

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 25, 2025**, at the SECPA headquarters, 27850 Harris Road, La Junta, CO.

1. Call to Order/ Roll Call

President Clint Anderson called the meeting to order at 12:15 p.m. Directors present were: Lawrence Brase, Michelle Gardner, and Randy Phillip. Brad Buck, Merlin Rushton and Truman Wright were absent.

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

Guest: CoBank Vice President (VP) Paul Podany joined the meeting at 12:20 p.m.

2. Agenda Modifications – None.

3. Member and/or Public Participation – None.

4. Board Meeting Minutes

Motion was made and seconded to approve May 28, 2025 Board minutes. **MOTION** carried.

5. CoBank – (12:50 – 1:15 p.m.) Podany provided a PowerPoint presentation, explaining that CoBank is a cooperative bank and is one of the largest private providers of credit to the rural United States economy. He responded to questions asked by Directors.

6. Legal – JVAM (none.)

7. Chief Executive Officer – Brandon

A. Bank Resolution. Motion was made and seconded to approve Resolution 25-01 authorizing Board Secretary/Treasurer Michelle Gardner as an administrator for online banking transactions (further defined in the resolution.) Motion was made and seconded to approve Resolution 25-01 as presented. **MOTION** carried.

- EV charging station at Holiday Inn is being retired. Hall will follow-up.
- Gave an update on Tri-State's Bring Your Own Resource (BYOR) program. Several Eastern Colorado co-ops (including SECPA) are working with Poudre Valley Electric Association (PVEA) on a Purchase Power Agreement. Brandon has sent a draft of the PPA to Casey Martin, SECPA's outside legal counsel, for review. Motion was made and seconded to approve the PPA pending legal review. **MOTION** carried.
- Tri-State's CFO has resigned and an interim CFO has been hired.
- Reported that Tri-State' Board has approved Tri-State's joining in the Southwest Power Pool (SPP) West Regional Transmission Organization (RTO). SPP West will begin operation in 2026.
- Gave an overview of the proposed financing options (including a prepay option) for member investment for the purchase of a new headquarter office facility for CREA. The purchase has been approved by CREA Board of Directors. The cost of the new property is \$2.475M. CREA has \$475k cash on hand and would borrow \$2M. Motion was made and seconded to table until July board meeting when more Directors would be available to vote. **MOTION** carried.
- Discussed costs of CREA membership. Hall is prepared for SECPA to conduct their own Safety Training if it were no longer provided by CREA. SECPA already does much of their training in-house. An analysis of CREA costs will be provided for Directors at the July meeting.

8. C-Team Reports

A. Finance & Membership – Johnson

- Reviewed May Income Statements, Balance Sheets, Cash Flow Summaries, and various graphs.

Written report included in Board packet.

- May Net Loss \$3,821; YTD margins, \$302,312.
- YTD delinquent penalty charges \$97,590.
- There was a loss of 17 memberships; YTD loss 32.
- Johnson reviewed a Cooperative Finance Corporation (CFC) and CoBank Interest Rate Comparison chart for 5/19 & one for 6/16.

He explained details and status of SECPA's debt position on "Serial Note" loans initiated in September 2019 through CFC (with accompanying written notes.) Johnson told Directors these loans were used to buy out of Rural Utilities Service. He noted the "saving grace" is because of the interest rate, there is no benefit in paying the loan off.

B. Operations – Hall

- Various kWh graphs, Outages (87), Work Orders, and Line Loss reports reviewed.
- April rolling line loss was equivalent to \$55,599.
- Reported crew activity.
- Three contract crews are working on "make-ready" projects for SECOM fiber grants.

Safety Report:

- Quentin Duke has passed journeyman's test. He will take the Hotline journeyman test next month.
- John Parker, Safety Manager, attended Rocky Mountain Safety PCB conference. He also assisted CREA at KC Electric for RESAP.
- Hurt Man Rescue training was performed in all SECPA locations.

C. Human Resources – Bamber

- May payroll = \$422,0173; (overtime = \$32,075); (other \$14,283 - includes employee on-call time and unpaid leave for tracking purposes.) 48 employees (includes 1 part-time.)
- **STAFFING CHANGES & POSTINGS**
Outside Operations – Summer employees
 - Triston Bender, L a Junta
 - Colby Batterton, Springfield
 - Will Pacino, Lamar
- NISC staff provided software training to SECPA personnel.

9. Affiliate Organization Board Reports

A. Western United Electric (WUE)- Gardner

WUE sales and finance report in board packet.

B. Colorado Rural Electric Association (CREA) - Wright

CREA Board of Directors May 30th meeting minutes in board packet.

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

-Tri-State June Board report in board packet.

-Gardner asked if Tri-state had sent the operation procedures that were requested by SECPA at the special board meeting May 21 with Tri-State staff. Brandon has the latest version of their procedures and will schedule to meet with Tri-State operations personnel. Hall has not seen this version of the procedures.

10. Executive Session - CEO evaluation tabled until July board meeting.


Motion was made and seconded to go into executive session for personnel matters at 2:25 p.m.

MOTION carried. Johnsonson left the meeting.

11. Adjourn – Meeting reconvened and adjourned at 2:55 p.m.



Board President



Board Secretary