**BYLAWS**

# **OF**

**SOUTHERN UTAH VALLEY POWER SYSTEMS**

**ARTICLE I**

**DEFINITIONS**

Capitalized terms used in these Bylaws shall have the meanings set forth in the Southern Utah Valley Power Systems Organization Agreement, dated as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, as amended from time to time (the “**Organization Agreement**”).

**ARTICLE II**

**NAME AND LOCATION**

The name of this organization is SOUTHERN UTAH VALLEY POWER SYSTEMS, herein called “SUVPS”, with a principal place of business located at 14 North Main Street, Springville, Utah 84663.

SUVPS may also maintain offices at such other places, both within and without the State of Utah, as the Board may designate from time to time.

**ARTICLE III**

**MEMBERSHIP**

The membership of SUVPS consists from time to time of those entities who are Members of SUVPS pursuant to the Organization Agreement.

**ARTICLE IV**

**BOARD OF DIRECTORS**

Section 1. Appointment of Directors. The affairs of SUVPS shall be governed by and be under the control of the Board. Each Member shall appoint a Director to the Board to act in its behalf as provided for in the Organization Agreement, under these Bylaws, and under the laws of the State of Utah. Each Member may also appoint an alternate to act in the event of the absence or unavailability of the individual designated as the Director. Such appointments shall be made pursuant to the authority of the governing body of the Member and shall remain in effect until the earlier of the resignation of the Director or the appointment of a successor by the Member. A Director may resign by following the procedures set forth below.

Section 2. Power and Duties. The Board shall have all power and authority necessary to direct the management, administration, and conduct of the affairs of SUVPS and may do all such acts and things as are not inconsistent with the laws of the State of Utah, the Organization Agreement, or these Bylaws. Each Director shall make diligent efforts to keep the governing body of the Member informed of the business of SUVPS as it may affect the Member and the nature of the contracts between SUVPS and the Member or between SUVPS and a third party which affect the Member’s interests, to deliver pertinent correspondence between SUVPS and the Member to the governing body of the Member, and to see that the Member considers and acts on matters proposed by SUVPS in a timely manner and promptly returns executed documents.

Section 3. Vacancies. Vacancies caused by the resignation, removal, death, or incapacity of a Director, or for any other cause, shall, for the unexpired term of the vacancy, be filled as soon as practicable by the governing body of the Member whose Director position is vacant. The Board shall notify the governing body of the Member as soon as its Director position becomes vacant.

Section 4. Removal of Directors. The Board may not remove Directors, but in the event of concern, may notify the governing body of the Member of its concerns. The Board may make a recommendation, in writing, to the governing body of the Member stating why its Director should be removed.

Section 5. Resignation of Directors. Any Director may resign at any time by giving written notice to the Chair and to the governing body of the Member. Any such resignation shall take effect at the time specified in the notice, or if the time be not specified, upon receipt thereof, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

Section 6. Compensation and Allowances. Directors shall not receive compensation for time spent in conducting the affairs of SUVPS. Each Director shall be reimbursed for all travel and lodging expenses necessarily incurred in the conduct of business for SUVPS as may be allowed by the Board.

Section 7. Emergency Successors. At the first Board meeting of each calendar year, each Director shall provide the Secretary/Treasurer with the Director’s designation of an interim emergency successor, as provided in the Utah Emergency Interim Succession Act, Utah Code Ann. § 53-2a-801, *et seq*.

**ARTICLE V**

**MEETINGS**

Section 1. Place of Meetings. Meetings of the Board of Directors shall be held at the principal office of SUVPS or at such other suitable place within or without the State of Utah as may be designated by the Board in a notice of Meeting.

Section 3. Regular Meetings.

1. Regular Meetings of the Board shall be held monthly or as otherwise determined by the Directors but in no case less than four times yearly at such time and place, either within or without the State of Utah, as shall be determined from time to time, by a majority of the Directors. Annual notice of the Meeting schedule of the Board shall be given as and to the extent required by the open and public meeting laws of the State of Utah. Notice of and the agenda for regular Meetings shall be mailed to each Director, emailed to each Director or communicated to each Director personally at least seven days prior to the day named for such Meeting. Each notice and agenda shall state the time and place of such Meeting and, in general terms, the purpose of such Meeting.
2. To the extent applicable, public notice of such regular Meetings shall be given as required by the laws of the State of Utah relating to open and public meetings of political subdivisions.

Section 4. Special Meetings. Special Meetings of the Board may be called by the Chair on twenty-four hours’ notice, which notice shall state the time and place of such Meeting and, in general terms, the purposes of such Meeting. Special Meetings shall be called by the Chair or Secretary/Treasurer in like manner and on like notice upon the written request of at least two Directors delivered to the Chair. To the extent applicable, public notice of special Meetings shall be given as required by the laws of the State of Utah relating to open and public meetings of political subdivisions.

1. Each Director shall file with SUVPS a written statement setting forth the Director’s preferred means of receiving notice of special Meetings which shall include at least two of the following (i) written notice via electronic means (e-mail), in which case the written notice shall specify the appropriate electronic address; (ii) telephonic notice in which case the written notice shall specify the appropriate telephone number; or (iii) hand delivery, in which case the written notice shall specify the street address.
2. SUVPS shall forward a notice of special Meeting by the means specified in the written statement filed by the Director. Promptly upon receipt of notice of a special Meeting, each Director shall notify SUVPS by telephone or email of the Director’s receipt of such notice and shall also state (i) whether such Director intends to attend such Meeting and (ii) whether such Director will attend such Meeting via telephonic or telecommunications conference.
3. In the event that SUVPS has not received notice back from any Director under subsection (b) above before the close of business on the business day preceding a special Meeting, SUVPS shall use its best efforts to immediately contact any such Director by telephone.

Section 5. Election of Officers. Officers are to be elected at the first Board meeting of the year, or as soon thereafter as possible.

Section 6. Waiver of Notice. Before or at any Meeting of the Board, any Director may, in writing, waive notice of such Meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any Meeting of the Board shall be a waiver of notice by him or her of such Meeting except where such attendance shall be for the express purpose of objecting that any such Meeting has been unlawfully convened.

Section 7. Quorum. A majority of the Directors (or their alternates) shall constitute a quorum for, the transaction of business at all Meetings of the Board. Meetings of the Board may be held in whole or in part by means of telephonic or telecommunications conference, as provided in the Interlocal Cooperation Act, the open and public meeting laws of the State and in the written procedures for such Meetings adopted by the Board. Directors participating in a Meeting by means of telephonic or telecommunication conference shall be deemed to be physically present for all purposes of such Meeting, including the formation of a quorum and voting purposes.

Section 8. Adjourned Meetings. If any Meetings cannot be organized because a quorum is not present, the Directors who are present may reschedule the Meeting to be held, upon not less than 24 hours’ notice to all Directors and such public notice as may be required by applicable law.

Section 9. Organization. Each Meeting of the Board shall be presided over by the Chair, or, in the Chair’s absence, by the Vice Chair, or, if neither of such officers is present at the Meeting, by any other person selected to preside over such Meeting by a majority vote of the Directors present and voting at the Meeting.

Section 10. Voting. At every Meeting of the Board, each Director present shall have the right to cast one vote on each matter presented for a vote of the Board. A majority of these votes cast shall decide any question brought before such Meeting unless the question is one upon which, by express provision of law, the Organization Agreement, or these Bylaws, a different vote is required, in which case such express provision shall govern and control. Any member may call for a weighted vote, and in such event, passage of the motion shall require the vote of a majority of the percentage of shares of the Members, with the “percentage share” for purposes of a weighted vote being the percentage Demand Share for the previous year for each Member as described in the Organization Agreement.

Section 11. Electronic Meetings. As provided in the Interlocal Cooperation Act, the open and public meeting laws of the State, and in the written procedures adopted by the Board, any regular or special Meeting of the Board may be held in whole or in part by electronic means. Any Director who participates in any Meeting by such means shall be deemed present at such Meeting for all purposes whatsoever including the determination of whether a quorum is present and voting on all matters that shall come before such Meeting.

**ARTICLE VI**

**AGENDAS**

Section 1. Preparation of Agenda. Except as provided for below, the Chair, in consultation with SUVPS management, shall determine the topics to be included on an agenda for consideration at a meeting of the Board of Directors. The agenda shall provide reasonable specificity to notify the Directors and the public of the topics to be considered at the Board meeting.

Section 2. Additional Agenda Topics. Any two Directors may direct the Chair, in writing, to include a topic on an agenda provided that there is reasonable time to satisfy the applicable public notice requirements.

**ARTICLE VII**

**BOARD COMMITTEES**

Section 1. Creation of Committees. By motion, the Board may create one or more Board Committees to assist and advise the Board or SUVPS management. A motion creating a committee shall state the committee’s duties and responsibilities and shall direct the committee to make recommendations to the Board for action or to SUVPS management where no Board action is required. A committee shall have no authority to act for the Board on any issue unless the Board has expressly granted such authority.

Section 2. Committee Members. When creating a Committee, the Board shall establish requirements for membership on that Committee. Committee members need not be Board Members, unless otherwise specified by the Board. The Board shall appoint all Committee members. The Board may remove any Committee member at any time, with or without cause.

Section 3. Committee Meetings. Regular Meetings of the Committees of the Board will be held on an as needed basis at such time and place, either within or without the State of Utah, as shall be determined, from time to time, by the respective Chair of such Committees. Notice of and the agenda for Meetings shall be mailed to the persons serving on such Committees or communicated personally at least seven days prior to the day named for such Meeting. Each notice and agenda shall state the time and place of such Meeting and, in general terms, the purpose of such Meeting. To the extent applicable, public notice of Meetings of any Committee shall be given as required by the laws of the State of Utah relating to open and public meetings of political subdivisions.

Section 4. Compensation and Allowances. Committee members shall not receive compensation for time spent in conducting the affairs of SUVPS. Each committee member shall be reimbursed for all travel, lodging, and other expenses necessarily incurred in the conduct of business for SUVPS, as may be allowed by the Board.

Section 5. Default Committees. The following Committees are hereby established:

Technical Committee. The power department directors (or a person with similar expertise as designated by a Member) of each Member shall constitute the Technical Committee of the Board. The Technical Committee shall meet, as needed, to address matters (i) that are referred to the Technical Committee by the Board or (ii) that are of a technical nature as relating to the transmission and distribution of electric energy. The Technical Committee shall report its proceedings to the Board and, as appropriate, make recommendations for Board action.

Finance Committee. The persons with overall finance responsibility for each Member (or a person with similar expertise as designated by a Member) shall constitute the Finance Committee of the Board. The Finance Committee shall meet, as needed, to address matters (i) that are referred to the Finance Committee by the Board or (ii) that are of a financial nature impacting SUVPS or the Members. The Financial Committee shall report its proceedings to the Board and, as appropriate, make recommendations for Board action.

Safety Committee. The Safety Committee shall consist of a representative from each Member, as designated by the Member from time to time. The Safety Committee shall meet, as needed, to address matters (i) that are referred to the Safety Committee by the Board or (ii) that are relating to safety standards, codes, regulations, or other applicable requirements. The Safety Committee shall report its proceedings to the Board and, as appropriate, make recommendations for Board action.

Audit Committee. The Audit Committee shall consist of three Directors, as appointed by vote of the Board. The Audit Committee’s authority and responsibilities shall include: (i) retaining an audit firm to conduct the annual audit, (ii) assisting and advising the Board on the oversight of the 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 Audit Committee may rely on such other experts or professionals with relevant financial knowledge to advise and assist the Committee.

**ARTICLE VIII**

**OFFICERS**

Section 1. Officers of SUVPS. The officers of SUVPS shall consist of a Chair, a Vice Chair, and a Secretary/Treasurer, and such assistants as the Board may designate by resolution. The Chair and Vice Chair shall be members of the Board of Directors, or alternates. The Secretary/Treasurer and assistants need not be members of the Board.

Section 2. Election of Officers. The officers of SUVPS shall be elected for one-year term by vote of the Board. Vacancies in any office shall be filled by the Board for the unexpired portion of the term of office of the person vacating such office.

Section 3. Removal of Officers. At any Meeting of the Board, upon an affirmative majority three-fourths vote of the Directors, any officer may be removed by the Board for cause, and his or her successor elected.

Section 4. Resignation of Officers. Any officer may resign at any time by giving written notice to the Board, or to the Chair. Any such resignation shall take effect at the time specified therein or, if the time be not specified, upon receipt thereof, and unless otherwise specified therein, no acceptance of such resignation shall be necessary to make it effective.

Section 5. Chair. The Chair shall preside at all Meetings of the Board, sign resolutions of the Board, execute contracts on behalf of SUVPS, and shall also perform such other duties and possess such other powers as shall from time to time be assigned to him or her by the Board.

Section 6. Secretary/Treasurer. The Secretary/Treasurer shall keep the minutes of all Meetings of the Board, any Committee of the Board, and notify the Directors and committee members of their respective Meetings as required by these Bylaws and shall ensure that public notice of such Meetings, as required by law, be given in accordance with the laws of the State of Utah relating to open and public meetings of political subdivisions; have the custody of the seal of SUVPS, if any; have charge of such books and papers as the Board may direct; keep all financial books and records of SUVPS; be responsible for preparing budgets and financial reports; be responsible for the receipt of, and the issuance of receipts for, all moneys due to and payable by SUVPS and for the deposit of all moneys and other valuable effects in the name and to the credit of SUVPS in such depositories as may be designated by the Board; and perform all duties incident to the office of Secretary/Treasurer and such other duties and possess such other powers as shall from time to time be assigned by the Board or the Chair.

 **ARTICLE IX**

## **SEAL**

The Board may provide a suitable seal containing the name of SUVPS, which seal shall be in the charge of the Secretary/Treasurer or his or her designee.

**ARTICLE X**

**FISCAL MANAGEMENT**

Section 1. Fiscal Year. The fiscal year of SUVPS shall be from July 1 to June 30.

Section 2. Auditing. At the close of each fiscal year, the books and records of SUVPS shall be audited by a certified public accountant or a firm of certified public accountants, whose reports shall be prepared in accordance with the requirements of any bond resolutions or contracts adopted or entered into by SUVPS, and which audit shall comply with the requirements of the Government Accounting Standards Board (GASB).

Section 3. Annual Budget. The Board shall annually adopt a budget for the ensuing fiscal year in accordance with the requirements of the Organization Agreement.

Section 4. Inspection of Records. Financial reports and records of SUVPS shall be available at the principal office of SUVPS for inspection at reasonable times by any Member or an approved designee of any Member or as otherwise required by agreements adopted or entered into by SUVPS.

Section 5. Execution of Documents. Except as otherwise determined by the Board, all notes, bonds, contracts and other documents shall be executed on behalf of SUVPS by the Chair, and all checks and drafts shall be executed by the Secretary/Treasurer and signed by two persons authorized by the Board.

**ARTICLE XI**

**LITIGATION**

SUVPS shall not initiate or voluntarily participate in any litigation without the approval of the Board.

**ARTICLE XII**

**RULES OF ORDER**

The Board and any Committee of the Board may establish their own rules of order insofar as they are not inconsistent with these By-laws nor the laws of the State of Utah.

**ARTICLE XIII**

**AMENDMENTS**

These Bylaws may be altered, amended, restated or repealed, and new Bylaws may be made, by a three-fifths vote of the entire Board cast at a Meeting, provided, however, that such alteration, amendment, repeal, or new Bylaws shall not be inconsistent with the requirements of the Organization Agreement.

Dated this \_\_\_\_\_ Day of , 20\_\_.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Board Chair

Attest:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, Secretary/Treasurer

[*additional signatures follow*]

By their signatures below, each Director hereby certifies (i) that these Bylaws were approved by vote of the Board in accordance with proper procedures, (ii) that the Director has voted to approve these Bylaws, and (iii) that the Member represented by that Director has reviewed, or had the opportunity to review if so desired, these Bylaws prior to approval by the Board.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_, Payson Director Date Signed

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_, Salem Director Date Signed

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_, Springville Director Date Signed

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_, Spanish Fork Director Date Signed

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_, SESD Director Date Signed

[*end of signatures*]