

RESOLUTION NO. 21-00

Town of Eagle Mountain

September 19, 2000

The Town Council (the "Governing Body") of Town of Eagle Mountain, Utah County, Utah (the "Member"), pursuant to due notice met in regular public session on September 19, 2000, at the hour of 7:00pm, at its regular meeting place at Town of Eagle Mountain, Utah. The meeting was duly called to order by the Mayor with the following members of the Governing Body being present, constituting a quorum of the Governing Body:

NAME	TITLE
<u>PAUL R. BOND, JR.</u> David A. Albrecht	<u>MAYOR</u> Councilmember
Greg Kehl	Councilmember
Brigham S. Morgan	Councilmember
<u>BERT ANKROM</u> Daniel A. Valentine	Councilmember

Absent: _____

Also Present:

NAME	TITLE
Janet B. Valentine	City Recorder
Gerald H. Kinghorn	Attorney
Robert J. Wren	Power Superintendent

After the minutes of the preceding meeting had been read and approved, the City Recorder presented to the Governing Body an affidavit evidencing the giving of public notice of the agenda, date, time and place of the September 19, 2000 regular public meeting of the Governing Body in compliance with the requirements of applicable Utah law. The affidavit was ordered recorded in the minutes of the meeting and is as follows:

STATE OF UTAH)
)
COUNTY OF UTAH)

I, the undersigned, the duly qualified and acting City Recorder of Town of Eagle Mountain, Utah County, Utah (the "Member"), do hereby certify, according to the records of the Member in my official possession, and upon my own knowledge and belief, that in accordance with the requirements of Section 52-4-6(2), Utah Code Annotated 1953, as amended, I gave public notice of the agenda, date, time and place of the September 19th, 2000, regular public meeting held by the Governing Body of the Member, by:

(a) causing a Notice of Public Meeting to be posted at the principal office of the *Governing Body* on Sept. 15th, 2000, at least 24 hours before the convening of the meeting, in the form attached hereto as *Exhibit A*; said Notice of Public Meeting having continuously remained so posted and available for public inspection during the regular office hours of the *Governing Body* until the convening of the meeting; and

(b) causing a copy of the Notice of Public Meeting in the form attached hereto as *Exhibit A* to be provided on Sept. 16th, 2000, at least 24 hours before the convening of the meeting, to *New Utah!*, a newspaper of general circulation within the geographic jurisdiction of the Member and to each local media correspondent, newspaper, radio station or television station that has requested notification of meetings of the Governing Body.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed hereon the official seal of the Member, this 19TH day of September, 2000.

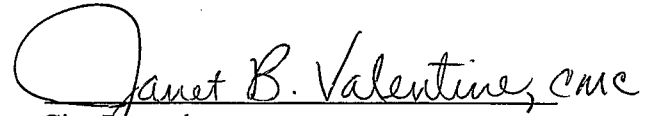

City Recorder
Town of Eagle Mountain,
Utah County, Utah



EXHIBIT A

[Attach Notice of Public Meeting]

AGENDA
TOWN COUNCIL MEETING
September 19, 2000
Work Session at 4:00 p.m. - Policy Session at 7:00 p.m.
Eagle Mountain Community Center, 1668 East Heritage Drive
Eagle Mountain, Utah 84043

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WORK SESSION - No Action or Minutes Taken - 4:00 to 6:30 p.m.
Eagle Mountain Town Office, 1680 E. Heritage Dr., Eagle Mountain., Conference Room

1. Warrant Register/Stephan Gabrielson
2. Contract Change Order/Korey Walker
 - a. Cedar Pass Gas Line Extension, Niels Fugal Sons Company
3. Partial Bond Releases/Korey Walker
 - a. Liberty Farms Subdivision (Dakota Homes)
 - b. Willow Springs Subdivision (Summit Development, LLC)
4. Appointment of Fire Marshal/Mayor Paul R. Bond, Jr.
5. Charlotte Ducos/soon to be resident of North Ranch, Lot 23, Eagle Mtn. requests an audience with the Town Council regarding Telephone Service in Eagle Mountain/Mayor Paul R. Bond, Jr.
6. North Ranch Home Owners Assoc./North Ranch CCR's Architectural Amendments-Final Approval/Ken Leetham, Shawn Warnke
7. Consideration of a resolution approving the form and authorizing the extension of a Power Sales Contract with Utah Associated Municipal Power Systems for the Resource 2000 Project and related matters/Jerry Kinghorn
8. Sunrise Development Gas Line Dig Appeal/John Newman
9. Consideration and Approval of a Resolution expressing support for the establishment of an Elementary School in the Town and authorizing the Mayor and Town Professional Staff to negotiate appropriate methods to obtain schools in Eagle Mountain/Mayor Paul R. Bond, Jr.
10. Major Development Approvals/Ken Leetham, Shawn Warnke
 - a. Extension of Approval for Overland Trails, Phase 2B
 - b. The Landing, Phase 3 Development Agreement and CCR's Approval
11. Ordinance creating a Town of Eagle Mountain Community Arts Board/Mayor-Town Council
12. Eagle Mtn. Fire Dept proposed incentive plan for remainder of FY 2000/2001/John Newman
13. GVNW Report "Telecommunications Utility Feasibility Study"/John Newman
14. Telecommunications Department: Authorize Secretary and Technician Positions/John Newman
15. Department Reports:
 - a. Administration/Personnel/Finances/Telecommunications/Newsletter - Mayor Paul R. Bond, Jr.
 - b. Parks & Recreation/Library/Youth Services/Economic Development Board - David Albrecht
 - c. Public Works Dept. (Water, Wastewater, Natural Gas, Electric) - Greg Kehl
 - d. Planning & Zoning/Planning Commission/Building Permits - Brigham Morgan
 - e. Public Safety/Community Arts/Airport Advisory Board - Bert Ankrom
16. Other Business
17. Goals/Mayor Paul R. Bond, Jr.
18. Eagle Mountain Blvd Maintenance/Korey Walker

INTERMISSION - CHANGE OF VENUE
(Continued on the following pages)

POLICY SESSION – 7:00 TO 10:30 p.m.
Eagle Mountain Community Center, 1668 E. Heritage Dr., Eagle Mountain

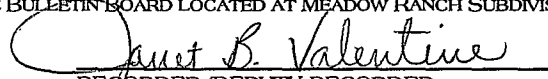
1. Roll Call
2. Pledge of Allegiance
3. Approval of Minutes (September 5, 2000)
4. General Discussion/Questions/Announcements
 - a. Notice of Possible Special Town Council Meeting on 11/14/00 at 6:00 pm to approve "Bond Purchase Agreement"
5. Appointments:
 - a. Eagle Mountain Fire Marshall
6. Public Notices;
7. Public Comment
8. LtC Ted Frandsen/Camp Williams - Information Briefing the Town Council on activities taking place at Camp Williams
9. Charlotte Ducos/soon to be resident of North Ranch, Lot 23, Eagle Mtn. requests an audience with the Town Council regarding Telephone Service in Eagle Mountain
10. Mark Madsen, president of North Ranch Home Owners Assoc./North Ranch CCR's Architectural Amendments-Final Approval
11. Consideration of a resolution approving the form and authorizing the extension of a Power Sales Contract with Utah Associated Municipal Power Systems for the Resource 2000 Project and related matters
12. Sunrise Development Gas Line Dig Appeal
13. Consideration and Approval of a Resolution expressing support for the establishment of an Elementary School in the Town and authorizing the Mayor and Town Professional Staff to negotiate appropriate methods to obtain schools in Eagle Mountain
14. Major Development Approvals
 - a. Extension of Approval for Overland Trails, Phase 2B
 - b. The Landing, Phase 3 Development Agreement and CCR's Approval
15. Ordinance creating a Town of Eagle Mountain Community Arts Board
16. Eagle Mtn. Fire Dept proposed incentive plan for remainder of FY 2000/2001
17. GVNW Report "Telecommunications Utility Feasibility Study"
18. Telecommunications Department: Authorize Secretary and Technician Positions
19. Eagle Mountain Blvd. Maintenance
20. Motion to approve Consent Agenda items as follows: (Refer to Work Session)
 - a. Warrant Register
 - b. Contract Change Order
 - c. Partial Bond Releases
21. Other Business
22. Motion to adjourn into a Closed Executive Session for the purpose of discussing personnel issues, potential litigation and/or public safety/security
23. Motion to adjourn closed executive session and return to open session
24. Any Actions from the Closed Executive Session
25. Adjournment

IN COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT, PERSONS NEEDING AUXILIARY COMMUNICATIVE AIDS AND SERVICES FOR THESE MEETINGS SHOULD CONTACT JANET VALENTINE (801) 766-5988, GIVING AT LEAST 48 HOURS ADVANCE NOTICE.

THE PUBLIC IS INVITED TO ATTEND ALL TOWN COUNCIL MEETINGS

CERTIFICATE OF POSTING

THE UNDERSIGNED, DULY APPOINTED TOWN CLERK, DOES HEREBY CERTIFY THAT THE ABOVE NOTICE AND AGENDA WAS POSTED IN THREE PUBLIC PLACES WITHIN EAGLE MOUNTAIN TOWN LIMITS ON THIS 15TH DAY OF SEPTEMBER, 2000. THESE PUBLIC PLACES BEING 1) INSIDE BULLETIN BOARD AT THE TOWN OFFICES, 1680 E. HERITAGE DR., EAGLE MOUNTAIN, UTAH; 2) OUTSIDE BULLITEN BOARD AT THE TOWN OFFICES, EAGLE MOUNTAIN, UTAH 3) THE BULLETIN BOARD LOCATED AT MEADOW RANCH SUBDIVISION, HWY 73, EAGLE MOUNTAIN, UTAH.


RECORDER/DEPUTY RECORDER

After the conduct of other business not pertinent to the following, the Mayor announced that the time had come to consider the approval and authorization of the Resource 2000 Project Power Sales Contract (the "*Power Sales Contract*") between the Member and Utah Associated Municipal Power Systems ("*UAMPS*") and the Resource 2000 Project (the "*Project*") of UAMPS. It was noted that UAMPS was one of many bidders in an auction process being conducted by the seller of the Project and that it was necessary to avoid disclosure of sensitive information regarding the price range that UAMPS intended to bid for the Project and other matters in order to avoid putting UAMPS at a competitive disadvantage in the auction process. It was further noted that certain documents and information relating to the Project were subject confidentiality agreements, but that such documents and information had been made available for review by the Member and that summaries of the principal documents had also been provided by UAMPS and reviewed by the Member.

_____ stated that GDS Associates, Inc. and Energy Source LLC, engineers and consultants retained by UAMPS, had prepared their reports covering various engineering and economic matters regarding the Project (collectively, the "*Engineering Reports*"). It was noted that UAMPS had classified the Engineering Reports as "protected records", had asserted a claim of business confidentiality with respect to the Engineering Reports and the information contained in them and had provided them to the Member with the understanding that the Member would also classify the Engineering Reports as "protected records". The Engineering Reports include a detailed description of the physical assets included in the Project, together with discussions and analysis of:

- the past and projected operating performance of the Project;
- the operation and maintenance processes and procedures at the Project and the past and projected operation and maintenance expenditures at the Project;

- the fuel supply used to operate the Project and the past and projected costs of the fuel supply;
- the past and current staffing of the Project;
- various environmental and regulatory matters regarding the Project;
- the projected capital expenditures necessary for the continued operation of the Project and the remaining useful life of the Project; and
- a comparison of the projected total costs of the Project and the projected market price of electric energy in the western U.S.

The Governing Body discussed the principal conclusions set forth in the Engineering Reports and the summaries of the purchase and sale agreement and the transition agreement described in the Power Sales Contract.

The Governing Body then discussed the current requirements of the Member for electric power and energy, the power supply resources presently used to meet a portion of these requirements and the quantities of energy being purchased on the market to meet all of the Member's requirements. It was observed that the Member would utilize its Entitlement Share in the electric energy generated by the Project, acquired by the Member pursuant to the Power Sales Contract, to meet the existing and reasonably anticipated requirements of the Member for supplies of electric energy. The Governing Body discussed factors affecting other power supply resources and the economies of scale that will be achieved by participating in the Project with other members of UAMPS. It was noted that the Member's Entitlement Share would provide a long-term supply of electric energy at cost-based prices and would reduce the Member's need for electric power and energy from outside sources that could be subject to price escalation and volatility in future years. UAMPS has advised the Member that the pro forma projected Project cost estimates provided to the Member provided UAMPS' best estimate of the projected costs of the Project and that UAMPS would not bid a purchase price for the Project that would materially and adversely affect these cost estimates.

The form of the Power Sales Contract was then presented to the Governing Body and the principal terms and provisions of the Power Sales Contract were discussed, the same having been previously reviewed in detail by officials of the Member. It was observed that, under the Power Sales Contract, the Member could lay-off any portion of the firm electric energy attributable to its Entitlement Share that may be surplus to the Member's requirements during the initial years of the ownership of the Project and that UAMPS had agreed to use its best efforts to market any such surplus. The Governing Body noted that the Member would remain obligated to pay its share of the costs of the Project, but would receive a credit for any revenues produced by the marketing of surplus energy by UAMPS under the lay-off provisions of the Power Sales Contract. Finally, the Governing Body noted that, in the event that UAMPS was not successful in its efforts to acquire the Project, the Member would be obligated to pay its share of the costs and expenses incurred by UAMPS in its investigation of the Project that exceeded the amounts previously appropriated for that purpose by UAMPS.

The following resolution was then introduced in written form and pursuant to motion duly made and seconded, was adopted and approved by the following vote:

Aye:	<u>Paul R. Bond, Jr.</u>	<u>Mayor</u>
	<u>David A. Albrecht,</u>	<u>Councilmember</u>
	<u>Greg Kehl,</u>	<u>Councilmember</u>
	<u>Brigham S. Morgan</u>	<u>Councilmember</u>
	<u>Bert Ankrom,</u>	<u>Councilmember</u>
Nay:	<u>NONE</u>	

The resolution was thereupon signed by the Mayor, was attested and countersigned by the City Recorder and was ordered recorded in the official records of the Member. The resolution is as follows:

RESOLUTION NO. 21-00

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF THE RESOURCE 2000 PROJECT POWER SALES CONTRACT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS IN CONNECTION WITH THE RESOURCE 2000 PROJECT OF UAMPS AND RELATED MATTERS.

***** ***** *****

WHEREAS, Town of Eagle Mountain, Utah County, Utah (the "*Member*") 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 and supplemented (the "*Organization Agreement*");

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

WHEREAS, UAMPS has proposed to pursue the acquisition of certain electric generating facilities (the "*Project*");

WHEREAS, in order to obtain a long-term supply of electric energy and to enable UAMPS to proceed with the acquisition of the Project, the Member desires to enter into the Resource 2000 Project Power Sales Contract (the "*Power Sales Contract*") with UAMPS; and

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

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

Section 1. Execution and Delivery of the Power Sales Contract. The Power Sales Contract, in substantially the form attached hereto as *Exhibit B*, 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 Member, and the City Recorder is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Member to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Exhibit B* as shall be necessary 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.

Section 2. Other Actions with Respect to the Power Sales Contract. The Mayor, the City Recorder, legal counsel for the Member and other officers and employees of the Member shall take all actions necessary or reasonably required to carry out, give effect to, and consummate the transactions contemplated hereby and shall take all actions necessary to carry out the execution and delivery of the Power Sales Contract and the performance thereof, including, without limitation, the delivery of such closing certificates and opinions as may be requested from time to time by UAMPS in connection with the issuance of Bonds to finance or refinance the costs of the Project.

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.

ADOPTED AND APPROVED this 19 day of September, 2000.

TOWN OF EAGLE MOUNTAIN, UTAH
COUNTY, UTAH


Mayor

ATTEST AND COUNTERSIGN:

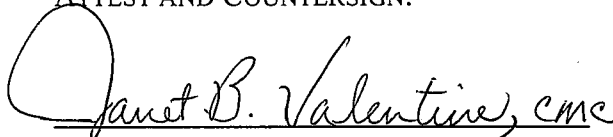

City Recorder



EXHIBIT B

[Attach Power Sales Contract]

After the conduct of other business not pertinent to the foregoing, it was moved and carried that the Governing Body adjourn.

TOWN OF EAGLE MOUNTAIN, UTAH
COUNTY, UTAH

By *Paul R. Bond, Jr.*
Mayor

ATTEST:

By *Janet B. Valentine, cme*
City Recorder

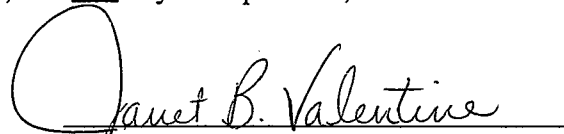


STATE OF UTAH)
)
COUNTY OF UTAH)

I, the undersigned, do hereby certify that I am the duly qualified and acting City Recorder of Town of Eagle Mountain, Utah County, Utah (the "Member"). I further certify that the above and foregoing constitutes a true and correct copy of the minutes of a regular public meeting of the Governing Body (the "Governing Body") of the Member, held on September 19, 2000, including a resolution adopted at such meeting, together with the exhibit attached thereto, as said minutes, resolution and exhibit are recorded in the regular official book of minutes of the proceedings of the Governing Body kept in the office of the City Recorder, that said proceedings were duly had and taken as therein shown, that the meeting therein shown was in all respects called, held and conducted in accordance with law, and that the persons therein named were present at said meeting, as therein shown.

I further certify that I caused a true and correct copy of the above-referenced resolution (including the exhibit attached thereto) to be filed in the office of the City Recorder for examination by any interested person during the regular business hours of the office of the City Recorder.

IN WITNESS WHEREOF, I have hereunto subscribed my official signature and impressed or imprinted hereon the official seal of the Member, this 19 day of September, 2000.



City Recorder
Town of Eagle Mountain,
Utah County, Utah

