

(R-91-2008)

RESOLUTION NUMBER R- 277968

ADOPTED ON MAY 21 1991

WHEREAS, on May 16, 1991, Southern California Edison withdrew their application for a merger with San Diego Gas & Electric Company (SDG&E) following an adverse opinion by the California Public Utilities Commission; and

WHEREAS, there should be guarantees that the City of San Diego will never be put through the threat of a hostile takeover of SDG&E again; and

WHEREAS, these guarantees should include strengthening the City's existing franchise agreements with SDG&E by clarifying the City Council's right to veto any future merger or sale, and authorizing City Council approval of any substantial changes in the SDG&E corporate structure; and

WHEREAS, new directors should be appointed to the SDG&E Board of Directors, including the appointment of a voting public member to the Board of Directors of SDG&E; and

WHEREAS, employees of SDG&E who opposed the merger must be protected from any recrimination or disciplinary action; and

WHEREAS, the City of San Diego should receive reimbursement of the approximately \$6.3 million expended in opposition to the proposed merger; and

WHEREAS, SDG&E should agree to the creation of a City Public Utilities Commission to provide long-term planning and oversight responsibilities; to monitor utility rates; and to advise the

Mayor and the Council on a long-term strategy to guarantee a permanent, energy-independent San Diego; NOW, THEREFORE,

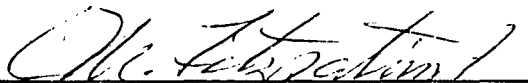
BE IT RESOLVED, by the Council of The City of San Diego, that this Council, conceptually approves these proposals to prevent further hostile takeover attempts and provide the public greater access to, and influence on their local utility.

BE IT FURTHER RESOLVED, that the City Attorney be and he is hereby requested to communicate these concepts to SDG&E and take such action as is necessary to commence negotiations on these proposals as soon as possible under the circumstances with a view toward conclusion by July 31, 1991.

BE IT FURTHER RESOLVED, that Mr. Morris Sievert and Mr. Red Scott be appointed as the Mayor's personal emissaries to the SDG&E Board of Directors, because from the beginning, these two men defended the best interest of the shareholders and the ratepayers, and that the City Council gives it's greatest thanks to all those in the community that assisted in this endeavor and that they be recognized for their different style of leadership and production of such an amazing result.

APPROVED: JOHN W. WITT, City Attorney

By


C. M. Fitzpatrick
Assistant City Attorney

CMF:js
05/20/91
Or.Dept:Mayor
R-91-2008
Form=r-t

MAY 21 1991

Passed and adopted by the Council of The City of San Diego on.....
by the following vote:

Council Members	Yeas	Nays	Not Present	Ineligible
Abbe Wolfsheimer	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ron Roberts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
John Hartley	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
H. Wes Pratt	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tom Behr	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Bruce Henderson	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Judy McCarty	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bob Filner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mayor Maureen O'Connor	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

AUTHENTICATED BY:

MAUREEN O'CONNOR
Mayor of The City of San Diego, California.

(Seal)

CHARLES G. ABDELNOUR
City Clerk of The City of San Diego, California.

By *Maureen O'Connor*, Deputy.

Office of the City Clerk, San Diego, California

Resolution Number **R-277968** Adopted **MAY 21 1991**