

**MINUTES OF REGULAR BOARD MEETING
OF
HOLY CROSS ENERGY**

JUNE 15, 2022

A regular meeting of the Board of Directors of Holy Cross Electric Association, Inc., a/k/a Holy Cross Energy (hereinafter called “Holy Cross”), a Colorado cooperative association, was held at the main office at 3799 Highway 82 in Garfield County, Glenwood Springs, CO, on May 18, 2022, at 9:03 a.m. The meeting was held on in person with Board members and staff appearing in the Board room. Notice of the meeting was given in accordance with Colorado law and the bylaws of Holy Cross.

Agenda Item 1: Roll Call. Chair David C. Munk called the meeting to order and reported that all seven Directors were present in person or by WebEx being Robert H. Gardner, Kristen N. Bertuglia [WebEx], David C. Munk, Adam Quinton, Keith E. Klesner [WebEx], David S. Campbell, and Alexander DeGolia. Staff attending included Bryan J. Hannegan, President and Chief Executive Officer; David Bleakley, Vice President – Engineering [absent]; Bob Farmer, Vice President - Information Technology; Cody O’Neil, Vice President—Glenwood District Operations; Andrew Schiller, Vice President – Finance; John Rowley, Vice President - Human Resources [absent on vacation]; Sam Whelan, Vice President Power Supply and Programs; and Jenna Weatherred, Vice President—Member and Community Relations [WebEx]. Also attending was General Legal Counsel Randolph W. Starr.

Agenda Item 2: Adjourn Previous Board Meeting. Chair Munk adjourned the meeting of the Board of Directors originally convened on May 18, 2022, and then continued to today’s meeting. [09:03]

Agenda Item 3: Public Comment. Chair Munk asked for comments of members of the public present. No persons were present, and no comments were received. [09:03]

Agenda Item 4: Employee Recognition. Bryan Hannegan, President and Chief Executive Officer in our Glenwood Springs Headquarters is celebrating 5 years of service. Bryan started working at Holy Cross on June 20, 2017. Guy Ryan, Fleet Supervisor in our Glenwood Springs Mechanics Department, is celebrating 5 years of service. Wyatt Borah, Apprentice Lineworker in our Vail Operations Center, is celebrating 5 years of service. Christian Baker, Journey Lineworker in our Vail Operations Center, is celebrating 15 years of service. Manuel Gomez, IT Infrastructure Manager in our Glenwood Springs Network and Communications Department, is celebrating 15 years of service. Pamela LaCount, System Operations Tech in our Glenwood Springs System Operations and Dispatch Department is celebrating 15 years of service. Scott May, Serviceman in our Vail Operations Center, is celebrating 25 years of service. Brian DeCrow, Safety Coordinator in our Glenwood Springs Risk Management Department, is celebrating 25 years of service.

Charles Almquist joined us on May 4, as a Warehouse Person. Charlie brings several years of related experience to Holy Cross. Most recently he was an OR (Operating Room) Materials Coordinator for Vail Health. Bruce Keranen joined us on June 1, as an Electrician - Meter Person. Bruce brings many years of related experience to Holy Cross. He most recently was an Operator

Technician with Basin Electric Power Cooperative in North Dakota. Sam Whelan has been promoted to VP, Power Supply and Programs. Sam has worked for Holy Cross for over five years as the Power Supply Manager. He began his Holy Cross career as a Business and Rate Analyst. His promotion was effective June 1. Chuck Campagna has been promoted to Cyber Security Analyst I. Chuck has worked for Holy Cross for over three years as an AMI Analyst. He began his Holy Cross career as an IT Intern. His promotion was effective June 14. Larry Scarbrough, Warehouse/Facilities Coordinator from our Gypsum retired from Holy Cross on May 2, after 42 years of dedicated service. Chase Brown, Right-of-Way Inspector from our Glenwood Springs facility, departed from Holy Cross on June 2. He is relocating to Northern Virginia to be closer to family. Bob Farmer will depart his position on June 30 as Vice President-IT. [09:22]

Agenda Item 5: Consent Calendar. The following informational items were presented to the Board in the form of written reports and memoranda:

- a. Minutes of May 18, 2022, Regular Meeting
- b. Treasurer's Report
- c. Safety Committee Minutes
- d. Diversity, Equity, and Inclusion Committee Minutes
- e. Power Supply Report
- f. System Reliability Report
- g. Member Participation Report
- h. Legislative and Regulatory Report
- i. Attorney's Report
- j. Board Committee Reports
 - i. Communications
 - ii. Finance
 - iii. Governance
 - iv. Strategic Issues
- k. Directors' Reports
 - i. Western United Electric Supply Corporation
 - ii. Colorado Rural Electric Association
 - iii. National Rural Electric Cooperative Association
 - iv. National Rural Utilities Cooperative Finance Corporation
 - v. National Information Services Cooperative

Questions posed by Board members were answered by staff members. Upon motion duly made, seconded, put to a vote and unanimously carried, it was

RESOLVED, that the items on the Consent Calendar be approved as presented. [09:42]

Agenda Item 8: Staff Reports. The Staff Reports had been delivered to the Board members prior to the meeting. Questions from Board members were answered by staff members. [10:17]

Agenda Item 9: Old Business.

- a. Approval of Annual Meeting Minutes. Upon motion duly made, seconded, put to a vote and unanimously carried, it was **RESOLVED**, that the Annual Meeting Minutes for June 2, 2022, be approved as presented. [10:18]
- b. Director Self-Certification. Each of the Board members signed the certification regarding qualifications for the Board as required by the Bylaws of Holy Cross. [10:19]

- c. Board Officers' Election. Chair Munk announced that the next order of business was the election of officers of Holy Cross. The following Board members were elected by unanimous acclamation to the following positions:
RESOLVED, that the Board appoint Directors to Board Committees as follows, with the Board Chair serving as ex-officio on all Board Committees:
 David C. Munk was elected as Chair;
 Kristen N. Bertuglia was elected as Vice Chair;
 Alexander DeGolia was elected as Secretary; and
 Adam Quinton was elected as Treasurer and as Assistant Secretary.
 At this time, the newly elected officers took their positions. [10:22]
- d. Designation of External Representatives. Election of representatives to Colorado Rural Electric Association Board member and for Western United Electric Supply Corporation was completed by acclamation:
 David Campbell was elected as Board representative to WUESC and Keith Klesner was elected as Alternate Board representative.
 Adam Quinton was elected as Board representative to CREA and Keith Klesner was elected as Alternate Board representative.
 David C. Munk was appointed as the NRECA, NRUCFC and NISC meeting delegate and Kristen Bertuglia as alternate.
 Robert H. Gardner was appointed as Holy Cross's board member on the Holy Cross Energy Round-Up Foundation.
 David C. Munk was appointed as Holy Cross's board member on CORE with Alex DeGolia as alternate. [10:22]
- e. Board Committee Assignments. Appointments to the Communications, Finance, Governance, and Strategic Issues Committees were made by acclamation as follows:
 Communications: Klesner (Chair), Quinton, Campbell
 Finance: Quinton (Chair), Gardner, Klesner
 Governance: DeGolia (Chair), Gardner, Bertuglia
 Strategic Issues: Bertuglia (Chair), Campbell, DeGolia [10:26] A break was taken. [10:26-10:57]

[During the Break] Agenda Item 6: Information Technology Setup. Board members brought all HCE-issued devices (iPad) to the Board Meeting to allow for password change. Board members brought their mobile phone to allow for confirmation that our multi-factor authentication is functioning correctly.

Agenda Item 7: NRECA International Guatemala Project. HCE's Chet Stickler entered the Board room, and he will be leading a five-person team from Colorado on an NRECA International volunteer electrification project in August, in cooperation with the Oklahoma Association of Electric Cooperatives. During their 19-day trip to the Guatemalan village of La Montanita de Virgen in southeastern Guatemala, the group of lineworkers from Colorado and Oklahoma will extend distribution service to 76 adobe homes, an elementary school, a small church, and a health care center.

This is the third year of Holy Cross' participation in the NRECA International volunteer program. Chet and Christian Baker traveled to Guatemala in 2018, and Rodney Sherman traveled to Guatemala in 2019. A planned trip to Bolivia in 2020 was cancelled due to the COVID-19 pandemic. This is the first time that a cooperative employee has led the Colorado delegation, so it is a special honor for HCE and a recognition of Chet's experience and leadership.

Chet visited La Montanita de Virgen in April as part of a planning trip and will share more information about the village itself, the electrification project, and the value of rural electrification for both the village and the volunteers helping to make it happen just as their predecessors did here in HCE territory more than 80 years ago. An NRECA video was shown to the Board and staff.

For more information on the project please see the May 10 NRECA article online at <https://www.electric.coop/co-op-lineworkers-will-head-to-guatemala-as-volunteer-program-resumes> [11:22]

Agenda Item 10: New Business.

- a. Board Governance Training. Holy Cross's Corporate Policies contain numerous provisions related to the Board of Directors and the conduct of its activities, including:

- Corporate Policy 4.1 – Functions of the Board of Directors
- Corporate Policy 4.2 – Board of Directors Acts and Authority
- Corporate Policy 4.3 – Meetings of the Board of Directors
- Corporate Policy 4.4 – Communication Among Board Members

Holy Cross's General Counsel will review these Corporate Policies with the Board and answer any questions the Board may have with respect to these Policies and other matters related to the conduct of business by the Board of Directors.

A copy of Corporate Policies 4.1 through 4.4 was included in Call to Order for review. [11:51]

- b. Restatement of RS Plan and 401(k) Pension Plan. After a presentation by President and CEO Hannegan, upon motion duly made, seconded, put to a vote, and unanimously carried, the following resolution was adopted:

BOARD RESOLUTION

Holy Cross Electric Association, Inc.
Glenwood Springs, Colorado
REA No. 06034 – 001

Amendment and Restatement of
The Retirement Security and 401(k) Pension Plan

WHEREAS, Holy Cross Electric Association, Inc. also known as Holy Cross Energy (Cooperative), is a participating employer in the:

- | | |
|-------------------------------------|-------------------------------|
| <input checked="" type="checkbox"/> | Retirement Security (RS) Plan |
| <input checked="" type="checkbox"/> | 401(k) Pension (401(k)) Plan |

WHEREAS, the Board of Directors of the Cooperative (Board) is aware that the Plans must periodically be amended to comply with new or changed regulations, rulings, legislation, and plan operations, and that this restatement will be effective July 1, 2022.

THEREFORE, BE IT RESOLVED that the Board authorizes the July 1, 2022, amendment, restatement, and continuance of the Plans to conform in their entirety with all the provisions of the governing plan documents of the Plans, through the execution of the Adoption Agreements, which includes all the provisions of the Cooperative's most recently executed Adoption Agreements and any compliance clarifications needed to conform with plan operations; and

BE IT FURTHER RESOLVED, in the event that the timing of the restatement does not correspond with regularly scheduled meetings of the Board, then the Board hereby authorizes and directs Bryan J. Hannegan as President and Chief Executive Officer to execute all necessary documents and to take any and all further actions necessary to carry out the July 1, 2022, amendment and restatement of the Plans; and, NRECA is fully authorized to rely on this designation in processing the restatement of the Plans. [11:54]

- c. Power Purchase Agreements Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

RESOLVED that the Board enter executive session to consider documents or testimony given in confidence generally relating to power supply contracts.

No action was taken by the Board to make final policy decisions or adopt or approve any resolution, rule, regulation, or formal action, any contract, or any action calling for the payment of money. All staff members remained in the room, and David Manning joined the meeting by WebEx. A break was taken. [12:13 to 12:49] The meeting proceeded after the break.

Upon motion duly made, seconded, put to a vote and unanimously carried, the following resolution was adopted:

RESOLVED that the Board exit executive session. [14:33]

After further discussion among the Board members, upon motion duly made, seconded, put to a vote and unanimously carried, the following resolutions were approved:

RESOLVED, that the President and Chief Executive Officer be authorized to sign the proposed Wind Energy Purchase Agreement with NextEra Energy Resources if it is in a form materially like the copy provided to the Board on June 15, 2022; and

FURTHER RESOLVED, that Holy Cross staff be authorized to proceed with the negotiation of revised power supply agreements with Guzman Energy according to the Term Sheet provided to the Board on June 15, 2022, provided that such agreements will be brought back to the Board of Directors for approval at a future meeting. [14:34]

A discussion ensued about how to change the date or time of the meeting. [14:38]

Agenda Item 11: Adjourn Board Meeting. Chair Munk continued the meeting at 14:38 p.m. until **July 20, 2022, at 9:00 a.m.** The next meeting will be held online by WebEx.

Secretary – Alexander DeGolia

APPROVED:

Chair – David C. Munk

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| Holy Cross REA Board Meeting Schedule [Third Wednesday of each month] |
| July 20, 2022—WebEx |
| August 17, 2022 (strategic planning)—in person- Cooley Mesa Office |
| September 21, 2022—WebEx |
| October 19, 2022—WebEx |
| November 16, 2022—WebEx |
| December 21, 2022—in person-Glenwood Office |

