

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
October 28th, 2019**

The regular meeting of the Board of Directors of the Sioux Valley-Southwestern Electric Cooperative, Inc. (dba. Sioux Valley Energy) was held on October 28th, 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. Also present were Attorney Alan Peterson, General Manager Tim McCarthy, management staff members Betty VanDerWerff, Ted Smith and Debra Biever along with Executive Assistant Amy Voelker. Guests in attendance were Jay Buchholz, Key Account & Community Relations Executive; Sheila Gross, Energy Services Specialist; Nick Nelson from PSE; and Derrick Moe, MREA General Manager.

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. Martinson. The motion carried.

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the regular board meeting of September 23rd, 2019 was made by Mr. Johnson, seconded by Mr. Fish. The motion carried.

REVIEW AND CONSIDERATION OF 2019 UPDATE OF THE 2017 LOAD FORECAST

Manager McCarthy called upon Ted Smith to review the 2020 Basin load forecast for the time period from 2020 to 2050. Mr. Kooima made a motion to approve the 2020 Basin load forecast resolution for Basin Electric, seconded by Mr. Fish. The motion carried.

WHEREAS, Basin Electric Power Cooperative has completed a detailed forecast of total demand and energy requirements for the period of 2019 through 2050; and

WHEREAS, the forecast was prepared in accordance with current Rural Utilities Service regulations using reasonable methodologies and assumptions; and

WHEREAS, the Board of Directors of Sioux Valley-Southwestern Electric Cooperative Inc. has reviewed the study and its conclusions;

THEREFORE, BE IT RESOLVED that the Board of Directors of Sioux Valley-Southwestern Electric Cooperative Inc. does hereby adopt and approve the 2020 Load Forecast prepared by Basin Electric Power Cooperative as a reasonable forecast of the future demand and energy requirements for 2019 through the year 2050.

And that the action taken and /or resolutions adopted as above set out have never been rescinded, altered, amended, modified or repealed, and are of the date hereof in full force and effect.

REVIEW AND CONSIDERATION OF ATTORNEY'S QUARTERLY EXPENSE STATEMENT

Amy Voelker presented the quarterly expense statements for Attorney Peterson. A motion to approve payment of the Attorney's expense statements for July through September 2019 in the amount of \$13,540.76 was made by Mr. DeMent, seconded by Mr. Roskamp. The motion carried.

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 that RUS approved the 2020-2023 East River Electric workplan.

Manager McCarthy gave an update on the Basin financial forecast for 2020-2029.

Manager McCarthy discussed the proposals for the upcoming SD Interim Committee on the Municipal Takings (SB66).

Manager McCarthy reports that Amazon commits to being 100% renewable energy by 2030.

Manager McCarthy gave an update on the funds that were raised for the line patrol charity ride that East River Electric hosted in 2019. The next charity ride will be held in Aberdeen at Northern Electric.

Manager McCarthy gave an update on the FEMA meetings.

ACCEPT MANAGER'S REPORT

A motion to accept the manager's report was made by Mr. Fish, seconded by Mr. DeGreef. 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 July through September 2019 and found all expenses to be in order. The report was accepted and payment of the General Manager's statement in the amount of \$2,639.73 was approved per a motion by Mr. Daniel, seconded by Mr. Martinson. 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.

SDREA Board Meeting – Mr. Kooima reported on his attendance at the SDREA board meeting.

REPORTS ON MEETINGS ATTENDED

ACRE Events – Directors reported on the SVE ACRE Events that were held throughout the SVE service territory in November.

COST OF SERVICE STUDY

Manager McCarthy called upon Debra Biever to introduce Nick Nelson, Rate & Financial Consultant from Power System Engineering (PSE). He presented the results of the 2019 Cost of Service Study to the Board. This presentation included study objectives, revenue requirements, cost of service results and rate design objectives.

EXECUTIVE SESSION

Mr. Martinson made a motion to move into executive session, seconded by Mr. DeMent at 10:59 a.m. to review market rates. Mr. DeMent made a motion to adjourn executive session at 11:29 a.m., seconded by Mr. Johnson. The motion carried.

REVIEW AND CONSIDERATION OF MARKET RATE CHANGES

Mr. DeMent made a motion to approve the market rate changes that were discussed in executive session, seconded by Mr. Johnson. The motion carried.

MREA VISIT

Derrick Moe, General Manager/CEO, from MREA addressed the Board and discussed various Minnesota board initiations.

NOTICES OF MEETINGS, SELECTION OF DELEGATES/ATTENDANCE AUTHORIZATION

East River New Director/Employee Orientation – Notice of the East River New Directors/Employee Orientation that will be held November 18th, 2019 in Madison, SD was given. Director DeGreef was authorized to attend per motion made by Mr. Fish, seconded by Mr. DeMent. The motion carried.

SVE Legislative Luncheon – Notice of the SVE Legislative Luncheon that will be held November 26th, 2019 in Sioux Falls, SD was given. All Directors were authorized to attend per motion by Mr. Rogen, seconded by Mr. Leuthold. The motion carried.

BLC Classes 919.1 and 964.1 – Notice of the SDREA BLC Classes 919.1 (Cooperative Structure: A Strategic Advantage) and 964.1 (Communicating the New Energy Landscape) that will be held December 3rd & 4th, 2019 in Pierre, SD was given. Directors Weinacht, Kooima, DeGreef, and Daniel were authorized to attend per motion by Mr. Kooima, seconded by Mr. DeMent. The motion carried.

NEXT MEETING

The next regular board meeting will be held on Monday, November 25th, 2019 at Colman Headquarters, Colman, SD.

ADJOURNMENT

Mr. Roskamp made a motion, seconded by Mr. DeMent to adjourn the Sioux Valley Energy board meeting at 11:45 a.m. The motion carried.

Allan Kooima, Secretary

Approved: _____