

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 **September 20, 2023**, at the SECPA headquarters, 27850 Harris Road, La Junta, CO.

1. Call to Order/ Roll Call

Secretary/Treasurer Merlin Rushton called the meeting to order at 1:45 p.m. Directors present were Lawrence Brase, Brad Buck, new Director Michelle Gardner, Randy Phillips, and Merlin Rushton. Clint Anderson and Truman Wright were absent.

Staff present: CEO Kevin Brandon, COO Mark Hall, CFO Craig McBrain, and Executive Assistant Debbie Howard. CHRO Angela Bamber was absent. Casey Martin, outside legal counsel, participated via video conference until 3:00 p.m.

2. Agenda Modifications - None.

3. Member and/or Public Participation – None.

4. Board Meeting Minutes

Motion was made and seconded to approve August 16, 2023, Board minutes. **MOTION** carried.

5. Chief Executive Officer – Brandon

- Brandon has submitted a letter of Interest (LOI) for an Empowering Rural America (ERA) grant which is primarily for renewables. The proposed project would be an addition to expand the 4 MW Vilas Solar Farm to 5 MW and add a 5MW battery storage system. In response to request from Brase for an update on the Vilas Solar Farm, Brandon presented a spreadsheet showing production, costs, savings, etc. He noted that Year-To-Date (YTD) through August, there was a \$145K saving to members. SECPA does not own the solar panels but does own the 40 acres the solar farm sits on. Phillips requested a copy of the spreadsheet be sent to him. (Spreadsheet will be added to Board packet.)
- Brandon attended a special CREA meeting on August 24th to discuss net metering.
- Numerous thank you cards received from 4-H kids were shared.
- Brandon and Brase attended CFC Director's workshop in Avon, Colorado.
- Randy Penn, CFC representative, is scheduled to attend December Board meeting.
- Brandon hosted the Eastern Colorado Managers meeting September 11th. Managers participated in Tri-State's Member CEO Town Hall via video conference.

6. Finance & Membership – McBrain

- Reviewed July Income Statement, Balance Sheet, various graphs & Check Register. (Included in Board packet.)
- July Net Margins, \$ 201,840; YTD, \$1,378,308.
- There was no membership report available. Report will be sent to Directors.
- Brase asked McBrain to research what other co-ops pay for employee's health insurance. McBrain responded We could look at 3rd party carriers other than NRECA (other plan options.) Brandon added SECPA has previously looked in other options but will take another look. Some other co-ops pay more matching to employee 401k plan instead of a defined benefit plan. McBrain mentioned that we can schedule an NRECA benefit representative to attend a board meeting if the board desires.

7. Operations – Hall

- Various kWh graphs, Outages (109), Work Orders, and Line Loss reports reviewed. (Included in Board packet.)
- Rolling line loss was equivalent to \$31,694. Hall noted rolling line loss is still not accurate due to La Junta being temporarily fed by a mobile substation while Tri-Stat performs upgrades to the substation.
- Hall attended a meeting in Wiley where a company was promoting solar panels using government funding to agricultural producers.

- Adding 1MW load for irrigation South of Holly.
- Catching up on projects in Baca County that were delayed due to weather.
- Staking for several irrigation pumps at a hunting lodge South of Walsh.
- Tesla wants to build EV chargers at truck stop South of Springfield and Love's in Eads wants to install DC fast chargers there as well.
- Gage Leathers passed Journeyman test.
- Hired Corey LaCost as Warehouseman in Lamar.
- Safety Report given including training completed.

8. Legal – Martin

- Attorney invoice \$1,798; YTD \$21,340 (\$3,600 YTD for revising/editing Board policies.)
- Legal fees YTD for SECPA & SECOM total \$36,874.
- Presented BP 107 Board- Management Relations, BP108- CEO Evaluation, and 109 Board Committees (which were tabled at the August Board meeting.) Brandon reviewed his edits. Motion was made and seconded to approve each individual policy as presented. **MOTION** carried.
- Martin has sent a demand letter to Springfield regarding Springfield annexing property located in SECPA's Service territory. Hall mentioned that Springfield did not give SECPA a Letter of Intent (written notice) required by law that Springfield was going to provide electric power to the property.
- Directors asked Martin how his travel and mileage are charged when he attends Board meetings.

9. Human Resources – Brandon

- August payroll = \$427,758 (overtime = \$36,630); (other \$11,905 - includes employee on-call time); 54 employees (includes 5 Summer employees.)
- Staffing Changes:
 - Gage Leathers – Apprentice to Journeyman, Springfield
 - Cary LaCost – Warehouseman, Lamar (started 9/11/23.)

10. Affiliate Organization Board Reports

A. Western United Electric (WUE) -

- Written report in Board packet.

B. Colorado Rural Electric Association (CREA) – Phillips

- Written report in Board packet.
- Phillips related net metering was discussed all day at Thursday's meeting and one-half day at Friday's meeting. CREA Board told Kent Singer, CREA CEO, they want him to continue status quo on net metering.

C. Tri-State (T/S) G&T- Brase

- Written report in Board packet.
- There has been no progress with the United Power mediation on Adams County case.
- United Power currently has no Tri-state Board representation.
- Mountain Parks has intentions of withdrawing from T/S in 2025; has no Board representative at T/S now.

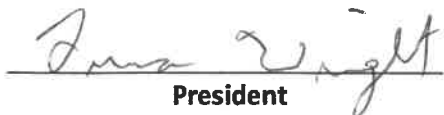
11. Executive Session

Motion was made and seconded to go into Executive Session @ 3:40 p.m. for CEO evaluation.

-Howard, Hall & McBrain left the meeting.

-Meeting reconvened at 4:35 p.m.

12. Adjourn - There being no further business, the meeting adjourned at 4:35 p.m.


President


Secretary