

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
June 22, 2021**

The regular meeting of the Board of Directors of Sioux Valley-Southwestern Electric Cooperative, Inc. (DBA Sioux Valley Energy) was held on June 22, 2021 commencing at 8:30 a.m. at the Brandon Service Center.

The meeting was called to order by President Allan Weinacht who presided and Don DeGreef, Secretary, acted as Secretary. Upon the board reorganization, new President Gary Fish presided over the rest of the meeting and Don DeGreef, the newly re-elected Secretary, acted as Secretary.

Roll call showed the following members present:

Rodney DeMent	Dan Leuthold	Allan Weinacht
Don DeGreef	Dave Daniel	Gary Fish
Dr. Leslie Heinemann	Lucas Roskamp	Gregg Johnson

Also present were Attorney Alan Peterson, General Manager Tim McCarthy, Strategic Leadership Team members Debra Biever, Betty VanDerWerff, Carrie Vugteveen, and Ted Smith along with Executive Assistant, Brenda Schelhaas. Guest in attendance was Jason Maxwell. Director Rogen attended via teleconference.

REVIEW AND CONSIDERATION OF AGENDA

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

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the May 25, 2021 regular board meeting was made by Mr. Daniel, seconded by Mr. DeGreef. The motion carried.

INTRODUCTION OF NEW EMPLOYEE

Betty VanDerWerff introduced Jason Maxwell, SVE's Assistant CFO. Jason joined the team on June 16th.

ANNUAL BOARD REORGANIZATION/ELECTION OF OFFICERS

President Weinacht designated Attorney Peterson as temporary chairman to conduct the election portion of the meeting. Brenda Schelhaas assisted with the tabulation of the ballots.

Attorney Peterson declared nominations open for the office of President. A motion was made by Mr. DeGreef to nominate Mr. Fish as President, seconded by Mr. Weinacht. No other nominations were made, and Mr. Fish was elected as President by a unanimous voice vote.

Attorney Peterson declared nominations open for the office of Vice-President. Upon completion of the tabulation of the ballots, Attorney Peterson declared a tie vote for Mr. Daniel and Mr. Leuthold. The board determined a coin flip would declare the winner, whereupon Mr. Leuthold was elected Vice-President.

Attorney Peterson declared nominations open for the office of Secretary. Mr. DeGreef was nominated to serve as Secretary by a unanimous voice vote, whereupon Mr. DeGreef was elected Secretary.

Attorney Peterson declared nominations open for the office of Treasurer. Mr. Daniel was nominated to serve as Treasurer by a unanimous voice vote, whereupon Mr. Daniel was elected Treasurer.

ELECTION OF REPRESENTATIVE TO EAST RIVER BOARD OF DIRECTORS

Attorney Peterson reported that the term of the Cooperative's representative on the East River Board of Directors, Rodney Dement, would expire on September 8, 2021 and opened nominations for a Sioux Valley Energy board representative to serve for a three-year term on the East River Board of Directors. Mr. DeMent was nominated to serve as the SVE representative on the East River Board of Directors by a unanimous voice vote, whereupon Mr. DeMent was declared the Cooperative's nominee to the East River Board to be elected at the East River annual meeting.

RESCO DIRECTOR ELECTION

Manager McCarthy stated there is one candidate, Matt Hotzler, running for the Rural Electric Supply Cooperative (RESCO) director position. A motion to cast SVE's ballot for Matt Hotzler was made by Mr. Weinacht, seconded by Mr. Johnson. The motion carried. Mr. Fish will cast the ballot prior to the August 16, 2021 deadline.

REVIEW AND CONSIDERATION OF ANNUAL MEETING WAIVER FOR SIOUX VALLEY ENERGY CUSTOMER TRUST

The Board of Directors considered and executed a unanimous consent in writing in lieu of an annual meeting of the Sioux Valley Energy Customer Trust. Mr. DeMent made a motion for the consent in writing in lieu of an annual meeting, seconded by Mr. Weinacht. The motion carried.

APPROVAL OF OPERATION ROUND UP BOARD OF TRUSTEES

The Board of Directors considered the reappointments of Ann Vostad, Brookings County and Jeff Thompson, Minnehaha County and the appointment of Dan LaRock, Rock County to the Customer Trust Board of Trustees. A motion was made by Mr. DeMent to approve the reappointment of Ann Vostad and Jeff Thompson and the appointment of Dan LaRock, seconded by Mr. Roskamp. The motion carried.

DIRECTOR DISTRICT TWO VACANCY

Carrie Vugteveen reported that a letter was sent last week to all members in District Two informing them of Allan Kooima's death and the director vacancy. As of today, there has been no interest expressed by any members from that district. A meeting will be set up with SVE representatives and the MAC members from that area to discuss potential candidates for the vacant position.

The format of the September 21, 2021 District Two meeting was reviewed. The meeting will consist of a meal, an opportunity for candidates to speak, and a vote.

STRATEGIC PLANNING

Manager McCarthy discussed cooperative asset utilization which is one of the agenda items for the August strategic planning session. East River is also looking at their strategic building plan as they have noted several issues with their current situation. One of the issues is the Brandon location which they share with SVE. This location is not conducive to bringing large equipment and materials in and out of. Staff will bring an asset utilization recommendation to the Board at the strategic planning session.

Ted Smith reminded the Board of the bus tour which will be held on August 6th. Plans are to tour the Sioux Falls area which continues to see tremendous development.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Manager McCarthy discussed key highlights from the East River General Manager's Report including the Dakota Energy lawsuit, FERC Order 2222, load management, Colonial Pipeline ransomware attack, GEVO proposal, EV committee meeting, patrol plane accident, Minnesota ECO act passage, and ethanol issues.

Discussion was held on the Colonial Pipeline ransomware attack and SVE's cyber security. Justin Moose will provide an update on SVE's cyber security plan at the July board meeting.

Manager McCarthy reviewed wholesale power purchases, sales, and revenue. Our margins are currently \$443,019 under budget but the hot weather in June will increase kWh sales and should help with this variance.

Manager McCarthy noted that the Operation Round Up Board met to review grant applications. Twenty-four grants were awarded totaling \$43,564.88.

Manager McCarthy stated that Ben Pierson, Reggie Gassman, and Jay Buchholz visited the Yogi Bear Campground. The campground is interested in installing a commercial Level II EV charging station. The campground is seeing several EVs each week and would like to be pro-active with installing a unit(s) for 2022's travel season.

ACCEPT MANAGER'S REPORT

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

CFC Summer Summit – Mr. Rogen reported on his attendance of the CFC Summer Summit.

NOTICES OF MEETINGS, SELECTION OF DELEGATES, AND ATTENDANCE AUTHORIZATION

BLC 952.1 Increasing Influence and Building Board Consensus, September 15, 2021, Minneapolis, MN – Mr. Weinacht and Mr. Johnson were authorized to attend by a motion made by Mr. Daniel, seconded by Mr. Leuthold. The motion carried.

OTHER BUSINESS

Manager McCarthy, Mr. Fish, and Dr. Heinemann will meet tomorrow for new board member orientation.

EXECUTIVE SESSION

Mr. DeMent made a motion to move into executive session to discuss internal cooperative business, seconded by Mr. Weinacht at 11:00 a.m. The motion carried. All directors were in attendance. No action was taken in executive session. The executive session adjourned at 11:35 a.m.

NEXT MEETING

The next regular board meeting will be held on Tuesday, July 27, 2021 at 8:30 a.m. in the Colman boardroom.

ADJOURNMENT

Mr. DeMent made a motion, seconded by Mr. Weinacht to adjourn the Sioux Valley Energy board meeting at 11:40 a.m. The motion carried.

Don DeGreef, Secretary

Date Approved: _____