

**WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.**  
**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Thursday, May 16, 2019**

The regular meeting of the Board of Directors of Whetstone Valley Electric Cooperative, Inc. was held on Thursday, May, 16, 2019 commencing at 8:18 AM at the Cooperative headquarters in Milbank, South Dakota.

The meeting was called to order by President, Bill Tostenson who presided and Secretary, Darren Strasser, acted as Secretary.

**Directors Present:** Bill Tostenson, Darren Strasser, Dale Jensen, Krista Atyeo-Gortmaker, Tom Berens, Paul Nelson, Scott Niedert, Dave Behrns,

**Directors Absent:** Joel Adler,

**Staff Present:** Page, Barlund, Christensen, Weber

**Others Present:** Harvey Oliver, Attorney; Tom Jones, GFR, USDA-RUS

**Review and Consideration of Agenda**

- The agenda was presented for consideration. A motion to approve the agenda was seconded and carried.

**Review and Consideration of Minutes**

- A motion to approve the minutes of the reorganizational meeting of April 18, 2019 was seconded and carried. A motion to approve the minutes of the regular meeting of April 18, 2019 was seconded and carried.

**Review and Consideration of the Consent Agenda including:**

Loss Control Report, Estate & Special Capital Credit Retirements, New Members, Tenant Changes, Check Listing, Credit Card statement and Cash Flow.

- A motion to approve the consent agenda was seconded and carried.

**Management Reports**

**Operations Manager, Jon Christensen** submitted a written reported and discussed activities of the line department. He also discussed the NRECA Safety Accreditation Program and requested the purchase of a meter tester that had been bugeted.

**Member Services Manager, Mark Weber** submitted a written report and discussed current activities and reported on the department financials. He also discussed the current open position for an HVAC technician and marketing projects.

**Office Manager, Gail Barlund** submitted a written report and discussed current activities of the office department. She also discussed the upcomming Basin Tour and current financials.

- A motion to approve the Management Staff reports was seconded and carried.

**Review and Consideration of the General Manager's Report**

**General Manager, Page** submitted a written report and reported on curent energy sales and margins. He discussed power factor correction requirements, hazard mitigation grant proceedings and reported on the economic outlook report for the Midwest and issues addressed at the NRECA legislative conference. Page also discussed the conversion of variable interest loans to fixed terms to reduce long term interest expense

- A motion to approve the General Manager's report was seconded and carried.

**WHETSTONE VALLEY ELECTRIC COOPERATIVE, INC.**  
**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**Thursday, May 16, 2019**

After reviewing and discussing the RUS loan application and long range financial forecast, a motion was made to approve a resolution requesting a RUS guaranteed Federal Financing Bank (FFB) loan for construction of distribution facilities in the amount of \$7,364,000 for a term of 35 years.

A motion to authorize the President and Secretary to execute RUS loan documents was seconded and carried.

**Power Supply and Association Meeting Reports:**

Jensen and Berens reported on the general and breakout sessions of the NRECA legislative conference and the issues addressed with SD delegates Thune, Rounds and Johnson.

**East River** Strasser provided a report on activities of East River.

**SDREA** Tostenson reported on the activities of SDREA including a legislative update of SB-66.

**Executive Session:**

No executive session was held.

**Other Business:**

A motion to approve the purchase of a meter tester was seconded and carried.

A motion to approve the 2 year implementation of Verizon AMR system for approximately \$165,000 to improve meter data collection and provide enhanced metering services was seconded and carried.

A motion to participate in the FY 2020 CFC integrity fund was seconded and carried.

A motion to revise policy 10-1, Part A as proposed was seconded and carried.

A motion to revise policy 70-1 as proposed was seconded and carried.

Policies reviewed without revision: 10-4, 10-5, 70-2, 70-3

**Adjournment:**

- A motion to adjourn was made, seconded and carried.

**Next Regular Board Meeting:** Thursday, June 20, 2019 8:00 AM Coop Board Room

---

President

---

Secretary