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**Bob Gragson  
for  
Ukiah City Council**

# News Release

**Date:** 10/20/04

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## **Gragson Will Refuse Pay If Elected**

Ukiah City Council candidate Bob Gragson announced today that if elected he will refuse to be paid the \$471 monthly salary and \$241 monthly medical allowance available to city council members to save the city over \$35,900 over the course of his four-year term. This amount equals over five percent of the current annual city deficit.

"With the city running a \$660,000 deficit this year and anticipating a \$1 million deficit in 2005, I personally can't justify a salary while city employees are losing their jobs and the community is at risk of losing services," said Gragson.

"With the end of cheap oil and natural gas rapidly approaching, we will be facing even more pressure on the city's budget," said Gragson.

"Global world oil production will soon begin to decline while world demand for oil remains high," said Gragson. "The result will be higher costs for the city of Ukiah," he said.

"Oil is \$55 per barrel now and climbing," Gragson continued. "When oil reaches \$75 per barrel, the city and our community will definitely feel the financial impact, and when it reaches \$100 per barrel, there will have to be a lot of very difficult decisions made to continue to be able to provide services," he said.

\$75 per barrel oil is the tipping point for the first major signs of oil demand destruction and \$100 per barrel oil will cause extreme demand destruction according to petroleum economist Andrew McKillop.

"I'm not a wealthy person and could certainly use the city council salary as much as any working person, but I can't justify it at this time under these circumstances," he said.

Gragson says the city needs to take significant steps to reduce its own energy consumption and also educate the citizens and businesses of Ukiah how they can reduce their own energy consumption. "We need to take these steps now to save both energy and money," he concluded.

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