

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF THE SIOUX VALLEY-SOUTHWESTERN ELECTRIC COOPERATIVE, INC.
March 29th, 2017**

The regular meeting of the Board of Directors of the Sioux Valley-Southwestern Electric Cooperative, Inc. (dba. Sioux Valley Energy) was held on March 29th, 2017 commencing at 8:30 a.m. at the Colman headquarters in Colman, South Dakota.

The meeting was called to order by President Rodney DeMent who presided and Allan Kooima, Secretary, acted as Secretary.

Roll call showed the following members present:

Rodney DeMent	Gary Drost	Dave Daniel
Henning Hansen	Arlyn Zylstra	Allan Kooima
Bruce Martinson	Mark Rogen	Allan Weinacht
Gary Fish		

All directors were present except for Gregg Johnson. Also present were Attorney Alan Peterson, General Manager Tim McCarthy, management staff members Betty VanDerWerff, Ted Smith, Debra Biever, and Carrie Law, along with Staff Assistant and Communications Specialist Amy Voelker. Employee Terry Ebright, Safety Coordinator and MAC members Jed Huisman and Reed Christopherson were also in attendance.

REVIEW AND CONSIDERATION OF AGENDA

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

REVIEW AND CONSIDERATION OF MINUTES

A motion to approve the minutes of the regular board meeting of February 21st, 2017 was made by Mr. Hansen, seconded by Mr. Daniel. The motion carried.

TIME OF USE RESIDENTIAL RATE

Manager McCarthy called upon Debra Biever to present time of use residential rates that are currently being reviewed and a rate design worked out with peak times included and approved through Basin Electric. These rates have been approved, but are not currently active. We are currently moving forward to get these active for our membership.

REVIEW AND CONSIDERATION OF DATE AND LOCATION FOR 2017 ANNUAL MEETING

Manager McCarthy called upon Carrie Law to present options for the 2017 Annual Meeting venue, date and location. Two options were given with the recommendation of holding the event at the Brandon Valley School in Brandon, SD on Tuesday, June 6th, 2017. Mr. Hansen made a motion, seconded by Mr. Fish to approve the recommended date and location for the 2017 Annual Meeting. The motion carried.

STRATEGIC THINKING SESSION

Manager McCarthy reviewed a preliminary facilitator, Henry Cano from NRECA, for the strategic thinking session August 17th and 18th.

DISASTER RECOVERY PLAN REVIEW

Manager McCarthy shared with the board the safety/wellness observation forms each department fills out. Manager McCarthy called upon Terry Ebright to review the Emergency Response Plan, disaster recovery plan section, with the board of directors. Terry also reviewed where the AED's are in all of our facilities.

2016 CUSTOMER SURVEY DATA REVIEW

Manager McCarthy called upon Debra Biever to review the results from the customer satisfaction survey. She compared 10 years of data.

RUS SO & M (SYSTEM OPERATIONS AND MAINTENANCE)

Manager McCarthy called upon Ted Smith to review the SO & M (system operations and maintenance). He presented the results from our self-certification. He informed the board of where we are strong in our SO & M and the areas we need some improvement in.

YEAR END REPORT

Manager McCarthy called for comments and/or questions relative to discontinuing the year-end report. There was concern of not doing the report all together, so it was decided to put together a summary overview for a 2016 year-end report.

APPOINTMENT OF MEMBER ADVISORY COUNCIL MEMBERS

Two additional members were appointed to the Advisory Council in accordance with Board Operating Guide #9-1. Darnele Albers will be added to District #3 and Gary Meyer will be added to District #7. Mr. Kooima made a motion, seconded by Mr. Drost to approve the additional appointments. 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. He also reported on the East River MAC meeting.

Manager McCarthy reported on the Basin Electric issues and the discussion from the East River MAC meeting.

Manager McCarthy reported on the 2016 financial audit that was held March 8-10 in the Colman office.

Manager McCarthy reported on the EmPOWER students that traveled to the Co-ops YES! Conference in Eau Claire, WI. There were nine students that attended this conference.

Manager McCarthy gave an update on the solar project at the Brandon Service Center.

Manager McCarthy gave an update on the temporary audit changes we have made due to staffing issues in the metering department.

Manager McCarthy gave a quarterly update from the Operation Round-Up applications and that \$36,050 was distributed to recipients.

Manager McCarthy gave an update from the Coop Day at the capitol.

Manager McCarthy gave an update on the key account visits that Paul Mantz has been doing. They have been going as well as expected.

Carrie Law gave a legislative update for South Dakota and Minnesota.

ACCEPT MANAGER'S REPORT

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

REVIEW AND CONSIDERATION OF ALTERNATIVE DATE FOR MAY BOARD MEETING

Due to a conflict with the May board meeting date, a motion was made by Mr. Fish to reschedule the May board meeting date to May 30th, 2017, seconded by Mr. Rogen. The motion carried.

REPORTS ON POWER SUPPLY MEETINGS

East River Board Meeting – Mr. Rogen reported on his attendance at the East River board meeting.

Basin Electric Board Meeting – Mr. Drost reported on his attendance at the Basin Electric board meeting.

L&O Power Board Meeting – Mr. Zylstra reported on his attendance at the L&O Power

board meeting.

REPORTS ON MEETINGS ATTENDED

CoBank – Directors Rogen, Drost, Daniel and Martinson reported on their attendance at the CoBank Meetings they attended.

NRECA Annual Meeting – Director DeMent reported on his attendance at the NRECA Annual Meeting.

NOTICES OF MEETINGS, SELECTION OF DELEGATES/ATTENDANCE AUTHORIZATION

CFC Forum – Notice of the CFC Forum that will be held on June 11-14, 2017 in San Antonio, TX was presented. Mr. Rogen and Mr. Hansen were authorized to attend per a motion by Mr. Kooima, seconded by Mr. Martinson. The motion carried.

CoBank Directors Conference – Notice was given for the CoBank Directors Conference that will be held on June 27-29, 2017 in Colorado Springs, Colorado. Mr. Rogen made a motion to authorize Directors Martinson, Weinacht, Drost, and DeMent to attend, seconded by Mr. Weinacht. The motion carried.

NRECA Legal Seminar – Notice of the NRECA Legal Seminar that will be held August 14-16 in Duck Key, FL was given. Attorney Peterson was authorized to attend per a motion by Mr. Weinacht, seconded by Mr. Rogen. The motion carried.

EXECUTIVE SESSION

Mr. Drost made a motion, seconded by Mr. Zylstra, to move into executive session, to discuss personnel and territory issues, at 2:15 p.m. Mr. Zylstra made a motion to adjourn the executive session at 2:35 p.m., seconded by Mr. Daniel. The motion carried.

NEXT MEETING

The next regular board meeting will be held on April 27th, 2017 at the Deer Creek Station.

ADJOURNMENT

Mr. Martinson, seconded by Mr. Zylstra adjourned the Sioux Valley Energy board meeting at 2:40 p.m.

Allan Kooima, Secretary

Approved: _____