

1 [Resolution to Request Bechtel Corporation to Withdraw its Legal Action against Bolivia.]

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3 **Resolution urging Bechtel Corporation and its Bolivian subsidiary, Aguas del Tunari, to**
4 **immediately withdraw their punitive legal claims in international courts against Bolivia**
5 **and its people and to abstain from engaging in any further litigation or mediation**
6 **claims – either within or without U.S. borders – with the South American country.**

7
8 WHEREAS, In 1999, the water system of Cochabamba, Bolivia's third largest city, was
9 privatized, and the water system was taken over by Aguas del Tunari, a subsidiary of Bechtel
10 Corporation; and,

11 WHEREAS, After privatization, Bechtel Corporation's water rate hikes in Cochabamba
12 reached as high as 300 per cent and forced one of the poorest peoples in the world to make
13 an untenably cruel choice between bread and water; and,

14 WHEREAS, The Bolivian people repeatedly but unsuccessfully attempted to contact
15 Aguas del Tunari, Bechtel's local subsidiary, to request a reduction in those price hikes
16 because of the hardship they were causing, Cochabambans were given no alternative but to
17 risk and in at least one instance lose their lives by protesting in the streets while faced with
18 brutal military response; and

19 WHEREAS, Bechtel is suing in international court for an amount of no less than US\$25
20 million for their losses in Bolivia and demanding this amount from a people whose minimum
21 wages are set at under US\$67.00 per month and where almost 70 percent of the population is
22 below the country's poverty line; and,

23 WHEREAS, the World Bank has classified Bolivia as a Highly Indebted Poor Country
24 with both publicly and privately held debt currently reaching US\$4.5 billion; and,

1 WHEREAS, Bechtel is one of the largest corporations in the world with annual
2 revenues of US\$14 billion, almost double Bolivia's Gross Domestic Product, and with
3 business interests and potential future profits throughout the globe that vastly exceed US\$25
4 million; and,

5 WHEREAS, In Bolivia annually, US\$25 million can hire 3,000 rural doctors, 12,000
6 public school teachers, or give access to the public water distribution system for 125,000
7 Bolivian families; and,

8 WHEREAS, Bechtel Corporation, founded in 1898, has its headquarters in San
9 Francisco; and,

10 WHEREAS, ~~Bechtel has~~ at the time of its activity in Cochambamba Bechtel was part of
11 a US\$45 million, four year contract with the City of San Francisco for consulting on the
12 upgrade of City's water infrastructure through an entity known as the San Francisco Water
13 Alliance; and,

14 WHEREAS, The San Francisco Board of Supervisors unanimously passed a resolution
15 in April of 2001 commending Oscar Olivera for his leadership in successfully fighting water
16 privatization in Bolivia; and be it hereby

17 RESOLVED, That the San Francisco Board of Supervisors urges Bechtel Corporation
18 to rescind all legal actions or arbitration procedures present and future against Bolivia and its
19 people regarding the just struggle that Cochabambans engaged in to gain access to water for
20 their families and their own health and survival; and be it

21 FURTHER RESOLVED, That the Clerk of the Board of Supervisors shall forward a
22 copy of this resolution to Bechtel Corporation, its Bolivian subsidiary Aguas del Tunari, and to
23 the coalition of groups active in opposing the Bechtel lawsuit, including Public Citizen,
24 International Forum on Globalization, and Global Exchange.



City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 020649

Date Passed:

Resolution urging Bechtel Corporation and its Bolivian subsidiary, Aguas del Tunari, to immediately withdraw their punitive legal claims in international courts against Bolivia and its people and to abstain from engaging in any further litigation or mediation claims - either within or without U.S. borders - with the South American country.

April 29, 2002 Board of Supervisors — REFERRED: Rules and Audits Committee

July 1, 2002 Board of Supervisors — ADOPTED

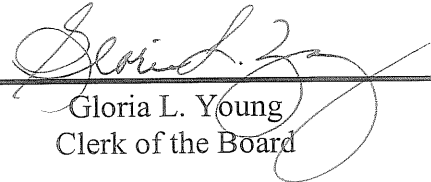
Ayes: 7 - Ammiano, Daly, Gonzalez, Leno, Maxwell, Peskin, Yee

Noes: 2 - Hall, Newsom

Absent: 2 - McGoldrick, Sandoval

File No. 020649

I hereby certify that the foregoing Resolution was ADOPTED on July 1, 2002 by the Board of Supervisors of the City and County of San Francisco.



Gloria L. Young
Clerk of the Board

Date Approved

Mayor Willie L. Brown Jr.

Date: July 12, 2002

I hereby certify that the foregoing resolution, not being signed by the Mayor within the time limit as set forth in Section 3.103 of the Charter, became effective without his approval in accordance with the provision of said Section 3.103 of the Charter.


Clerk of the Board

File No.
020649