

RESOLUTION 10-16**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COLUSA
AUTHORIZING THE CREATION AND OPERATION OF A
MUNICIPALLY OWNED UTILITY**

WHEREAS, the City of Colusa (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 and telecommunications utility rates; and

WHEREAS, the City has experience with furnishing utility services through its 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 municipally owned utilities; 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 City as follows:
Section 1. The City of City does hereby establish a municipally owned utility (the "City of Colusa Utility Company") in the City of Colusa.

Section 2. The City Manager or their designee is hereby authorized to take necessary steps to study the most economical means to provide utility 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 City of Colusa Utility Company 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 within approved in advance budget limits.

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

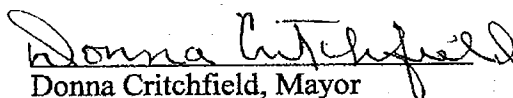
PASSED AND ADOPTED by the City Council of the City of Colusa, California this 1st day of June, 2010, by the following vote:

AYES: Reische, Landreth, Kelleher, Hosmer, Critchfield


NOES: None

ABSTAIN: None

ABSENT: None


Donna Critchfield, Mayor

ATTEST:


Shelly Kittle, City Clerk