RESOLUTION NO 778-2016

CITY OF ALGOMA
COUNTY OF KEWAUNEE
STATE OF WISCONSIN

A RESOLUTION AUTHORIZING THE ALGOMA UTILITIES TO VOLUNTARILY CONTRIBUTE $7,630 TO THE AMERICAN TRANSMISSION COMPANY FOR ADDITIONAL CAPITAL NEEDS

WHEREAS, The City of Algoma Utilities has been a member of the American Transmission Company, LLC (ATCLLC) since 2001, and

WHEREAS, ATC Management Inc. (ATCMI) contacted the Algoma Utilities on December 15, 2015 to inform them that American Transmission Company LLC (ATCLLC) requires up to $125,000,000 in additional equity capital funding in the year 2016 to be requested in several installments; and

WHEREAS, The City of Algoma (Algoma) is hereby notified of ATCMI's call for Voluntary Additional Capital Contributions (VACC) as provided in Section 3.6 of ATCLLC's Operating Agreement and in accordance with resolutions passed by the Board of Directors of ATCMI on September 30, 2015; and

WHEREAS, The third installment requested is in the amount of $25,000,000, with payment requested by July 29, 2016. The need for, and timing of, the remaining $80,000,000 will be determined at a later date; and

WHEREAS, Algoma has the right, but no obligation, to contribute its *pro rata* share for additional Member Units by giving notice to ATCLLC by Friday, July 15, 2016; and

WHEREAS, For the third installment, Algoma is being asked to contribute $7,630 based upon its Percentage Interest in ATCLLC of 0.0305% as of May 31, 2016; and

WHEREAS, Member Units will be issued in exchange for the contributions made in response to this call and will be issued at a price equal to the Company's Net Book Value per Member Unit as of the end of the calendar month preceding such contribution; and

WHEREAS, The Algoma Utility Commission approved the payment at their July meeting; NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Algoma, duly assembled this 6th day of September, 2016, hereby authorizes the Algoma Utilities to contribute $7,630.00 to the American Transmission Company, LLC for additional equity capital funding in exchange for additional member units.

ADOPTED BY ORDER OF THE COMMON COUNCIL AT A REGULAR MEETING THEREOF ON THE 6th DAY OF SEPTEMBER, 2016, BY A VOTE OF 5 FOR AND 0 OPPOSED.

Approved: Wayne R. Schmidt
Wayne R. Schmidt,
Mayor of the City of Algoma

Attest: Jeffrey L. Wiswell
Jeffrey L. Wiswell, Sr.,
Administrator – Clerk – Treasurer of the City of Algoma