

**MAY 24, 1985**

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The City Council of the City of Idaho Falls, Bonneville County, Idaho, met in recessed regular public session at the conference room in the office of the Manager of the City Airport, in the City of Idaho Falls, Idaho, at 12:00 noon, on May 24, 1985. The roll call was called and the following found to be present: Mayor Thomas V. Campbell; Councilmen Melvin Erickson, Wesley Deist, Paul Hovey, and Ralph Wood. There were also present: Velma Chandler, City Clerk; G. S. Harrison, Manager Electric Light Division; Dale Storer, City Attorney; J.D. Evans, City Controller. Absent: Councilmen Sam Sakaguchi and Arthur Chandler, Jr.

The Mayor then stated that the purpose of the meeting was to consider the authorization and sale of \$48,000,000 General Obligation Electric Bonds, Series 1985, of the City.

The Manager of the Electric Light Division then presented to the Council a letter of CH2M Hill dated May 8, 1985, transmitting its Financial Feasibility Report on the Gem State Hydroelectric Project, together with a letter of CH2M Hill dated May 23, 1985, which discusses the amount of increases in electric rates which might be required under certain circumstances in order for the City to comply with the terms of certain arrangements contemplated by the City in connection with the issuance of its \$48,000,000 General Obligation Electric Bonds, Series 1985, of the City for the purpose of financing the Gem State Hydroelectric Project. The letters were then presented to each member of the Council and, together with the Financial Feasibility Report were discussed in depth. Upon motion made by Councilman Hovey and seconded by Councilman Wood, and unanimously adopted, the letters, together with the Financial Feasibility Report were approved by the Council and copies are on file in the office of the City Clerk.

Ordinance No. 1786 was thereupon introduced in written form by the City Attorney and was read by title. Councilman Hovey moved, and Councilman Wood seconded that the rule requiring the reading of the ordinance three different days and once in full be dispensed with and the motion was adopted by the vote of not less than one-half plus one of the members of the full Council, to-wit: Ayes, Councilmen Melvin Erickson, Wesley Deist, Ralph Wood, and Paul Hovey; No, none; carried.

Thereupon, pursuant to motion made by Councilman Hovey and seconded by Councilman Wood, Ordinance No. 1786 was adopted by the following vote: Ayes, Councilmen Wesley Deist, Ralph Wood, Paul Hovey, and Melvin Erickson; No, none; carried.

Ordinance No. 1786 was thereupon signed by the Mayor in evidence of his approval, was attested by the City Clerk and was ordered recorded. (Complete copy of Ordinance #1786 is on file in the office of the City Clerk).

Thereupon, the City Attorney presented a Bond Purchase Agreement to the Council providing for the sale by the City to Kirchner Moore & Company and Associates, of Denver, Colorado, of \$48,000,000 General Obligation Electric Bonds, Series 1985, of the City.

The Bond Purchase Agreement, together with attached exhibits, was accepted and ordered placed on file in the office of the City Clerk.

On motion made by Councilman Hovey and seconded by Councilman Wood, and unanimously adopted, it was determined to sell the \$48,000,000 General Obligation Electric Bonds, Series 1985, of the City to Kirchner Moore & Company and Associates, pursuant to the terms and conditions set forth in the Bond Purchase Agreement and the execution on behalf of the City of the Bond Purchase Agreement by the Mayor was authorized and approved.

Thereupon, the City Attorney presented a Standby Letter of Credit and Bond Purchase Agreement to the Council providing for a credit enhancement facility to be issued

with respect to the \$48,000,000 General Obligation Electric Bonds, Series 1985, of the City by the Long-Term Credit Bank of Japan, Limited.

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The Standby Letter of Credit and Bond Purchase Agreement, together with attached exhibits was accepted and ordered to be placed on file in the Office of the City Clerk.

On motion made by Councilman Hovey and seconded by Councilman Wood, and unanimously adopted, the execution on behalf of the City of the Standby Letter of Credit and Bond Purchase Agreement by the Mayor and City Clerk was authorized and approved.

Thereupon, the City Attorney presented an Assignment Agreement to the Council pursuant to which certain rights of enforcement of the Standby Letter of Credit and Bond Purchase Agreement are to be pledged and assigned to the Idaho First National Bank, as trustee.

The Assignment Agreement was accepted and ordered to be placed on file in the office of the City Clerk.

On motion made by Councilman Hovey, and seconded by Councilman Wood, and unanimously adopted, the execution on behalf of the City of the Assignment Agreement by the Mayor and City Clerk was authorized and approved.

Thereupon, the City Attorney presented a Remarketing Agreement to the Council pursuant to which Kirchner Moore & Company of Denver, Colorado, is appointed as Remarketing Agent with respect to the \$48,000,000 General Obligation Electric Bonds, Series 1985, of the City.

The Remarketing Agreement was accepted and ordered to be placed on file in the Office of the City Clerk.

Ordinance No. 1787 was thereupon introduced in written form by the City Attorney and was read by title. Councilman Hovey moved and Councilman Wood, seconded, that the rule requiring the reading of the ordinance three different days and once in full be dispensed with and the motion was adopted by the vote of not less than one-half plus one of the members of the full Council, to-wit: Ayes, Councilmen Melvin Erickson, Ralph Wood, Wesley Deist, and Paul Hovey; No, none; carried.

Thereupon, pursuant to motion made by Councilman Hovey and seconded by Councilman Wood, Ordinance No. 1787 was adopted by the following vote: Ayes, Councilmen Ralph Wood, Wesley Deist, Paul Hovey, and Melvin Erickson; No, none; carried. (Complete copy of Ordinance No. 1787 is on file in the Office of the City Clerk).

Pursuant to motion made and carried, the meeting adjourned.

s/ Velma Chandler  
City Clerk

s/ Thomas Campbell  
Mayor

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