

RESOLUTION **2021-01-14-0002R**

REAPPOINTING MAYOR RON NIRENBERG, JOHN STEEN, ED KELLEY, WILLIS MACKKEY, JUANITA (JANIE) GONZALEZ, PAULA GOLD-WILLIAMS, AND GARY GOLD TO THE SA ENERGY ACQUISITION PUBLIC FACILITIES CORPORATION BOARD OF DIRECTORS FOR A TERM OF OFFICE COMMENCING ON FEBRUARY 1, 2021 AND EXPIRING JANUARY 31, 2023; AND APPROVING AMENDMENTS TO THE PFC BYLAWS.

* * * * *

WHEREAS, the CPS Energy System is subject to bond covenants related to the management of the System, including the requirement that nominees for vacancies on the CPS Board of Trustees be approved by a majority vote of the San Antonio City Council as evidence by ordinance or resolution; and

WHEREAS, on April 19, 2007, the City Council approved Resolution No. 2007R-04-19-0455 authorizing the creation of SA Energy Acquisition Public Facility Corporation (“PFC”), which articles of incorporation and Bylaws require the City Council to appoint the members of the CPS Energy Board of Trustees along with the President & CEO and the Chief Financial Officer of CPS Energy to the PFC Board of Directors and approve amendments to the PFC Bylaws; and

WHEREAS, PFC Directors serve two-year terms; and

WHEREAS, at the PFC Board of Directors meeting on June 29, 2020, a Bylaw amendment was approved, aligning the terms of office of all PFC Directors to expire on January 31st of odd number years; and as a result of the amendment, all PFC Directors, including those who may not have served a complete two-year term, require reappointment at this time; and

WHEREAS, as part of the CPS Energy campus headquarters move, at the PFC Board of Directors meeting on December 14, 2020, a Bylaw amendment was approved, updating the location of the PFC principal office and Board meetings to the new headquarters at 500 McCullough Ave., San Antonio Texas 78215; and

WHEREAS, the CPS Energy Board of Trustees submitted a letter to the City Clerk requesting a Resolution from the City Council reappointing Mayor Ron Nirenberg, John Steen, Ed Kelley, Willis Mackey, Juanita (Janie) Gonzalez, Paula Gold-Williams, and Gary Gold to the PFC Board of Directors and approval of the Bylaw amendments; and

WHEREAS, this Resolution will reappoint Mayor Ron Nirenberg, John Steen, Ed Kelley, Willis Mackey, Juanita (Janie) Gonzalez, Paula Gold-Williams, and Gary Gold to the SA Energy PFC Board of Directors for a term of office commencing on February 1, 2021 and expiring January 31, 2023; and approving PFC Bylaw amendments aligning all Directors’ terms to expire on January 31st of odd-number years and updating the location of the PFC principal office and PFC Board meetings; **NOW THEREFORE:**

RS000-AI-10-1505

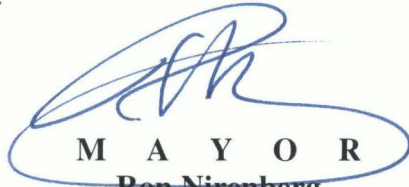
BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Mayor Ron Nirenberg, John Steen, Ed Kelley, Willis Mackey, Juanita (Janie) Gonzalez, Paula Gold-Williams, and Gary Gold are reappointed to the SA Energy Acquisition Public Facility Corporation Board of Directors for a term of office commencing on February 1, 2021 and expiring January 31, 2023.

SECTION 2. SA Energy Acquisition Public Facility Corporation Bylaw amendments aligning the terms of office of all members of the Board of Directors to expire on January 31st of odd number years and updating the location of the PFC's principal office and PFC Board meetings to the new CPS Energy headquarters at 500 McCullough Ave., San Antonio Texas 78215, as further set out in **Exhibit 1**, are approved.

SECTION 3. This Resolution becomes effective immediately upon the receipt of eight affirmative votes, or in the event eight affirmative votes are not received, on the tenth day after passage.

PASSED AND APPROVED this 14th day of January, 2021.

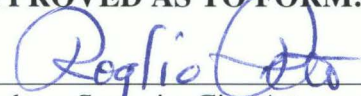

M A Y O R
Ron Nirenberg

ATTEST:



Tina J. Flores, City Clerk

APPROVED AS TO FORM:



For: Andrew Segovia, City Attorney



City of San Antonio

City Council

January 14, 2021

Item: 17

File Number: 20-7405

Enactment Number:

2021-01-14-0002R

Resolution reappointing Mayor Ron Nirenberg, John Steen, Ed Kelley, Willis Mackey, Juanita (Janie) Gonzalez, Paula Gold-Williams, and Gary Gold to the SA Energy Acquisition Public Facility Corporation Board of Directors for terms through January 31, 2023; and approving amendments to the PFC Bylaws. [Tina J. Flores, City Clerk]

Councilmember Clayton H. Perry made a motion to approve. Councilmember Manny Pelaez seconded the motion. The motion passed by the following vote:

Aye: 11 Nirenberg, Treviño, Andrews-Sullivan, Viagran, Rocha Garcia, Gonzales, Cabello Havrda, Sandoval, Pelaez, Courage and Perry

RP
01/14/2021
Item No. 17

Exhibit “1”

**AMENDED AND RESTATED BYLAWS
(INCLUDING AMENDMENT NO. 1)**

OF

SA ENERGY ACQUISITION PUBLIC FACILITY CORPORATION

**ARTICLE 1
GENERAL**

1.1. Name. The name of the corporation is SA Energy Acquisition Public Facility Corporation (the "*Corporation*").

1.2. Sponsor. The sponsor of the Corporation, within the meaning of the Texas Public Facility Corporation Act, Chapter 303, Texas Local Government Code, as amended (the "*Act*"), is the City of San Antonio, Texas (the "*City*").

1.3. Purpose. The Corporation is organized pursuant to the Act to assist the Corporation's sponsor in financing, refinancing, or providing public facilities, as defined in the Act, including natural gas to be devoted to public use or as otherwise set forth in the Corporation's articles of incorporation. For so long as any indebtedness of the Corporation issued to acquire any such interests is outstanding, the Corporation shall provide such assistance solely by acquiring, owning, operating, maintaining, selling, transferring, and assigning electric energy and power, oil, gas, coal, and other liquid, gaseous, or solid hydrocarbon fuels, leasehold and other interests therein, and similar property and engaging in activities that are incidental or convenient thereto.

1.4. Nonprofit Corporation. No part of the Corporation's net earnings shall inure to the benefit of, or be distributable to, any director, officer, or other private person, but the Corporation may pay reasonable compensation for services rendered or property provided. No part of the net earnings of the Corporation remaining after payment of its bonds and expenses in accomplishing its public purpose may benefit any person other than the City Public Service Board of San Antonio, Texas ("*CPS Energy*"), acting on behalf and for the benefit of the City.

No substantial part of the Corporation's activities shall be carrying on propaganda or otherwise attempting to influence legislation. The Corporation shall not participate in, or intervene in (including the publishing or distributing of statements) any political campaign on behalf of or in opposition to any candidate for public office.

1.5. Limitation on Action. For so long as any indebtedness of the Corporation issued to acquire interests in natural gas or otherwise is outstanding, (1) the Corporation shall not incur, assume, or guarantee any obligations except indebtedness permitted by the indenture or other contracts executed in connection with such indebtedness and (2) the Corporation shall not consolidate or merge with or into any other entity or convey or transfer all or substantially all of its assets or properties unless the entity formed by or surviving such consolidation or merger or to which such assets or properties are conveyed or transferred (a) is organized pursuant to a charter, articles of incorporation, trust instrument, bylaws, or other governing instrument that contains provisions substantially the same as this sentence and (b) has expressly assumed all of the obligations of the Corporation secured by any such indenture or contract.

**ARTICLE 2
BOARD OF DIRECTORS**

2.1. Authority, Number, Term, Removal, and Vacancy.

(a) Authority. The Corporation's affairs shall be governed by a board of directors.

(b) Number; Appointment. The board of directors shall be composed of seven directors.

(c) Terms. The terms of all of the members of the Board of Directors shall expire on January 31 of odd numbered years (the "Term End Date"). Directors shall serve for a term of two years, *except* for directors appointed to replace a director who has resigned, died, become incapacitated, or been removed during his or her term, and directors appointed to replace a director who served on the CPS Energy Board of Trustees (each a "Successor Director"), who shall serve for the remainder of ~~such the~~ predecessor's term. Directors whose terms have expired shall continue to serve until his/ or her successors are appointed.

(d) Removal. Any director may be removed from office by the governing body of the City for cause or at any time without cause.

(e) Vacancies. Any seat on the board of directors shall be vacant when the incumbent of such seat has resigned, died, or been removed or the board of directors has determined that the incumbent has become so disabled that he or she will be incapable of participating in the governance of the Corporation for a continuous period of six months or more.

2.2. Appointment. No person shall be appointed as a director of the Corporation unless that person is also appointed as a member of the Board of Trustees of CPS Energy or is the General Manager and CEO or Chief Financial Officer of CPS Energy. Each successor to a director whose term has expired or who has died, resigned, been removed, or become incapacitated, and each new director whose seat has been created by any increase in the number of directors, shall be appointed by the governing body of the City. Any director whose term of office has expired may succeed himself or herself.

2.3. Meetings of Directors.

(a) Place. Meetings of the board of directors may be held at such place or places in the State of Texas as the board of directors may from time to time determine or as the business and affairs of the Corporation may require. In the absence of any such determination, meetings of the board of directors shall be held at the CPS Energy Boardroom, located at ~~145 Navarro, First Floor~~ 500 McCullough Ave., San Antonio, Texas 7820578215.

(b) Regular Meetings. Regular meetings of the board of directors shall be held annually or more frequently on such dates and at such times as the board of directors may determine. Regular meetings of the board of directors may be held without notice to directors. Subject to applicable law, any matter may be considered and acted upon at a regular meeting.

(c) Special Meetings. Special meetings of the board of directors shall be held whenever called by or at the request of the president of the Corporation or any two directors. Except in the event of an emergency, at least three days' notice of the date, time, and place of each special meeting of the board of directors shall be given to each director. At least two hours' notice of each emergency meeting of the board of directors shall be given to each director. Unless otherwise indicated in the notice thereof and subject to applicable law, any matter may be considered and acted upon at a special meeting. At any meeting at which every director shall be present, any matter may be considered and acted upon consistent with applicable law.

(d) Notices. Whenever any notice is required to be given to a director, such notice shall be deemed to be given when deposited in a post office box in a sealed postpaid wrapper addressed to the director at his or her post office address as it appears on the books of the Corporation or when successfully transmitted by facsimile to the facsimile number of the director as it appears on the books of the Corporation. Notice may also be delivered in person or by delivery service or orally by telephone. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting, *except* attendance of a director at a meeting for the express purpose of objecting to the transaction of any business on the

grounds that the meeting is not lawfully called or convened. Neither the business to be transacted at nor the purpose of any regular or special meeting of the board of directors need be specified in the notice to directors or waiver of notice of such meeting, unless required by the board of directors. A waiver of notice in writing, signed by the person or persons entitled to the notice, whether before or after the time that would have been stated therein, shall be deemed equivalent to the giving of notice.

(e) Open Meetings Act. All meetings and deliberations of the board of directors shall be called, convened, held, and conducted, and notice thereof shall be given to the public, in accordance with Chapter 551, Texas Government Code, as amended.

2.4. Quorum. At least five (5) members of the board of directors shall constitute a quorum to transact business at all meetings convened in accordance with these by-laws. The act of a majority of the directors present at a meeting at which a quorum is present shall constitute the act of the board of directors.

2.5. Conduct of Business.

(a) Procedures. At meetings of the board of directors, matters pertaining to the business of the Corporation shall be considered in accordance with rules of procedure as from time to time prescribed by the board of directors.

(b) Presiding Officer. At all meetings of the board of directors, the president of the Corporation shall preside. In the absence of the president, the vice president of the Corporation shall preside. In the absence of both the president and vice president, a director selected by the board of directors shall preside.

(c) Chair Votes. The presiding officer or director shall be entitled to vote on all matters before the board of directors.

(d) Minutes. The secretary of the Corporation shall act as secretary of all meetings of the board of directors. In the absence of the secretary, the presiding officer may appoint any person to act as secretary of the meeting. The secretary of the meeting or his or her designee shall keep minutes of the meetings of the board of directors.

2.6. Committees of the Board of Directors.

(a) Executive Committees. By resolution adopted by a majority of the number of directors fixed by these by-laws, the board of directors may designate one or more committees consisting of two or more directors to exercise the authority of the board in the management of the Corporation to the extent provided by the resolution.

(b) Other Committees. The president or the board of directors may appoint other committees without power to exercise the authority of the board of directors. Such committees need not be limited to directors.

(c) Committee Meetings. Each committee of the Corporation shall keep minutes of the transactions of its meetings and shall cause such minutes to be recorded in books kept for that purpose in the principal office of the Corporation. Any such meetings shall be called, convened, held, and conducted, and notice thereof shall be given to the public, in accordance with Chapter 551, Texas Government Code, as amended.

2.7. Compensation of Directors. Directors shall not receive any salary or compensation for their services as directors, but shall be reimbursed for actual expenses incurred by them in the performance of their duties as directors.

ARTICLE 3 OFFICERS

3.1. Officers Generally.

(a) Officers. The officers of the Corporation shall be a president, a vice president, a secretary, an executive director, and such other officers as the board of directors may from time to time determine to be necessary. A person may simultaneously hold more than one office, *except* that same person may not simultaneously hold the offices of president and secretary. The president of the board of directors must be a member of the CPS Energy Board of Trustees.

(b) Term. Each officer shall serve for a term of one year ending simultaneously with the term of one or more directors. At the expiration of their terms, officers may be reappointed or reelected to the same or different offices.

(c) Qualifications. Only directors shall be eligible to serve as president or vice president. A member of the governing body or officer or employee of the Corporation's sponsor or of CPS Energy who serves as a director of the Corporation may serve as an officer of the Corporation.

(d) Election. All officers shall be elected by the board of directors.

(e) Removal. Officers may be removed from office at any time by the board of directors if it believes that the best interests of the Corporation will be served by the removal.

3.2. President. The president of the board of directors must be a member of the CPS Energy Board of Trustees. The president shall be the chief executive officer of the Corporation and, subject to the authority of the board of directors, shall have general charge of the properties and affairs of the Corporation. The president shall see that all orders and resolutions of the board of directors are given effect. The president shall execute all legal documents and instruments in the name of the Corporation when authorized to do so by the board of directors and shall perform such other duties as may be prescribed from time to time by the board of directors or these by-laws.

3.3. Vice President. The vice president shall have such powers and duties as may be prescribed from time to time by the board of directors and shall perform the duties of the president during the president's absence or disability. Any action taken by the vice president in the performance of the duties of the president shall be conclusive evidence of the absence or disability of the president at the time such action is taken.

3.4. Secretary. The secretary shall give and serve all notices required by these by-laws, may attest to the signature and office of other officers signing any legal document or instrument, shall have charge of the corporate books, records, legal documents, and instruments of the Corporation, and shall discharge such other duties as shall be prescribed from time to time by the board of directors or these bylaws. In the case of the absence or disability of the secretary, the board of directors or the president may appoint an assistant secretary to perform the duties of the secretary during such absence or disability.

3.5. Executive Director. The executive director of the Corporation shall provide administrative support services to the Corporation and shall perform such other duties as shall be prescribed from time to time by the board of directors.

3.6. Compensation. Officers shall not receive any salary or compensation for their services, unless approved by the Board, but shall be reimbursed for reasonable and necessary actual expenses incurred by them in the performance of their official duties as officers.

ARTICLE 4 MISCELLANEOUS

4.1. Principal Office. The principal office address and registered office address of the Corporation shall be the office of CPS Energy, ~~145 Navarro~~ 500 McCullough Ave., San Antonio, Texas ~~78205~~ 78215, or any such other address as may be designated, updated or changed from time to time in the future as the business and affairs of the Corporation may require.

4.2. Fiscal Year. The fiscal year of the Corporation shall be each 12-month period ending January 31, or as otherwise established by the board of directors.

4.3. Resignations. Any director or officer may resign at any time by written notice to the president or the secretary of the Corporation. The resignation shall take effect at the time specified therein or, if no time is specified, at the time of its receipt by the president or secretary. Acceptance of the resignation shall not be necessary to make it effective, unless expressly so provided in the resignation.

4.4. Indemnification. The Corporation shall indemnify each director, officer, employee, and agent of the Corporation and each member of the governing body, officer, and employee of the Corporation's sponsor or of CPS Energy to the fullest extent provided in the articles of incorporation.

4.5. Dissolution. Upon dissolution of the Corporation, title to all funds and other property owned by the Corporation shall vest in CPS Energy on behalf of the Corporation's sponsor.

ARTICLE 5 AMENDMENTS

5.1. Amendments. These by-laws may be amended by the board of directors with the approval of the governing body of the Corporation's sponsor.