

METROPOLITAN WATER DISTRICT OF SALT LAKE & SANDY

RESOLUTION NO. 1853

WHEREAS, the Metropolitan Water District of Salt Lake & Sandy (“District”) owns 61,700 shares of Provo River Water Users Association (“Association”) stock, which is among the most important assets of the District; and

WHEREAS, the Association directors are elected each year at the annual stockholders’ meeting; and

WHEREAS, the Association’s annual stockholders’ meeting is scheduled for February 23, 2012; and

WHEREAS, the Board of Trustees of the District has determined that it is in the best interests of the District for this District to formally appoint a representative and proxy to vote the District’s Association shares at the 2012 annual Association stockholders’ meeting, according to the written instructions contained in this Resolution.

NOW THEREFORE it is hereby **RESOLVED**, that the Board of Trustees hereby appoints Michael L. Wilson, the District’s General Manager (or a member of the District’s management staff as selected by Michael L. Wilson) as the District’s representative and proxy for purposes of voting all Association shares owned by the District on the issues to be voted by stockholders of the Association at the 2012 annual stockholders’ meeting. Regarding the election of Association directors, the District’s representative and proxy is directed to vote all Association shares of the District as directed in this Resolution.

Bylaw 3, Section 2 of the Bylaws of the Provo River Water Users Association provides that Class A stockholders of the Association are those members, “whom own 10,000 or more shares in single ownership.” The Class A stockholders consist of just two stockholders, the District, which holds 61,700 shares, and the Provo Reservoir Water Users Company (“PRWUCo.”), which holds 16,000 shares. Bylaw 3, Section 2 of the Bylaws of the Provo River Water Users Association further provides that the “Class “A” voting group shall elect one (1) director for each 10,000 shares of stock owned by members of this group, and also one (1) director for any additional major fraction (more than half or 5,001 or more) of 10,000 shares, out of the total of eleven (11) directors provided for in these Articles of Incorporation, provided, that each Class “A” member shall be permitted to elect at least one (1) director.” Therefore, the Class A stockholders as a group elect eight (8) of eleven (11) Association directors, except that each Class A stockholder has the right to name at least one director as a matter of right. We instruct and direct our representative and proxy to nominate and elect the following as Class A directors of the Association in addition to the one director to be named as a matter of right by PRWUCo.:

- (1) Genevieve Atwood
- (2) Tom Godfrey
- (3) John Kirkham
- (4) Don Milne
- (5) Jeff Niermeyer
- (6) Shane Pace
- (7) Michael L. Wilson

If the representative and proxy of the District is called upon to designate one of the above seven nominees as a director who is named as a matter of right by this District, then Michael L. Wilson shall be so designated.

In addition, Bylaw 3, Section 2 of the Bylaws of the Provo River Water Users Association provides that Class B stockholders “shall consist of members each of whom owns less than 10,000 shares.” Bylaw 3, Section 2 of the Bylaws of the Provo River Water Users Association further provides that “Class “B” members shall as a group elect one (1) director for each 10,000 shares owned by members of this class, and one (1) director for any additional major fraction (more than half, or 5001 or more shares) of 10,000 shares, out of the total of eleven (11) directors provided for in the Articles of Incorporation.” There are two Association directors elected by Class B stockholders.

Bylaw 3, Section 2 of the Bylaws of the Provo River Water Users Association further provides that “[i]f the owners of stock in the voting groups as above designated do not hold sufficient stock to entitle them to elect in the aggregate a full board of eleven (11) directors as herein provided by following the procedures stated above, then the additional directors required to make up the number provided for shall be elected as directors at large by a majority of all the stock of both voting groups represented at the annual meeting of the members.” There is, therefore, one (1) Association director at large. We instruct and direct our representative and proxy to nominate and elect the following as the at large director of the Association:

- (1) LeRoy Hooton

This RESOLUTION adopted by a vote of the Board of Trustees of the Metropolitan Water District of Salt Lake & Sandy on the 23rd day of January, 2012.

David Buhler
Patricia Comarell
Tom Godfrey
Lee Kapaloski
John S. Kirkham
Kathy Loveless
Donald Y. Milne