

ORDINANCE NO. 1221

CITY OF LODI, CALIFORNIA

AUTHORIZING THE NORTHERN CALIFORNIA POWER AGENCY
TO ISSUE REVENUE NOTES

WHEREAS, by Ordinance No. 1221 of the City of Lodi, California, the Northern California Power Agency ("NCPA") organized under that certain Joint Powers Agreement to which this city is a party, dated July 19, 1968, as amended, was authorized to issue revenue bonds, as provided in said Joint Powers Agreement, pursuant to the provisions of Article 2 (commencing with Section 6540), Chapter 5, Division 7, Title 1 of the Government Code of the State of California in an amount not to exceed Twenty-Eight Million Dollars (\$28,000,000) {"Bonds"}, for the project described in said ordinance;

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LODI, CALIFORNIA that:

Section 1. That the previous authorization of Bonds under Section 6547 of the Government Code shall hereby include in addition the authorization to issue notes or other evidences of indebtedness to the extent permitted or authorized by Sections 6547 and 6547.1 of the Government Code ("Notes"). That the provisions of said ordinance with respect to the Bonds shall apply to the Notes authorized hereunder.

Section 2. The project or studies or other preliminary cost to be funded (including reimbursement) by the Notes hereby authorized is the loaning of funds to Northern California Municipal Power Corporation No. Two, Non-Profit Corporation (the "Corporation"); for the purpose of acting on behalf of NCPA in the acquisition, construction, maintenance and operation of a power plant (using geothermal steam produced from certain leasehold interests of Shell Oil Company in Sonoma County, California and provided to NCPA pursuant to a geothermal steam sales agreement dated as of June 27, 1977, as amended), and other facilities and appurtenances necessary or convenient to such plant, including transmission lines.

Section 3. The maximum amount of Notes to be issued for the purposes described in Section 2 shall not exceed Twenty-Eight Million Dollars (\$28,000,000), the same as the amount of the Bonds,

Section 4. The anticipated sources of revenue or other funds to pay the principal and interest of the Notes are loan repayments to be made by the Corporation to NCPA under an appropriate loan agreement and to be derived from the sale of power produced by the plant referred to in Section 2 hereof and any payments made by certain NCPA members pursuant to Section 5(b) of the "Member Agreement For the Construction, Operation and Financing of NCPA Geothermal Generating Unit Project #2" as may from time to time be amended; provided, further, such sources shall also include the proceeds of revenue bonds including the Bonds, or renewal of the Notes; in addition such Notes may be

secured by a guaranty, letter of credit or other obligations or funds of a bank or private financial institution.

Section 5. The Cities of Palo Alto, Redding and Biggs are not participants in the acquisition, construction, maintenance, operation or financing of the plant referred to in the recitals hereof and nothing in this ordinance shall mean or be construed to mean that the City of Palo Alto, the City of Redding or the City of Biggs has assumed or agreed to assume any financial or other responsibility or liability associated with the acquisition, construction, maintenance, operation or financing of such plant.

Section 6. 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 7. The City Clerk of the City is hereby directed to cause this ordinance to be published within fifteen (15) days after its adoption in a newspaper of general circulation within the City of Lodi, California, and shall also do all other 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.

Walter J. Katrich

Presiding Officer of the Council

Attest:

Alice M. Brumche
City Clerk

Approved as to form:

R. St.
City Attorney

THE FOREGOING DOCUMENT IS CERTIFIED TO BE
A CORRECT COPY OF THE ORIGINAL ON FILE IN
THIS OFFICE.

DOREEN GAUGEL
DEPUTY CITY CLERK, CITY OF LODI

BY Doreen Gaugel
DATED: MAR - 4 1981

ORDINANCE NO. 1221

CITY OF LODI, CALIFORNIA

NOTICE OF ADOPTION OF ORDINANCE

NOTICE IS HEREBY GIVEN as required by Section 6040.1 Government Code of the State of California, that Ordinance No. 1221 of the City of Lodi, California, was adopted by the City Council on February 4, 1981, and authorized the issuance of revenue notes, pursuant to Article 2, Chapter 5, Division 7, Title 1 of the Government Code of the State of California, by the Northern California Power Agency, organized under that certain Joint Powers Agreement, to which the City of Lodi is a party, dated July 19, 1968, as amended in an amount ^{not to} exceed \$28,000,000, said notes to be secured and repaid on the same basis as a previously authorized bond issue in the same amount.

Ordinance No. 1221 is subject to the provisions for referendum prescribed by Section 3751.7 of the Elections Code of the State of California and shall not take effect for 60 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, California was less than 500,000 the above named ordinance is subject to referendum upon presentation of a petition bearing signatures of at least 10 percent of the entire vote cast within the boundaries of the City of Lodi, California, 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:

"Shall of the City of Lodi, California, as a member of the Northern California Power Agency, a joint powers entity of which the City is a member, authorize the issuance of revenue notes by the joint powers entity in the maximum amount of \$28,000,000 pursuant to Ordinance No. 1221, dated February 4, 1981, such notes to be used for the following purposes and to be redeemed in the following manner:

To provide a portion of the preliminary cost (including reimbursement) 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 loaning funds to North California Municipal Power Corporation No. Two (the "Corporation") for the purpose of acting on behalf of Northern California Power Agency in acquiring, constructing and maintaining an electric power plant using geothermal steam produced from certain leasehold interests of Shell Oil Company in Sonoma County, California. The anticipated sources of revenue for the payment of the notes are loan repayments to be made by the Corporation to Northern California Power Agency under an appropriate loan agreement and to be derived from the Sale of power produced by the plant referred to above and any payments made by certain Northern California Power Agency members

pursuant to Section 5(b) of the "Member Agreement For The Construction, Operation and Financing of NCPA Geothermal Generating Unit Project #2" as it may from time to time be amended; provided, further, such sources shall also include the proceeds of revenue bonds or renewal of the notes; in addition such notes may be secured by a guaranty, letter of credit or other obligations or funds of a bank or private financial institution.

The notes authorized by Ordinance No. 1221 are revenue notes of the Northern California Power Agency. The purpose of the issuance and sale of said notes is to provide a portion 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 loaning funds to Northern California Municipal Corporation No. Two (the "Corporation"). The maximum amount of the notes to be issued and sold is \$28,000,000 and the duration of the proposed indebtedness shall not exceed a maximum period of 30 years from the date of issuance of the notes or any series thereof. The anticipated sources of revenue for the payment of the notes are loan repayments to be made by the Corporation to Northern California Power Agency under an appropriate loan agreement and to be derived from the sale of power produced by the plant referred to above and any payments made by certain Northern California Power Agency members pursuant to Section 5(b) of the "Member Agreement For the Construction, Operation and Financing of NCPA Geothermal Generating Unit Project #2" as it may from

time to time be amended; provided, further, such sources shall also include the proceeds of revenue bonds or renewal of the notes; in addition such notes may be secured by a guaranty, letter of credit or other obligations or funds of a bank or private financial Institution, The anticipated rate of interest on said notes will not exceed 10 percent per annum.

The cities of Palo Alto and Redding are not participants in the acquisition, construction, maintenance, operation or financing of the plant referred to above and the cities of Palo Alto and Redding have not assumed or agreed to assume any financial or other responsibility or liability associated with the acquisition, construction, maintenance, operation or financing of such plant.'

Dated this 4th day of February, 1981:



Alice M. Reimche
City Clerk

CITY OF LODI, CALIFORNIA