

RESOLUTION NO. 98-87

**A RESOLUTION OF THE RIDGECREST CITY
COUNCIL IN OPPOSITION TO THE 1998
ELECTRIC UTILITY PROPOSITION**

WHEREAS, the 1998 Electric Utility Proposition would dismantle California's new competitive electricity market, eliminating customer choice and competitive electricity rates; and

WHEREAS, the State Legislative Analyst and Department of finance have determined that the net impact of this proposition on local governments would be revenue reductions potentially in the tens of millions of dollars annually through 2001-02; and

WHEREAS, the proposition could create a \$6 billion hole in the state budget, resulting in significant reductions in funding to local government and critical services such as police and fire, impairing community health and welfare, public safety and community quality of life; and

WHEREAS, the precedence set by disallowing payment on rate reduction bonds could impair the ability of state and local governments to secure low-cost financing for local infrastructure bonds and other types of bonds; and

WHEREAS, the proposition serves only to create more bureaucracy and red tape and cost California taxpayers billions of dollars in lawsuits; and

WHEREAS, passage of this measure could exacerbate the financial problems experienced through unfunded state mandates; and

WHEREAS, this proposition jeopardizes the state's economic recovery by creating uncertainty for California-based companies, as well as those considering relocating to our state; and

WHEREAS, this proposition is poorly written, misguided, flawed and costly, and will only serve to eliminate customer choice and competitive electricity rates.

NOW, THEREFORE, BE IT RESOLVED, the Ridgecrest City Council opposes the 1998 Electric Utility Proposition.

APPROVED AND ADOPTED this 7th day of October, 1998 by the following vote:

AYES: Mayor Lalor, Council Members Auld, Carter, and Morgan

NOES: None

ABSTAIN: None

ABSENT: None


William R. Lalor, Mayor

Attest:


John I. Sterling
City Clerk