

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.  
February 25<sup>th</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 February 25<sup>th</sup>, 2019 commencing at 9:30 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
Henning Hansen	Gregg Johnson	Allan Kooima
Bruce Martinson	Mark Rogen	Dave Daniel
Gary Fish		

All directors were present, with the exception of Arlyn Zylstra. Ted Smith was in attendance by conference call. Also present were Attorney Alan Peterson, General Manager Tim McCarthy, management staff members Betty VanDerWerff, Carrie Law, and Debra Biever along with Executive Assistant Amy Voelker. Don DeGreef, District 1 board candidate was a guest.

REVIEW AND CONSIDERATION OF AGENDA

The agenda was presented for consideration, with the removal of information item territorial integrity. A motion to approve the agenda was made by Mr. Kooima, seconded by Mr. Leuthold. The motion carried.

REVIEW AND CONSIDERATION OF MINUTES

A motion to approve the minutes of the regular board meeting of January 28<sup>th</sup>, 2019, with a correction made to the start time of 9:30 a.m. was made by Mr. Fish, seconded by Mr. Hansen. The motion carried.

EXECUTIVE SESSION

Director Zylstra joined the meeting at this time.

Mr. Daniel made a motion to move into executive session, seconded by Mr. Martinson at 9:43 a.m. to discuss territory integrity. Mr. Zylstra made a motion to adjourn executive session at 10:56 a.m., seconded by Mr. Rogen. The motion carried.

DISCUSSION ON DISTRICT MEETINGS

Manager McCarthy held a discussion on how the Directors thought the first district meeting went and if we needed to make any adjustments.

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 1, 2, 3, 4, 6 and 10 were presented. Mr. Rogen made a motion to approve the following credentials and election committees, seconded by Mr. Hansen. The motion carried.

District #6 – Monday, February 25<sup>th</sup>

Marvin VanKekerix  
Cheri DeMent  
Alvina Harvey  
Duane Harvey  
Harry Buck  
Al Carstens  
Cheryl Carstens

District #1 – Tuesday, March 19<sup>th</sup>

Ivan Kuhlman  
Elisabeth Roelofs  
Dian Hoven  
Tom Davis  
Kevin Vostad  
Ann Vostad  
John Kleinjan

District #10 – Thursday, March 21<sup>st</sup>

Keith VanDuyn  
 Connie Hillard  
 Elisabeth Roelofs  
 Duane Harvey  
 Alvina Harvey  
 Virgil Schoolmeester  
 Robert Schelhaas  
 Gene Halbur  
 Ronald Osenga

District #2 – Monday, March 25<sup>th</sup>

Keith VanDuyn  
 Kevin Vostad  
 Ann Vostad  
 Mark Berkland  
 Darnell Albers  
 Phyllis Pates  
 Barb Hillestad

District #3 – Tuesday, March 26<sup>th</sup>

Keith VanDuyn  
 Marvin VanKekerix  
 Connie Hillard  
 Tom Davis  
 Mark Berkland  
 Darnell Albers  
 Jim McGuire

District #4 – Monday, April 1<sup>st</sup>

Keith VanDuyn  
 Brenda Franken  
 Marvin VanKekerix  
 Cheri DeMent  
 Kevin Vostad  
 Ann Vostad  
 Tim Dunn

REVIEW AND CONSIDERATION OF ANNUAL COGENERATION FILING AND REPORT

Manager McCarthy called upon Debra Biever to review all the documents for the 2019 annual cogeneration filing and report for rates and schedules. A motion was made by Mr. Kooima to approve the annual cogeneration filing and report, seconded by Mr. Zylstra. The motion carried.

REVIEW AND CONSIDERATION OF REED LOAN

Manager McCarthy called upon Betty VanDerWerff to present the REED Loan for the Valley Telecommunication Inc./Valley FiberCom. Mr. Martinson made a motion, seconded by Mr. Rogen, to deny the REED Loan for the Valley Telecommunication Inc./Valley FiberCom. The motion carried.

REVIEW AND CONSIDERATION OF MAY BOARD MEETING

A motion was made by Mr. Daniel, seconded by Mr. Hansen to move the May board meeting to Tuesday, May 28<sup>th</sup>, 2019. The motion carried.

STRATEGIC PLANNING SESSION

Manager McCarthy had a discussion about the strategic planning session in August. The dates of August 26 – 27<sup>th</sup> were chosen to have it along with the August board meeting. A location will be determined at a later date.

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 January peak loads.

Manager McCarthy reported on year-end financials of 2018 for Sioux Valley Energy, along with East River's 2018 year-end financials.

Manager McCarthy reported on the attendance of the Hartford Chamber Annual Meeting. The meeting attendance has doubled from last year.

Manager McCarthy gave an update from the Basin Member's Meeting. He shared that MDU will be shutting down 3 coal plants in North Dakota and Montana. He also shared the 2018 year-end financial updates from Basin.

Manager McCarthy shared that Basin reported on the consolidated load forecast for the next 20 years.

Manager McCarthy reported on the wind and solar energy bills that were introduced in the SD legislative session. The bills are SB 64 and SB 15.

Manager McCarthy gave an update on Minnesota legislative session. The first renewable energy standard has been introduced, along with continuing work on CIP (conservation improvement plan), and third-party sales legislation continues to be discussed.

#### ACCEPT MANAGER'S REPORT

A motion to accept the manager's report was made by Mr. Hansen, seconded by Mr. Kooima. 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

East River Energize Forum – Directors reported on the East River Energize Forum they attended in Sioux Falls.

NRECA Director's Conference – Director DeMent reported on the NRECA Director Conference he attended in San Antonio, TX.

Coop Day at the Capitol – Directors Daniel, DeMent, and Kooima reported on the Coop Day at the Capitol in Pierre, SD.

MREA Annual Meeting – Directors Martinson, Rogen, Johnson, Hansen, Zylstra, and Weinacht reported on their attendance at the MREA Annual Meeting in Minneapolis, MN.

#### NOTICES OF MEETINGS, SELECTION OF DELEGATES/ATTENDANCE AUTHORIZATION

CoBank Customer Meeting – Director Rogen was authorized to attend the CoBank Customer Meeting, March 25<sup>th</sup> – 26<sup>th</sup>, 2019 in Minneapolis, MN per a motion by Mr. Leuthold, seconded by Mr. Hansen. The motion carried.

CFC Forum – Director Rogen was authorized to attend the CFC Forum, July 1<sup>st</sup> - 3<sup>rd</sup>, 2019 in New York, NY per a motion by Mr. Kooima, seconded by Mr. Martinson. The motion carried.

L&O Annual Meeting – All Directors were authorized to attend the L&O Annual Meeting that will be held April 2<sup>nd</sup>, 2019 per a motion made by Mr. Rogen, seconded by Mr. Martinson. The motion carried.

#### NEXT MEETING

The next regular board meeting will be held on Monday, March 25<sup>th</sup>, 2019 at Colman Headquarters, Colman, SD.

ADJOURNMENT

Mr. Zylstra made a motion, seconded by Mr. DeMent to adjourn the Sioux Valley Energy board meeting at 2:05 p.m. The motion carried.

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Allan Kooima, Secretary

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