

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.  
July 22<sup>nd</sup>, 2019**

The regular meeting of the Board of Directors of the Sioux Valley-Southwestern Electric Cooperative, Inc. (dba. Sioux Valley Energy) was held on July 22<sup>nd</sup>, 2019 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	Mark Rogen	Dave Daniel
Gary Fish	Lucas Roskamp	

All directors were present, with Allan Kooima via teleconference. Also present were Attorney Alan Peterson, General Manager Tim McCarthy, management staff members Ted Smith, Betty VanDerWerff, Carrie Vugteveen, and Debra Biever along with Executive Assistant Amy Voelker. Guest in attendance was Jordan Long, GIS Coordinator.

**REVIEW AND CONSIDERATION OF AGENDA**

The agenda was presented for consideration with the addition of the Basin rate update. A motion to approve the amended agenda was made by Mr. Martinson, seconded by Mr. Fish. The motion carried.

**REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES**

A motion to approve the minutes of the regular board meeting of June 24<sup>th</sup>, 2019, with corrections, was made by Mr. Daniel, seconded by Mr. Leuthold. The motion carried.

**INTRODUCTION OF NEW EMPLOYEE**

Debra Biever introduced Jordan Long, the new GIS Coordinator. He is working out of our Brandon Service Center.

**BASIN RATE UPDATE**

Manager McCarthy gave an update on Basin's future rates.

**CEO AND DIRECTOR EVALUATIONS**

Manager McCarthy called upon Amy Voelker to discuss and hand out the CEO and Director evaluations.

**STRATEGIC ISSUE DISCUSSION**

Manager McCarthy discussed the upcoming strategic planning session that will be held in conjunction with the regular board meeting which will be held August 26<sup>th</sup> and 27<sup>th</sup>.

**REVIEW OF THE 2019 ACSI SCORE/SURVEY RESULTS**

Manager McCarthy called upon Carrie Vugteveen to review the ACSI score/survey results. Carrie presented the 2019 information from the survey that was conducted from May-June. Our overall score was an 88, which is above average and a great score. A motion was made by Mr. Fish to create a resolution to congratulate staff and employees for the ACSI score of 88, seconded by Mr. Johnson. The motion carried.

REVIEW OF OPERATION ROUND-UP SCHOLARSHIP GUIDELINES

Manager McCarthy called upon Debra Biever to review the current Operation Round-up guidelines, total application numbers and the split between technical/line school and 4-year university/college. Discussion was held for recommended changes for the ORU Board of Trustees.

REVIEW AND CONSIDERATION OF ANNUAL MEETING WAIVER FOR SIOUX VALLEY ENERGY CUSTOMER TRUST AND APPOINTMENTS OF OPERATION ROUNDUP BOARD OF TRUSTEES

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. The reappointments of Connie Hillard, Pipestone County and Greg Benda, Lake County, to the Customer Trust board of Trustees was approved. Mr. Martinson made a motion for the consent in writing in lieu of an annual meeting and to approve the reappointments of Connie Hillard and Greg Benda, seconded by Mr. Fish. The motion carried.

BOARD EDUCATION

Directors are viewing a series of educational videos on a variety of governance topics. This month they viewed "A Discussion about Key Ratio Trends Analysis".

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 shared information about the proposal from Avera Health to invest in the REED Fund. Their primary focus of the committed funds will be used to increase workforce housing availability in communities with Avera facilities.

Manager McCarthy shared that Bill Drummond, Midwest CEO announced his retirement at the beginning of 2020.

Manager McCarthy gave an update on the Western States Power Corporation.

Manager McCarthy shared that East River Electric continues to work the SPP on the Notice to Construct (NTC) for the Dakota Ethanol load addition near Wentworth.

Manager McCarthy shared that East River Electric purchased a mobile substation from Central Power in Minot, ND.

Manager McCarthy shared that the Environmental Protection Agency (EPA) finalized the Affordable Clean Energy (ACE) rule in June. This new rule (ACE) repeals and replaces the Clean Power Plan.

Manager McCarthy shared that Carrie Vugteveen was nominated for and approved to serve on the Touchstone Energy Brand Strategies Committee.

Manager McCarthy and Ted Smith gave an update on the Wentworth substation issues that East River experienced due to switching procedures. Those issues interrupted power at Dakota Ethanol.

ACCEPT MANAGER'S REPORT

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

REVIEW AND CONSIDERATION OF GENERAL MANAGER'S QUARTERLY EXPENSE STATEMENT

Dave Daniel, Treasurer, reported that he reviewed the General Manager's expense and credit card statements for the period of April through June, 2019 and found all expenses to be in order. The report of the General Manager's statement in the amount of \$2,134.45 was approved per a motion by Mr. DeMent, seconded by Mr. Rogen. The motion carried.

REVIEW AND CONSIDERATION OF ATTORNEY'S QUARTERLY EXPENSE STATEMENT

Executive Assistant Amy Voelker presented the quarterly expense statements for Attorney Peterson. A motion to approve payment of the Attorney's expense statements for April through June, 2019 in the amount of \$12,721.67 was made by Mr. Rogen, seconded by Mr. Fish. The motion carried.

Director Kooima left the meeting via teleconference.

REPORTS ON POWER SUPPLY MEETINGS

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

REPORTS ON MEETINGS ATTENDED

CFC Forum – Mr. Rogen reported on CFC Forum that he attended in New York, NY.

CFC Statewide Workshop – Directors DeMent, Daniel, and DeGreef reported on the CFC Statewide workshop they attended in Pierre, SD.

CoBank Energy Directors Conference – Directors Martinson, Johnson, and Fish reported on the CoBank Energy Directors Conference they attended in Asheville, NC.

MREA District 5 Meeting – Directors Leuthold, Weinacht, DeGreef and Roskamp reported on the MREA District 5 meeting they attended in Sleepy Eye, MN.

EXECUTIVE SESSION

Mr. DeMent made a motion to move into executive session, seconded by Mr. Fish at 2:39 p.m. to discuss internal cooperative business. Mr. DeMent made a motion to adjourn executive session at 2:46 p.m., seconded by Mr. Leuthold. The motion carried.

NEXT MEETING

The next regular board meeting in conjunction with strategic planning will be held on Monday and Tuesday, August 26<sup>th</sup> & 27<sup>th</sup>, 2019 at East River Electric in Madison, SD.

ADJOURNMENT

Mr. Fish made a motion, seconded by Mr. Roskamp to adjourn the Sioux Valley Energy board meeting at 2:48 p.m. The motion carried.

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Allan Kooima, Secretary

Approved: \_\_\_\_\_