

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 **January 19, 2022**, at the SECPA headquarters, 27850 Harris Road, La Junta, CO.

1. Call to Order/ Roll Call

Vice President Truman Wright called the meeting to order at 1:00 p.m. Directors present were Clint Anderson, Brad Buck, Lawrence Brase, Kevin Karney, Merlin Rushton, and Randy Phillips via video conference.

Interim CEO & CMSO Kevin Brandon, CFO Craig McBrain, COO Mark Hall, CSO Clint Arbuthnot, and Executive Assistant Debbie Howard were also in attendance, and Angela Bamber via video conference.

2. Agenda Modifications – None.

3. Member and/or Public Participation – None.

4. Board Meeting Minutes

Motion was made and seconded to approve December 15th, 2021, Board Meeting minutes. **MOTION** carried.

5. Interim Chief Executive Officer – Brandon

- Resolution 22-01 (copy made a part of these minutes) was presented stating that SECPA Board of Directors commit to supporting Federal Communication Commission (FCC) net neutrality rules. Motion made and seconded to approve resolution as presented. **MOTION** carried.
- Thank you notes were shared.
- Brandon gave a legislative update from CREA.
- Plans are being made for SECPA to host a legislative dinner immediately following the CREA legislative reception. San Isabel Electric will co-host the dinner.
- An onboard interview was done with Co-op Ballot (3rd party election company.) Rationale for using 3rd party is that it would prevent any appearance of impropriety in the election process. Due to necessary bylaw revisions, it was decided to wait until next year to engage a 3rd party to conduct the election.
- Discussed Capital Credit Retirements. Suggestion made to retire years 67-68-69. McBrain proposed waiting until Rate Study is completed.
- Health Mart in Eads has agreed to allow SECPA to install a kiosk for member's payments.
- Motion made and seconded to appoint Anderson as voting delegate and Karney as alternate delegate for the Western United Electric annual meeting. **MOTION** carried.
- Motion was made and seconded to retain the current voting delegate, Karney and alternate voting delegate, Brase, for the CREA Annual meeting. **MOTION** carried.
- Motion was made and seconded to appoint Brandon as voting delegate and Anderson as alternate voting delegate for the NRECA Annual meeting. **MOTION** carried.

6. Accounting & Finance- McBrain

- November Income Statement, Balance Sheet & various graphs were reviewed. (Included in Board packet.)
- November Net Margins, \$976,997; YTD, \$3,686,639 (Line 24 - Income/Loss from Equity Investment on Income Statement included \$750K owed to SECPA by SECOM.)
- McBrain explained some unique transactions occurred in November: Booked Income/Loss from equity Investments \$1,029,964; legal fee for LUB originally charged to work order, changed it to Administration & General Legal fee for approximately \$250k (offset by \$110k from CFC Integrity Fund.)
- Rushton prefers to continue receiving summary check register and request detail if there is a question about a specific check.

7. Member Services & Technology – Brandon

- Membership reports included in Board packet. Net loss of two accounts.

8. Operations – Hall

- Various kWh graphs, Outages, Work Order, and Line Loss reports reviewed (included in Board packet.)
- Monthly line loss was equivalent to \$53,386.
- During the December 15 windstorm, 77 poles were lost. Crews did extremely good job.
- Elevator in Sheridan Lake has requested an increase in load and has made payment; will begin construction on 2K kva service.
- Hemp farm near Springfield has requested increase in load.
- A local business has conducted a power rate comparison which shows an estimated \$5500 savings if electric power is provided by SECPA instead of their current provider. Business plans to build new facility which will include efficiency equipment.
- New warehouseman hired in La Junta (replaces retiring one) and new apprentice hired for Springfield (formerly employed by Lamar Utility.)
- Roman Horn has passed journeyman’s test.
- Hall reported 2021 statistics: Sold 33M more Kwh than in 2020, added 6 ½ more miles of overhead and 16 more miles underground line than in 2020, purchased 368 more poles in 2021 than 2020.
- Transformer for Edison substation has been ordered and should be delivered in 12 weeks.

9. Human Resources – Bamber

- December payroll = \$419,365 (overtime = \$36,559); 50 employees (1 part-time.)
- New position Substation & Metering Manager (LJ); hired current Metering Systems Technician.
- New position Systems Operator (LJ) – interviews conducted and position filled.
- Interviewing for Metering Systems Technician (LJ) to fill position vacated when current Metering Systems Technician (LJ) was promoted to newly created Substation & Metering Manager.

10. Safety – Arbuthnot

- An update on training completed, upcoming training, Safety Manual and crew visits was given.

11. Affiliate Organization Board Reports

A. Western United Electric (WUE) - Anderson

- Written summary included in Board packet. Anderson asked if any questions.

B. Colorado Rural Electric Association (CREA) - Karney

- Written summary included in Board packet. Next meeting scheduled January 31-February 2.

C. Tri-State G&T- Brase

- Written report included in Board packet.
- Brief commentary given.; reduced Tri-State employees from 1600 to 1400 in an effort to reduce expenses.
- Brase has been appointed to serve on Tri-State Rate Design Committee.
- Brandon attended CEO member manager quarterly meeting virtually.
- Brandon sent a letter to FERC in support of Tri-State’s Contract Termination Payment (CTP.)

12. Executive Session


Motion was made and seconded to go into Executive Session at 3:40 p.m. for legal and personnel matters. **MOTION** carried. Staff left meeting except Bamber at 4:10 p.m.

Regular meeting reconvened at 4:50 p.m.

13. Adjourn - There being no further business, the meeting adjourned at 4:50 p.m.



President



Secretary

**SOUTHEAST COLORADO POWER ASSOCIATION
BOARD RESOLUTION
COMMITMENT TO NET NEUTRALITY**

22-01

SECRETARY'S CERTIFICATE

I, Clint Anderson do hereby certify that: I am the Secretary of the Board of Directors of Southeast Colorado Power Association (hereinafter the "Cooperative"); that the following are true and correct copies of resolutions duly adopted by the Board of Directors of the Cooperative at the regular meeting held on January 19, 2022, and entered in the minute book of the Cooperative; that the meeting was duly and regularly called and held in accordance with the bylaws of the Cooperative; and that none of the following resolutions have been rescinded or modified:

RESOLUTION

Whereas the Federal Communications Commission (FCC) adopted net neutrality rules on February 26, 2015, that state: (1) Broadband providers shall not block access to lawful content, applications, services, or nonharmful devices; (2) Broadband providers shall not impair or degrade lawful Internet traffic on the basis of content, application, or service, or use of a nonharmful device; and (3) Broadband providers shall not favor some lawful Internet traffic over other lawful Internet traffic in exchange for consideration of any kind.

RESOLVED that the Cooperative Board of Directors commits to supporting net neutrality in its current and proposed broadband networks to align with the FCC's rules and to promote a competitive broadband market. Specifically, the Cooperative will not take part in or allow the following actions on its networks regarding net neutrality:

1. Block lawful content, applications, services, or non-harmful devices, subject to reasonable network management
2. Impair or degrade lawful internet traffic on the basis of internet content, application, or service, or use of a non-harmful device, subject to reasonable network management
3. Engage in paid prioritization – meaning the management of a broadband provider's network to directly or indirectly favor some traffic over other traffic – including through use of techniques such as traffic shaping, prioritization, resource reservation, or other forms of preferential traffic management, either (a) in exchange for consideration (monetary or otherwise) from a third party, or (b) to benefit an affiliated entity

I FURTHER CERTIFY THAT each member of the Board of Directors of the Cooperative was furnished with notice of said meeting in compliance with the bylaws of the Cooperative.

IN WITNESS WHEREOF, I hereunto set my hand and affix the seal of the Cooperative this 19th day of January, 2022 .

SEAL

Secretary