

EXHIBIT A

RESOLUTION NO. 14-26

A RESOLUTION AUTHORIZING AND APPROVING THE VEYO HEAT RECOVERY PROJECT POWER SALES CONTRACT WITH UTAH ASSOCIATED MUNICIPAL POWER SYSTEMS; AND RELATED MATTERS.

WHEREAS, the City of Logan (the "*Participant*") is a member of Utah Associated Municipal Power Systems ("*UAMPS*") pursuant to the provisions of the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action, as amended (the "*Joint Action Agreement*");

WHEREAS, one of the purposes of UAMPS under the Joint Action Agreement is the acquisition and construction of electric generating, transmission and related facilities in order to secure reliable, economic sources of electric power and energy for its members;

WHEREAS, UAMPS proposes to acquire a waste heat recovery energy generation system power plant to be located in Veyo, Utah, known as the Veyo Heat Recovery Project (the "*Project*");

WHEREAS, the Governing Body has reviewed (or caused to be reviewed on its behalf) certain descriptions and summaries of the Project, the Power Sales Contract and the Project Agreements ("Project Agreements" and other capitalized terms used and not defined herein shall have the meanings assigned to them in the Power Sales Contract), and representatives of the Participant have participated in discussions and conferences with UAMPS and others regarding the Project and have received from UAMPS all requested information and materials necessary for the decision of the Governing Body to authorize and approve the Power Sales Contract;

WHEREAS, the Participant acknowledges that the obligation of the Participant to make the payments provided for in the Power Sales Contract will be a special obligation of the Participant and an operating expense of the Participant's electric system, payable from the revenues and other available funds of the electric system, and that the Participant shall be unconditionally obligated to make the payments required under the Power Sales Contract whether or not the Project or any portion thereof is acquired, constructed, completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output thereof for any reason whatsoever; and

WHEREAS, the Participant now desires to authorize and approve the Power Sales Contract;

NOW, THEREFORE, BE IT RESOLVED by the Governing Body of the City of Logan, as follows:

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Section 1. Execution and Delivery of the Power Sales Contract; Participant's Representative. (a) The Power Sales Contract, in substantially the form attached hereto as *Annex A*, is hereby authorized and approved, and the Mayor, H. Craig Petersen is hereby authorized, empowered and directed to execute and deliver the Power Sales Contract on behalf of the Participant, and the City Recorder, Teresa Harris is hereby authorized, empowered and directed to attest and countersign such execution and to affix the corporate seal of the Participant to the Power Sales Contract, with such changes to the Power Sales Contract from the form attached hereto as *Annex A* as shall be necessary to conform to the Participant's legal status, to complete the form of the Power Sales Contract or to correct any minor irregularities or ambiguities therein and as are approved by the Mayor, H. Craig Petersen, his execution thereof to constitute conclusive evidence of such approval.

(b) An Entitlement Share representing up to 1771 kW of capacity, as such capacity amount may be rounded by the Project Management Committee pursuant to the Power Sales Contract to provide a whole number of turbine generator sets, is hereby authorized and approved.

(c) The appointment of Mark Montgomery as the Participant's Representative to UAMPS and of Yuqi Zhao as an alternate Representative is hereby confirmed. Such Representative (or, in his or her absence, such alternate(s)) is hereby delegated full authority to (i) approve any appendix to the Pooling Agreement between UAMPS and the Participant that may be necessary or desirable in connection with the utilization of the Participant's Entitlement Share and (ii) act on all matters that may come before the Project Management Committee established by the Power Sales Contract, and shall be responsible for reporting regularly to the Governing Body regarding the activities of the Project Management Committee.

Section 2. Compliance with Tax Covenants. The Participant agrees in the Power Sales Contract that it will apply all of the energy acquired under the Power Sales Contract to a Qualified Use and that it will not take or omit to take any action which could adversely affect the Tax Status of any Bond or Bonds theretofore issued or thereafter issuable by UAMPS. In furtherance of that agreement, the Governing Body of the Participant hereby agrees that the energy acquired under the Power Sales Contract shall be used solely to serve retail customers of the Participant located in areas that have been served by the Participant since January 1, 2001, and hereby allocates such energy to such use.

Section 3. Miscellaneous; Effective Date. (a) This resolution shall be and remain irrevocable until the expiration or termination of the Power Sales Contract in accordance with its terms.

(b) All previous acts and resolutions in conflict with this resolution or any part hereof are hereby repealed to the extent of such conflict.

(c) In case any provision in this resolution shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

(d) This resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED by the Logan Municipal Council this 6 day of May, 2014 by the following vote:


AYES: DAINES, SIMMONDS, WARD, NEEDHAM, OLSEN

NAYS: NONE

ABSENT: NONE

By 
Karl B. Ward, Chair

ATTEST:


Teresa Harris
City Recorder

STATE OF UTAH)
)
COUNTY OF CACHE)

1. This Certificate has been executed pursuant to Section 15(d) of the Veyo Heat Recovery Project Power Sales Contract, dated as of April 1, 2014 (the “*Power Sales Contract*”), between the Participant and UAMPS. Capitalized terms used and not otherwise defined herein have the meanings assigned to them in the Power Sales Contract.

3. Attached hereto as *Exhibit A* is a true, complete and correct copy of a resolution authorizing the execution and delivery of the Power Sales Contract and related matters (the "*Contract Resolution*"). The Contract Resolution was duly adopted by a majority of the Governing Body present and voting at a regular public meeting of the Governing Body held on May 6, 2014, at which a quorum was present and acted throughout, all in accordance with law and applicable procedural rules of the Governing Body. The Contract Resolution is in full force and effect and has not been amended, modified, repealed or supplemented.

NAME	OFFICE
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Mayor

City Recorder

6. (a) No petition was filed with the Participant or any of its officers seeking to refer the Contract Resolution to the electors of the Participant in accordance with the provisions of state law; and (b) no litigation has been instituted, is pending or has been threatened to require a referendum election on the Contract Resolution.

7. The Participant owns and operates an electric utility system (the "*System*") that distributes and furnishes electric energy to consumers located within the established service area of the System.

8. The Participant has previously executed the Utah Associated Municipal Power Systems Amended and Restated Agreement for Joint and Cooperative Action dated as of March 20, 2009 and all amendments thereof and supplements thereto (the "*Joint Action Agreement*") and that certain Power Pooling Agreement (the "*Pooling Agreement*") between the Participant and UAMPS relating to the power pool administered by UAMPS. The Joint Action Agreement and the Pooling Agreement are each in full force and effect and constitute the legal, valid and binding agreements of the Participant.

9. Mark Montgomery has been duly appointed by the Governing Body as the Participant's representative to UAMPS.

10. The representations and warranties of the Participant in Section 18(a) of the Power Sales Contract are true and correct on and as of the date of this certificate.

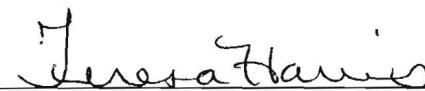
11. The Participant will use all of the electric energy from its Entitlement Share in a Qualified Use (as defined in the Power Sales Contract).

12. The information provided and to be provided by the Participant to UAMPS pursuant to Section 15(b) and (c) of the Power Sales Contract in the form attached as EXHIBIT II thereto with respect to the Participant and the System is and will be true, correct and complete. The Participant has duly authorized UAMPS to use such information in connection with the preparation of an official statement of UAMPS with respect to the bonds to be issued to provide financing for the costs of acquisition and construction of the Project and to provide such information to interested parties.

Dated: May 6, 2014.

CITY OF LOGAN, UTAH

By _____
Mayor

By _____
City Recorder

[SEAL]

Veyo Waste Heat Project



Pipeline System





Veyo Waste Heat Project

A power generation station is to be constructed using three waste heat steams from the compressor station. The generation station has a guaranteed net production of 8.7MW



Veyo Waste Heat Project

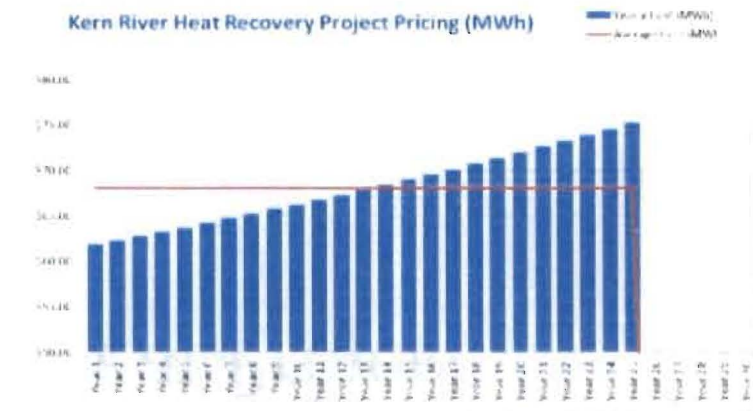
Veyo Model Revisions

Inputs Modifications*

- Financing Structure
 - ▣ 100% Fixed Rate (4.50%)
 - ▣ Upfront Issuance vs. a construction line approach
 - ▣ 25 Year Bond Term with 23 year amortization
 - ▣ All are Conservative
- Value Remains in the Financial engineering

Outputs*

25 Year Cost: \$68.20



*As reflected in the Executive Summary



Veyo Waste Heat Project

City	Representative	kW-Entitlement	Percentage
Kayville	Bruce Rigby	841	10.7821%
Lehi	Joel Eves	1950	25.0000%
Logan	Mark Montgomery	1772	22.7179%
Santa Clara	Jack Taylor	341	4.3718%
Spring City	Kent Kummer	100	1.2821%
Truckee Donner	Steve Hollabaugh	1792	22.9744%
Washington	Roger Carter	1004	12.8718%
		7800.00	100.00%



Veyo Waste Heat Project

- Power Pricing based on very conservative interest rates, Heat Rate, and up-time of compressor station
- Power price is expected to be lower due to conservative modeling.
- Pricing includes maintenance and replacement over the next 25 years.
- Price is higher than current open market, but expected to be competitive before the bonds are paid off.



Veyo Waste Heat Project

- Pro's
 - Carbon Free power
 - Adds to Cities Green Portfolio
 - Pricing should be very stable.
- Con's
 - Power is slightly higher than open market power
 - Payments will be made to the project regardless of whether power is being produced or not