

**APRIL 24, 1979**

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Pursuant to a call by the Mayor the City Council of the City of Idaho Falls met in special session in the Bonneville Hotel on April 24th, 1979, at 12:00 o'clock Noon, for the purpose of considering a resolution approving proposed bond resolutions of the Washington Public Power Supply System relating to the Net Billing Agreements entered into by said system and the Bonneville Power Administrator; also, retiring into Executive Session for further consideration of labor negotiations between the City and its electrical employees. There were present at said meeting: Mayor Tom Campbell; Councilmen Ralph Wood, Mel Erickson, Jim Freeman, Paul Hovey, and Sam Sakaguchi. Absent: Councilman Charles Clark. Also present: Roy C. Barnes, City Clerk; Arthur Smith, City Attorney; Steve Harrison, Electrical Engineer.

The Mayor invited Councilman Wood, as Chairman of the Electrical Committee, to conduct this portion of the meeting having to do with a Resolution as hereinafter explained and discussed. Wood, in turn, invited City Attorney Smith to explain the need and the advantages to the City for adoption of said document.

Wood then introduced the following Resolution:

**RESOLUTION (Resolution No. 1979-09)**

A RESOLUTION Approving Proposed Bond Resolutions of the Washington Public Power Supply System Relating to the Net Billing Agreements Entered Into With Such System and the Bonneville Power Administrator.

The City of Idaho Falls, Idaho, (hereinafter called the "Participant") has heretofore entered into one or more agreements with the United States of America, Department of Energy (formerly the Department of the Interior), acting by and through the Bonneville Power Administrator (hereinafter called "Bonneville") and the Washington Public Power Supply System (hereinafter called "System"). Such Agreements (hereinafter called the "Net Billing Agreements") relate to the purchase of project capability of certain nuclear electric generating projects being constructed by the System and are Agreements for those projects designated opposite the name of the Participant on Exhibit A attached hereto.

Pursuant to the Net Billing Agreements the System adopted a separate bond resolution (hereinafter collectively called "Prior Lien Bond Resolutions") relating to each such generating project, a draft of which relating to each such project in which the Participant is on file in the records of the Participant. Consistent with such drafts of bond resolutions the Prior Lien Bond Resolutions authorize the System to finance, among other things, interest on the bonds issued pursuant to such resolutions accruing prior to a certain specified date for each such project. At the time the Net Billing Agreements were entered into Bonneville, the System, and the Participant anticipated that each such specified date would occur on or about the project's date of commercial operation.

It is now anticipated that each such specified date will occur substantially before such date of commercial operation and Bonneville and the System propose that for each such project the system issue subordinate lien bonds to be secured by the Net Billing Agreement for such project to finance, among other things, (i) the debt service on the bonds issued pursuant to the

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Prior Lien Bond Resolution for such project accruing during the period beginning on the aforementioned specified date and ending no later than the date of commercial operation and (ii) the debt service accruing on such subordinate lien bonds during such period. A draft dated February 15, 1979, of a proposed bond resolution authorizing the issuance of subordinate lien bonds for such purposes and certain other purposes is on file with the participant.

The Participant has reviewed the draft of proposed subordinate lien bond resolution above referred to and now finds that the adoption of subordinate lien bond resolutions by the System substantially in the form thereof and the sale of bonds issued pursuant thereto is in the best interests of the Participant and its electric energy customers.

THEREFORE, it is resolved that the Participant hereby approves the aforesaid proposal of the System and Bonneville, approves the draft of subordinate lien bond resolution above referred to relating to the Net Billing Agreements and approves the adoption by the System and approval by Bonneville of a subordinate lien bond resolution for each such project in substantially the same form thereof.

It is understood by the Participant (i) that any bond resolution adopted by the System substantially in the form of such draft of proposed bond resolutions and bonds issued pursuant thereto with respect to the project constitute a "Project Bond Resolution" or "Bond Resolution" and "Project Bonds" or "Bonds" as such terms are defined in its Net Billing Agreement relating to such project and (ii) that the adoption of any such resolution or the issuance of any such bonds shall reduce the amounts the Participant is obligated to pay under its Net Billing Agreement prior to the date of commercial operation of such project only to the extent funds obtained by the issuance of such bonds are applied to reduce such amounts.

It is directed that a certified copy of this Resolution be sent to the System and Bonneville.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF IDAHO FALLS, IDAHO THIS 24<sup>TH</sup> DAY OF APRIL, 1979.

s/ Thomas Campbell  
MAYOR

ATTEST: s/ Roy C. Barnes  
CITY CLERK

It was moved by Councilman Wood, seconded by Hovey, that this resolution be adopted and passed and the Mayor and City Clerk be authorized to sign. Roll call as follows: Ayes, 5; No, None; carried.

It was then moved by Councilman Wood, seconded by Councilman Sakaguchi, that the Mayor and all Councilmen retire into Executive Session for the purpose as heretofore explained. Roll call as follows: Ayes, 5; No, none; carried.

Before retiring into Executive Session, the Mayor declared a short recess so that all but designated City Officials might have an opportunity to depart.

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When the meeting was reconvened the roll call was again called and the following were found to be present: Mayor Tom Campbell; Councilmen Sam Sakaguchi, Ralph Wood, Mel Erickson, Jim Freeman, and Paul Hovey. Absent: Councilman Charles Clark. Also present: Roy C. Barnes, City Clerk; Arthur Smith, City Attorney; John Evans, City Controller; Steve Harrison, Electrical Engineer; Craig Lords, Personnel Director.

The Mayor noted that the purpose of this executive session had previously been announced and made a matter of record. After some discussion with certain decisions, it was moved by Councilman Wood, seconded by Erickson, that the meeting adjourn at 2:15 P.M., carried.

ATTEST: s/ Roy C. Barnes  
City Clerk

s/ Thomas Campbell  
Mayor

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