

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
March 23rd, 2020**

The regular meeting of the Board of Directors of the Sioux Valley-Southwestern Electric Cooperative, Inc. (dba. Sioux Valley Energy) was held on March 23rd, 2020 commencing at 8:30 a.m. via teleconference. Teleconference was necessary due to the COVID-19 Pandemic.

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 Biever along with Executive Assistant Brenda Schelhaas. Guest in attendance was Jay Buchholz, Key Account and Community Relations Executive.

REVIEW AND CONSIDERATION OF AGENDA

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

REVIEW AND CONSIDERATION OF BOARD MEETING MINUTES

A motion to approve the minutes of the February 24th, 2020 regular board meeting was made by Mr. Daniel, seconded by Mr. Leuthold. The motion carried.

Due to the electronic meeting platform, President Allan Weinacht called upon General Manager McCarthy to preside over the remainder of the meeting.

EXECUTIVE SESSION

Mr. Martinson made a motion to move into executive session, seconded by Mr. Kooima at 8:40 a.m. to discuss internal cooperative business. Mr. Dement made a motion to adjourn executive session at 9:17 a.m., seconded by Mr. Roskamp. The motion carried.

REVIEW AND CONSIDERATION OF ALLIANT POWER SUPPLY RESOLUTION

Manager McCarthy presented a proposed resolution for SMEC power supply termination in 2025. A motion to adopt the following resolution was made by Mr. Weinacht, seconded by Mr. DeMent. The motion carried.

RESOLUTION

WHEREAS, Sioux Valley-Southwestern Electric Cooperative, Inc. hereby gives Southern Minnesota Electric Cooperative (SMEC) official notice of its intent to terminate its power supply and transmission service on July 31, 2025 according to paragraph 18, of the power supply contract dated July 31, 2015.

Now therefore it be resolved, Sioux Valley-Southwestern Electric Cooperative, Inc. shall terminate its' power supply contract with SMEC and receive load serving power from Basin Electric Power Cooperative (BEPC) and/or L&O Power Cooperative (L&O), receive transmission service from BEPC and/or L&O and names BEPC to be the SPP and/or MISO market participant for all loads now being served by SMEC for said cooperative effective August 1, 2025.

This resolution is irrevocable and may not be changed without approval of the SMEC Board of Directors and the Sioux Valley-Southwestern Electric Cooperative, Inc. Board of Directors.

MEMBER ADVISORY COUNCIL APPOINTMENTS

In accordance with Board Operating Guide #9-1, directors nominated members from their respective districts to serve on the Member Advisory Council. A motion was made by Mr. Martinson and seconded by Mr. Daniel that the following nominees be appointed for a three-year term on the Member Advisory Council. The motion carried.

District 2 Mark Berkland
District 3 Darnell Albers
District 4 Greg Benda
District 5 Floyd Snoozy
Jeff Thompson
District 6 Monte Albertson
Stephen Wooten
Joe Kafka
District 8 Tim Drost
District 9 Connie Hillard
District 10 Dan Neimeyer
Clark Stoel

Mr. Leuthold received notification from Tim Drost that he is no longer able to serve on the council. Mr. Leuthold made a motion to amend the above appointments removing Tim Drost from the Member Advisory Council, seconded by Mr. Johnson. The motion carried.

STRATEGIC PLANNING

Manager McCarthy asked the Board to continue to think about their 2020 strategic planning session. He also encouraged them to express interest in board education topics they would like to learn more about.

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 called upon Debra Biever to give a report on Sioux Valley Energy's COVID-19 pandemic response. Our service centers are closed and we are operating at Level 4. Level 5 is Shelter in Place and would require response to outages only. Minnesota's governor is expected to issue a Shelter in Place order within the next week. We launched Workplace by Facebook to help keep employees connected during this time. Staff holds a daily teleconference meeting to discuss operations during our Pandemic Response Plan.

Manager McCarthy called upon Carrie Vugteveen to give legislative updates from South Dakota and Minnesota. The South Dakota Senate Commerce and Energy Committee tabled House Bill 1262 effectively killing the measure. The Minnesota legislature is taking an extended break until April 14.

Manager McCarthy discussed organizational structure changes that will take place in the next few months. Some of these changes include creating a Beneficial Electrification department, splitting Billing and Customer Service, realigning the Administrative Staff, reassigning Metering to IT and renaming Carrie's department Public Relations. These changes won't take place until we are operating under normal business conditions.

Manager McCarthy discussed defining our culture. He explained some exercises the coaches and their teams had completed recently. He presented the organization's top ten cultural elements. Work will continue to define these elements and finalize an overall cultural statement.

ACCEPT MANAGER'S REPORT

A motion to accept the manager's report was made by Mr. DeMent, seconded by Mr. Fish. 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. Johnson reported there wasn't a L & O Power board meeting since SVE's last board meeting. The next meeting has been canceled.

REPORTS ON MEETINGS ATTENDED

NRECA Annual Meeting – Directors DeMent and DeGreef reported on the NRECA Annual Meeting they attended in New Orleans, LA, March 1-4, 2020.

MREA Annual Meeting – Meeting was canceled.

NOTICES OF MEETINGS, SELECTION OF DELEGATES/ATTENDANCE AUTHORIZATION

- Lyon Rural Electric Cooperative Annual Meeting, March 30, Rock Rapids, IA
Meeting canceled.
- CoBank Customer Meeting, March 30-31, Fargo, ND
Meeting canceled.
- NRECA Directors Conference, April 4-7, Kansas City, MO
Meeting canceled.
- L&O Annual Meeting, April 7, Luverne, MN
Meeting canceled.
- NRECA Legislative Conference, April 26-28 Washington, DC
Meeting canceled.
- NRECA Region 5 & 6 Meeting, April 4-7, Des Moines, IA
Meeting canceled.
- CoBank Directors Conference, July 13-15, Colorado Springs, CO
Will be discussed at the April 20, 2020 board meeting.
- NRECA Regional 5 & 6 Meeting, September 15-17, Des Moines, IA
Will be discussed at the April 20, 2020 board meeting.

EXECUTIVE SESSION

Mr. Roskamp made a motion to move into executive session, seconded by Mr. Fish at 11:18 a.m. Mr. DeMent made a motion to adjourn executive session at 11:35 a.m., seconded by Mr. Martinson. The motion carried.

OTHER BUSINESS

Mr. Kooima informed us that SDREA has appointed a Manager's Task Force. Manager McCarthy has agreed to be one of the East River managers on that task force.

NEXT MEETING

The next regular board meeting will be held on Monday, April 20th, 2020 either at Colman Headquarters, Colman, SD or via teleconference depending on pandemic conditions.

ADJOURNMENT

Mr. DeMent made a motion, seconded by Mr. Johnson to adjourn the Sioux Valley Energy board meeting at 11:40 a.m. The motion carried.

Allan Kooima, Secretary

Approved: _____