

| | |
|--|---------------------|
| <p>Cooperative Light & Power Two Harbors, Minnesota</p> <p>Regular Meeting of the Board of Directors</p> | |
| 1. | |
| <p>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 December 12, 2019. All directors were present at the time the meeting was called to order at 10:00 a.m. Also present for all or parts of the meeting were General Manager Hal Halpern, Office Manager Spring Detlefsen and Member Services Manager Ken Jones. Member Patricia Schmieder also attended parts of the meeting.</p> | Present |
| 2. | |
| <p>A motion was made by Scott Veitenheimer and seconded by Gregory Lien to accept the agenda. Motion carried.</p> | Agenda |
| 3. | |
| <p>A motion was made by Scott Veitenheimer and seconded by Alis Stevens to approve the minutes from the meeting held on November 21, 2019, with corrections noted. Motion carried.</p> | Minutes |
| 4. | |
| <p>A motion was made by Scott Veitenheimer and seconded by Gregory Lien to move the meeting into Executive Session to review the 2020 budget. The Board of Directors, CEO Hal Halpern and Office Manager Spring Detlefsen moved to executive session at 10:42 am. Upon completion of review and discussions, a motion was made by Alis Stevens and seconded by Greg Lien to conclude the executive session at 12:50 pm. Motion carried.</p> | Budget 2020 |
| 5. | |
| <p>A motion was made by Scott Veitenheimer and seconded by Alis Stevens to approve the 2020 budget as presented.</p> | Budget 2020 |
| 6. | |
| <p>Discussion ensued on managing easements and ways of recording data, filing easement documentation and maintaining/tracking easements. The topic was tabled until further information on potential expense is available.</p> | Easement Management |
| | <hr/> Secretary |

| | |
|---|---|
| <p style="text-align: center;">7.</p> <p>Discussion ensued on the count of pole attachments used by Zito and how CLP will ensure to charge them accurately. A previously conducted Lake Connections audit will be supplemented with an additional audit by CLP. The expense for the finalization of the audit is already included in the budget.</p> | <p>Pole Attachment</p> |
| <p style="text-align: center;">8.</p> <p>A motion was made by Alis Stevens and seconded by Gregory Lien to move the meeting into executive session at 1:20 pm to review confidential technology on an energy storage system. Motion carried. Subsequently, a motion was made by Scott Veitenheimer and seconded by Gregory Lien to emerge from the executive session at 1:47 pm. Motion carried.</p> | <p>Energy Storage System</p> |
| <p style="text-align: center;">9.</p> <p>As discussed, and decided during November meeting, the minutes are now posted on CLP's webpage in full, while a more abridged version with key issues continues to be published in the PowerLines newsletter.</p> | <p>Meeting Minutes</p> |
| <p style="text-align: center;">10.</p> <p>An independent cost of service study (COSS) is being conducted by CFC. The data required from CLP has been forwarded to CFC so they can do a comprehensive study of our current charges and then recommend changes, if any, moving forward. CFC is on schedule to complete the study by the end of Q1 2020, prior to our Annual Meeting in April. CLP is a member of CFC so the study is free vs. 25K from other engineering firms.</p> | <p>Cost of Service Study</p> |
| <p style="text-align: center;">11.</p> <p>The consent agenda consisting of the following was reviewed. A motion was made by Robert Nikolai and seconded by Scott Veitenheimer to accept the consent agenda without further action.</p> <ul style="list-style-type: none"> • Applications and Terminations • Monthly Payments • Correspondence | <p>Consent Agenda</p> <hr style="width: 100px; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">Secretary</p> |

| | |
|--|--|
| <p>Applications for Membership and Termination of Electric Service were presented for consideration:</p> | <p>Applications and Terminations</p> |
| <p>NEW SERVICES- 4 TRANSFER OF OWNERSHIP- 18 TRANSFER OF OWNERSHIP (NAME CHANGE ONLY)- 3 TRANSFER OF RENTER- 1 TERMINATION OF MEMBERSHIP- 30</p> | |
| <p>Monthly Payments: Monthly Payments were reviewed and questions clarified.</p> | <p>Monthly Payments Correspondence</p> |
| <p>Correspondence: The following items were under correspondence:</p> | |
| <p>A thank you note from Two Harbors High School Football Team for CLP’s donation made to the Agates Football program.</p> | <p>THHS Football</p> |
| <p>12.</p> | |
| <p>The board reviewed November outages and inquired about the causes and any possible measures to offset them. A motion was made by Robert Nikolai and seconded by Alis Stevens to accept the outage reports for the month of November 2019. Motion carried.</p> | <p>Outage Report</p> |
| <p>13.</p> | |
| <p>The board reviewed the monthly reports prepared by the senior staff.</p> | <p>Staff Reports</p> |
| <p>Carey Hogenson reported on 2020 calendars, CLP store’s launch before the Annual Meeting in April, the outcome of the toy drive and CLP’s participation in Salvation Army bell ringing event. She has also started to put together ideas on a Youth Tour to the high school students. The Marketing department has also done some research on electric vehicles (EV’s) and how CLP will market with and use the EV. Discussions ensued on buy vs. lease options of an electric vehicle; Sole restrictions being budget and the need for an all-wheel-drive, further inquiries will be made to narrow the options and to make a decision in 1Q20.</p> | <p>Marketing</p> |
| <p>Carey also reported on the increased presence of CLP on the social media with 1,102 FB likes, 129 Twitter followers and 174 Instagram followers.</p> | |
| <p>14.</p> | |
| <p>Ken Jones, CLP’s Member Services Manager reported on additional solar installations for members.</p> | <p>Membership Services</p> |
| <p>The board will further follow-up on the opportunity to making additional solar panels in a solar garden available to members. Carey Hogenson and Ken Jones will update the board on timing, possible location and cost of additional solar panels.</p> | <p>Secretary</p> |

Ken Jones also updated the board on CIP money and an electric forklift tested and purchased by LaBounty/Stanley.

15.

There being no further business to come before said meeting, adjournment was called for at 4:25 p.m. with a motion from Robert Nikolai and a second from Scott Veitenheimer. Motion carried.

ALIS STEVENS, Secretary

CORPORATE SEAL

Adjournment

Secretary

Secretary

| | |
|--|------------------------|
| | <hr/> <p>Secretary</p> |
|--|------------------------|