

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
February 23, 2021**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on February 23, 2021 commencing at 8:30 a.m. via Zoom.

The meeting was called to order by President Allan Weinacht who presided and Allan Kooima, Secretary, acted as Secretary.

Roll call showed the following members present:

Rodney DeMent	Dan Leuthold	Allan Weinacht
Don DeGreef	Gregg Johnson	Allan Kooima
Bruce Martinson	Lucas Roskamp	Dave Daniel
Gary Fish	Mark Rogen	

All directors were present. Also present were Attorney Alan Peterson, General Manager Tim McCarthy, management staff members Betty VanDerWerff, Carrie Vugteveen, Ted Smith, and Debra Biever along with Executive Assistant, Brenda Schelhaas.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration. A motion to approve the agenda was made by Mr. DeGreef, seconded by Mr. Kooima. The motion carried.

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the January 25, 2021 regular board meeting was made by Mr. Martinson, seconded by Mr. Leuthold. The motion carried.

REVIEW AND CONSIDERATION OF THE MINNESOTA ANNUAL COGENERATION FILING AND REPORT

Manager McCarthy called upon Debra Biever to review the documents for the 2021 Minnesota annual cogeneration filing and report. A motion was made by Mr. DeMent to approve the 2021 Minnesota annual cogeneration filing and the 2021 Minnesota annual cogeneration report, seconded by Mr. Fish. The motion carried.

REVIEW AND CONSIDERATION OF NISSAN LEAF PLUS LEASE

Manager McCarthy called upon Debra Biever to present information regarding a lease for a 2020 Nissan Leaf Plus. Debra reviewed the proposal from Billion Auto which included eliminating the remaining lease payments on the 2019 Nissan Leaf that Sioux Valley Energy currently leases. A motion was made by Mr. Rogen to enter a new three-year lease with Billion Auto for a 2020 Nissan Leaf Plus, seconded by Mr. DeGreef. The motion passed with Mr. Daniel voting against.

REVIEW AND CONSIDERATION OF DISTRICT MEETING AND ANNUAL MEETING CREDENTIAL COMMITTEES

The credential committees willing to serve for the election meetings that will be held in Districts 1, 3 and 8 were presented along with the credential committee for the Annual meeting. Mr. Daniel made a motion to approve the following credential committees, seconded by Mr. Kooima. The motion carried.

District #3 – Monday, May 10th

Darnell Albers
Cheryl Carstens
Tom Davis
Connie Fitzgerald
Henning Hansen
John Kleinjan
Jim McGuire
Robert Short

District #1 – Tuesday, May 11th

Tom Davis
Beth Frederiksen
Henning Hansen
John Kleinjan
Chuck Lorden
Cedric (Cindy) Raine
Robert Short
Keith VanDuyn

District #8 – Thursday, May 13th

Cheryl Carstens
Reid Christopherson
Joe Kafka
Paul Lundberg
Jim McGuire
Norman Overgaard
Robert Short
Matt VanGrootheest

Annual Meeting – Tuesday, June 8th

Darnell Albers
Cheryl Carstens
Tom Davis
Connie Fitzgerald
Joe Kafka
John Kleinjan
Paul Lundberg
Jim McGuire

MULTI-PURPOSE LIVESTOCK AND EQUESTRIAN COMPLEX DONATION

Manager McCarthy called upon Carrie Vugteveen to provide information about the Dakota Events CompleX (DEX). The DEX would replace a building that fire destroyed on the South Dakota State Fairgrounds. Estimated cost of the DEX is \$19 million of which \$3 million would be provided by insurance and \$12 million is being requested from the state legislature. The South Dakota State Fair Foundation is asking for donations for the remaining \$4 million. CoBank has offered to match up to \$7,500 from each cooperative. Mr. Martinson made a motion to donate \$7,500 to the Dakota Events CompleX, seconded by Mr. Johnson. The motion carried.

REVIEW AND CONSIDERATION OF MARCH 23, 2021 BOARD MEETING DATE CHANGE

Discussion was held regarding the March 23rd board meeting date and a conflict with the NRECA Directors Conference. The board meeting will be held as originally scheduled on March 23, 2021.

REVIEW AND CONSIDERATION OF DATES FOR STRATEGIC PLANNING SESSION IN AUGUST

Manager McCarthy lead a discussion regarding dates for a strategic planning session in August. A motion was made by Mr. DeMent to hold the strategic planning session August 23, 2021 seconded by Mr. DeGreef. The motion carried.

REVIEW AND CONSIDERATION OF PROPOSED RESOLUTION-COMMITMENT TO SAFETY

Manager McCarthy presented a proposed safety resolution-message to employees. The resolution recognizes SVE employees’ commitment to building and maintaining a culture of safety excellence. The following resolution was adopted per a motion made by Mr. Leuthold, seconded by Mr. DeMent. The motion carried. Board President Weinacht will present the resolution to Sioux Valley Energy employees at the March safety meeting.

RESOLUTION—MESSAGE TO EMPLOYEES

WHEREAS, The Sioux Valley Energy Board of Directors recognizes that the safety of all Cooperative employees is of paramount importance to the success and sustainability of Sioux Valley Energy and holds safety as an essential organizational value.

WHEREAS, The Board of Directors reaffirms its fundamental and unwavering commitment to safety at all levels of the Cooperative and the Cooperative leadership accepts responsibility for cultivating a culture of safety excellence.

NOW, THEREFORE BE IT RESOLVED, The Sioux Valley Energy Board of Directors places a high value on maintaining a safe environment for employees, members and the public and addressed the importance of safety in the workplace at its February 2021 board meeting. Upon review of the 2020 safety data, the Board of Directors took official action in the form of this resolution to recognize our employees’ commitment to building and maintaining a culture of safety excellence at Sioux Valley Energy for themselves and our members. The Board wishes to express its sincere appreciation to all employees and congratulate them for their commitment to safety and their efforts in achieving the mission of the Cooperative’s safety motto: “To ensure everyone gets home safe, we will enhance our culture to one of sustainable safety excellence through demonstrating visible leadership and commitment that positively influences the safety environment in which we live.”

The Board of Directors recognizes that a culture of safety is not just another safety slogan. It’s the attitude adopted by the Sioux Valley Energy work force that makes it successful and the Board of Directors encourages all employees to continue their commitment to the safety of the workforce, the members and the public.

IN WITNESS AND SUPPORT WHEREOF, we have hereunto set our hands this 23rd day of February 2021.

REVIEW AND CONSIDERATION OF GENERAL MANAGER’S REPORT

Manager McCarthy discussed key highlights from the East River General Manager’s Report including business development, the Basin Class A Manager’s Conference, a load management request for proposal, vendor alliances with RESCO and Border States, the Dakota Energy lawsuit, the SPP Member and Board meeting, and regulatory, legislative, and legal issues.

Manager McCarthy reviewed wholesale power purchases, sales, and revenue.

Manager McCarthy noted that SVE received over 100 scholarship applications this year and 26 students were awarded scholarships. He thanked the scholarship committee and congratulated the recipients.

Manager McCarthy discussed the Beneficial Electrification department and the activities centered around the Department of Energy's Connected Communities grant program. SVE employees have met with the Chester Area School District, Lifescape, Hammink Dairy, South Dakota State University, and Genpro. These entities have all expressed interest in the grant program.

Manager McCarthy called upon Ted Smith to present information regarding the Southwest Power Pool (SPP). Ted explained SPP's tiered energy emergency alert system, load shedding and the outage restoration process. On the morning of February 16th, Western Area Power Administration was forced to shut off power to various parts of the grid. This included six substations in Minnehaha county and resulted in outages impacting 7,035 SVE members. SVE worked with MidAmerican Energy to bring power back gradually by substation so the natural gas system was not overwhelmed.

Manager McCarthy asked Ted Smith to discuss an area in SVE's service territory called Pine Knoll Addition. Xcel Energy built infrastructure into the Pine Knoll Addition. SVE's estimated cost to install infrastructure to this development is \$51,315. It will cost SVE \$18,555 to use Xcel Energy's underground cable, install SVE transformers, and connect the system to the SVE distribution system. Xcel Energy will donate approximately \$32,760 worth of cable to SVE for installing infrastructure in SVE's service territory.

ACCEPT MANAGER'S REPORT

A motion to accept the Manager's Report was made by Mr. DeGreef, seconded by Mr. Fish. 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

East River Energize Forum – Directors reported on their attendance of the East River Energize Forum.

NOTICES OF MEETINGS, SELECTION OF DELEGATES AND ATTENDANCE AUTHORIZATION

BLC 971.1 Governance Challenges of Evolving Distribution Cooperative, March 10-11, 2021 Virtual – Director DeGreef was authorized to attend by a motion made by Mr. Kooima, seconded by Mr. Martinson. The motion carried.

L & O Annual Meeting, April 6, 2021 Rock Rapids, IA – Director Weinacht was nominated to serve as the voting delegate by a motion made by Mr. DeMent, seconded by Mr. Fish. The motion carried.

NEXT MEETING

The next regular board meeting will be held on Tuesday, March 23, 2021 at 8:30 a.m. via Zoom.

ADJOURNMENT

Mr. DeMent made a motion, seconded by Mr. Roskamp to adjourn the Sioux Valley Energy board meeting at 11:50 a.m. The motion carried.

Allan Kooima, Secretary

Approved: _____