

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 18, 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 12:50 p.m. Directors present were Clint Anderson, Lawrence Brase, Brad Buck, Kevin Karney, Randy Phillips, and Merlin Rushton. Staff present: CEO Kevin Brandon, CFO Craig McBrain, 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 December 21, 2022 minutes. **MOTION** carried.

5. Chief Executive Officer – Brandon

- Brandon is reaching out to Xcel for payment for damage claims incurred during a high voltage outage.
- A member has asked for an exception to the SECPA net metering policy. Brandon will address additional questions of the member.

Motion was made and seconded to designate Anderson to serve as voting delegate and Brandon as alternate delegate at the Western United Electric annual meeting. **MOTION** carried.

Motion was made and seconded to appoint Wright as voting delegate and Brase as alternate delegate at the CREA Annual Membership meeting. **MOTION** carried.

- Discussed hosting legislative dinner again this year in conjunction with the CREA annual meeting. In lieu of hosting a group dinner, Directors prefer to invite Representative Ty Winter and Senator Rod Pelton to a private dinner hosted by SECPA.
- Brandon has been discussing with Tri-State the possibility of a new delivery point at their planned Crosspoint substation. This substation is needed to address the growing Mountain View load in the area. Mountain View would have 2 circuits out of the substation and SECPA would have 1. Feeding our Edison substation directly from this substation would eliminate the need to pay wheeling charges to Mountain View and increase reliability for both co-ops. Under current Tri-State policy, there would be no cost for this connection, with the only cost to SECPA being approximately \$300,000 to extend our Edison 69kV line approximately 2 miles.
- Brandon told Directors since Karney is not running for re-election, and there were no candidate petitions received for that district, and Phillips and Anderson are running unopposed, there will be no need for a Director election. SECPA is planning to send an invite and Notice of Annual meeting via a separate mailing to members. Director vacancy will be posted in April after Karney's departure, and Directors will conduct candidate interviews. Suggestion was made that at the annual meeting, the process of filling the board vacancy be explained to members. Also, to address Unclaimed Capital Credits and the Capital Credit process in general.

6. Finance & Membership – McBrain

- Reviewed November Income Statement, Balance Sheet, various graphs & Check Register. (Included in Board packet.)
- November Net Margins, \$216,098; YTD, \$2,681,794.
- December new memberships, 18; withdrawals, 28.
- Comparison of delinquent penalty charges YTD 2021 - \$243,215; YTD 2022 - \$214,324.
- Brandon informed Directors the cost for a 4 page insert listing Unclaimed Capital Credits in *Colorado Country Life* magazine would be \$1600; 8 page insert, \$2200. He is working on getting a current list to see how many pages will be needed.

- Brandon noted a retirement of approximately \$1.4M would retire all allocated unretired Capital Credits from 1970 through 1982.

7. Operations –

- Various kWh graphs, Outages, Work Order, and Line Loss reports reviewed. (Included in Board packet.)
- Rolling line loss was equivalent to \$58,639.
- Brandon gave a brief Safety Report in Hall's absence (included in Board packet.)

8. Legal - Martin

- Martin will review SECPA Board policies 101-106 at February Board meeting; 107-112 at March meeting and 113-118 at April meeting.
- JVAM (Martin's law firm) has applied to become outside general counsel for San Luis Valley Rural Electric and Ciello, their broadband company. He asked if SECPA had any issues with his doing so.

9. Human Resources – Bamber

- December payroll = \$385,903 (overtime = \$21,341); (other \$43,403 includes employee on-call time, sick leave over 520 hours payout, and Christmas bonuses.); 47 employees
- Job Interviews:
Staking engineer, Springfield (starts Monday.)
Serviceman, La Junta. Position has been offered (awaiting background check.)
- Job Posted:
Accounting Specialist, La Junta (creation of new position.)
- New Hires:
Frank Rinker - Warehouseman, La Junta 1/3/23.
Gage Leathers – Apprentice, Springfield 1/3/23

10. Affiliate Organization Board Reports

A. Western United Electric (WUE) - Anderson

- Written summary included in Board packet.

B. Colorado Rural Electric Association (CREA) - Karney

- CREA meeting notes in Board packet.

C. Tri-State G&T- Brase

- December Board report included in Board packet.
- Reported on Rate Design Committee. Tri-State won't seek rate increase until January 2024.
- Tri-State has hired another law firm to handle FERC proceedings.
- Mountain Parks Electric has filed to withdraw from its all-requirements wholesale power contract with Tri-State effective January 15, 2025.

11. Executive Session

Motion was made and seconded to go into Executive Session at 2:30 p.m. for legal and personnel matters.
MOTION carried.

Staff except Brandon exited the meeting at 2:45 p.m.

Meeting reconvened at 3:45 p.m.

12. Adjourn - There being no further business, the meeting adjourned at 3:45 p.m.



President



Secretary