

CITY COUNCIL MEETING

June 16, 1981

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AUTHORIZING
NCPA TO ISSUE
REVENUE BONDS
SHELL EAST
BLOCK PROJECT
SECOND PHASE
BONDS

ORD. NO. 1229
ADOPTED

Ordinance No. 1229 entitled, "Ordinance Authorizing the Northern California Power Agency to issue Revenue Bonds (Shell East Block Project Second Phase Bonds) having been introduced at a regular meeting held June 3, 1981 was brought up for passage on motion of Councilman Hughes, Katnich second. Second reading was omitted after reading by title, and the Ordinance was then passed, adopted and ordered to print by the following vote:

Ayes: Councilmen - Hughes, Katnich, and McCarty

Noes: Councilmen - None

Absent: Councilmen - Murphy and Pinkerton

CITY COUNCIL

JAMES A. McCARTY, Mayor
ROBERT C. MURPHY, Mayor Pro Tem
RICHARD L. HUGHES
WALTER KATNICH
JAMES W. PINKERTON, Jr.

CITY OF LODI

CITY HALL, 221 WEST PINE STREET
POST OFFICE BOX 320
LODI, CALIFORNIA 95241
(209) 334-5634

HENRY A. GLAVES, Jr.
City Manager

ALICE M. REIMCHE
City Clerk

RONALD M. STEIN
City Attorney

July 31, 1981

TO: Gail Sipple

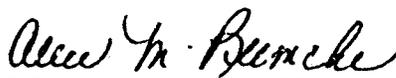
FROM: Alice M. Reimche

SUBJECT: Notice of Adoption for Two Ordinances
and Member Agreement for the Shell
East Block Geothermal Project

Pursuant to your June 17, 1981 letter, enclosed please find the following documents pertaining to the above referenced project.

1. Executed copy of each ordinance.
2. Proof of publication of ordinances and and Notice of Adoption for each ordinance.
3. Certified copy of minutes adopting both ordinances.

Yours truly,


ALICE M. REIMCHE
City Clerk

Enclosure

ORDINANCE NO. 1229

CITY OF LODI

AUTHORIZING THE NORTHERN CALIFORNIA POWER
AGENCY TO ISSUE REVENUE BONDS (SHELL EAST
BLOCK PROJECT - SECOND PHASE BONDS)

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LODI

that:

Section 1. - Northern California Power Agency organized under that certain Joint Powers Agreement to which this City is a party, dated July 19, 1968, as amended ("NCPA") is authorized pursuant to Section 6547 of the Government Code to issue bonds, notes, including bond anticipation notes, or other evidences of indebtedness (to be hereinafter referred to as "Second Phase Bonds") to the full extent permitted by the provisions of Section 6540 et seq. of the Government Code (the "Bond Act").

Section 2. - The project to be temporarily financed by the Second Phase Bonds hereby authorized is the purchase of the right to obtain electrical capacity produced by Northern California Municipal Power Corporation No. Three, nonprofit corporation (the "Corporation"), which has agreed to act on behalf of NCPA to carry out the acquisition, construction, maintenance and operation of a power plant and other facilities and appurtenances necessary or convenient to such plant, including transmission lines and geothermal steam wells ("Project")

(said geothermal steam to be produced from certain leasehold interests in Sonoma County, under a "NCPA EAST BLOCK GEOTHERMAL STEAM SALES AGREEMENT" between NCPA and Shell Oil Company, dated as of September 15, 1980.

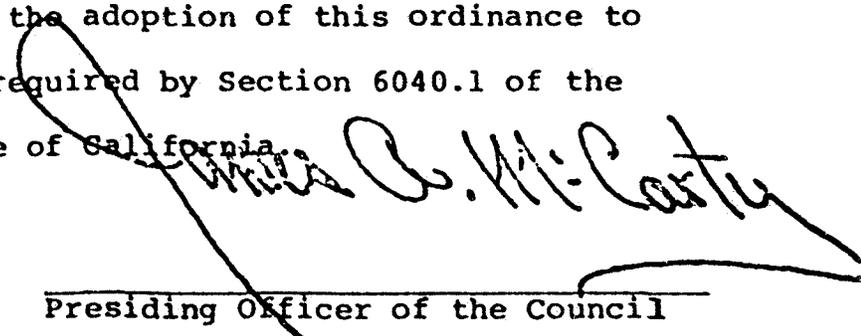
Section 3. - The estimated amount of Second Phase Bonds to be issued for the purposes described in Section 2 is five million five-hundred thousand dollars (\$5,500,000.00); provided that nothing herein shall be deemed to prevent the issuance of additional Second Phase Bonds to the extent such additional bonds are required to complete the temporary financing of the project described in Section 2 hereof including the issuance of bond anticipation rates and refunding bonds therefor.

Section 4. - The anticipated sources of revenue or other funds to pay the principal and interest on the Second Phase Bonds are payments under the "Member Agreement (Second Phase) for Financing or Planning and Development Activities" entered into between the members of NCPA and NCPA as of June 1, 1981, or additional Second Phase Bonds (including Second Phase Bonds used for refunding purposes); provided further such sources shall also include the proceeds of Third Phase Bonds payable from revenues for electricity generated from the project, separately authorized pursuant to Section 6547 of the Bond Act by subsequent ordinance for the purpose of permanent financing of the Project ("Third Phase Bonds") or bond anticipation notes in anticipation of the Third Phase Bonds; in addition, such Second Phase Bonds may be secured by a guarantee, letter of credit or other obligations or funds of a bank or private

financial institution.

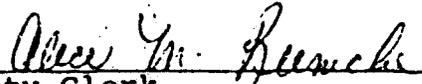
Section 5. - This ordinance is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California. Subject to the foregoing, this ordinance shall take effect and be in force sixty (60) days from the date of adoption.

Section 6. - The City Clerk of the City is hereby directed to cause this ordinance to be published within fifteen (15) days after its adoption in the newspaper of general circulation within the City of Lodi and shall also do all of the things required to cause notice of the adoption of this ordinance to be published in the manner required by Section 6040.1 of the Government Code of the State of California.



Presiding Officer of the Council

Attest:



City Clerk

Approved as to form:



City Attorney

I, Alice M. Reimche, City Clerk of the City of Lodi, do hereby certify that Ordinance No. 1229 was introduced at a regular meeting of the City Council of the City of Lodi held June 3, 1981 and was thereafter passed, adopted and ordered to print at a regular meeting of said Council held June 17, 1981 by the following vote:

Ayes: Councilmen - Hughes, Katnich and McCarty
Noes: Councilmen - None
Absent: Councilmen - Murphy and Pinkerton
Abstain: Councilmen - None

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

County of San Joaquin

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the Lodi Life & Times, a newspaper of general circulation, published bi-weekly in the City of Lodi, California, County of San Joaquin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Joaquin, State of California, under the date of Nov. 12, 1980, Case Number 153849; that the notice, or which the annexed is a printed copy (set in type not smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates; to-wit:

..... June 25,

all in the year 1981.....

I certify (or declare) under penalty of perjury that the foregoing is true and Correct.

Dated at Lodi, California, this 25 day of

..... June, 1981.....

Harold E. Little
Signature

This space for the County Clerk's Filing Stamp

Proof of Publication of

..... Notice of Adoption of Ordinance

No. 1229

CITY OF LODI
NOTICE OF ADOPTION
OF ORDINANCE
No. 1229

NOTICE IS HEREBY GIVEN as required by Section 6461 of the Government Code of the State of California, that Ordinance No. 1229 of the City of Lodi, California, was adopted by the City Council on June 17, 1981, and authorized the issuance of revenue bonds, including bond anticipation notes, pursuant to Article 2, Chapter 3, Division 7, Title 1 of the Government Code of the State of California, by the Northern California Power Agency, organized under the terms of the Power Agreement, to which the City of Lodi is party, dated July 19, 1968, as amended.

Ordinance No. 1229 is subject to the provisions for referendum prescribed by Section 3701.7 of the Statutes of the State of California and shall not take effect for 30 days from the date of adoption.

Since the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the City of Lodi was less than 200,000 the above-entitled ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 10 percent of the voters residing within the boundaries of the City of Lodi for all candidates for Governor at the last gubernatorial election.

For the purpose of submitting the question to the voters, pursuant to a referendum petition satisfying the requirements of the preceding paragraph, the ballot wording shall approximate the following:

That of the City of Lodi, as a member of the Northern California Power Agency, a joint powers agency of which the City is a member, authorize the issuance of revenue bonds, including bond anticipation notes, by the joint powers agency pursuant to Ordinance No. 1229, dated June 17, 1981, such bond to be used for the following purposes and to be refinanced in the following manner:

The project to be temporarily financed by the Second Phase Bonds hereby authorized is the purchase of the right to obtain electrical capacity produced by Northern California Municipal Power Corporation No. Three, non-profit corporation (the "Corporation"), which has agreed to act on behalf of NCPA to carry out the acquisition, construction, maintenance and operation of a power plant and other facilities and appurtenances necessary or convenient to such plant, including transmission lines and geothermal waste wells ("Project") total geothermal steam to be produced from certain leasehold interests in Sacramento County, California under a "NCPA EAST BLOCK GEOTHERMAL STEAM SALES AGREEMENT" between NCPA and Shell ("Company"), dated as of September 23, 1969.

The bonds authorized by Ordinance No. 1229 are revenue bonds of the Northern California Power Agency. The purpose of the issuance and sale of said bonds is, by purchasing capacity, to provide a portion of the cost of construction of an electric generating plant of the cost of construction of an electric generating plant generated by geothermal steam and the related transmission lines and appurtenances necessary or convenient thereto in the County of Sacramento by Northern California Municipal Corporation No. Two (the "Corporation"). The estimated amount of the bonds to be issued and sold is \$8,500,000.00 and the estimated term of the bonds is 20 years from the date of issuance of the notes or any notes thereon. The anticipated source of revenue for the payment of the bonds are payments under the "Member Agreement (Second Phase) for Financing or Planning and Development Activities" entered into between the members of NCPA and NCPA and dated June 1, 1981, or additional Second Phase Bonds (including Second Phase Bonds used for refinancing purposes) provided further such source shall also include the proceeds of Third Phase Bonds payable from revenues for electricity generated from the project, separately authorized pursuant to Section 6461 of the Bond Act by subsequent ordinance for the purpose of general financing of the Project ("Third Phase Bonds") or bond anticipation notes of the Third Phase Bonds.

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Dated this 17th day of June, 1981.
Alice M. Ramirez
City Clerk
CITY OF LODI
June 23, 1981.

OFFICE OF THE COUNTY CLERK, COUNTY OF SAN JOAQUIN, CALIFORNIA
FEDERAL BUILDING, 1000 N. G STREET, Lodi, California 95240

PROOF OF PUBLICATION

(2015.5 C.C.P.)

STATE OF CALIFORNIA,

County of San Joaquin

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above-entitled matter. I am the principal clerk of the printer of the Lodi Life & Times, a newspaper of general circulation, published bi-weekly in the City of Lodi, California, County of San Joaquin, and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of San Joaquin, State of California, under the date of Nov. 12, 1980, Case Number 153849; that the notice, of which the annexed is a printed copy (set in type not smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates; to-wit:

..... June 25,

all in the year 1981.....

I certify (or declare) under penalty of perjury that the foregoing is true and Correct.

Dated at Lodi, California, this 25 day of

..... June, 1981.

Harold E. Little
Signature

Proof of Publication of

Notice of Adoption of Ordinance

No. 1229

CITY OF LODI
NOTICE OF ADOPTION
OF ORDINANCE
No. 1229

NOTICE IS HEREBY GIVEN as required by Section 60811 of the Government Code of the State of California, that Ordinance No. 1229 of the City of Lodi, California, was adopted by the City Council on June 17, 1981, and authorized the issuance of revenue bonds, including bond anticipation notes, pursuant to Article 2, Chapter 3, Division 2, Title 1 of the Government Code of the State of California, by the Northern California Power Agency, organized under the certain Inter-Power Agreement, to which the City of Lodi is a party, dated July 19, 1968, as amended.

Ordinance No. 1229 is subject to the provisions for referendum prescribed by Section 27017 of the Statutes of the State of California and shall not take effect for 60 days from the date of adoption.

From the number of votes cast for all candidates for Governor at the last gubernatorial election within the boundaries of the City of Lodi less than 20,000 the above-entitled ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 10 percent of the entire registered voters of the boundaries of the City of Lodi for all candidates for Governor at the last gubernatorial election.

For the purpose of submitting the petition to the voters, pursuant to a referendum petition satisfying the requirements of the preceding paragraph, the holder standing shall approximate the following:

That if the City of Lodi, as a member of the Northern California Power Agency, a joint power agency of which the City is a member, authorizes the issuance of revenue bonds, including bond anticipation notes, by the joint power agency pursuant to Ordinance No. 1229, dated June 17, 1981, such bond to be used for the following purposes and to be refunded in the following manner:

The project to be temporarily financed by the Second Phase Bonds hereby authorized is the purchase of the right to clean electrical energy produced by Northern California Electric Power Corporation (the "Corporation"), which has agreed to act on behalf of NCPA to carry out the acquisition, construction, maintenance and operation of a power plant and other facilities and appurtenances necessary or convenient to such plant, including transmission lines and geothermal steam wells ("Project") and geothermal steam to be produced from certain hydrothermal vents in Sonoma County, California under a "NCPA EAST BLOOD-GEOHERMAL STEAM SALES AGREEMENT" between NCPA and Shell Oil Company, dated as of September 13, 1968.

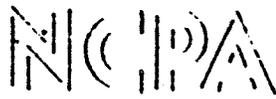
The bonds authorized by Ordinance No. 1229 are revenue bonds of the Northern California Power Agency. The purpose of the issuance and sale of said bonds is, by purchasing payments, to provide for the principal and interest of an electric generating plant of the cost of construction of an electric generating plant powered by geothermal steam and the related transmission lines and appurtenances necessary or convenient thereto in the County of Sonoma by Northern California Electric Power Corporation (the "Corporation"). The estimated amount of the bonds to be issued and sold is \$6,500,000 and the original term of the proposed indebtedness shall not exceed a maximum period of 20 years from the date of issuance of the notes or any series thereof. The anticipated source of revenue for the payment of the bonds are payments under the "Inter-Power Agreement" (Second Phase) for Revenue or Financing and Development Activities entered into between the members of NCPA and NCPA as of April 1, 1981, or additional Second Phase Bonds (including Second Phase Bonds used for refunding purposes) provided further such amount shall also include the proceeds of First Phase Bonds payable from revenues from electricity generated from the project, as hereby authorized pursuant to Section 60811 of the Bond Act by subsequent ordinance for the purpose of permanent financing of the Project ("First Phase Bonds") or bond anticipation

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OFFICE OF THE COUNTY CLERK, SAN JOAQUIN COUNTY, CALIFORNIA
FORD, LOOT

proof of permanent financing of the Project ("Third Phase Bonds") or bond anticipation notes in anticipation of the Third Phase Bonds; In addition, such Second Phase Bonds may be secured by a guarantee, letter of credit or other obligations of funds of a bank or private financial institution. The anticipated rate of interest on said bonds will not exceed 10 percent per annum.
Dated the 17th day of June, 1981.
Alta M. Rensch
City Clerk
CITY OF LODI
June 25, 1981.

Send to NCPA



Northern California Power Agency

770 Kiley Boulevard • Santa Clara, California 95051 • (408) 248-3422

ROBERT E. GRIMSHAW
General Manager

June 17, 1981

TO: City Clerk

FROM: Gail Sipple

SUBJECT: Notice of Adoption for Two Ordinances and Member Agreement
for the Shell East Block Geothermal Project

On May 21, 1981, Mr. Grimshaw submitted to your city's NCPA representative three documents for approval by your governing body, two of which were ordinances.

Enclosed, for your use, is a Notice of Adoption for Ordinance Authorizing the Northern California Power Agency to Issue Revenue Bonds (NCPA Project No. 1 - Development Fund Bonds), and a Notice of Adoption for Ordinance Authorizing the Northern California Power Agency to Issue Revenue Bonds (Shell East Block Project - Second Phase Bonds) which I have just received from our Bond Counsel.

Upon adoption of both ordinances, I would appreciate if you would submit to me the following:

1. Executed copy of each ordinance.
2. Proof of publication of ordinances (based on your city's legal requirements) and Notice of Adoption for each ordinance.
3. Certified copy of minutes adopting both ordinances (excerpts of minutes will do).

The other document submitted on May 21, 1981 was the Member Agreement (Second Phase for Financing of Planning and Development Activities of the Shell East Block Geothermal Project. Upon approval of this document by your governing body, please return to me an executed copy, if you have not already done so. Upon execution of this agreement by NCPA, I will forward a copy to you for your records.

Thank you for your cooperation.

Yours truly,

Gail Sipple
GAIL SIPPLE
 Executive Assistant

JUN 19 1981

cc: NCPA Commissioners