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 **September 23, 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 10:00 a.m. Directors present were: Lawrence Brase, Michelle Gardner, Randy Phillips, and Truman Wright (via conference.) Clint Anderson and Brad Buck were absent.

   Staff present: CEO Mark Hall, CFO Aaron Johnson, and Executive Assistant Debbie Howard.

2. **Agenda Modifications** – None.

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

4. **Board Meeting Minutes -** Motion was made and seconded to approve August 26, 2026, Board minutes. **MOTION** carried.

5. **Chief Executive Officer – Hall**
   - Hall provided comments on his written report submitted to the Board.
   - 1st SECPA Charity Classic received positive feedback. Brase, a participant in the tournament, deemed it a success. Phillips suggested donations be made to local volunteer fire departments in SECPA territory.
   - Tri-State will increase SECPA's rates by 6.5%, effective January 1, 2027.
   - Hall plans to attend Tri-State's Board/New Member CEO orientation September 30.
   - Hall will discuss the Towner Wind Farm project and a possible metering agreement.
   - Hall attended Eastern Colorado Manager's meeting in Denver September 8th.
   - An engineering firm has requested information from SECPA regarding a proposed greenhouse between Lamar and Granada.
   - A helium project will be discussed in Executive Session.
   - The financial matrix for a joint solar project with San Isabel Electric has been completed.
   - Solar Farm near Boone is being researched; Hall plans to file a delivery point request with Tri-State.
   - Highline Electric is adding battery storage to a project. Hall is talking with battery storage companies and will continue analyzing SECPA's needs.
   - CREA has formed committee for Wildfire Mitigation; chaired by Ryan Elarton, SIEA. Brase emphasized the importance of SECPA continuing to reduce its liability.
   - Rushton questioned the response to a personal outage situation.
   - Hall attended the NISC Member Information Conference in Las Vegas last week. Hall spoke with a lead representative from SRS (SECPA's after-hours dispatching service) and will continue to monitor.
   - SECPA plans to begin using thermal imaging internally to help identify line loss on individual arrester banks.

6. **C-Team Reports**
   A. Finance & Membership – Johnson

   - August Financial reports were reviewed.
   - August margins were $246,125; YTD, negative $6,494. Johnson noted that accounts receivable is driven primarily by make-ready projects for SECOM CPF grants.
   - As requested by Wright at August meeting, a graph illustrating irrigation trends was reviewed. Johnson explained that trendlines remain positive and revenue is stabilizing.
   - YTD delinquent penalty charges through July were $172,046.
   - There were 23 new memberships and 25 withdrawals. Active meters total 10,880.
   - Johnson read his written notes included in the Board packet.

- Johnson attended the NISC Member Information Conference in Las Vegas last week, where he participated in a session on prepaid accounts. NISC reviewed the "nuts and bolts" of prepaid accounts, followed by a panel discussion on participants' experiences offering prepaid payment options.
- Johnson asked Directors if they prefer to see draft budget in October and again in November and the final in December. Consensus was present draft budget in November and final in December.

B. Operations – Hall

- Update on system operations (including 128 outages affecting 2,542 members), current projects, rolling line loss and crew activity.
- The status of several ongoing projects was reviewed.
- Monthly safety update was reviewed. Jayce Bauer, Jachai Eddy, and Angel Pecina passed SECPA's Journeyman test.
  Mike Trumble, Clint Arbuthnot, Jacob Barnes and John Jackson attended "Buddy to Boss" Training in Denver. Hall alluded to since he had experienced going from being a buddy to boss, how valuable this training could be for those who attended.

7. Affiliate Organization Board Reports

A. Western United Electric (WUE)- Gardner

- WUE August Sales and Finance report in board packet.

B. Colorado Rural Electric Association (CREA) - Gardner

- CREA Board met August 27th & 28th: Gardner participated virtually . Minutes included in board packet.

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

- Tri-State Board report in board packet.
- T/S approved a 6.5% rate increase for 2027.
- FERC accepted T/S High Impact Load Tariff (HILT).
- Brase announced T/S has purchased power for $3M and sold for $6M. Phillips questioned the need for a rate increase to SECPA given that reported transaction.

8. Legal - Richardson

- Written report was included in the Board packet. Richardson suggested SECPA consider revising its easement language to authorize SECPA to remove encroaching buildings or structures.

9. Executive Session -

Motion was made and seconded to enter Executive Session at 12:00 p.m. to discuss matters subject to negotiation. **MOTION** carried.

Johnson and Howard were excused.

10. Adjourn – Meeting reconvened following Executive Session and adjourned at 1:00 p.m.

Board President

Michelle Gardner

Board Secretary