RESOLUTION 2014-16

A JOINT RESOLUTION OF HEBER CITY, MIDWAY CITY, CHARLESTON TOWN, WASATCH COUNTY and HEBER LIGHT & POWER COMPANY

WHEREAS, Heber Light & Power Company ("the Company") is a Utah interlocal entity governed by the Interlocal Cooperation Act, Utah Code Title 11, Chapter 13 ("the Act"); and

WHEREAS, the Company is governed by an Organization Agreement entered into by Heber City, Midway City and Charleston Town ("the Agreement") pursuant to the Act; and

WHEREAS, pursuant to the Agreement, Heber City owns 75 percent, Midway City owns 12.5 percent and Charleston Town owns 12.5 percent of the Company, as set forth in the Agreement; and

WHEREAS, the Agreement specifies, among other provisions, that Heber City has three members on the Board of Directors of the Company ("the Board"), and Midway City, Charleston Town and Wasatch County each have one member on the Board; and

WHEREAS, the Agreement authorizes the Board to create offices within the Company; and

WHEREAS, the Bylaws of Heber Light & Power Company ("the Bylaws") create the position of General Manager of the Company and authorize the Board to select and evaluate the General Manager; and

WHEREAS, the most recent General Manager of the Company retired effective August 8, 2014; and

WHEREAS, the Board has appointed an Interim General Manager for the Company, Jason Norlen, who has devoted years of valuable service to the Company and in whom the Board has great trust and confidence; and

WHEREAS, it is the responsibility of the Board to now select and appoint a new General Manager; and

WHEREAS, the Board, as well as Heber City, Midway City, Charleston Town and Wasatch County, view this moment as an important opportunity to reiterate and reinforce their mutual and historic commitment to certain fundamental principles regarding the important work that is carried on by the Company and its employees; and

WHEREAS, by way of this Resolution, the Board, as well as Heber City, Midway City, Charleston Town and Wasatch County, do all express and reaffirm the principles and statements contained in this Resolution.

NOW THEREFORE, be it hereby resolved by Heber Light & Power Company, acting by and through its Board, and by Heber City, Midway City, Charleston Town and Wasatch County, acting by and through their municipal and/or county councils, as follows:

- Section 1. Heber Light & Power Company has a proud and successful history of delivering electricity to its customers in a responsible and cost-effective manner for more than one hundred years.
- Section 2: The retirement of the most recent General Manager of the Company on August 8, 2014 leaves the position of General Manager vacant and thereby necessitates the appointment of a General Manager by the Board.
- Section 3. It is important that the Company's Board select an individual to fill the position of General Manager who, under the direction of the Board, will manage the Company and its employees in a responsible, publicly-accountable and cost-efficient manner.
- Section 4. Due to the great need for the Board to select the most-qualified General Manager possible, it is important that the Board conduct a diligent and extensive search for qualified candidates for this position, both inside and outside the State of Utah.
- Section 5. It is important that the selection process for the General Manager be conducted expeditiously but also that it be afforded ample time to carefully attract and evaluate a large variety of candidates.
- Section 6. It is important that the General Manager be chosen through a rigorous selection process designed to produce a candidate of demonstrated qualifications and expertise who thoroughly understands and exemplifies sound principles of leadership, organizational management and public accountability.
- Section 7. It is important that the Board of Directors of the Company conduct, and decide on, the selection of the new General Manager in an independent fashion, without undue involvement or influence by other officers, staff or employees of the Company.
- Section 8. Although the responsibility for selecting and appointing the General Manager rests firmly with the Board, it is important that the Board members keep the members of their respective municipal and county councils apprised of the progress of the selection process and consider input and advice from members of those councils regarding the selection process.

- Section 9. It is important that the individual chosen as General Manager be informed that he or she is expected to act in an impartial, objective manner that will produce the greatest degree of fiscal soundness for the Company, compliance with applicable laws and procedures, and the highest level of efficiency and public accountability possible for the customers of the Company.
- Section 10. It is important that the individual chosen as General Manager be informed that the Company has historically paid dividends to its member city owners and that those member cities desire to continue to receive dividends when the financial circumstances of the Company will allow such dividend payments.
- Section 11. It is important that the General Manager be informed that in 2012, Fitch Ratings Inc. assigned the Company a long-term credit rating of AA-, and then in 2014 downgraded its rating of the Company to A+.
- Section 12. It is important that the total compensation of the General Manager, including all salary, benefits and any other remuneration, be readily available and apparent to the public.
- Section 13. It is important that the total compensation of all other employees of the Company, including all salary, benefits and any other remuneration, be readily available and apparent to the public.
- Section 14. It is important that all revenue and expenditures of the Company, and its annual budget, be readily available and apparent to the public.
- Section 15. It is important that the General Manager evaluate, understand and publicly report on the long-term financial liabilities of the Company, such as its obligations for debt-service, as well as its required commitments for employee compensation and benefits, including post-employment benefits.
- Section 16. It is important that all meetings of Board members comply with the principles of the Utah Open and Public Meetings Act, including all meetings of committees of the Board.
- Section 17. It is important that meetings of committees of the Board not conduct business that should, according to the Company's published bylaws and procedures and principles of the Utah Open and Public Meetings Act, rightfully be conducted by the full Board.
- Section 18. It is important that the Board and the municipal and county councils from which its Board is appointed maintain healthy working relationships and good and consistent communication.
- Section 19. The year 2014 is an important and exciting time in the history of the Company and the selection of a General Manager offers the Board and its

constituent entities the opportunity to lead the Company to even greater heights of excellence and service in producing reliable and affordable power for the citizens of Wasatch County, while maintaining the highest standards of integrity, efficiency and public accountability.

This resolution was DULY PASSED in a public meeting by each signatory hereto on the dates indicated.

	Date:	
By Its Chair		
City Council, Heber City		
By Its Mayor	Date:	
City Council, Midway City		
	Date:	
By Its Mayor		
Town Council, Charleston Town		
	Date:	
By Its Mayor		
County Council, Wasatch County		
	_ Date:	
By Its Chair		·