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CITY OF OAKLAND



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June 27, 2006

HONORABLE CITY COUNCIL
Oakland, California

Subject: Resolution Authorizing the City Attorney to Enter into a Settlement Agreement with Pacific Gas And Electric Company that Resolves a Dispute over Unpaid Electricity Charges Generated by Metricom Wireless Devices on City Light Poles

President De La Fuente and Members of the City Council:

The City Attorney has prepared a resolution authorizing settlement of the above subject matter. This action arises from PG&E's demand for payment of the cost of electricity generated by abandoned wireless devices placed on city light poles.

PG&E has agreed to withdraw and release Oakland from any monetary claim and forego any claims for future costs, in exchange for the City's agreement to remove the devices. This matter was heard in closed session.

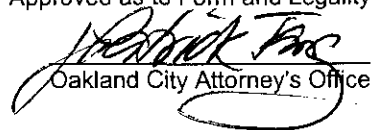
Respectfully submitted,

Barbara J. Park
for JOHN A. RUSSO
City Attorney

Attorney Assigned:
J. Patrick Tang

OFFICE OF THE CITY CLERK
OAKLAND

Approved as to Form and Legality


Oakland City Attorney's Office

2006 JUN 15 PM 4:47 **OAKLAND CITY COUNCIL**

RESOLUTION NO. _____ C.M.S.

RESOLUTION AUTHORIZING THE CITY ATTORNEY TO ENTER INTO A SETTLEMENT AGREEMENT WITH PACIFIC GAS AND ELECTRIC COMPANY THAT RESOLVES A DISPUTE OVER UNPAID ELECTRICITY CHARGES GENERATED BY METRICOM WIRELESS DEVICES ON CITY LIGHT POLES

WHEREAS, in 1995, the City issued permits to Ricochet Networks/Metricom ("Metricom") for a wireless network system that allowed placement of low-wattage transmitters ("devices") on City light poles; and

WHEREAS, Metricom had a separate agreement with Pacific Gas and Electric Company ("PG&E") to buy unmetered electricity for the devices; and

WHEREAS, Metricom filed for bankruptcy in August 2001 and subsequently abandoned the devices without removing or disconnecting them; and

WHEREAS, PG&E demanded payment in excess of \$122,000.00 for the cost of electricity consumed by the abandoned devices, and the City denied any ownership interest in or benefit from the devices and, therefore, disputed the claim; and

WHEREAS, the parties now agree to settle the dispute and PG&E has agreed to withdraw and release Oakland from all monetary claims for past and future electricity costs, provided Oakland disconnects the devices within ninety days of the effective date of settlement; and

WHEREAS, the City Council approved the proposed PG&E settlement agreement at its closed session of April 4, 2006; now, therefore, be it

RESOLVED: That the City Council of the City of Oakland approves the proposed settlement agreement as negotiated between PG&E and the City Attorney.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 20____

PASSED BY THE FOLLOWING VOTE:

AYES- BROOKS, BRUNNER, CHANG, KERNIGHAN, NADEL, QUAN, REID and
PRESIDENT DE LA FUENTE

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council
Of the City of Oakland, California