

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 December 27, 2023, with the participation of Directors Scott Veitenheimer, Roger Peterson, Steve Josephson, Kyle Weideman and Jessica Larsen.

All directors were present at the time the meeting was called to order at 9:10 a.m. Also present for the meeting were CEO Joel Janorschke, Finance Manager Shannon Haveri, Business Manager Kevin Olson, Sherry Fabini to take the minutes and two member owners, one attended in person and the other by means of video conference.

2.

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

3.

A motion was made by Josephson and seconded by Peterson to approve the amended November 29, 2023, minutes. Motion passed.

4.

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

- Applications and Terminations
- Monthly Payments
- Correspondence

Present

Agenda

Minutes

Consent  
Agenda

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Secretary

<p>Application for Membership and Termination of Electric Service were presented for consideration.</p> <p><b>NEW SERVICE (New Construction) -6</b></p> <p><b>TRANSFER OF OWNERSHIP (Existing Construction)-12</b></p> <p><b>TERMINATION OF MEMBERSHIP (Name Change Only)-3</b></p> <p><b>TERMINATION OF MEMBERSHIP-9</b></p>	<p>Applications and Terminations</p>
<p>5.</p> <p>Member owner Geoff Tolley addressed the Board on the following topics:</p> <ul style="list-style-type: none"> <li>• What’s left to do regarding redistricting</li> <li>• Why 50MW matters</li> <li>• Coal Creek consequences</li> </ul>	<p>Member Owner</p>
<p>6.</p> <p>The Operating Margin for the month of October was a positive \$43,509 as compared to a budgeted figure of a negative \$2,243 for a positive variance of \$45,752. Non-Operating Margins-Interest for the month of October was positive \$13,813 as compared to a budgeted figure of positive \$7,800 for a positive variance of \$6,013. Non-Operating Margins-Other for the month of October was a negative \$43,828 as compared to a budgeted figure of a positive \$2,500 for a negative variance of \$46,328. Other Capital Credits &amp; Patronage Other for the month of October was zero as compared to a budgeted figure of zero, for a neutral variance. This resulted in a total margin for the month of October of a positive \$13,494 as compared to a budgeted figure of a positive \$8,057 for a positive variance of \$5,437.</p>	<p>October Financials</p>
<p>7.</p> <p>A motion was made by Larsen and seconded by Peterson to approve the October financials. Motion passed.</p>	<p>Financial Approval</p> <hr/> <p>Secretary</p>

8.

Business Manager Olson addressed the Board on the Right of Way (ROW) and grant updates.

- The 2023 ROW ended with some carry over to 2024 due to budget and weather. Before and after pictures were shared.
- When members call for tree requests, the forester will evaluate each situation.
- CLP is working with Star Engineering on a new Topic 1 grant (called RASP) Research and Sponsored Program. To qualify for resiliency, we will use a software program developed by a University with Star to use predictive modeling with weather patterns and types of wire. We will rely on computer data to tell us which lines are likely to fail and replace from overhead to underground.

Member Services/HR Manager Hogenson, Energy Services Manager Jones, and Operation Manager Bentler were not in attendance at the meeting. The Board had no concerns for any of them regarding their written report.

9.

CEO Janorschke provided the following reports to the Board:  
Minnesota Rural Electric Association (MREA) Update

- Had a discussion with Darrick Moe, CEO, regarding what MREA has planned for 2024
- Annual meeting will be held at the St. Paul River Center in 2024 and back to the InterContinental Hotel in 2025
- Board seats up for election at the upcoming 2024 Annual Meeting
- Hired Tricia Elite as the new Government Affairs Representative
- Will add a new MREA Apprenticeship Program of skills-based testing. MREA will hire an additional employee to the safety department to accommodate the new program
- Additional training programs added to Safety Program are Foreman training and transformer school
- The Board approved a budget resulting in 3.4% average dues increase as proposed in September

National Rural Electric Cooperative Association (NRECA) Update

- Political Action Committee (PAC) Goals
- NRECA has urged the Environmental Protection Agency (EPA) to revise its work on coal combustion residuals rulemaking for legacy surface impoundments and historical

Managers  
Reports

CEO Report

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Secretary



<p style="text-align: center;">12.</p> <p>A motion was made by Josephson and seconded by Weideman to approve the Resolution to Implement Revenue Deferral Plan. Roll call vote. Larsen, yes. Weideman, yes. Josephson, yes. Peterson, yes. Veitenheimer, yes. Motion passed.</p>	<p>Resolution</p>
<p style="text-align: center;">13.</p> <p>The Board discussed continuing to sponsor the Two Harbors High School Rock Solid Robotics at the Gold Level as done in previous years.</p>	<p>THHS Rock Solid Robotics</p>
<p style="text-align: center;">14.</p> <p>A motion was made by Peterson and seconded by Josephson to approve, with changes, Board Policy I-9 Sick Leave. Motion passed.</p>	<p>Board Policy I-9</p>
<p style="text-align: center;">15.</p> <p>A motion was made by Larsen and seconded by Weideman to approve, with changes, Board Policy I-10 Harassment. Motion passed.</p>	<p>Board Policy I-10</p>
<p style="text-align: center;">16.</p> <p>A motion was made by Josephson and seconded Peterson to approve, with changes, Board Policy I-16 Workplace Violence. Motion passed.</p>	<p>Board Policy I-16</p>
<p style="text-align: center;">17.</p> <p>A motion was made by Weideman and seconded by Larsen to approve, with changes, Board Policy I-21 Business Ethic. Motion passed.</p>	<p>Board Policy I-21</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 I-25 DOT Drug and Alcohol Policy. Motion passed.</p>	<p>Board Policy I-25</p> <hr style="width: 100%;"/> <p style="text-align: right;">Secretary</p>

<p style="text-align: center;">19.</p> <p>A motion was made by Larsen and seconded by Weideman to approve, with changes, Board Policy I-27 Employee Conduct and Expectations. Motion passed.</p>	<p>Board Policy I-27</p>
<p style="text-align: center;">20.</p> <p>A motion was made by Weideman and seconded by Peterson to approve Board Policy I-29 All Employee Drug, Alcohol and Cannabis Use. Motion passed.</p>	<p>Board Policy I-29</p>
<p style="text-align: center;">21.</p> <p>All members will be notified on the January 2024 billing statements to the changes to what districts they reside in. Districts three and four are up for election at this year's Annual Meeting scheduled for April 17, 2024, at the THHS. A clearer map with roads and townships will be provided on the CLP website.</p> <p>The Board discussed many ways to change the Annual Meeting to make it timelier and more efficient. One suggestion was to have questions emailed ahead of time and several of them will be answered at the Annual Meeting. If the question was not addressed, it will be published in future Powerlines Newsletter.</p>	<p>Unfinished Business-Redistricting and Annual Meeting</p>
<p style="text-align: center;">22.</p> <p>Information was given to the Board on the GRE Resolution R23-12-2 for review. GRE is requesting that the Board acts on this request by February 29, 2024.</p>	<p>Resolution R23-12-2</p>
<p style="text-align: center;">23.</p> <p>GRE Regional Meeting is scheduled for February 7-8, 2024, at Mille Lacs (Grand Casino). The Board will let CEO Janorschke or Fabini know who is going so the proper reservations are made.</p>	<p>GRE Regional Meeting</p>
<p style="text-align: center;">24.</p> <p>GRE Board of Directors (BOD) meeting for CLP is scheduled for September 4-5, 2024. Directors will be invited as a guest to sit in on a GRE Board meeting. Veitenheimer asked the directors to think about who would be interested in doing this.</p>	<p>GRE BOD Meeting</p> <hr style="width: 100%; margin-top: 10px;"/> <p style="text-align: right;">Secretary</p>

<p style="text-align: center;">25.</p> <p>At 1:03 p.m. a motion was made by Peterson and seconded by Josephson to enter into Executive Session to discuss confidential business regarding GRE. Motion passed. At the conclusion of the discussion, a motion was made by Weideman and seconded by Larsen to exit the session at 1:35 p.m. Motion passed.</p>	<p>Executive Session</p>
<p style="text-align: center;">26.</p> <p>The Board discussed the date for the next Board meeting. The next board meeting date is set for January 24, 2024, at 9:00 a.m.</p>	<p>Next Meeting</p>
<p style="text-align: center;">27.</p> <p>There being no further business to come before said meeting, adjournment was called for at 1:40 p.m. with a motion from Josephson and a second by Weideman. Motion carried.</p>	<p>Adjournment</p>
<p>CORPORATE SEAL</p> <div style="text-align: right; margin-right: 200px;"> <hr style="width: 25%; margin-left: auto; margin-right: 0;"/> <p>Steve Josephson, Secretary</p> </div>	<div style="text-align: right; margin-right: 20px;"> <hr style="width: 20%; margin-left: auto; margin-right: 0;"/> <p>Secretary</p> </div>