

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
February 24th, 2020**

The regular meeting of the Board of Directors of the Sioux Valley-Southwestern Electric Cooperative, Inc. (dba. Sioux Valley Energy) was held on February 24th, 2020 commencing at 8:30 a.m. at the Colman headquarters in Colman, South Dakota.

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 Bieber along with Administrative Assistant Amy Voelker. Guest in attendance was Justin Moose, Manager of Information Technology.

DIRECTOR GOLD CERTIFICATE PRESENTATION – Director Fish presented Allan Weinacht with his Director Gold certificate.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration, with additions of the RUS Resolution for the RD Apply Authorized Representative, Revenue Requirement Review, and additional reports on meetings attended. A motion to approve the agenda was made by Mr. DeMent, seconded by Mr. Kooima. The motion carried.

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the January 27th, 2020 regular board meeting was made by Mr. DeMent, seconded by Mr. Roskamp. The motion carried.

EXTERNAL NETWORK SECURITY TESTING RESULTS

Manager McCarthy called upon Justin Moose to present the Network Security Testing results. Justin gave an overview of the external network assessment, the web application, and report findings and provided guidance on solutions as necessary.

REVIEW AND CONSIDERATION OF MN ANNUAL COGENERATION FILING AND REPORT

Manager McCarthy called upon Debra Bieber to review all the documents for the 2020 MN annual cogeneration filing and report for rates and schedules. A motion was made by Mr. Rogen to approve the 2020 MN annual cogeneration filing and the 2020 MN cogeneration report, seconded by Mr. Martinson. The motion carried.

REVIEW AND CONSIDERATION OF RUS FOR RD APPLY AUTHORIZED REPRESENT RESOLUTION

Manager McCarthy called upon Betty VanDerWerff to present the RUS Resolution for the RD Apply Authorized Representative. A motion to adopt the following resolution was made by Mr. Rogen, seconded by Mr. Martinson. The motion carried.

RESOLUTIONS

1. RESOLVED that Tim McCarthy, the General Manager/CEO of the Corporation, be the Certifier on behalf of the Corporation, who shall be responsible for submitting and certifying to the Rural Utilities Service, an agency of the United States Department of Agriculture, any and all data required by RD Apply Intake System;

2. RESOLVED that Betty VanDerWerff, the Director of Finance & Accounting of the Corporation, be the Administrator on behalf of the Corporation, who shall give access to the Corporation's data, as appropriate, to other employees, officers, or contractors of the Corporation, for the purpose of complying with the RD Apply Intake System; and

3. RESOLVED that both shall comply with the Instructions for RD Apply Intake System in regard to use of the government's data collection system.

Certifier: timmcarthy
eAuthentication ID

Administrator: bvanderwerff
eAuthentication ID

REVIEW REVENUE REQUIREMENTS

Manager McCarthy called upon Betty VanDerWerff to review the revenue requirements for 2020.

REVIEW AND CONSIDERATION OF DISTRICT MEETING CREDENTIAL COMMITTEE

The credentials and election committees willing to serve for the election meetings that will be held in districts 5, 6, 7 and 9 were presented. Mr. Fish made a motion to approve the following credentials and election committees, seconded by Mr. Johnson. The motion carried.

District #6 – Monday, March 23rd

Marvin VanKekerix
Duane Harvey
Alvina Harvey
Jed Huisman
Harry Buck
Elisabeth Roelofs
Cheryl Carstens
Jake Droge

District #7 – Tuesday, March 24th

Marvin VanKekerix
Duane Harvey
Alvina Harvey
Jed Huisman
Cheri DeMent
Jake Droge

District #9 – Monday, March 30th

Elisabeth Roelofs
Jan Bobendrier
Connie Hillard
Darnell Albers
Arlyn Zylstra
Ivan Kuhlman
Nancy Hinricher

District #5 – Thursday, April 2nd

Marvin VanKekerix
Dian Hoven
Cheri DeMent
Jed Huisman
Cheryl Carstens
Floyd Snoozy
Jeff Thompson

DISTRICT MEETING VIDEOS

Manager McCarthy called upon Carrie Vugteveen to share the District Meeting videos that will be shown at each of the upcoming District Meetings.

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S REPORT

Manager McCarthy reviewed key highlights of his written report including wholesale power purchases, sales, and revenue.

Manager McCarthy gave an update on the year-end patronage allocations. Basin allocations this year equaled over \$59 Million; of that East River allocated just over \$7.5 million. Sioux Valley's allocation estimates are \$1.357 million from Basin and \$1.535 million from East River.

Manager McCarthy gave an update on the Renewable Energy Credits (RECs) Program. We have a total of 87 accounts that purchased in January. At the end of 2019 there was a total of \$163,282.73 in the fund from the sales of RECs.

Manager McCarthy shared that Boadwine Farms, Pioneer, and Moody County Dairy made a major announcement regarding their installation of biodigesters. Sioux Valley Energy will be working closely with them on this project.

Manager McCarthy called upon Carrie Vugteveen to give legislative updates from South Dakota and Minnesota.

ACCEPT MANAGER'S REPORT

A motion to accept the manager's report was made by Mr. Leuthold, seconded by Mr. Roskamp. The motion carried.

REPORTS ON POWER SUPPLY MEETINGS

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

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

REPORTS ON MEETINGS ATTENDED

MREA Legislative Visit – Director Rogen reported on the MREA Legislative visit he attended in Washington, DC, January 28-29, 2020.

East River Energize Forum – Directors reported on the East River Energize Forum they attended in Sioux Falls, February 5-6, 2020.

Co-op Day at the Capitol – Directors Weinacht, DeMent, Kooima, and DeGreef reported on their attendance at the Co-op Day at the Capitol, in Pierre, SD, February 19, 2020.

CoBank Member Meeting – Director Rogen reported on the CoBank member meeting he attended in Omaha, NE, February 20-21, 2020.

Pipestone Tailgate Event – Director Johnson reported on the tailgate event at the Pipestone High School basketball game.

Youth Tour Interviews – Directors Daniel and Fish gave a report on the youth tour interviews they participated in during the last EmPower Session.

ORU Scholarships – Director Kooima and Debra Biever gave an update on the ORU scholarship process and winners for 2020.

NOTICES OF MEETINGS, SELECTION OF DELEGATES/ATTENDANCE AUTHORIZATION

MREA Annual Meeting – Director DeGreef was authorized to attend the MREA Annual Meeting, March 16th - 17th, 2020 in St. Paul, MN per a motion by Mr. Rogen, seconded by Mr. Martinson. The motion carried.

CFC Forum – Director Johnson was authorized to attend the NRECA BLC 918.1 Maximizing Your Grassroots Strategy class, March 17th, 2020 in St. Paul, MN per a motion by Mr. Daniel, seconded by Mr. Fish. The motion carried.

L&O Annual Meeting – All Directors were authorized to attend the L&O Annual Meeting that will be held April 7th, 2020 per a motion made by Mr. DeMent, seconded by Mr. Kooima. The motion carried.

L&O Annual Meeting Voting Delegate – Mr. Daniel made a motion to nominate Director DeMent for voting delegate and Director Kooima as alternate, seconded by Mr. Fish for the L&O Annual Meeting, April 7th in Luverne, MN. The motion carried.

OTHER BUSINESS

Manager McCarthy gave an update that the Board meeting will be held in Mitchell at Mitchell Tech on May 26th, 2020 starting at 9 am.

EXECUTIVE SESSION

Mr. DeMent made a motion to move into executive session, seconded by Mr. Martinson at 12:44 p.m. Mr. Fish made a motion to adjourn executive session at 12:59 p.m., seconded by Mr. Martinson. The motion carried.

NEXT MEETING

The next regular board meeting will be held on Monday, March 23rd, 2020 at Colman Headquarters, Colman, SD.

ADJOURNMENT

Mr. Roskamp made a motion, seconded by Mr. Fish to adjourn the Sioux Valley Energy board meeting at 1:00 pm. The motion carried.

Allan Kooima, Secretary

Approved: _____