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Date: February 1, 2001
To: Mayor and City Councilmembers
From: Dennis W. Carroll, Councilmember, 4th District
Subject: Status on Gas Rates

Update on Natural Gas Issue:

- Report from Southern California Gas Company or the City Manager regarding the application before the California Public Utilities Commission regarding sale of gas to Long Beach.
- Report from the Long Beach retained counsel Patrick Powers regarding Long Beach's application before the California Public Utilities Commission.

[Faint signature]

February 6, 2001

20. (1) Mayor Beverly O'Neill Regarding Report to City Council on Proposal to Accelerate Implementation of Next Decrease in Utility Users Tax to Further Ease Burden of High Energy Costs

Councilmember Grabinski moved, seconded by Councilmember Shultz, that the communication from Mayor Beverly O'Neill requesting that the City Manager include in his upcoming report to the City Council a proposal to accelerate the implementation of the next 1% decrease in the Utility Users Tax by 6 months, making the effective UUT rate for all residential and commercial utilities customers in the City of Long Beach 8% as of April 1, 2001, and summarizing possible options related to further easing the burden of high energy costs be received and referred to the City Manager.

The following persons addressed the City Council:

Karl A. Tiedemann, 4261 Rose Avenue.

Tommy Tuchscher, 2608 Pasadena Avenue.

Jim Sturm, 350 Loma Avenue.

The motion carried by the following vote:

AYES: COUNCILMEMBERS: Baker, Colonna, Carroll, Kell,
Richardson-Batts, Grabinski,
Webb, Shultz.
NOES: " : None.
ABSENT: " : None.

*22. (1) Councilmember Dennis Carroll Requesting Update on Natural Gas Issue from Southern California Gas Company or City Manager Regarding Application Before California Public Utilities Commission and Report from Long Beach Retained Counsel Patrick Power

Chris Garner, General Manager of The Energy Department, presented a staff report.

Pat Power, Consultant and Lobbyist to the City on energy issues, reviewed matters related to the current energy crisis.

Dennis Lord, Southern California Edison Company, addressed the City Council.

Councilwoman Richardson-Batts moved, seconded by Councilmember Colonna, that the City go on record declaring its concern with the impact of the Southern California Gas Company situation and indicating its desire to have concerns reviewed and included in a future application being proposed before the California Public Utilities Commission regarding the sale of gas to Long Beach. Carried by the following vote:

AYES: COUNCILMEMBERS: Baker, Colonna, Carroll, Kell,
Richardson-Batts, Grabinski,
Webb, Shultz.
NOES: " : None.
ABSENT: " : None.

Councilmember Baker moved, seconded by Councilmember Colonna, that the communication from Councilmember Dennis Carroll, Fourth District, requesting update on natural gas issue as follows: (1) Report from Southern California Gas Company or the City Manager regarding the application before the California Public Utilities Commission regarding sale of gas to Long Beach; and (2) Report from Long Beach retained counsel Patrick Power regarding the application of the City of Long Beach before the California Public Utilities Commission be received and filed.

The following persons addressed the City Council:

Tommy Tuchscher, 2608 Pasadena Avenue.

Karl A. Tiedemann, 4261 Rose Avenue.

Gary Shelton, 1243 E. Ocean Boulevard.

Reggie Bannister, no address given.

R. Gigi "Fast Elk" Porter, 4450 California Place.

The motion carried by the following vote:

AYES: COUNCILMEMBERS: Baker, Colonna, Carroll, Kell,
Richardson-Batts, Grabinski,
Webb, Shultz.

NOES: " : None.

ABSENT: " : None.

~~23. (1) Councilmember Ray Grabinski Regarding Action Plan for Rate Relief as Result of Energy Crisis~~

~~Councilwoman Richardson-Batts moved, seconded by Councilwoman Kell, that the City Manager be requested to request of the Port a reevaluation of the option for the City of Long Beach and the Port of Long Beach to identify property that could be utilized for the building of a power plant, with an additional report on the following: (1) to advise on the potential viability nationwide of the ship repair and ship building industry today [for example, could reference study done by Sutro and Company]; (2) provide the estimated cost a new operator would potentially incur to utilize former AMC property to make it operational from a ship building or repair perspective; and (3) describe process that will or has been followed to revert former AMC property back to traditional Port means and if City has an opportunity to participate in the process.~~

~~Councilmember Richardson-Batts, with the consent of the second, withdrew her motion at this time.~~

~~It was unanimously agreed to hold Item 23 in abeyance until after Item 24 could be considered.~~

24. (1) Councilmember Jerry Shultz Requesting City Attorney Prepare Resolution Urging Residents and Businesses Within City of Long Beach and City Facilities to Enhance