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 **June 24, 2026,** at the SECPA headquarters, 27850 Harris Road, La Junta, CO.

1. **Call to Order/ Roll Call**
Vice President Merlin Rushton called the meeting to order at 1:00 p.m. Directors present were: Lawrence Brase, Michelle Gardner, Randy Phillips, and Truman Wright.
Staff present: CEO Mark Hall (virtual), CFO Aaron Johnson, and Executive Assistant Debbie Howard. Matt Richardson, outside legal counsel, was also present. Clint Anderson and Brad Buck were absent.

2. **Agenda Modifications** – None.

3. **Member and/or Public Participation** – One guest.

4. **Board Meeting Minutes**
Motion was made and seconded to approve May 27, 2026, Board minutes. **MOTION** carried.

5. **Chief Executive Officer – Hall**
Nothing to add to the report sent to Directors prior to today's meeting.

6. **C-Team Reports**
   A. **Finance & Membership – Johnson**
   - May Financial reports were reviewed. Total assets have increased by $4.8M over the last 12 months.
   - May margins were negative $109,451; YTD negative $132,079.
   - YTD delinquent penalty charges through April $87,122.
   - SECPA advanced $6M under its CoBank debt facility to pay down the CoBank line of credit, resulting in approximately $26k savings in the first year.
   - There were 22 new memberships and 20 withdrawals. Active meters total 10,894.
   - Request for Proposals (RFP) for audit and tax services have been sent to four CPA firms. Deadline for RFP submission is July 10 and final approval by the Board at July board meeting. A firm will be selected July 23rd and a Master Service Agreement in place by August.
   - Provided a verbal update to his written notes included in the board packet.
   - May payroll cost $439,970; employee count is 42.
     - An Area Serviceman and a lead Journeyman Lineman (Springfield) resigned effective 6/24/26.
     - Apprentice Lineman transferring from Lamar to Springfield.
     - Hired new apprentice in Lamar.

   B. **Operations – Hall**
   - Update on outages (65 outages), various projects, rolling line loss and crew activity.
   - Provided details on the status of several projects.
   - Received equipment from SRS which will connect to after-hours radio dispatch.

   Safety - Verbal update given on written Safety Report in board packet.

7. **Affiliate Organization Board Reports**
   A. Western United Electric (WUE)- Gardner
   - WUE May Sales and Finance report in board packet.

   B. Colorado Rural Electric Association (CREA) - Gardner
   - Reported on CREA meeting she attended. CREA May board minutes in board packet. *Colorado Country Life* magazine has largest circulation of any magazine in Colorado.
   Taylor Ward, CREA, explained how CARE is choosing candidates to support; are supporting Barb Kirkmeyer and Michael Bennett in the primary.

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

- Tri-State Board report in board packet. Board policy BP 315 is being revised. Tri-State is losing most of the Nebraska co-ops, which may be going to Basin Electric. Tri-State is moving their offices to a new location and building a new operations center. Rick Gordon is retiring as a Mountainview Electric board director after 34 years, and Tri-State Board Director for 20 years.

8. Legal - Richardson

- Provided a verbal report to his written report. Completed SECPA's CFC PowerVision Loan Opinion letter, assisted Hall regarding an invasion of SECPA's territory and a protected Non-Disclosure Agreement.
- Gave an overview of Western Conference of Utility Commissioners meeting he attended. Conference speakers spoke on data center challenges and utilities using flexible approaches to facilitate the growing demands posed by data centers. Richardson stated that studying these models and approaches may prove useful to SECPA's future efforts to accommodate large load requests in SECPA's certificated territory.

9. Executive Session -

Motion was made and seconded to enter Executive Session at 1:45 p.m. for Non-Disclosure Agreement and personnel matters.

MOTION carried.

- Johnson and Howard left meeting.

10. Adjourn – Meeting reconvened and adjourned at 2:00 p.m.

Board President | **Board Secretary**