

790 E. Colorado Boulevard, Suite 850
Pasadena, CA 91101-2109
Voice (213) 542-5700
Fax (213) 542-5710

COLANTUONO
HIGHSMITH
WHATLEY, PC

Michael G. Colantuono
(530) 432-7359
MColantuono@chwlaw.us

Our File No. 48011.0003

December 19, 2017

VIA U.S. MAIL

Chief Justice Tani Cantil-Sakauye
and Associate Justices
California Supreme Court
350 McAllister Street
San Francisco, California 94102-4797

SUPREME COURT
FILED

DEC 22 2017

Jorge Navarrete Clerk

RECEIVED

DEC 22 2017

CLERK SUPREME COURT

Re: *Citizens for Fair REU Rates v. City of Redding* (Case No. S224779):
Deputy
Notice of New Authority

Honorable Chief Justice and Associate Justices:

I represent Respondent City of Redding ("City") in the above-captioned matter. I write under California Rules of Court, rule 8.520(d), to inform the Court of a new authority not available to be included in the City's merits briefs: *Gonzalez et al. v. City of Norwalk* (Dec. 4, 2017, B276871) __ Cal.App.5th __ [2017 WL 5988844] ("*Gonzalez*").

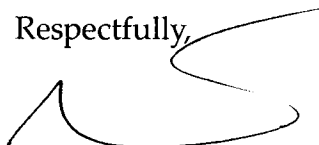
Gonzalez challenged the City of Norwalk's telephone users tax ("TUT"), alleging Norwalk's amendment to the TUT, deleting a reference to section 4251 of the Internal Revenue Code ("Section 4251"), violated Proposition 218 because it "imposed, extended, or increased" the tax without voter approval. (Slip Op., p. 6.) The Court evaluated the intent of the enactors of the earlier version of the TUT and concluded the amendment continued an existing tax and "did not 'impose,' 'extend,' or 'increase' a general tax within the meaning of Proposition 62 or 218." (Slip Op., p. 10.)

Although the case analyzes a Proposition 218 challenge, the decision may inform the analogous issue in the case at bar regarding the meanings of "impose," "extend," or "increase" under Proposition 26. The case is therefore relevant to pages 48-55 of the City's Opening Brief arguing the Redding municipal utility's payment in lieu of taxes did not trigger application of Proposition 26.

Honorable Justices
Supreme Court of California
December 19, 2017
Page 2

If the Court would prefer the parties to provide supplemental briefing to discuss this new authority, the City would be happy to do so.

Respectfully,



Michael G. Colantuono
SBN: 143551

MGC:arg
Enclosure: Proof of Service by Mail

PROOF OF SERVICE

Citizens for Fair REU Rates v. City Of Redding

California Supreme Court Case No. S224779

Third District Court of Appeal Case No. C071906

Shasta County Superior Court Case No. 171377 (Consol. with Case No. 172960)

I, Ashley A. Lloyd, declare:

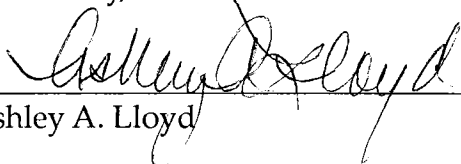
I am employed in the County of Nevada, State of California. I am over the age of 18 and not a party to the within action. My business address is 420 Sierra College Drive, Suite 140, Grass Valley, California 95945-5091. On December 19, 2017 I served the document(s) described as **NOTICE OF NEW AUTHORITY** on the interested parties in this action by placing a true copy thereof enclosed in a sealed envelope addressed as follows:

SEE ATTACHED LIST

 BY MAIL: The envelope was mailed with postage thereon fully prepaid. I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Grass Valley, California in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if the postal cancellation date or postage meter date is more than one day after service of deposit for mailing in affidavit.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on December 19, 2017 at Grass Valley, California.



Ashley A. Lloyd

SERVICE LIST

Citizens for Fair REU Rates v. City of Redding
California Supreme Court Case No. S224779
Third District Court of Appeal Case No. C071906
Shasta County Superior Court Case No. 171377 (Consol. with Case No. 172960)

William P. McNeill
McNeill Law Offices
280 Hemsted Drive, Suite E
Redding, CA 96002
Telephone: (530) 222-8992
Facsimile: (530) 222-8892
Email: waltmcn@aol.com
*Attorneys for Plaintiff and Appellant Citizens
for Fair REU Rates*

Barry DeWalt, City Attorney
City Of Redding
777 Cypress Avenue
P.O. Box 49601
Redding, CA 96099
Telephone: (530) 225-4050
Facsimile: (530) 225-4362
Email: bdewalt@ci.redding.ca.us
*Attorneys for Defendant and Respondent
City of Redding*

Rick W. Jarvis
Jarvis Fay Doportto & Gibson
492 9th Street, Suite 310
Oakland, CA 94607
*Attorneys for League of California Cities,
Pub/Depublication Requestor*

Daniel E. Griffiths
Braun Blaising McLaughlin &
Smith, PC
915 L Street, Suite 1480
Sacramento, CA 95814-3765
*Attorneys for California Municipal Utilities
Association, Pub/Depublication Requestor*

James R. Cogdill
Howard Jarvis Taxpayers Association
921 11th Street, Suite 1201
Sacramento, CA 95814
*Attorneys for Howard Jarvis Taxpayers
Association, Pub/Depublication Requestor*

Clerk of the Court
Shasta County Superior Court
1500 Court Street
Redding, CA 96001-1686

Court of Appeal
Third Appellate District
914 Capitol Mall
Sacramento, CA 95814