

HEBER LIGHT & POWER COMPANY  
BOARD RESOLUTION NO. 2019-03

**RESOLUTION ADOPTING AMENDMENTS TO THE BYLAWS OF HEBER LIGHT  
& POWER COMPANY**

WHEREAS the Heber Light & Power Company (“Company”) is an energy services interlocal entity created by Heber City, Midway City, and Charleston Town (“Members”) to provide electric service to customers within the municipalities and surrounding areas.

WHEREAS the Board of Directors, as the Company’s governing body, has the authority to adopt bylaws per Paragraph H., Section 4 of the Company’s Organization Agreement.

WHEREAS the Company’s management has prepared and submitted to the Board for approval changes to the current Bylaws to allow for the creation, at the discretion of the Board, an advisory committee made up of customers of the Company.

WHEREAS the Board has carefully considered the suggested amendments to the Bylaws.

NOW THEREFORE, BE IT RESOLVED BY BOARD OF DIRECTORS OF HEBER LIGHT & POWER COMPANY AS FOLLOWS:

1. The Board hereby approves and adopts, effective as of July 1, 2019, the amendments to the Company’s Bylaws as set forth in Exhibit A to this resolution.
2. The Board hereby reaffirms its prior approval and adoption of the unchanged portions of the Company’s current Bylaws.
3. The Board authorizes the Company’s Management, before publishing the final amended Bylaws, to make non-substantive editorial changes to language or formatting to clarify the amended language or correct typographical errors.

APPROVED AND ADOPTED the 26<sup>th</sup> day of June, 2019.

HEBER LIGHT & POWER COMPANY

  
Kelleen Potter, Board Chair

Attest:

  
Katly Schindler, Board Secretary

**EXHIBIT A**

*Bylaw Amendments*

Meetings, provide statements showing on a monthly basis, the Company's actual revenue, expenditures, and capital purchases as compared to the Annual Budget and, on a quarterly basis, provide statements containing the information required by Utah Code Ann. §11-13-527.

e) Management. The Board selects and evaluates the General Manager and provides oversight to Management succession planning. The General Manager consults with the Board on the selection of Senior Staff.

5. Committees.

a) General. By motion, the Board may establish one or more Board committees to assist and advise the Board or Management. The motion creating a committee shall state the committee's duties and responsibilities and shall require the committee to make recommendations to the Board for action or to Management where no Board action is required. The Board shall select the Directors to serve on the committee provided that at least one member of each Committee shall be a Director representing an Owner. A committee shall have no authority to act on behalf of the Board on any issue, unless the Board has expressly granted that authority.

b) Executive Committee. The Heber Mayor, the Midway Director, and the Charleston Director shall constitute the Executive Committee of the Board. The Executive Committee shall meet, as needed, to address matters (i) that are referred to the Executive Committee by the Board or Management, (ii) that are of a preliminary nature and not ready for presentation to the full Board, or (iii) that require Director involvement prior to a Board Meeting. The Executive Committee shall report its proceedings to the Board and, as appropriate, make recommendations for Board action.

c) Audit Committee. Each year, at a Board Meeting in October, the Board shall establish an Audit Committee as provided in this Article VI § 5 c). The Heber Mayor, Midway Director, ~~and the Charleston Director, and a representative selected by the County Director~~ shall constitute the Audit Committee. The Heber Mayor may select one of the other Heber Directors to serve on the Committee in the Mayor's place. The Audit Committee's authority and responsibilities shall include: (i) retaining an audit firm to conduct the Company's annual audit, (ii) assisting and advising the Board on the oversight of the Company's financial reporting process, internal controls, and audit, (iii) making recommendations to the Board concerning these processes and controls, and (iv) exercising such other authority or performing such other responsibilities as directed by the Board. ~~The Board may also allow the Audit Committee to may~~ retain such other experts or professionals with special knowledge to advise and assist the Committee, provided that they agree in writing to be bound by the same laws that apply to the Directors including the duty to maintain confidentiality of Company records and information.

~~d) Advisory-Other Board Committees~~. The Board's Human Resource Committee shall consult with Management concerning matters related to human resources including policies, recruitment, and benefits. The Board's Facilities/Capital Improvements Committee shall consult with Management regarding the Company's facilities and capital improvement planning including selection and funding of projects. At the first Board Meeting of each calendar year, the Board shall select not more than three Directors to serve on each of these Committees. ~~In addition, the Board may select~~

~~other Committee members from the community provided that these other members have their principal residence within the Company's service area and agree in writing to be bound by the same laws that apply to the Directors including the duty to maintain confidentiality of Company records and information. The Board may assign these committees additional duties and responsibilities. These committees shall report to the Board and, as appropriate, make recommendations for action by the Board.~~

e) Citizen Advisory Committee. The Board may, at its discretion create a Citizen Advisory Committee to make recommendations to the Board on various issues. The Citizen Advisory Committee shall meet at least quarterly unless otherwise directed by the Board and shall report to the Board at the next regular Board meeting. One Director shall be designated the liaison to the Citizen Advisory Committee. Topics to be considered by the Citizen Advisory Committee shall be assigned by the Board from time to time.

i) The Citizen Advisory Committee shall consist of at least three and not more than seven members. The Board shall determine the size of the Citizen Advisory Committee prior to selecting members. Prior to participation in any meetings, each member of the Citizen Advisory Committee shall (i) commit, in writing, to be bound by the same ethical and confidentiality responsibilities as are Company Directors and (ii) submit a conflict of interest statement disclosing financial interests or other affiliations that may be relevant to the Company or the Company's owner cities. All members of the Citizen Advisory Committee must be customers of the Company, either as a residential customer or as an owner or managerial-level employee of an entity that is a general service customer. At least one member shall be a residential customer of the Company with a primary residence in the Company's service area. At least one member shall be a representative of a small or medium general service customer. At least one member shall be a representative of a large general service customer. Other members of the Citizen Advisory Committee shall be selected primarily on the basis of knowledge or experience relevant to the Company.

ii) The process for selecting members of the Citizen Advisory Committee shall be as follows:

1) The Company shall provide notice of the vacancy on the Citizen Advisory committee by posting a notice on the Utah Public Notice website, posting notice on the Company website, and publishing notice in the local newspaper. The notice shall include a deadline for applications from interested persons and information about how to apply. The notices shall be posted at least 30 days in advance of the application deadline.

2) The Company shall accept applications from interested persons. Each applicant shall complete the application form and provide a resume or summary of relevant experience.

3) All qualified applicants will be given the opportunity to speak before the Board for no longer than three minutes and the Board will be allowed to ask questions of each applicant.

4) Each Board member will write the names of their top four choices to fill the vacancy and the choices will be weighted as follows: first choice shall receive four points, second choice shall receive three points, third choice shall receive two points, and fourth choice will receive one point. The Board Secretary shall tally the points and announce the applicant(s) receiving the most points. The vacant position(s) shall be filled by the applicant receiving the most points that meets the requirements for the makeup of the Citizen Advisory Committee. In the case of initial selection of members, if the Citizen Advisory Committee will consist of more than four members each Board member will vote for the number of applicants equal to the number of vacancies to be filled with points awarded in a similar manner. Any appointment(s) shall be made by motion and voted on by the Board.

iii) Each member of the Citizen Advisory Committee shall serve for a term of three years, except that the Board may shorten the terms of Citizen Advisory Committee as needed members to provide for staggered term expirations with approximately one third of the terms expiring annually. The Board shall use a random method, such as drawing straws or flipping a coin, to determine which Citizen Advisory Committee member(s) will have terms adjusted to allow for staggering.

iv) All members of the Citizen Advisory Committee serve at the pleasure of the Board and may be removed or resign at any time without cause. Members of the Citizen Advisory Committee are volunteers and will not receive financial compensation; however, expenses incurred in relation to service on the Citizen Advisory Committee may be reimbursed if authorized in advance by the Board.

v) The Board, with the assistance of the Citizen Advisory Committee, shall establish procedures for the operation of the Citizen Advisory Committee. The Citizen Advisory Committee may be dissolved, suspended, or reconstituted at the Board's discretion.

#### ARTICLE VII. GENERAL MANAGER

The General Manager shall conduct and supervise the Company's day-to-day business operations, subject to the Board's supervision and direction as provided in the Strategic Plan, Operating Policies, Annual Goals, and Annual Budget. The General Manager is the Company's chief executive officer and shall have the authority and responsibility for such general management activities as are consistent with the responsibilities of a chief executive officer or corporate president. The General Manager shall have full authority to transact any and all business pertaining to the affairs of the Company and to make and sign, on the Company's behalf, all contracts reasonably necessary in the ordinary course of the Company's business. The General Manager may exercise this authority through Senior Staff or other employees.

#### ARTICLE VIII.