

## 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 **JULY 17, 2024**, 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 12:25 p.m. Directors present were Clint Anderson, Lawrence Brase, Michelle Gardner, Randy Phillips, and Merlin Rushton. Brad Buck was absent.

Staff present: CEO Kevin Brandon, CFO Aaron Johnson, CHRO Angela Bamber, and Executive Assistant Debbie Howard. COO Mark Hall participated via conference call.

Casey Martin, outside legal counsel, participated via conference call.

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

#### 4. **Board Meeting Minutes**

Motion was made and seconded to approve June 19, 2024, Board minutes with one correction.

**MOTION** carried.

#### 5. **Chief Executive Officer – Brandon**

- Black Hills sent out a notice of an 18% rate increase at the same time SECPA sent out their notice of a 2% rate increase. Brandon thought the timing was great.
- Brandon participated virtually in a Tri-State Town Hall yesterday. FERC can determine when Tri-State's rate increase goes into effect and whether it is retroactive.
- Brandon expressed disappointment with the way Tri-State handled a major outage on Monday. He explained that non-members (Lamar) of Tri-State were given priority over members (SECPA.)
- Discussion on SECPA being able to notify members more quickly in the event of a major outage.
- Wright recommended an article be printed in the *Colorado Country Life* magazine explaining what happens when a major outage occurs.

LUNCH: 12:00 – 12:30 p.m.

#### 6. **Finance & Membership – Johnson**

- Reviewed May Income Statement, Balance Sheet, various graphs & Check Register.
- May Net Margins, \$222,022; YTD, \$1,105,159. Drew down \$5.2M on a CFC loan that repays over 30 years and has an interest rate of approximately 5.42% fixed for 5 years.
- There were 26 new memberships; 34 withdrawals; 11,161 accounts billed.
- Johnson asked if there is interest in continuing to include Disconnect Report in Board packet. Directors would like the report to list only the accounts that remain after reconnects have been completed.

#### 7. **Operations – Hall**

- Various kWh graphs, Outages (191), Work Orders, and Line Loss reports reviewed. (Included in BOD packet.)
- Rolling line loss was equivalent to \$61,481.
- Hall is attending a CREA Loss Control Seminar today.
- Took delivery of a bucket truck that was ordered two years ago.
- Purchased two new pickup trucks, one for Hall and one for Line Superintendent Mike Trumble.
- Hall elaborated on the events that occurred causing Monday outage. He has contacted NEI engineering for assistance and will meet with them tomorrow. Hall stated that T/S did not communicate load issues to SECPA. He told T/S they should treat members better than non-members. It was also noted that a similar incident had occurred two years ago. There has been speculation that this outage was caused by lightning (an "act of God.") If that is the case, then SECPA's insurance will not pay. Brase stated that the

- insurance carrier can definitely find the cause of the outage.
- Wright requested that SECPA follow up to ensure that insurance carrier investigates cause of incident. It was also mentioned that depending on whether T/S has a policy/procedure on how load is determined/ addressed, T/S may be responsible for any damages incurred during outage incident.
- Brandon reached out to Duane Highley, Tri-State CEO, on Monday but has had no response.
- Brandon plans to schedule meeting with Highley. Brase requested that he be included in that meeting.
- Update given on area crew projects.
- Safety Report: Josh Stoker passed SECPA's Journeyman test and Luis Rodriguez passed Mesa Hotline School Journeyman test. Hall explained the difference between the two tests is that Hall requires the Mesa test in order for a journeyman to hold any position where there is responsibility for other personnel Hazard Assessment has been completed.

#### 8. **Legal – Martin**

- No invoice available for June.
- Written report was reviewed. (Report was not available for Board packet.)

#### 9. **Human Resources – Bamber**

- June payroll = \$473,373; (overtime = \$64,097); (other \$16,462 - includes employee on-call time.) 52 employees, including 4 summer employees.
- Staffing Changes & Postings:
- Jacob Barnes was promoted to Working Foreman in Lamar.
- Apprentice Lineman 1<sup>st</sup> step La Junta position opening has been filled by Trevor Johnston. Johnston was employed by SECPA as an intern last year and again this year.
- Rhonda Jaramillo has been hired as HR Generalist; start 7/29. Additional HR position was added to allow Bamber to focus on “bigger picture matters” (i.e. union, etc.) & assisting COO as needed. Bamber noted this position was budgeted for Operations in the 2024 budget.

#### 10. **Affiliate Organization Board Reports**

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

- Written report in board packet.

##### B. Colorado Rural Electric Association (CREA)- Phillips

- June CREA meeting was held in conjunction with Mesa Hotline School. Minutes are included in board packet. Net metering was a topic of discussion. Phillips was very impressed with Hotline School. He related he was paired with Jack Johnston, Delta Montrose Electric Association CEO, for touring the facility.
- CREA audit has been approved. July meeting will be virtual.
- Phillips expressed his concern about the loss of employees at CREA.

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

- T/S Board report included in board packet.
- IRA funding will be huge; T/S is first on list to receive.

#### 11. **Executive Session**

Motion was made and seconded to enter executive session for confidential business matter at 2:00 p.m.

Meeting reconvened at 2:05 p.m.

12. **Adjourn** – Meeting adjourned at 2:10 p.m.

  
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President

  
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Secretary