

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS  
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.  
June 24<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 June 24<sup>th</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 the exception of Mark Rogen. Also present were Attorney Alan Peterson, General Manager Tim McCarthy, management staff members Ted Smith, Betty VanDerWerff, Carrie Vugteveen, and Debra Bieber along with Executive Assistant Amy Voelker. Guest in attendance was Bob Sahr from East River Electric and per teleconference Curt Dieren from L & O Power.

**REVIEW AND CONSIDERATION OF AGENDA**

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

**REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES**

A motion to approve the minutes of the regular board meeting of May 27<sup>th</sup>, 2019 was made by Mr. Martinson, seconded by Mr. Johnson. The motion carried.

**SAFETY STEERING TEAM ANNUAL UPDATE**

Mark Rogen joined the meeting.

Manager McCarthy called upon the Safety Steering Team to give the Board an update on activities, the strategic planning session and the ongoing efforts to enhance the safety culture at Sioux Valley Energy. Members present from the Safety Steering Team were Sheila Groos, Steve Neises, Debra Bieber, Chad Lade, Terry Ebright, Jason Langford, and Nick Smith

**ANNUAL BOARD REORGANIZATION/ELECTION OF OFFICERS**

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

Attorney Peterson declared nominations open for the office of President. Upon completion of the tabulation of the ballots, Attorney Peterson reported that Allan Weinacht received a majority of the votes cast, where upon Mr. Weinacht was elected President.

Attorney Peterson declared nominations open for the office of Vice-President. Upon completion of the tabulation of the ballots, Attorney Peterson reported that Gary Fish received a majority of the votes cast, whereupon Mr. Fish was elected Vice-President.

Attorney Peterson declared nominations open for the office of Secretary. Upon completion of the tabulation of the ballots, Attorney Peterson reported that Allan Kooima received a majority of the votes cast, whereupon Mr. Kooima was elected Secretary.

Attorney Peterson declared nominations open for the office of Treasurer. Upon completion of the tabulation of the ballots, Attorney Peterson reported that Dave Daniel received a majority of the votes cast, whereupon Mr. Daniel was elected Treasurer.

REVIEW AND CONSIDERATION OF L&O DIRECTOR POSITION

A motion was made by Mr. Kooima, seconded by Mr. Johnson to seat Lucas Roskamp on the L&O Board of Directors to replace the retired director, Mr. Zylstra. The motion carried.

EXECUTIVE SESSION

Mr. Martinson made a motion to move into executive session, seconded by Mr. DeMent at 9:13 a.m. to discuss the joint defense and common interest agreement. Mr. Kooima made a motion to adjourn executive session at 9:45 a.m., seconded by Mr. DeMent. The motion carried. Present during executive session were staff, directors, Bob Sahr, and Curt Dieren via teleconference.

REVIEW AND CONSIDERATION OF JOINT DEFENSE AND COMMON INTEREST AGREEMENT

A motion to approve and sign the joint defense and common interest agreement contract was made by Mr. Fish, seconded by Mr. Rogen. The motion carried.

REVIEW AND CONSIDERATION OF AGREEMENT TRANSFER OF SERVICE TERRITORY BETWEEN THE CITY OF AURORA AND SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.

Manager McCarthy called upon Ted Smith to review the transfer of service territory agreement between the city of Aurora and Sioux Valley-Southwestern Electric Cooperative, Inc. A motion was made by Mr. Martinson for the proposed annexation agreement, seconded by Mr. Rogen. The motion carried.

STRATEGIC ISSUE DISCUSSION

Manager McCarthy discussed the upcoming strategic planning session and reviewed suggested topics for this year's planning session.

BOARD EDUCATION

Directors are viewing a series of educational videos on a variety of governance topics. This month they viewed "Building a Relationship between the Board and CEO".

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 that East River Electric is planning to hold two more livestock seminars, one in Watertown and one in Aberdeen.

Manager McCarthy gave updates on the Midwest Electric Consumers Association, Water and Power Planning committee. He gave an update on how Western discussed their future capital and O&M funding needs and that the Corps of Engineers stated that the 2019 runoff year above Sioux City is the 3<sup>rd</sup> highest runoff since they have started keeping record 121 years ago.

Manager McCarthy gave an update that MN Governor Walz stated his goal is to have Minnesota be 100% carbon free by 2050.

Manager McCarthy shared the dollar amount donated for ORU this quarter.

Manager McCarthy shared the date and details of the Safety Day that we will be having on August 10<sup>th</sup>, 2019 at the Brandon Service Center.

ACCEPT MANAGER'S REPORT

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

REPORTS ON MEETINGS ATTENDED

Southeastern Electric Annual Meeting – Director DeMent reported on Southeastern Electric's Annual meeting that he attended.

MREA Legal Seminar – Attorney Peterson reported on the MREA Legal seminar he attended in Maple Grove, MN.

NOTICES OF MEETINGS, SELECTION OF DELEGATES/ATTENDANCE AUTHORIZATION

CFC Statewide Workshop – Directors DeMent, DeGreef, Daniel, and Kooima were authorized to attend the CFC Statewide Workshop on July 16-17<sup>th</sup>, 2019 in Pierre, SD per motion made by Mr. Rogen, seconded by Mr. Johnson. The motion carried.

SDREA Board Leadership Summit – Director Daniel was authorized to attend the SDREA Board Leadership Summit, July 28-29<sup>th</sup>, 2019 in Pierre, SD per a motion by Mr. Martinson, seconded by Mr. DeMent. The motion carried.

MREA Energy Issues Summit, Board Chair Round Table – Director Weinacht was authorized to attend the MREA Energy Issues Summit, Board Chair Round Table that will be held July 30<sup>th</sup>, 2019 per a motion made by Mr. DeMent, seconded by Mr. Leuthold. The motion carried.

East River Electric Annual Meeting – All directors were authorized to attend the East River Electric Annual Meeting on September 4<sup>th</sup>, 2019 per motion made by Mr. Daniel, seconded by Mr. Martinson. Mr. DeMent made a motion for Director Fish to be voting delegate and Director Weinacht alternate, seconded by Mr. Kooima. The motions carried.

NRECA Region 5/6 Meeting – Directors Martinson, Johnson, DeMent, Weinacht, and DeGreef were authorized to attend the NRECA Region 5/6 Meeting on August 10-12<sup>th</sup>, 2109 in Milwaukee, WI per motion made by Mr. Daniel, seconded by Mr. Kooima. Mr. Leuthold made a motion for Director Martinson to be voting delegate and Director DeMent to be alternate, seconded by Mr. Kooima. The motions carried.

EXECUTIVE SESSION

Mr. Martinson made a motion to move into executive session, seconded by Mr. DeMent at 11:49 a.m. to discuss internal cooperative business. Mr. DeMent made a motion to adjourn executive session at 12:01 p.m., seconded by Mr. Daniel. The motion carried.

NEXT MEETING

The next regular board meeting will be held on Monday, July 22<sup>nd</sup>, 2019 at Colman Headquarters, Colman, SD.

ADJOURNMENT

Mr. Fish made a motion, seconded by Mr. Daniel to adjourn the Sioux Valley Energy board meeting at 12:05 p.m. The motion carried.

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Allan Kooima, Secretary

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