RESOLUTION NO. 56-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF RICHMOND RESCINDING RESOLUTION NO. 41-09 SUBMITTING TO THE VOTERS OF THE CITY OF RICHMOND AT THE NOVEMBER 2, 2010 GENERAL ELECTION AN ORDINANCE RELATING TO PAYMENT OF UTILITY TAXES AND WITHDRAWING SAID ORDINANCE FROM THE BALLOT

WHEREAS, pursuant to the Richmond Municipal Code, the City currently levies a Utility Users' Tax (UUT); and

WHEREAS, UUT provide for a "Maximum Tax Payable" that allows a large utility user to choose to pay a specified maximum amount; and

WHEREAS, the City Council in adopting Resolution No. 41-09 (the "Resolution") on May 19, 2009 desired to eliminate the "Maximum Tax Payable" so that all service users would pay Utility Users' Taxes based on actual use; and

WHEREAS, the Resolution included an ordinance (the "Ordinance") that made revisions to the UUT to ensure, among other things, that the tax covers all gas which is used or consumed to produce energy or for any other purpose and to make other related revisions; and

WHEREAS, the Resolution submitted the Ordinance to the voters of the City of Richmond at the November 2. 2010 General Election; and

WHEREAS, the City of Richmond has been engaged in settlement negotiations with Chevron in an effort to resolve outstanding issues regarding the Measure T litigation (Chevron v. City of Richmond), the Utility Users' Tax and other matters, and the City Council will be considering approval of a proposed settlement agreement (the "Proposed Settlement Agreement"); and

WHEREAS, the Proposed Settlement provides for the City Council to rescind the Resolution and withdraw the Ordinance from the General Election ballot of November 2, 2010; and

WHEREAS, the Proposed Settlement will not become binding or effective until the City Council does rescind the Resolution and withdraw the Ordinance from the General Election ballot of November 2, 2010

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

1. Resolution No. 41-09 is rescinded and the Ordinance proposed in that Resolution is withdrawn from the General Election ballot of November 2, 2010.

2. The City Clerk, City Attorney and other City staff are directed to take all actions necessary to ensure that the Ordinance shall not appear as a ballot measure on the November 2, 2010 General Election ballot, including filing a certified copy of this resolution with the Registrar of Voters.

BY ORDER OF THE CITY COUNCIL OF THE CITY OF RICHMOND

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I certify that the foregoing Resolution was passed and adopted by Richmond City Council at a special meeting held on May 11, 2010 by the following vote:

AYES: Councilmembers Bates, Butt, Lopez, Rogers, Vice Mayor Ritterman, and Mayor McLaughlin.

NOES: None.

ABSTENTIONS: Councilmember Viramontes.

ABSENT: None.

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_____DIANE HOLMES_____
Clerk of the City of Richmond

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(SEAL)

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Approved:

GAYLE MCLAUGHLIN_____
Mayor

Approved as to form:

RANDY RIDDLE_____
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. 56-10**, finally passed and adopted by the City Council of the City of Richmond at a special meeting held on May 11, 2010.