficient to disclose the average cost of crude or otherwise unrefined oil refined at the Richmond refinery during 2024;
9. **Request No. 9.** Documents sufficient to disclose the number of barrels of oil refined during 2024 at the Richmond refinery. This should agree with published financial disclosures or any discrepancy should be explained.
10. **Request No. 10:** Please produce the information requested under Request Nos. 1 through 9 above as electronically stored information. This information may be provided in pdf, Microsoft Word, or Microsoft Excel format unless a specific format is requested. Upon demonstration to the reasonable satisfaction of the City Attorney’s Office such production is not feasible, the information shall be produced in a format to which the City Attorney’s Office agrees in writing.