

RESOLUTION NO. R-20-2010

A RESOLUTION AUTHORIZING AND APPROVING THE HORSE BUTTE WIND PROJECT POWER SALES CONTRACT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

\*\*\*\*\*        \*\*\*\*\*        \*\*\*\*\*

WHEREAS, Eagle Mountain City, Utah (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*");

WHEREAS, one of the purposes of UAMPS under the Joint Action Agreement is the acquisition and construction of electric generating, transmission and related facilities in order to secure reliable, economic sources of electric power and energy for its members;

WHEREAS, UAMPS proposes to acquire a long-term supply of renewable energy from a wind-powered electric generating facility to be located Bonneville County, Idaho known as the Horse Butte Wind Project (the "*Project*," as further defined in the Power Sales Contract), by entering into a Power Purchase Agreement providing for the purchase and sale of all of the electric power, energy and environmental attributes from the Project;

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) certain descriptions and summaries of the Project, the Power Sales Contract and the Project Agreements ("*Project Agreements*" and other capitalized terms used and not defined herein shall have the meanings assigned to them in the Power Sales Contract), and representatives of the Participant have participated in discussions and conferences with UAMPS and others regarding the Project and have received from UAMPS all requested information and materials necessary for the decision of the Governing Body to authorize and approve the Power Sales Contract;

WHEREAS, the Participant acknowledges that the obligation of the Participant to make the payments provided for in the Power Sales Contract will be a special obligation of the Participant and an operating expense of the Participant's electric system, payable from the revenues and other available funds of the electric system, and that the Participant shall be unconditionally obligated to make the payments required under the Power Sales Contract whether or not the Project or any portion thereof is acquired, constructed, completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output thereof for any reason whatsoever; and

WHEREAS, the Participant now desires to authorize and approve the Power Sales Contract;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of Eagle Mountain City, Utah, as follows:

*Section 1. Execution and Delivery of the Power Sales Contract; Participant's Representative.* (a) The Power Sales Contract, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved, and the Mayor is hereby authorized, empowered and directed to execute and deliver the Power Sales Contract on behalf of the Participant, and the City Recorder is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Participant to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Annex A* as shall be necessary to conform to the Participant's legal status, to complete the form of the Power Sales Contract or to correct any minor irregularities or ambiguities therein and as are approved by the Mayor, his execution thereof to constitute conclusive evidence of such approval.

(b) An Entitlement Share representing up to 5000 kW of capacity, as such capacity amount may be rounded by the Project Management Committee pursuant to the Power Sales Contract to provide a whole number of turbine generator sets, is hereby authorized and approved.

(c) The appointment of Adam Ferre as the Participant's Representative to UAMPS and of Kurry Lewis as an alternate Representative is hereby confirmed. Such Representative (or, in his or her absence, such alternate) is hereby delegated full authority to (i) approve any appendix to the Pooling Agreement between UAMPS and the Participant that may be necessary or desirable in connection with the utilization of the Participant's Entitlement Share and (ii) act on all matters that may come before the Project Management Committee established by the Power Sales Contract, and shall be responsible for reporting regularly to the Governing Body regarding the activities of the Project Management Committee.

*Section 2. Compliance with Tax Covenants.* The Participant agrees in the Power Sales Contract that it will apply all of the energy acquired under the Power Sales Contract to a Qualified Use and that it will not take or omit to take any action which could adversely affect the Tax Status of any Bond or Bonds theretofore issued or thereafter issuable by UAMPS. In furtherance of that agreement, the Governing Body of the Participant hereby agrees that the energy acquired under the Power Sales Contract shall be used solely to serve retail customers of the Participant located in areas that have been served by the Participant since January 1, 2001, and hereby allocates such energy to such use.

*Section 3. Miscellaneous; Effective Date.* (a) This resolution shall be and remain irrevocable until the expiration or termination of the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

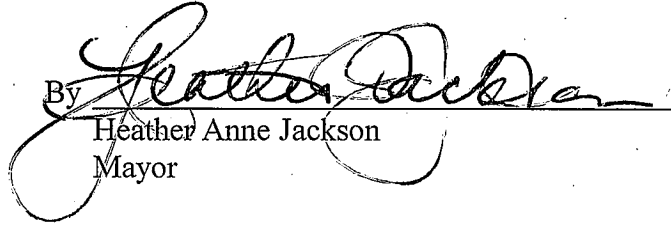
(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

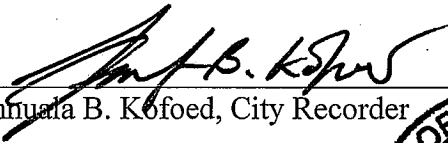
*Signature page follows.*

ADOPTED AND APPROVED this 7 day of September, 2010.

EAGLE MOUNTAIN CITY, UTAH

By   
Heather Anne Jackson  
Mayor

ATTEST:

  
Fionnuata B. Kofoed, City Recorder

[SEAL]



## CERTIFICATION

The above resolution was adopted by the City Council of Eagle Mountain City on the 7 day of September, 2010.

Those voting aye:

Donna Burnham

Ryan Ireland

Nathan Ochsenhirt

John Painter

Those voting nay:

Donna Burnham

Ryan Ireland

Nathan Ochsenhirt

John Painter

  
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Fionnuala B. Kofod, City Recorder

**ANNEX A**

[Attach Power Sales Contract]