

RESOLUTION AUTHORIZING
EXECUTION OF PROJECT
DEVELOPMENT AGREEMENT
#2 FOR TRANSMISSION
AGENCY OF NORTHERN
CALIFORNIA (TANC)

RES. NO. 85-158

City Manager Peterson presented for Council approval California-Oregon Transmission Project (Project Agreement No. 2). Mr. Peterson apprised the Council that this is the next step in realizing the completion of the construction of the proposed 500-KV transmission line between Central California and Southern Oregon. The project participants include not only the Northern California Power Agency (NCPA) cities, but six Southern

California cities, the Sacramento Municipal Utility District, the State of California, the Federal Government, and the three investor-owned utilities in the state which includes the Pacific Gas and Electric Company.

Execution of this agreement by all of the agencies belonging to the Transmission Agency of Northern California (TANC) authorizes TANC to execute an agreement to proceed with the project in partnership with the other public and private entities listed above.

The City of Lodi has a 1.686% share in TANC. It is not possible to pinpoint the precise financial obligation of our city until the bonds are sold. However, Mr. Peterson advised that the City anticipates an issue of approximately \$450,000,000 which would translate to an annual debt service obligation of something in the range of \$250,000 to \$275,000. This would be funded via our rate structure in effect at the time the project is undertaken (1990).

Following discussion, on motion of Mayor Pro Tempore Reid, Hinchman second, Council adopted Resolution No. 85-158 authorizing execution of Project Development Agreement #2 for Transmission Agency of Northern California (TANC), and authorized the Mayor and City Clerk to execute the subject document on behalf of the City.

The motion carried by the following vote:

Ayes: Council Members - Reid, Snider,
and Hinchman (Mayor)

Noes: Council Members - Pinkerton

Absent: Council Members - Olson

RESOLUTION NO. 85-158

RESOLUTION AUTHORIZING EXECUTION OF PROJECT
DEVELOPMENT AGREEMENT #2 FOR THE TRANSMISSION AGENCY OF
NORTHERN CALIFORNIA (TANC)

RESOLVED, that the City Council of the City of Lodi does hereby authorize the execution of Project Agreement No. 2 dated September 30, 1985.

BE IT FURTHER RESOLVED, that the City Council of the City of Lodi does hereby authorize the Mayor and City Clerk to execute the subject agreement on behalf of the City.

Dated: November 6, 1985

I hereby certify that Resolution No. 85-158 was passed and adopted by the City Council of the City of Lodi in a Regular Meeting held November 6, 1985 by the following vote:

AYES: Council Members - Reid, Snider and Hinchman

NOES: Council Members - Pinkerton

ABSENT: Council Members - Olson

ABSTAIN: Council Members - None

ATTEST:

Alice M. Reimche
ALICE M. REIMCHE
City Clerk

COUNCIL COMMUNICATION

TO: THE CITY COUNCIL

DATE

NO.

FROM: THE CITY MANAGER'S OFFICE

October 31, 1985

SUBJECT: CALIFORNIA-OREGON TRANSMISSION PROJECT (PROJECT AGREEMENT NO. 2)

RECOMMENDED ACTION: That the City Council authorize the execution of Project Agreement No. 2 for the construction of the California-Oregon Transmission Project.

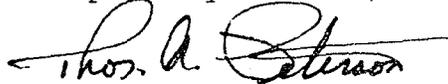
BACKGROUND INFORMATION: This is the next step in realizing the completion of the construction of the proposed 500-KV transmission line between Central California and Southern Oregon. A copy of the project agreement is enclosed with this agenda. As the Council is aware, the project participants include not only the Northern California Power Agency (NCPA) cities, but six Southern California cities, the Sacramento Municipal Utility District, the State of California, the Federal Government, and the three investor-owned utilities in the state which includes the Pacific Gas and Electric Company.

Execution of this agreement by all of the agencies belonging to the Transmission Agency of Northern California (TANC) authorizes TANC to execute an agreement to proceed with the project in partnership with the other public and private entities listed above.

The City of Lodi has a 1.686% share in TANC. It is not possible to pinpoint the precise financial obligation of our city until the bonds are sold. However, we anticipate an issue of approximately \$450,000,000 which would translate to an annual debt service obligation of something in the range of \$250,000 to \$275,000. This would be funded via our rate structure in effect at the time the project is undertaken (1990).

The staff will be pleased to answer any questions Councilmembers may have concerning this item.

Respectfully submitted,



Thomas A. Peterson
City Manager

TAP/lh