South Dakota Science and Technology Authority Board of Directors
Meeting Minutes
Thursday, March 19, 2026
Lead, South Dakota

The Board of Directors of the South Dakota Science and Technology Authority (SDSTA) convened at 8:00 a.m. Mountain Time (MT) on Thursday, March 19, 2026, in the Education and Outreach (E&O) Building Conference Room at Sanford Underground Research Facility (SURF), 630 East Summit Street, Lead, South Dakota. A conference number was posted on the agenda with an invitation for members of the public to participate in the meeting in person or join by telephone or videoconference.

MEMBERS OF THE BOARD IN ATTENDANCE

Vice-Chairperson Dana Dykhouse (by videoconference)
Secretary/Treasurer Patricia Lebrun (in person)
Chairperson Casey Peterson (in person)
Mr. Ron Wheeler (by videoconference)
Mr. Steve Elliott, ex officio (in person)

MEMBERS OF THE BOARD ABSENT

Dr. Ani Aprahamian
Mr. Linn Evans
Mr. Roger Musick
Dr. Brian Tande, ex officio

SDSTA STAFF PRESENT DURING ALL OR PART OF THE MEETING

Mr. Sean Crooks, IT Operations Manager (in person)
Mr. Tim Engel, SDSTA General Counsel (in person)
Ms. Kim Flock, Controller (in person)
Ms. Stacie Granum, The Institute Program Manager (in person)
Mr. Mike Headley, SDSTA Executive Director and SURF Laboratory Director (in person)
Ms. Sharon Hemmingson, Interim Contracts & Procurement Manager (by videoconference)
Dr. Markus Horn, Senior Research Scientist (in person)
Ms. Jayme Hunt, HR Manager (in person)
Ms. Michelle Kane, SURF Foundation Donation Relations Manager (in person)
Ms. Tracy Kerwin, SURF Foundation Director (in person)
Ms. Mandy Knight, Chief of Staff (in person)
Ms. Ann Metli, Communications Director (in person)
Mr. Terry Miller, Chief Financial Officer (in person)
Mr. Mike Ray, Media Relations Manager (in person)
Ms. Nicol Reiner, Education & Outreach Director (in person)
Ms. Wendy Straub, Chief Operating Officer (in person)
Ms. Becky Wilcox, Senior Administrative Assistant (in person)

ALSO PRESENT DURING ALL OR PART OF THE MEETING

Ms. Wendy Pitlick, Black Hills Pioneer Journalist (in person)
Mr. Tom Regan, Retired SDSTA Employee (by phone)
Dr. Robert Wilson, SURF Foundation Board Member (in person)

ITEM 1. CALL TO ORDER

Chair Casey Peterson called the meeting to order at 8:00 a.m. (MDT). Roll call was held.

Ms. Pat Lebrun, Chair Casey Peterson, and Mr. Steve Elliott were present in person. Mr. Dana Dykhouse and Mr. Ron Wheeler joined via Zoom. Dr. Ani Aprahamian, Mr. Linn Evans, and Dr. Brian Tande were absent.

Chair Peterson asked guests to introduce themselves. He said if any of the guests had any questions or comments for the board to address, time would be given at the end of the agenda. No public comment forms were submitted.

ITEM 2. APPROVE AGENDA

Chair Peterson requested Item 4C be moved to Item 8C, noting Vice-Chair Dykhouse would need to leave the meeting early, which would result in the Board no longer having a quorum.

Motion by Ms. Lebrun and seconded by Mr. Dykhouse to approve the agenda, as modified. Motion passed unanimously.

ITEM 3. APPROVE MINUTES

Chair Peterson asked if there were any comments on the December 11, 2025, Minutes. Hearing none, he asked for a motion to approve the minutes as presented.

Motion by Ms. Lebrun and seconded by Mr. Wheeler to approve the December 11, 2025, minutes as presented. Motion passed unanimously.

ITEM 4. DISCLOSURES AND LAWS

ITEM 4A.

SDSTA General Counsel Mr. Tim Engel invited members of the Board to disclose anything that might be construed to be a conflict of interest with respect to items under consideration at today's meeting. No conflicts of interest were disclosed.

ITEM 4B.

Mr. Engel reported he contacted all Board members before the March 19, 2026, meeting to request any disclosures required by SDCL Ch. 3-23. No waiver requests were submitted. Mr. Linn Evans submitted a disclosure (no waiver required) due to his employment by Black Hills Energy, which has a power service contract with SDSTA. Mr. Evans' waiver is a part of the public board packet.

The agenda was modified to move Item 4C to Item 8C.

ITEM 5. REPORT FROM AUDIT COMMITTEE

Ms. Lebrun said the audit report was presented to the Board at the December 11, 2025, meeting for discussion, and it is now being presented for approval.

Motion by Mr. Dykhouse and seconded by Mr. Wheeler to accept the Audit Report for the Fiscal Year Ended June 30, 2025, as reviewed and discussed at the December 11, 2025, board meeting. Motion passed unanimously.

ITEM 6. FINANCIAL REPORT

ITEM 6A. JANUARY FINANCIAL STATEMENTS

SDSTA Chief Financial Officer Mr. Terry Miller reported the financial statements for the January 31, 2026, reporting period were included in the board packet and identified the relevant pages. The statements consisted of the Cooperative Agreement (CA) SPA Curve Analysis, Balance Sheet, Income Statements, and Comparatives.

Mr. Miller explained the SPA analysis provides a budget-to-actual comparison for the Cooperative Agreement (CA). Through January, cumulative expenses totaled $159.6 million, which is below the budgeted $164.7 million, resulting in a $5.1 million excess. He noted approximately $2.4 million of this excess is expected to be spent on tracked projects. Additionally, SDSTA is awaiting approval of the FY2024 indirect cost rate to rebill for FY2022, FY2023, and FY2024, and has also submitted the FY2025 rate for approval. Once approved, SDSTA expects to rebill approximately $1.3 million to the Department of Energy.

Moving to the comparative balance sheet, Mr. Miller noted cash with the state decreased by approximately $1 million year-over-year, largely due to expenditures related to Senate Bill 35 ($13 million for the 4850L Underground Expansion Phase A project), which has since been completed and capitalized. Additional factors included drawdowns of operating funds during the government shutdown and routine drawdowns to pay interest on the xenon loan.

He also highlighted a significant increase in fixed assets of $43.8 million year-over-year, primarily due to the $37.7 million donation of Ross Rehabilitation assets from Fermilab, completion of Infrastructure Improvement Plan (IIP) projects, and the $13 million Underground Expansion Phase A project. Work in progress decreased correspondingly as those costs were transferred into capital assets.

On the comparative income statement, Mr. Miller explained prior reported losses were due to expensing the 4850L Underground Expansion Phase A project throughout the year rather than recording it as work in progress. Following capitalization, actual income increased by $5.3 million year-over-year.

Regarding the operating budget analysis, Mr. Miller stated SDSTA currently has excess federal funds, largely within the CA. Spending was temporarily reduced during the government shutdown as a conservative measure but has since increased following the passage of a federal budget for the remainder of federal fiscal year 2026. He added previously delayed capital projects are now moving forward aggressively.

Chair Peterson asked about a separate checking account for experiments with a balance of approximately $460,000.00. Mr. Miller explained this account is held with the state and is used to pay quarterly interest, at a rate of 2.5 percent, to the three Foundations who loaned funds to purchase xenon.

Ms. Lebrun inquired about miscellaneous expenses and donations totaling $287,700.00. Mr. Miller responded this includes items such as Sanford Lab Homestake Visitor Center sales and federal CA property transactions related to IIP projects, which can vary in amount.

Chair Peterson also asked about the approximately $1.1 million listed both as an asset retirement obligation and as a liability on the balance sheet. Mr. Miller explained the liability reflects a long-term estimate of closure costs, while the corresponding asset is depreciated over time, typically over 30 years. The estimate is updated annually based on input from operations staff, with adjustments reflected through the profit and loss statement.

Motion by Ms. Lebrun and seconded by Mr. Wheeler to accept the financial report as presented. Motion passed unanimously.

ITEM 6B. CONSIDER AUTHORIZATION OF BUDGET INCREASE FOR SURF OPERATIONS

Mr. Miller said the CA available budget for FY2026 increased from $38 million to $44 million following work with Congress, with the additional $6 million designated for Yates Hoist upgrades. He asked the board to consider approval of the budget increase.

Chair Peterson thanked Mr. Miller for his efforts.

Motion by Mr. Dykhouse and seconded by Mr. Wheeler to amend the FY2026 budget to include additional federal appropriations funds under the FY2026 DOE appropriation for SURF infrastructure improvements in the sum of $6 million, as presented. Motion passed unanimously.

ITEM 7. SURF FOUNDATION STATUS UPDATE

Chair Peterson welcomed new SURF Foundation Director Ms. Tracy Kerwin, who shared her background in science fundraising. She is a Certified Fund Raising Executive (CFRE) with 25 years of experience in the field, including the past six years at Scripps Research Institute in Jupiter, Florida. Ms. Kerwin brings extensive experience in fundraising for basic science, translational science, and STEM education and outreach. She expressed enthusiasm for advancing the Foundation's mission.

Now about eight weeks into the role, she has focused on learning the organization, meeting staff and stakeholders, and building relationships with donors, foundations, and community partners.

Ms. Kerwin highlighted early progress in donor engagement, grant applications, and sponsorships, as well as strong support for STEM education and science programs. She outlined key fundraising priorities, including building a major gift pipeline, expanding donor outreach, strengthening stewardship, and developing a planned giving program.

Near-term goals include raising approximately $300,000.00 in the final quarter of SDSTA fiscal year 2026, and shifting more education and outreach program funding to private philanthropy. Longer-term efforts will focus on strategic planning and aligning fundraising with institutional priorities.

Ms. Kerwin also noted upcoming events and emphasized the importance of expanding the Foundation Board, with potential new members under consideration.

ITEM 8. REPORT FROM EXECUTIVE DIRECTOR

ITEM 8A. SDSTA QUARTERLY UPDATE

Mr. Headley reported on progress highlights:

- The FY2027 President's Budget Request is expected to be announced in early April. The Senate recently marked $44 million for SURF, and the House remains at $40 million; $38 million is needed to stay on track with the Cooperative Agreement.
- Continue to perform all Long-Baseline Neutrino Facility/Deep Underground Neutrino Facility (LBNF/DUNE) end-to-end logistics from the surface to the underground; lowering cryostat steel is expected to begin in May 2026.
- Yates Shaft top-down maintenance continued nights and weekends with strong progress in multiple areas.
- Yates Hoist upgrades approach: Phase 1 - electrics, motors, controls. Phase 2 - mechanical.
- Discussions with XLZD dark matter experiment continue in support of site selection planning.
- Science Strategic Plan—non-physics emphasis—is nearing completion.
- For IIP, 4850L electrical upgrades are underway, and the 1250L pumproom is planned for Q4 2026.

- Institute for Underground Science program planning is underway with a five-year plan and a new science advisory committee. Deeper Talks was rebranded to honor the late Dr. John Bahcall. Dr. Neta Bahcall joined the Inaugural John Bahcall Colloquium held on March 10 at The Journey Museum in Rapid City.
- CAT demobilization was completed in December 2025. Caterpillar donated $15 million in facility improvements on the 1700L, including installing ground support (rock bolts, mesh, and shotcrete) and new rail infrastructure, to the SDSTA.

Mr. Headley highlighted the FY2026 goals that are being tracked in the SDSTA strategic plan for the year (due September 30, 2026):

- Continue dedicated support for LBNF/DUNE logistics, including Far Detector and Cryogenics Infrastructure (FDC) ramp-up.
- Initial structural steel is transported to the 4850L for LBNF/DUNE.
- Designs are complete for the Yates Complex electrical upgrades.
- Concept design complete for Yates Hoist upgrade; design/build work competed.
- Davis Campus is available for deep underground cryogenic R&D facility, and funding is secured.
- 1250L pumproom rehabilitation has commenced, which is critical to begin updating the Yates Hoist.
- Establish a revised five-year strategic plan for The Institute for Underground Science at SURF.
- Advance plans to host the Generation 3 (G3) Dark Matter experiment at SURF.

In response to a question regarding next steps following completion of shaft upgrades, Mr. Headley stated the current priority is upgrading the hoist system through the end of the decade. As the LBNE/DUNE project progresses—specifically as initial detectors are constructed and begin operations—the next major capital project will involve rehabilitation of the Yates Shaft; this includes removal of the existing wooden structure and replacement with steel, an effort estimated to cost approximately $200 million.

Mr. Headley noted ongoing top-down maintenance work on the Yates Shaft is serving as an interim solution to extend operations into the next decade. The planned shaft rehabilitation (strip and re-equip) is expected to take three to four years. The Department of Energy (DOE) is aware of the project, and discussions are ongoing regarding potential funding support.

Mr. Headley answered a few questions regarding the Caterpillar donation and the underground pumps and then moved on to the Science update.

ITEM 8B. SCIENCE UPDATE

Mr. Headley introduced SDSTA Senior Research Scientist Dr. Markus Horn, who provided an overview of current science activities at SURF. Dr. Horn noted the SURF research community includes approximately 2,000 collaborators, with about 1,500 affiliated with the DUNE experiment. He highlighted a recent review article on SURF science authored by SDSTA Science Director Dr. Jaret Heise, currently available on a preprint server and anticipated for publication later this year in the Annual Review of Nuclear and Particle Physics.

Dr. Horn also shared updates on recent outreach and engagement activities, noting staff participation in conferences of the American Physical Society and the American Geophysical Union. He reported that the upcoming summer Center for Underground Theoretical Physics *and Related Areas (CETUP*) workshop has reached full capacity, with 66 registered participants.

Dr. Horn provided a high-level review of the goals, current status, and future plans for several key experiments and programs at SURF, including the following: Large Underground Xenon - ZonEd Proportional scintillation in Liquid Noble gases (LUX-ZEPLIN) (LZ), the MAJORANA DEMONSTRATOR (MJD), Large Enriched Ge Experiment for Neutrinoless ββ Decay (LEGEND), Compact Accelerator System for Performing Astrophysical Research (CASPAR), and SURF Material Assay at Black Hills State University Underground Campus (BHUC).

Dr. Horn concluded his presentation by highlighting research efforts beyond physics, including biology initiatives at SURF. He described the Deep Underground Laboratory (DUL) yeast experiment, which aims to study the biological effects of low-dose radiation by comparing desiccated yeast samples across eight underground laboratories. He said the study began onsite in March 2026, with samples collected and returned to SNOLAB for analysis every 16 weeks, over a 64-week period. Results are expected to provide insight into genetic changes in response to varying background radiation levels.

ITEM 8C. 2026 LEGISLATIVE SESSION UPDATE

Mr. Tim Engel provided an update on the 2026 Legislative Session, noting that approximately 666 bills and resolutions were introduced. Of these, roughly 60 were monitored for potential impact on SDSTA.

Mr. Engel reported that he, Mr. Headley, and Mr. Engel's firm partner, Mr. Aaron Scheibe, engaged on several key issues. Testimony was provided opposing certain proposed changes to the funding mechanism for the Future Fund. A bill providing for procedural changes relating to the Future Fund passed; as passed, the bill continues to allow for Future Fund grants to SDSTA for experiments and related infrastructure.

Mr. Headley also testified against legislation seeking to restrict lobbying by public entities; this measure was defeated in committee. Several data center-related bills were monitored, potentially impacting SDSTA, but the bills did not advance.

Mr. Engel and Mr. Scheibe also testified in support of SDSTA board confirmations for Mr. Linn Evans (new appointment) and Mr. Ron Wheeler (reappointment); both were successfully confirmed.

Mr. Engel characterized the session as particularly active, noting it involved more engagement than in previous years. Overall, SDSTA was not adversely affected. Chair Peterson expressed appreciation for the efforts of Mr. Engel and Mr. Headley.

Motion by Ms. Lebrun and seconded by Mr. Dykhouse to accept the Executive Director Report, as presented. Motion passed unanimously.

ITEM 9. DISCUSS FORMING AN EXECUTIVE ADVISORY COMMITTEE

Chair Peterson reported that, following discussion at the previous meeting and consultation with Mr. Engel and Mr. Headley, he intends to establish an ad hoc Executive Advisory Committee. The committee will be composed of board officers, including Vice-Chair Mr. Dykhouse and Secretary/Treasurer Ms. Lebrun, along with an additional board member selected based on relevant expertise to support specific matters as identified by Mr. Headley.

Chair Peterson noted the committee's structure will comply with open meeting law requirements, limiting participation to no more than three board members.

He also requested Mr. Engel propose revisions to the SDSTA bylaws to establish the committee as a standing committee and to address other provisions that may require updates following more than 20 years of operations. This item was presented for informational purposes.

ITEM 10. SELECT NOMINATING COMMITTEE

Chair Peterson said he asked Mr. Dykhouse and Mr. Musick to serve on the nominating committee, and both agreed to serve. The nominating committee will report to the board at the June 25 annual board meeting, when the election of officers will be held.

ITEM 11. EXECUTIVE SESSION

Motion by Mr. Wheeler and seconded by Mr. Dykhouse to enter executive session to discuss personnel matters and to consult with legal counsel concerning contractual and legal matters as permitted by SDCL 1-25-2(1), (3) and (4), and SDCL 19-19-502. Motion passed unanimously.

The board recessed at 9:00 a.m. for a ten-minute break.

ITEM 12. REPORT FROM EXECUTIVE SESSION

The board reconvened in open session at 9:37 a.m. without a quorum.

Chair Peterson reported the board consulted with legal counsel concerning legal, contractual, and personnel matters, and no action was taken.

Due to a lack of quorum, the motion was tabled until the June 25 meeting.

ITEM 13. CONFIRM DATE AND TIME OF NEXT MEETING

Chair Peterson reminded the board of the next meeting, scheduled for Thursday, June 25, 2026, at 8:00 a.m. (MDT). He noted the meeting will be held at Elevate in Rapid City.

ITEM 14. PUBLIC COMMENTS

Chair Peterson said he did not receive any public comment request forms and there were no questions.

ITEM 15. BOARD COMMENTS

Mr. Wheeler said it was a good meeting and welcomed Ms. Kerwin.

Mr. Elliott expressed continued appreciation for the partnership between Black Hills State University and SURF and noted enthusiasm for BHUC being back online. He also mentioned a recent underground trip and highlighted a newly released video produced by BHSU staff. (Mr. Headley commended the video and indicated he would share the BHUC link with board members.) Mr. Elliott added BHSU is advancing several new academic programs, including a proposed master’s program in STEM education, and looks forward to further developments in the coming year.

Ms. Lebrun said it was another great meeting, and good progress is being made at SURF.

Mr. Headley thanked Ms. Knight and Ms. Wilcox for their efforts in coordinating and organizing the board meeting logistics. He also expressed appreciation to the Board for its continued support and acknowledged the contributions of staff, noting ongoing progress despite the increasing number of moving parts. He specifically recognized Ms. Straub for her leadership of the team and stated that operations are progressing well. Mr. Headley also reported SURF sponsored the Polar Plunge for Special Olympics South Dakota in February. In collaboration with community members, the effort raised approximately $23,000.00. He noted strong participation from staff and community members and expressed appreciation for the success of the event.

Chair Peterson thanked everyone for their support and assistance and encouraged continued efforts toward maintaining excellence.

ITEM 16. ADJOURN

Chair Peterson called for a motion to adjourn.

Motion by Ms. Lebrun and seconded by Mr. Wheeler to adjourn. Motion passed unanimously.

Meeting adjourned at 9:41 a.m.