

Cooperative Light & Power
Two Harbors, Minnesota

Regular Meeting of the Board of Directors

1.

A regular meeting of the Cooperative Light & Power (CLP) Association of Lake County Board of Directors was held at the Office of the Association at Fifteen Fifty-Four, Highway Two, on August 30, 2023, with the participation of Directors Scott Veitenheimer, Roger Peterson, Steve Josephson, Kyle Weideman, and Jessica Larsen.

Five directors were present at the time the meeting was called to order at 9:00 am. Also present for the meeting were CEO Joel Janorschke, Business Manager Kevin Olson, Member Services/HR Manager Carey Hogenson, Finance Manager Shannon Haveri, Energy Services Manager Ken Jones, Sherry Fabini to take the minutes, and guest speaker Jon Brekke from Great River Energy (GRE). Attending by means of video conference were CLP Attorney Chad Felstul and one member-owner.

Present

2.

A motion was made by Weideman and seconded by Josephson to approve the agenda. Motion passed.

Agenda

3.

A motion was made by Peterson and seconded by Larsen to approve the July 26, 2023, minutes. Motion passed.

Minutes

4.

The consent agenda consisting of the following was reviewed. A motion was made by Josephson and seconded by Larsen to accept the Consent Agenda. Motion passed.

Consent
Agenda

- Applications and Terminations
- Monthly Payments
- Correspondence

Secretary

<p>Application for Membership and Termination of Electric Service were presented for consideration.</p> <p>NEW SERVICE (New Construction)-21</p> <p>TRANSFER OF OWNERSHIP (Existing Construction)-24</p> <p>TRANSFER OF RENTER-2</p> <p>TERMINATION OF MEMBERSHIP (Name Change Only)-3</p> <p>CHANGE OF CLASSIFICATION-1</p> <p>TERMINATION OF MEMBERSHIP-37</p>	<p>Applications and Terminations</p>
<p>5.</p> <p>Guest speaker Jon Brekke Vice President and Chief Power Supply Officer from GRE provided information and updates regarding the Consortium and New Empowering Rural America (ERA) program funding. All questions were answered.</p>	<p>Jon Brekke</p>
<p>6.</p> <p>At 9:30 a.m., a motion was made by Weideman and seconded by Larsen to enter into Executive Session to discuss future opportunities from Jon Brekke. Motion passed. At the conclusion of the discussion, a motion was made by Larsen and seconded by Josephson to exit the session at 10:20 a.m. Motion passed.</p>	<p>Executive Session</p>
<p>7.</p> <p>The Operating Margin for the month of June was a positive \$22,699 as compared to a budgeted figure of a negative \$86,419 for a positive variance of \$109,118. Non-Operating Margins-Interest for the month of June was positive \$7,593 as compared to a budgeted figure of positive \$1,640 for a positive variance of \$5,923. Non-Operating Margins-Other for the month of June was a negative \$465 as compared to a budgeted figure of a positive \$2,500 for a negative variance of \$2,965. Other Capital Credits & Patronage Other for the month of June was zero as compared to a budgeted figure of zero, for a neutral variance. This resulted in a total margin for the month of June of a positive \$29,827 as compared to a budgeted figure of a negative \$82,279 for a positive variance of \$112,106.</p>	<p>June Financials</p> <hr/> <p>Secretary</p>

<p style="text-align: center;">8.</p> <p>A motion was made by Weideman and seconded by Josephson to approve the June financials. Motion passed.</p>	<p>Financial Approval</p>
<p style="text-align: center;">9.</p> <p>A member-owner commented on Jon Brekke’s presentation and the New ERA Grants.</p>	<p>Member-Owner</p>
<p style="text-align: center;">10.</p> <p>Business Manager Olson has been working with the Forrester getting a plan of action and rotation set.</p> <p>Member Service/HR Manager Hogenson addressed the Board on a couple of topics:</p> <ul style="list-style-type: none"> • Rural Electric Political Action Committee (REPAC) and its benefits. • Plans are being finalized for the CLP Member Appreciation Pancake Breakfast on September 23, 2023. CLP will be collecting food shelf items, cash, and non-perishable items at this event and members will receive a gift from CLP for their donation. In the past to help boost donations, the Board has made matching contributions for a cash donation to the food shelf. 	<p>Manager reports</p>
<p>A motion was made by Weideman and seconded by Larsen that the Board will provide matching funds to the contributions made to the food shelf for the Pancake Breakfast. Motion passed.</p>	<p>Matching Funds</p>
<p>Energy Service Manager Jones addressed the Board concerning the public EV charger we have. Jones has been talking with ZEF Energy in connection with installing a smart charger after the first of the year. The smart charger will allow the consumer to pay using a phone app or credit card.</p> <p>Jones also reported that CLP is getting several requests for charger installations at member’s places of residents. They have the option to install under off-peak, general service or the new time of use service when this is available. If they install too big of one, they will have to upgrade with a new transformer.</p> <p>Operating Manager Brian Bentler was not in attendance at the meeting, the board had no questions or concerns regarding his written report.</p>	<p>_____</p> <p>Secretary</p>

CEO Janorschke provided the following reports to the Board:

- Minnesota Rural Electric Association (MREA) Update
 - a. Communication & Legislative Advisory Committee (CLAC)
- Other Matters of Interest
 - a. Met with ZEF Energy and will be scheduling a second meeting
 - b. Completed Job Description for Energy Service Representative/Master Electrician
 - c. Continue to meet with Key Account Members regarding the recent rate adjustment
 - d. Continue to work on updating policies, redistricting boundaries, and Bylaw's
 - e. Reviewed contracts from Davey regarding IVM and Software agreement
 - f. Met with member regarding rate adjustment
 - g. Attended the Energy Issues Summit (EIS)
 - h. Responded by email to members regarding GRE's Consortium (New ERA program)
 - i. Responded by email to members regarding the Inflation Reduction Act Funding
 - j. Called members back regarding the new rate adjustment (Service Availability Charge)
 - k. Attended a web conference thru NRECA regarding Federal Funding Opportunities
 - l. Completed the job description and employee review with office employees
 - m. Listened to a webinar recording of Marijuana and the Workplace: How the New MN Laws Regarding Marijuana Impact Employers and Employees
 - n. Attended a Q&A regarding Maximizing the New ERA Opportunity held at Connexus Energy
- GRE Report
 - a. No GRE Board or MMG meeting in August
 - b. Lisa Orpen has been named vice president and chief corporate and member services officer. Lisa has spent the last four years as human resources director under Mark Fagen.
 - c. Louy Theeuwen, Director, Executive Division, will retire on September 7, 2023, after 35 years of service at GRE.
 - d. Financials

CEO Report

Secretary

<p style="text-align: center;">12.</p> <p>Director Larsen reported on the MREA New Director Orientation Conference that she attended.</p>	<p>New Director Orientation</p>
<p style="text-align: center;">13.</p> <p>CEO Janorschke, Directors Josephson, Larsen, and Peterson reported on the MREA Energy Issues Summit (EIS) they attended. Some of the topics discussed:</p> <ul style="list-style-type: none"> • Grant process and the money that is available • Marijuana Law • Sick Leave Law that will go in effect in 2025/2026 • The money that the Government will need to run these programs and where is it going to come from 	<p>EIS</p>
<p style="text-align: center;">14.</p> <p>A motion was made by Weideman and seconded by Larsen to approve the Resolution-Capital Credit Allocation (2022). Roll Call Vote: Larsen, yes. Veitenheimer, yes. Weideman, yes. Josephson, yes. Peterson, yes. Motion passed.</p>	<p>Resolution Capital Credit Allocation</p>
<p style="text-align: center;">15.</p> <p>A motion was made by Peterson and seconded by Weideman to approve, with changes, Board Policy I-23 Reporting and Investigating Violations (Whistleblower) Policy. Motion passed.</p>	<p>Board Policy I-23</p>
<p style="text-align: center;">16.</p> <p>A motion was made by Larsen and seconded by Peterson to approve, with changes, Board Policy II-3 Idle Services. Motion passed.</p>	<p>Board Policy II-3</p>
<p style="text-align: center;">17.</p> <p>Board Policy III-8 Directors Duties and Standards of Conduct was reviewed with changes. Board members were asked to review and come back next month for approval.</p>	<p>Board Policy III-8</p> <hr style="width: 100%;"/> <p style="text-align: right;">Secretary</p>

<p style="text-align: center;">18.</p> <p>A motion was made by Peterson and seconded by Weideman to approve, with changes, Board Policy III-10 Business Ethics. Motion passed.</p>	<p>Board Policy III-10</p>
<p style="text-align: center;">19.</p> <p>A motion was made by Larsen and seconded by Josephson to approve, with changes, Board Policy IV-6 Assistance to Others. Motion passed.</p>	<p>Board Policy IV-6</p>
<p style="text-align: center;">20.</p> <p>A motion was made by Weideman and seconded by Josephson to approve removing Board Policy IV-10 Committees. Motion passed.</p>	<p>Board Policy IV-10</p>
<p style="text-align: center;">21.</p> <p>A motion was made by Peterson and seconded by Larsen to approve removing Board Policy IV-20 System Map. Motion passed.</p>	<p>Board Policy IV-20</p>
<p style="text-align: center;">22.</p> <p>A motion was made by Josephson and seconded by Peterson to approve removing Board Policy IV-28 Compliance to Planning and Zoning Regulations New Service Extensions. Motion passed.</p>	<p>Board Policy IV-28</p>
<p style="text-align: center;">23.</p> <p>A motion was made by Weideman and seconded by Larsen to approve removing Board Policy IV-29 Compliance to Local, State, and Federal Environment Protection Regulations. Motion passed.</p>	<p>Board Policy IV-29</p>
<p style="text-align: center;">24.</p> <p>CEO Janorschke, Attorney Chad Felstul, and the Board reviewed and discussed the Articles of Incorporation and Bylaws along with the comments the Board supplied. The Board will continue to review and will have more discussion next month.</p>	<p>Articles of Incorporation and Bylaws</p> <hr style="width: 100%; margin-top: 20px;"/> <p style="text-align: right;">Secretary</p>

25.

CEO Janorschke presented the Board with several examples of redistricting maps for review and discussion. The Board agreed to continue to look over the different options to narrow it down and will have discussion next month.

Redistricting

26.

The Board discussed the date for the next Board meeting. The date is set for September 27, 2023, at 9:00 a.m.

Next Meeting

27.

There being no further business to come before said meeting, adjournment was called for at 3:02 p.m. with a motion from Josephson and a second by Peterson. Motion carried.

Adjournment

Steve Josephson, Secretary

CORPORATE SEAL

Secretary