

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
July 19, 2022**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on July 19, 2022 commencing at 8:30 a.m. in the Colman boardroom.

The meeting was called to order by President Gary Fish who presided and Don DeGreef, Secretary, acted as Secretary.

Roll call showed the following members present:

Rodney DeMent	Dan Leuthold	Allan Weinacht
Ann Vostad	Dave Daniel	Gary Fish
Dr. Leslie Heinemann (Zoom)	Lucas Roskamp	Mark Rogen
Gregg Johnson	Don DeGreef (Zoom)	

Also present were Attorney Mike Nadolski, General Manager Tim McCarthy, Strategic Leadership Team members Debra Biever, Carrie Vugteveen, Ted Smith, Justin Moose, and Jason Maxwell along with Executive Assistant, Brenda Schelhaas. Guests in attendance were Floyd Snoozy, Jeff Thompson, and Marvin VanKekerix.

INTRODUCTION OF GUESTS

President Fish introduced District 5 Member Advisory Council (MAC) members Floyd Snoozy, Jeff Thompson, and Marvin VanKekerix.

INTRODUCTION OF NEW EMPLOYEE

Chinelle Christensen introduced Amanda Hoffman, Member Service Representative-Hartford service center. Amanda joined the team on July 6.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration. President Fish asked that Ford Lightning Pickup be added to the agenda under Other Business. Mr. Weinacht also asked that Member Feedback be added to the agenda under Other Business. President Fish noted there are no items for an Executive Session today. A motion to approve the amended agenda was made by Mr. Daniel, seconded by Mr. Johnson. The motion carried.

REVIEW AND CONSIDERATION OF MEETING MINUTES

A motion to approve the minutes of the June 20, 2022 regular board meeting was made by Mr. Weinacht, seconded by Mr. Roskamp. The motion carried.

ACSI REVIEW

Keith Kaderly from Inside Information, LLC presented a webinar on the 2022 ACSI score/survey results for Sioux Valley Energy. Mr. Kaderly shared that the survey was conducted by contacting randomly selected SVE members. He also showed statistics from this year's survey and the history of SVE's ACSI scores. Sioux Valley Energy's score was 88 this year which is one point better than last year's score.

CEO AND BOARD DIRECTOR EVALUATIONS

Manager McCarthy called upon Brenda Schelhaas to distribute the CEO and Board Director Evaluation Forms. The evaluation forms will also be sent electronically. Brenda asked that the evaluation forms be mailed or emailed to her before August 15.

POLICY REVIEW AND CONSIDERATION

Manager McCarthy called upon Debra Biever to review Board Policy 3 and Board Operating Guides 3-1, and 3-3. Mr. Rogen made a motion, seconded by Mr. Weinacht to approve all the updates and changes to the board policies and guides. The motion carried.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S QUARTERLY EXPENSE STATEMENT

Mr. Daniel, Treasurer, reported that he reviewed the General Manager's quarterly expense and credit card statements for the period of April through June 2022 and found all expenses to be in order. The report was accepted, and payment of the General Manager's statement in the amount of \$2,378.04 was approved per a motion made by Mr. Daniel, seconded by Mr. Roskamp. The motion carried.

REVIEW AND CONSIDERATION OF ATTORNEY'S QUARTERLY EXPENSE STATEMENT

Executive Assistant, Brenda Schelhaas, presented the quarterly expense statement for Attorney Peterson. A motion to approve payment of the Attorney's expense statement for April through June 2022 in the amount of \$12,278.82 was made by Mr. Daniel, seconded by Mr. Leuthold. The motion carried.

BOARD REDISTRICTING

Mr. Leuthold presented information regarding board redistricting. He reviewed the current bylaw and each district's members served, capital investment, installed meters, and miles of primary line. Mr. Leuthold also provided three examples of how other cooperatives determine their board districts. Further discussion will be held regarding board redistricting at the strategic planning session next month.

REVIEW OF FORM 990

The Internal Revenue Service Form 990 was attached with the board meeting materials for review and presented at the board meeting by Jason Maxwell.

CAPITAL CREDIT SPECIAL RETIREMENT POLICY

Manager McCarthy called upon Debra Biever to present information regarding a proposed change in the capital credit process. Debra reviewed the current capital credit bylaw and the pros and cons of processing early retirements as a credit on members' final bills. Discussion was held. Mr. Johnson made a motion to approve the early retirement of capital credits at a discounted rate to members' final bills as long as their total capital credit accrual is under \$250, seconded by Mrs. Vostad. The motion passed with Mr. DeMent voting against.

REVIEW AND CONSIDERATION OF AFFIRMATIVE ACTION PLAN

Manager McCarthy called upon Debra Biever who reviewed the three different Affirmative Action programs addressed in the Cooperative's Affirmative Action Plan for calendar years 2021 and 2022. Due to COVID-19 delays, years 2021 and 2022 were done at the same time. The Affirmative Action programs include one for minorities and women, one for individuals with disabilities, and one for protected veterans. A motion was made by Mr. Johnson, seconded by Mr. Weinacht, to adopt the 2021 and 2022 Affirmative Action Plans and affirm that the Cooperative is complying with the requirements of the plan. The motion carried.

REVIEW OF BOARD OPERATING GUIDE 2-2

Manager McCarthy called upon Ted Smith to review Board Operating Guide 2-2, Extension and Modification of Electric Service and Facilities. Discussion was held and no changes will be made to the policy.

STRATEGIC PLANNING SCOREBOARD

Manager McCarthy presented the Strategic Planning Scoreboard and discussed the objectives, initiatives, and the current status of those initiatives.

STRATEGIC PLANNING

Manager McCarthy discussed the Strategic Planning session that will be facilitated by CoBank. The Strategic Leadership Team continues to work on the materials for this session. The meeting will be held August 22-23, 2022 at the East River Electric Oahe Training Center.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Manager McCarthy reviewed wholesale power purchases, sales, and revenue. He noted there were 50 new service requests in June. The new service requests through June are much higher than budgeted due to the increase in city residential and commercial requests.

Manager McCarthy gave an overview of the June 2022 revenue and expense statement and the year-to-date May 2022 consolidated statement.

Manager McCarthy discussed key highlights of the East River General Manager's report including the Mid-West board meeting, Western States Power Corporation, FEMA storm reimbursement, supply chain issues, business development, and the Water Resources Development Act that was passed by the U.S. House.

Ted Smith and Jason Maxwell reviewed a multiplier error that occurred due to equipment failure at Pet Smart in Sioux Falls.

ACCEPT MANAGER'S REPORT

A motion to accept the Manager's Report was made by Mr. Daniel, seconded by Mr. Roskamp. The motion carried.

REPORTS ON POWER SUPPLY MEETINGS

East River – Mr. DeMent reported on his attendance of the East River board meeting.

L&O Power – Mr. Leuthold reported on his attendance of the L&O Power board meeting.

REPORTS ON MEETINGS ATTENDED

SDREA Board Meeting – Director Daniel reported on his attendance of the SDREA board meeting.

BLC 952.1 Increasing Influence and Building Board Consensus – Director DeGreef reported on his virtual attendance of this board leadership class.

SDREA Legal Seminar – Attorney Nadolski reported on his attendance of this seminar.

CoBank Energy Directors Conference – Directors Daniel, Leuthold, and Johnson reported on their attendance of this conference.

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

NRECA Regional 5&6 Meeting/CFC District Meetings, September 21-23, 2022
Minneapolis, MN – Directors DeMent, Fish, Roskamp, and Weinacht were authorized to attend by a motion made by Mr. Daniel, seconded by Mr. Rogen. The motion carried.

OTHER BUSINESS

Debra Biever stated that a Ford Lightning pickup truck may be available before the end of the year. Herman Motors in Luverne was just authorized by Ford, so their waiting list is much shorter. Sioux Valley Energy recently switched their request for a pickup from Sioux Falls Ford to Herman Motors. The board affirmed the purchase of the Ford Lightning should one become available.

Mr. Weinacht discussed a member concern regarding outage reporting. He also stated that this same member was impressed with the tree trimming company that SVE works with.

President Fish welcomed Justin Moose to the Strategic Leadership Team.

EXECUTIVE SESSION

No executive session was held.

NEXT MEETINGS

The Strategic Planning Session will be held on Monday, August 22, 2022 at 9:00 a.m. in the Oahe Training Center. The next regular board meeting will be held on Tuesday, August 23, 2022, at 8:30 a.m. in the Oahe Training Center.

ADJOURNMENT

Mr. Weinacht made a motion, seconded by Mr. Roskamp to adjourn the Sioux Valley Energy board meeting at 2:05 p.m. The motion carried.

Don DeGreef, Secretary

Date Approved: _____