

PUBLIC NOTICE

**HOLY CROSS ENERGY
MEETING OF BOARD OF DIRECTORS**

**Board Room
3799 Highway 82, Glenwood Springs, CO 81602**

(NOTE: Due to COVID-19, this meeting will be held entirely online; to register to attend, please visit <https://www.holycross.com/agenda-and-minutes/>)

**Wednesday, May 13, 2020
9:00 a.m.**

1. Roll Call
2. Adjourn Previous Board Meeting
3. COVID-19 Update (Information)
4. Public Comment
5. Employee Recognition
6. Consent Calendar
 - a. Minutes of Regular Meeting of April 14, 2020
 - b. Treasurer's Report
 - c. Safety Committee Minutes
 - d. Power Supply Report
 - e. Legislative and Regulatory Report
 - f. Attorney's Report
 - g. Staff Reports
 - h. Board Committee Reports
 - i. Communications
 - ii. Finance
 - iii. Governance
 - iv. Strategic Issues
 - i. Directors' Reports
 - i. Western United Electric Supply Corporation
 - ii. Colorado Rural Electric Association
7. Old Business
 - a. Board Committee Assignments (Action)
 - b. Proof of Service Notice (Information)
 - c. Annual Meeting and Election Update (Information)
 - d. Cyber-Physical Security Review (Information)
 - e. GHG Emissions Annual Report (Action)
8. New Business
 - a. Bylaw Amendments – Electronic Meetings (Action)
 - b. 2020-2025 Strategic Plan (Action)
 - c. RESP Funds Loan Agreement (Action)
 - d. Residential Energy Storage Program (Action)
9. Executive Session
 - a. All-Source RFP (Information)
10. Continuation of Board Meeting

Dave Munk
Board Chair

HOLY CROSS ENERGY

REGULAR BOARD OF DIRECTORS MEETINGS GUIDELINES FOR PUBLIC PARTICIPATION

Holy Cross Energy (“Holy Cross”) regular monthly meetings of the Board of Directors (“Board”) are held at 9:00 a.m. on the third Wednesday of each calendar month at Holy Cross’s headquarters facility at 3799 Highway 82, Garfield County, Colorado, unless a different date, time and place is set by resolution of the Board. The meeting, location, date, and time is posted at each Holy Cross service office location and on Holy Cross’s website, www.holycross.com.

Holy Cross’s Board meetings are open to the public and any member of Holy Cross or the general public is welcome to attend and observe. Members of Holy Cross and any other persons are given an opportunity to address the Board with the following guidelines:

1. A “Public Comment” agenda item will be at the beginning of each meeting. The Board normally has a full agenda and asks that any speaker’s comments and presentations be brief. The Chair or presiding officer shall have the right to limit comments as necessary. The public comment period is limited to approximately 10 minutes.
2. Any person addressing the Board on an agenda item requiring Board action may do so if and when the Chair or presiding officer calls for public comment. Any speaker will be limited to three minutes, unless the Chair or presiding officer decides differently.
3. Each person wishing to address the Board shall first be introduced along with the person’s address. If the person needs to use Holy Cross’s audio/visual/computer equipment or plans to provide their own equipment, arrangements need to be made three business days prior to the Board Meeting. Any person desiring to distribute information to the Board at any Board Meeting shall provide the presentation or information in writing to staff of Holy Cross for distribution to all Directors of the Board prior to the meeting.
4. The Board breaks for lunch at approximately noon and reconvenes about 45 minutes after the noon break. Members of the public attending the meeting need to plan accordingly and provide their own meal.

Holy Cross is a member-owned cooperative committed to providing affordable, reliable and safe electric service to all members. Holy Cross values member input on how the Board can guide Holy Cross in accomplishing these goals.

(HCE Corporate Policy 4.3, adopted October 16, 2019)

**PROPOSED CHANGES TO
HOLY CROSS ELECTRIC ASSOCIATION BYLAWS
MAY 13, 2020 BOARD MEETING**

**ARTICLE III
MEETINGS OF MEMBERS**

SECTION 1. Annual Meeting. A meeting of the members ~~shall~~may, but is not required to, be held annually at ~~any place designated by the Board within the Colorado counties of Eagle, Garfield, or Pitkin,~~ at such time as may be designated by the Board, for the purpose of ~~electing Directors, passing upon~~receiving reports for the previous fiscal year and transacting such other business as may have been properly noticed prior to the meeting. ~~Failure to hold the annual meeting at the designated time shall not work~~An annual meeting of members may be held electronically or in person as determined by the Board at any place designated by the Board within the Colorado counties in which the Association provides electric service. If the annual meeting of members is held electronically, then the meeting location shall be deemed to be held at the principal office of the Association. Failure to hold an annual meeting shall not constitute a forfeiture or dissolution of the Association.

SECTION 2. Special Meetings. Special meetings of the members may be called by the Board, or by the Chair, or by a petition filed with the Association signed by 50~~250~~ members, and it shall thereupon be the duty of the Secretary to cause notice of such meeting to be given as hereinafter provided. Special meetings of the members may be held ~~at any place~~in the same fashion as an annual meeting could be held, as designated by the Board, and shall be specified in the notice of the special meeting.

SECTION 3. Notice of Meetings of Members. Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting or an annual meeting at which business requiring special notice is to be transacted, the purpose or purposes for which the meeting is called, shall be delivered by mail not less than 20 days nor more than 30 days before the date of the meeting, by or at the direction of the Secretary or any other officer, to each member. Members may only vote upon matters specifically described and presented in the notice of the meeting of either the annual meeting or the special meeting. Such notice shall be deemed delivered when deposited in the United States mail, addressed to the member at his or her address as it appears on the records of the Association, with postage thereon prepaid. The failure of any member to receive notice of an annual or special meeting of the members shall not invalidate any action which may be taken by the members at any such meeting.

SECTION 4. Quorum. Five percent of the members, or 50 members present in person, whichever is less, shall be a quorum for the transaction of any lawful business at any in person annual or special meeting of the members ~~as provided by statute, the Articles of Incorporation or the Bylaws.~~ Votes by mail ~~for election of Directors, and votes by mail~~ on any ~~other~~ specific matter where authorized and directed by the Board, shall be counted in accordance with these Bylaws.

SECTION 5. Voting. Each member shall be entitled to one vote and no more upon each matter submitted to a vote at any in person or electronic meeting of the members. At all in person or electronic meetings of the members at which a quorum is present, all questions shall be decided by a vote of a majority of the members voting thereon in person ~~and, for election of Directors and where authorized by resolution of the Board, by mail;~~ except as otherwise provided by law, the Articles of Incorporation of the Association, or these Bylaws. Any vote of members on any issue submitted by the Board to the members by written mail in or electronic ballot shall be decided by a majority vote [or such higher amount as required by law, the Articles of Incorporation of the Association, or these Bylaws] if only two options are presented for a vote [e.g. Yes or No]. If more than two options are presented for a vote, then the option receiving the plurality vote shall be successful [except in the case where a higher amount is required by law, the Articles of Incorporation of the Association, or these Bylaws, then such higher amount shall be required]. Electronic voting for any election shall be allowed if authorized by law and by the Board of Directors.

At any in person or electronic meeting of the members, at which any question has previously been submitted to a written mail in ballot, then a member may vote by mail for election of Directors, and also upon any other matter, provided that if:

- A. Thethe mail voting on such matter (except for election of Directors) is authorized by a resolution of the Board adopted prior to the meetings of members;
- B. Suchsuch a vote is in writing on forms provided by the Association; and
- C. Thethe mail ballot otherwise complies with the Rules established by the Board and the member has not previously voted a mail in ballot.

SECTION 6. Proxies and Cumulative Voting. Voting by proxy or cumulative voting is prohibited at any and all meetings of the members.

ARTICLE IV DIRECTORS

SECTION 3. Director Districts. Except as provided herein, the Holy Cross Board of Directors shall consist of seven Directors, who shall be elected from specified geographic districts.

The following shall constitute the three Director districts served by the Association, to wit:

- A. The Western District shall be defined as and include Townships 6, 7, and 8 South, Ranges 90 through 96 West, generally described as the New Castle to Parachute area, and Townships 6 through 12 South, Ranges 87, 88 and 89 West, lying westerly of the Eagle County/Garfield County line extended to the south, generally described as the Glenwood Springs to Marble area. The Western District shall be represented by one Director.
- B. The Northern District shall be defined as and include Townships 2 through 5 South, Ranges 87 and 88 West and Townships 2 through 6 South, Ranges 79 through 86 West, generally described as the Gypsum to Vail area. The Northern District shall be represented by three Directors until 2012, when a fourth Director shall be elected from the Northern District, making the Northern District represented by four Directors in 2012.
- C. The Southern District shall be defined as and include Townships 7 through 12 South, Ranges 82 through 87 West, lying easterly of the Eagle County/Garfield County line extended to the south, generally described as the Basalt to Aspen area. The Southern District shall be represented by two Directors.

SECTION 4. Term of Office. Directors shall be elected annually, and the date of the election shall be determined by the Board of Directors on any day that is not later than July 1 of each calendar year, in the manner and numbers herein set out, at each annual meeting of the members beginning with the year 2010, by and from the membership, to serve for the periods hereinafter set out.

At each annual meeting of the members, beginning with the year 2010, Directors shall be elected to fill vacancies caused by expiration of terms of office, for a term to expire at the third annual meeting election of members Directors after their election or until their successors shall have been elected and shall have qualified.

~~In order to provide for continuity in the process of reelection of Directors with the terms of office of Directors who are in office prior to the 2010 annual meeting of members, and beginning with the annual meeting of members in the year 2010, the~~The following Director seats, representing the following districts, shall be ~~reelected~~~~delected~~ for ~~three year~~ terms as follows:

One Director seat in the Northern District shall ~~expire~~~~be elected~~ as of the date of the annual ~~election of Directors~~ ~~meeting of members~~ in 2010 and every three years thereafter.

One Director seat in the Southern District shall ~~expire~~~~be elected~~ as of the date of the annual ~~election of Directors~~ ~~meeting of members~~ in 2010 and every three years thereafter.

One Director seat in the Northern District shall ~~expire~~~~be elected~~ as of the date of the annual ~~election of Directors~~ ~~meeting of members~~ in 2011 and every three years thereafter.

One Director seat in the Western District shall ~~expire~~~~be elected~~ as of the date of the annual ~~election of Directors~~ ~~meeting of members~~ in 2011 and every three years thereafter.

One Director seat in the Southern District shall ~~expire~~~~be elected~~ as of the date of the annual ~~election of Directors~~ ~~meeting of members~~ in 2012 and every three years thereafter.

One Director seat in the Northern District shall ~~expire~~~~be elected~~ as of the date of the annual ~~election of Directors~~ ~~meeting of members~~ in 2012 and every three years thereafter.

One Director seat ~~from in~~ the Northern District shall ~~expire~~~~be elected~~ as of the date of the annual ~~election of Directors~~ ~~meeting of members~~ in 2012 and ~~shall expire~~ every three years thereafter.

SECTION 5. Nominations. Nominations for Directors shall be made only by petition and in conformance with the following:

- A. Each petition shall be in writing and ~~shall~~ be signed by 15 or more members of the Association who reside in the district for which the Director seat nomination is made;
- B. Each petition shall nominate one, and only one, candidate for a Director position to be filled by the election; and
- C. Each petition shall be filed at the principal office of the Association at least 45 days before the ~~meeting date~~ of the ~~members at which Directors are to be elected~~~~election~~.

In the event of any uncertainty or dispute, or upon inquiry by any candidate or nominee for the office of Director, as to the location within or without a district of the primary residence of any candidate or nominee, ~~any officer of the Association or~~ the President and Chief Executive Officer shall make a written determination as to the proper location of such residence within or without a particular district. A nomination petition may be signed electronically by a member of the Association as permitted in the bylaws.

SECTION 6. Notice of Right to Nominate, and Director Election. Not less than six months before ~~each meeting~~~~the date of the members at which~~~~election of~~ Directors ~~are to be elected~~, the Association shall cause to be published in at least one newspaper of general circulation published in each of the Counties ~~of Eagle, Garfield, Gunnison, Mesa and Pitkin, of the State of Colorado~~ in which the Association provides electric service, a notice captioned as follows:

Holy Cross Electric Association, Inc.
Notice of ~~Annual Meeting~~~~Election~~ of ~~Members~~~~Directors~~
Notice of Right to Nominate Directors

and include the following information:

That an ~~annual meeting~~election of ~~the members~~Directors is to be held.

The ~~place, date and hour~~ of such ~~meeting~~election.

The number of Directors to be elected ~~at such meeting~~.

The name of the district from which each Director is to be elected.

The boundary description of each such district as set forth in these Bylaws.

The date and time at which the nomination petition forms shall be available. Candidates for Director must use the official forms provided by the Association.

That nominations may be made only by petition signed by 15 or more members whose residence is within such district(s).

That each nominee must have ~~his/her~~the nominee's primary residence within the district of the Director seat for which ~~he/she~~the nominee is nominated.

That such nomination petitions must be filed at the principal office of the Association (giving address).

That such nomination petitions must be so filed on or before a certain date and time (giving date and time).

That nomination petition forms and information concerning legally required qualifications for prospective nominees and petition signers is available at the principal office of the Association (giving telephone number, email address and website address).

SECTION 7. Election. ~~At each annual meeting of the members,~~ Directors shall be elected annually as hereinabove and herein below provided, except that in the event no nominations have been timely and properly made by petition, the incumbents whose terms of office then expired shall continue in office until the third annual meeting of the members thereafter, or until their successors shall have been elected and shall have qualified. If nominating petitions have been timely and properly made, then those nominees, in the number to be elected, who receive the greatest number of votes, shall be deemed to be those elected. Electronic balloting is authorized for election of directors if authorized by law and by the Board of Directors.

SECTION 8. Voting. ~~At annual meetings of members, voting~~ Voting for Directors shall be by members ~~present in person and by those~~ who have voted by mail ~~or electronically if permitted by law.~~ If a meeting of members is held at the same time as the election of Directors, then those members present in person may cast a ballot in the election. A member who has voted by mail [or electronically if permitted by law] shall not be entitled to vote at the ~~annual meeting~~ meeting of members that is held at the same time as the election of Directors. If a Director election is conducted without a meeting of members, then ballots that are not mailed by the member may be received prior to the deadline for receipt of ballots at the principal office of the Association or at a location designated by the Board. Voting shall be closed at the time designated in the ~~annual meeting agenda~~ notice of the election of Directors, whereupon the counting of ballots shall commence. Counting of ballots that are mailed can commence at any time prior to the deadline for receipt of ballots for the election of Directors.

SECTION 9. Ballots. In the event that nominating petitions have been properly made and timely filed, ~~there shall be included with the notice of the annual meeting of the members at which such nominations will be acted upon,~~ then the Association shall mail ballots to members not less than twenty days prior to the date of the election. There shall be mailed a printed ballot and a special envelope for the concealing

of such ballot by each member who votes, together with a return envelope containing a signature line by the voting member. Each member shall be instructed that if ~~he or she~~ the member wishes to vote, the ballot shall be marked in accordance with instructions to be placed on each ballot. Such ballot shall then be placed in the special envelope, and the special envelope containing the ballot shall then be mailed or delivered to the Association in the return envelope, which must be signed by the member. Return envelopes not signed by a member shall not be counted. The names of all nominees shall appear on the ballot. ~~Ballots~~ If a meeting of members is held at the same time as the election of Directors, then ballots shall be distributed to all members attending the ~~annual~~ meeting in person only if the member has not previously submitted a ballot by mail.

In the event no nominating petitions have been properly made and timely filed, or in the event no contest has been created by nominating petitions properly made and timely filed, in either of which events the continuance in office of the incumbents or the election of the sole nominees is assured because no other nominations can be made, then, in order to save useless expense, the election of Directors shall automatically be dispensed with and the nominees shall be deemed elected. on the date of the election.

Whenever voting on any matter other than the election of Directors has been authorized by the Board to include voting by mail, the balloting procedures hereinabove described shall generally be followed. ~~A notice shall be mailed to each member not less than 20 nor more than 30 days before the date of the annual or special meeting of members at which the voted ballots are to be received.~~ The notice shall also contain an explanation of the issue(s) to be voted on which shall fairly and reasonably present each side of such issue(s).

Whenever members shall vote on any issue, or for the election of Directors, only the votes of members who ~~have been~~ are of record on the books of the Association for ~~30~~ 60 days or more prior to the ~~deadline for receipt~~ date of votes by the Association election and are in good standing shall be counted.

ARTICLE V BOARD MEETINGS AND DIRECTOR VOTING

SECTION 5.1. Regular Board Meetings. The Board shall regularly meet at the date, time, and location determined by the Board (“Regular Board Meeting”).

SECTION 5.2. Special Board Meetings. The Board, the Chair, or at least three Directors may call a special meeting of the Board (“Special Board Meeting”) by providing each Director at least 10 days’ prior written, oral, or electronic notice indicating the date, time, and location and purpose of the Special Board Meeting.

SECTION 5.3. Conduct of Board Meetings. Except as otherwise provided in these Bylaws, a Regular Board Meeting or Special Board Meeting (“Board Meeting”) must be:

- A. held in any of the Colorado counties in which the Association provides electric service; and
- B. conducted with absent Directors participating, and deemed present in person, through any means of communication by which all Directors participating in the Board Meeting may simultaneously hear each other during the Board Meeting; and
- C. the location of the meeting shall be deemed to be the location of the meeting stated in the notice of the Board Meeting notwithstanding the actual location of the members of the Board who attend the Meeting.

If a Director Quorum is present at a Board Meeting, then:

- A. in descending priority, the following Officers may preside at the Board Meeting: Chair, Vice Chair, Secretary, and Treasurer; and
- B. if no Officer is present or desires to preside at a Board Meeting, then the Directors attending the Board Meeting must elect a Director to preside over the Board Meeting.

The Board may promulgate or approve rules, policies, and procedures regarding:

- A. attendance at, participation in, or presentation during Board Meetings by Persons other than Directors;
- B. the right to access, inspect, or copy minutes, records, or other documents relating to a Board Meeting by Persons other than Directors; or
- C. the conduct of Board Meetings.

SECTION 5.4. Notice of Board Meeting; and Waiver of Notice by Directors. Written or electronic notice of the time, place and purpose of any regular or special meeting of the Board shall be delivered at least 10 days before the date set for the meeting to each Director either personally or by mail, or by electronic mail, by or at the direction of the Secretary, or upon a default in duty by the Secretary, by the Chair or the Directors calling the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Director at the Director's address as it appears on the records of the Association, with postage thereon prepaid.

In addition, notice of the time and place of a meeting of the Board of Directors and a copy of the agenda for such meeting shall be posted in every service office maintained by the Association at least 10 days before the meeting. The agenda shall specifically designate the issues or questions to be discussed, or the actions to be taken, at the meeting. Copies of the agenda shall be available at each service office for members and consumers.

The date, time, location and agenda of every meeting of the Board of Directors shall be posted on the Association's web site no less than 10 days before the meeting in the case of regular meetings and as soon as the meeting is scheduled in the case of special meetings. If a meeting is postponed or cancelled, notice of the postponement or cancellation shall immediately be posted on the web site.

At any time before, during, or after a Board Meeting, a Director may waive notice of a Board Meeting by delivering to the Association a written or electronic waiver of notice signed by the Director and later filed with the Board Meeting minutes or the Cooperative's records. A Director's attendance at, or participation in, a Board Meeting waives notice of the Board Meeting and any matter considered at the Board Meeting, unless the Director:

- A. at the beginning of the Board Meeting, or promptly upon arrival objects to lack of, or defective, notice of the Board Meeting or a matter being considered at the Board Meeting; and
- B. does not vote for, or assent to, an objected matter.

SECTION 5.5. Board Action by Written Consent. The Board may not act without a Board Meeting.

SECTION 5.6. Director Quorum and Voting. A quorum of Directors is a majority of the Directors in office immediately before a Board Meeting begins ("Director Quorum"). If a Director Quorum is present when a matter is voted or acted upon, and unless the vote of a greater number of Directors is required, then the affirmative vote of a majority of Directors present is the act of the Board. An interested Director is not counted in determining whether a Director Quorum is present to vote or act upon a matter in which the

Director is interested. A Director may not vote by proxy. An agreement signed by Directors providing the manner in which a Director must vote is not valid. A Director may participate in a regular or special meeting by, or conduct the meeting through the use of, any means of communication by which all Directors participating may hear each other during the meeting. A Director participating in a meeting by this means is deemed to be present in person at the meeting. No Director may participate in more than two Regular Board meetings electronically during any 12 consecutive months. However, any electronic Board meeting held by the Board shall not be counted for such electronic participation by any Board member. The Board may waive the limitation for electronic participation by a Board member who participates in any in-person Board meeting for good cause. Each Director shall vote affirmatively or negatively on each and every issue brought to a vote at any Board meeting. Abstention votes shall only be allowed in the event a Director shall have a genuine conflict of interest on any issue.