

**SOUTHEAST COLORADO POWER ASSOCIATION**  
Minutes of Regular Board Meeting

The regular meeting of the Board of Directors of Southeast Colorado Power Association (SECPA) was held **March 15, 2023**, at the SECPA headquarters, 27850 Harris Road, La Junta, CO.

**1. Call to Order/ Roll Call**

President Truman Wright called the meeting to order at 12:35 p.m. Directors present were Clint Anderson, Brad Buck, Lawrence Brase, Randy Phillips, and Merlin Rushton. Director Kevin Karney was absent.

Staff present: CEO Kevin Brandon, CFO Craig McBrain, COO Mark Hall, CHRO Angela Bamber, and Executive Assistant Debbie Howard. Casey Martin, outside legal counsel was also present.

**2. Agenda Modifications - None.**

**3. Member and/or Public Participation – None.**

**4. Board Meeting Minutes**

Motion was made and seconded to approve February 15, 2023 minutes. **MOTION** carried.

**5. Chief Executive Officer – Brandon**

- Brandon circulated the annual meeting notice that will be sent to members.
- Gave an update on Peterson mill solar project. An example analysis of net metering purchase power agreement was reviewed. McBrain pointed out that at March 17<sup>th</sup>, 2021 Board meeting, a motion had passed to add a November true up, with moratorium on net metering over 25 kW until a rate study had been completed.  
Following a lengthy discussion, the subject was tabled until April 19<sup>th</sup> meeting.
- Brandon attended CREA Annual meeting. Meeting was attended by managers, board presidents, and co-op board director representatives. The main focus of the meeting was a discussion of the survey results on what CREA does that's important for your co-op (i.e. lobbying, magazine publication, safety, etc.)
- Participated in a round table at Pueblo Latino Chamber concerning the The Corners Connector.
- Attended NRECA Annual meeting in Nashville. Discovered there are numerous grant opportunities available.
- Discussed changing board meeting day so that financials for SECPA & SECOM (subsidiary) are available for the same month for Board meetings. Noted attorney is attending Sangre de Cristo Electric co-op Board meeting on 4<sup>th</sup> Wednesday of month. Tabled until April meeting.
- Capital credit checks will be sent to members in April.
- SECPA is hosting a National Weather Service presentation on March 29<sup>th</sup>.
- Brandon mentioned CORE electric cooperative has announced a new wholesale power supply partnership with Invenergy.

**6. Finance & Membership – McBrain**

- Reviewed January Income Statement, Balance Sheet, various graphs & Check Register. (Included in Board packet.)
- January Net Margins, \$324,943; YTD, \$324,943.
- January new memberships, 22; withdrawals, 39; 10,962 accounts billed.
- 18 meters were disconnected for non-payment and totaled \$15,399 (16 were reconnected.)
- McBrain presented a patronage capital credit summary. Retirements for 2023 to include years 1970-1982, total \$1,300,845. Retirement checks total \$838,120.82 (2023 Budget shows cash retirement of Capital Credits in the amount of \$850k.) It was noted that checks totaling \$49k are being reissued from past retirements.

Motion was made and seconded to approve the retirement of 100% of SECPA Capital Credits allocated for the years

1970-1982 using the FIFO method with a minimum check amount of \$10.00 and an estimated cash requirement of \$838,121 for check to be mailed on or before April 20, 2023. **MOTION** carried.

**7. Operations – Hall**

- Various kWh graphs, Outages, Work Orders, and Line Loss reports reviewed. (Included in Board packet.)
- Rolling line loss was equivalent to \$69,546.
- Apprentice Patrick Wycoff passed Journeyman Lineman exam (oral and written) administered by Apprentice Committee. He was promoted to Serviceman (LJ).
- Tyler Schwartz is moving to La Junta from Lamar and will fill Wycoff's position.
- Five employees are attending meter school in Fort Collins this week.
- Hall plans to register a large group of employees to Hotline school this year.
- Attended a Mutual Disaster Aid Committee meeting with CREA via zoom to discuss re-implementing mutual aid agreement.
- Checking on cost to have PCB training conducted on site.
- La Junta crew has been helping Lamar crew in Hasty area. Springfield crew is working in Campo area.
- Hall is being creative with supply chain issues.
- Gave a brief Safety report (included in Board packet.)

**8. Legal –**

- Attorney invoice \$3,543 (\$1,975 for revising/editing Board policies 101-106.) Copy in Board packet.
- Board policies 101-106 were reviewed. Martin explained most of the revisions were eliminating superfluous language.
- Board approved modifications to include new logo and board president signature line on policies.
- BP 103 Code of Ethics  
*Exhibit A – A "Conflict of Interest" form will be signed by current individual Directors and future Directors after they are seated on the Board.*
- BP 106 Board of Directors – CEO Interrelationship  
*Bamber asked if "Scope: D. It shall be the policy of the Board to refrain, as individuals, from discussing governance or management issues with employees of SECPA outside of regular or special meetings of the Board of Directors. The CEO shall be SECPA's spokesperson for all operational and managerial issues" means that employees can still contact Directors? Martin responded this only addresses Directors not contacting employees. (See NOTE at bottom of next page.)*
- Martin attended CREA annual meeting and, even though he benefitted by being there, he doesn't feel it is necessary for him to attend every year.

**9. Human Resources – Bamber**

- February payroll = \$346,539 (overtime = \$9,923); (other \$10,726 includes employee on-call time); 49 employees.
- Jobs Posted:  
Serviceman, La Junta  
Apprentice Lineman, La Junta (required minimum 3,000 hours of experience)
- Employee Position Changes  
Patrick Wycoff, Apprentice Lineman, advanced to Journeyman and promoted to Serviceman, La Junta

**10. Affiliate Organization Board Reports**

**A. Western United Electric (WUE) - Anderson**

- Anderson attended WUE Annual meeting. It was noted he is Secretary for WUE Board.

**B. Colorado Rural Electric Association (CREA) – Karney (absent)**

- Brandon and Wright attended CREA Annual meeting.
- Joint Board-Manager-BOD Presidents meeting was held February 22 prior to CREA Annual meeting.

C. Tri-State G&T- Brase

- March Board report included in Board packet.
- Rate Design Recommendation was shown via PowerPoint. Brase noted that 65% approved recommendation.
- Rate Design Committee recommendations included several financial goals including minimum Debt Service Ratios (DSR) and minimum margins in the new rate which would take affect 1-1-2024 if approved by FERC.

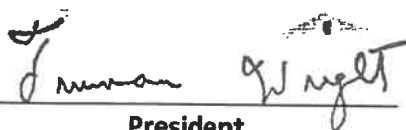
11. Executive Session

Motion was made and seconded to go into Executive Session at 3:50 p.m. for personnel matters.  
**MOTION** carried.

Staff, except CEO left the meeting.  
CEO left the meeting at 4:00 p.m.

Meeting reconvened at 4:05 p.m.

12. Adjourn - There being no further business, the meeting adjourned at 4:05 p.m.

  
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President

  
\_\_\_\_\_  
Secretary

NOTE: 8. Legal –

- BP 106 Board of Directors – CEO Interrelationship

*(“Scope: E It shall be distinctly understood that the “flow” of authority for the management of the Cooperative shall pass through the CEO and the CEO shall be the connecting link between the Board of Directors and the employees. The Board of Directors shall require full and complete information from the CEO concerning all matters in connection with the management of the Cooperative as set forth in Board policies.”)*