

Cooperative Light & Power
Two Harbors, Minnesota

Regular Meeting of the Board of Directors

1.

A regular meeting of the Cooperative Light & Power Association of Lake County (CLP) Board of Directors was held at the Office of the Association at Fifteen Fifty-Four Highway Two, on March 27, 2024, 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 9:05 a.m. Also present for the meeting were CEO Joel Janorschke, Finance Manager Shannon Haveri, Member Services/HR Manager Carey Hogenson, Operations Manager Brian Bentler, Sherry Fabini to take the minutes, CPA Sarina Johnson-Like from Esterbrooks Certified Public Accountants, and one member owner. Attending by means of video conference was CLP Attorney Chad Felstul.

Present

2.

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

Agenda

3.

A motion was made by Weideman and seconded by Peterson to approve the February 28, 2024, minutes as modified. Motion passed.

Minutes

4.

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

Consent
Agenda

- Applications and Terminations
- Monthly Payments – Check Register
- Correspondence

Secretary

<p>Application for Membership and Termination of Electric Service were presented for consideration.</p>	<p>Applications and Terminations</p>
<p>NEW SERVICE (New Construction)-11</p>	
<p>TRANSFER OF OWNERSHIP (Existing Construction)-8</p>	
<p>TERMINATION OF MEMBERSHIP-15</p>	
<p>5.</p>	
<p>There were no member questions or comments.</p>	<p>Member Questions</p>
<p>6.</p>	
<p>CPA Sarina Johnson-Like from Esterbrooks Certified Public Accountants presented the 2023 Audit to the Board. All questions were answered. CLP is compliant and operating as it should.</p>	<p>2023 Audit</p>
<p>7.</p>	
<p>The Operating Margin for the month of January was a positive \$58,091 as compared to a budgeted figure of a positive \$163,292 for a negative variance of \$105,201. Non-Operating Margins-Interest for the month of January was positive \$5,817 as compared to a budgeted figure of positive \$6,328 for a negative variance of \$511. Non-Operating Margins-Other for the month of January was a negative \$1,393 as compared to a budgeted figure of a positive \$2,914 for a negative variance of \$4,307. Other Capital Credits & Patronage Other for the month of January was zero as compared to a budgeted figure of zero, for a neutral variance. This resulted in a total margin for the month of January of a positive \$62,515 as compared to a budgeted figure of a positive \$172,534 for a negative variance of \$110,019.</p>	<p>January Financials</p>
<p>8.</p>	
<p>A motion was made by Peterson and seconded by Larsen to approve the January financials. Motion passed.</p>	<p>Financial Approval</p>
	<p>_____ Secretary</p>

9.

Member Services/HR Manager Hogenson went over her report with the Board.

- Annual Meeting
- The 2023 Washington Youth Tour delegates will speak at the meeting
- Per feedback from last year's survey. Adjustments are being made to shorten the length of the meeting
- Our new Davey representative, Cody Jackson, will do a presentation
- Working with the staff streamlining the registration process

Energy Services Manager Jones was not in attendance at the meeting. The Board reviewed his written report.

Operations Manager Bentler went over his report with the Board.

- Outages have been minimal
- Provided a brief overview of the current projects
- Brushing from Finland to Isabella is almost completed and going towards Knotted Pine
- Helped at Arrowhead Electric with a weekend standby in February and one in March
- 2007 Digger Truck requiring replacing and would like to put in an order for delivery in 2026-2027

10.

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

- The House and Senate Energy Committees heard two companion bills this week
- Minnesota Energy Infrastructure Permitting Act proposed measures to align the permitting process with the clean energy transition mandated by legislation

National Rural Electric Cooperative Association (NRECA) Update

- NRECA continues to push for bipartisan transformer legislation

Grant Updates

- GRIP (through DOE) –
 - Topic Area 1, Round 1: Grid Resilience – Approved
 - Topic Area 1, Round 2: Grid Resilience & Innovation Partnerships
 - RASP (Resilience Assessment System Prediction)
- New ERA (GRE Consortium) through the USDA/RUS
 - Project 2: Install 500 kW of solar generation at or near

Managers
Reports

CEO Report

Secretary

<p style="text-align: center;">the Waldo Bank 1 Substation</p> <ul style="list-style-type: none"> • Engie coming to give a number to install 1.2 MW at the Waldo Substation to see what the price would be <ul style="list-style-type: none"> ◦ Project 4: Installation of new load control receivers. • Potential for a shared site at another Cooperatives site. <p>Other Matters of Interest</p> <ul style="list-style-type: none"> • Meeting with Chris McCarthy, Engie North America regard a solar array at the Waldo substation • Annual ERP and Crisis Communication tabletop exercise- Star Energy • Attended Operation Round up Meeting • Attended District 2 Legislative Dinner • Attended Legislative Day at the Capital along with District 2 Representatives • Attended MREAs legislative updates • Continued updating policies with Staff • Attended weekly Zoom Meetings regarding RASP and New ERA grants <p style="text-align: center;">11.</p> <p>President Veitenheimer reported on the GRE Board Meeting he attended on March 13 and 14.</p> <ul style="list-style-type: none"> • The education session focused on the Distributed Energy Resource Innovation Initiative. Presenter was Dr. Gabe Chan, the GRE Scholar in Residence for 2023-2024. The Initiative is addressing how electrical cooperatives innovate projects, programs, and policies over time and across scales that can drive rural energy transition. <p>The following items were discussed in the Corporate Services Committee:</p> <ul style="list-style-type: none"> • Update on corporate development • Update on services provided to GRE sections by the Corporate Services Unit • Update on cybersecurity and AI • Explanation of tagging procedure upgrades to ensure safety at Spiritwood Station. Also, a brief lock out/tag out demonstration. • Overview of this year’s Strategic Planning session scheduled for July. <p>Items discussed in the Board meeting included:</p> <ul style="list-style-type: none"> • 2023 Audit Report Deloitte and Touche • Update on Crow Wing transition from GRE member to 	<p style="text-align: center;">GRE Board Meeting</p> <hr style="width: 20%; margin-left: auto; margin-right: 0;"/> <p style="text-align: right;">Secretary</p>
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<ul style="list-style-type: none"> • Senator Jason Rarick • Representative Spencer Igo • Representative Natalie Zeleznikar • Representative Matt Bliss • Representative Roger Skraba <p>After returning from the Capital, a Membership Reception and Vendor Trade Show was provided.</p> <p>MREA Business Day on March 20, 2024. Events to conclude the MREA Annual Meeting included the introduction of the 2024 Board of Directors, CoBank Update-Matt Hale, MREA Safety Update Anthony Lenz, MREA Communications Update -Joe Miller, Touchstone Award-Joe Miller, Resolution Report-Jennifer Scharmer, CFC & NCSC Update-Alison Deelstra, Jared Echternach, Deb Erickson, MREA 2023 Financial Report-Melissa Stachovich, and MREA Update- Darrick Moe.</p> <p style="text-align: center;">14.</p> <p>A motion was made by Weideman and seconded by Larsen to approve the Operation Round Up Grant Approval. Motion passed.</p> <p style="text-align: center;">15.</p> <p>A motion was made by Peterson and second by Josephson to approve the 2023 Esterbrooks Certified Public Accountants Audit. Motion passed.</p> <p style="text-align: center;">16.</p> <p>A motion was made by Weideman and seconded by Peterson to approve, with changes, Board Policy I-14 Jury Duty. Motion passed.</p> <p style="text-align: center;">17.</p> <p>A motion was made by Larsen and seconded by Josephson to approve, with changes, Board Policy I-19 Court Appearances. Motion passed.</p>	<p>Operation Round Up</p> <p>2023 Audit</p> <p>Board Policy I-14</p> <p>Board Policy I-19</p> <hr/> <p>Secretary</p>
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<p style="text-align: center;">18.</p> <p>A motion was made by Peterson and seconded by Larsen to Delete Board Policy II-1 Membership Certification and Board Policy IV-1 Aims of Cooperative. Motion passed.</p>	<p>Board Policies 11-1 & IV-1</p>
<p style="text-align: center;">19.</p> <p>A motion was made by Josephson and seconded by Weideman to approve, with changes, Board Policy IV-15 Easement, Right-Of-Ways. Motion passed.</p>	<p>Board Policy IV-15</p>
<p style="text-align: center;">20.</p> <p>A motion was made by Weideman and seconded by Peterson to approve, with changes, Board Policy IV-18 Line Extension Policy to Single Phase Services, Board Policy IV-18A Line Extensions-Three Phase, and Board Policy IV 18-B Line Extensions to Services of Questionable Duration. Motion passed.</p>	<p>Board Policies IV-18, IV-18A & IV-18B</p>
<p style="text-align: center;">21.</p> <p>A motion was made by Peterson and seconded by Larsen to approve 2024 Equipment-Material Rate Schedule. Motion passed.</p>	<p>2024 Equipment-Material Rate Schedule</p>
<p style="text-align: center;">22.</p> <p>Attorney Chad Felstul addressed the Board in regard to a change that took effect last year with Minnesota Lobbyists Laws. There is potential that all Coop’s will need to register as lobbyists due to the new lobbying rules. The new law requires that anyone making or spending more than \$3,000.00 to influence decisions by governmental bodies across the state must register. CLP could possibly be required to file as a lobbyist. Attorney Chad Felstul will talk with MREA as well as GRE being they have lobbyists on staff that are more well-versed in these types of situations and will get back to the Board.</p> <p>Director Veitenheimer discussed with the Board the NRECA International Program to help bring electricity to the people of Guatemala. The Board had much discussion.</p> <p>A motion was made by Peterson for CLP to give a token of \$2,500.00 to the Guatemala program. There was not a second. Motion denied.</p>	<p>New Business</p> <hr/> <p>Secretary</p>

<p>This will be tabled until next month.</p>	
<p style="text-align: center;">23.</p>	
<p>At 11:43 a.m., a motion was made by Weideman and seconded by Josephson to enter into a Closed Meeting to discuss union negotiations. At the conclusion of the discussion, a motion was made by Peterson and seconded by Josephson to exit the session at 1:00 p.m. Motion passed.</p>	<p>Closed Meeting</p>
<p style="text-align: center;">24.</p>	
<p>A motion was made by Weideman and seconded by Larsen to approve new Teamster Contract. Motion passed.</p>	<p>Teamster Contract</p>
<p style="text-align: center;">25.</p>	
<p>A motion was made by Weideman and seconded by Josephson to implement CEO Janorschke's adjusted wage starting April 1, 2024. Motion passed.</p>	<p>CEO Wage</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 April 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 1:06 p.m. with a motion from Peterson and a second by Larsen. Motion carried.</p>	<p>Adjournment</p>
<p style="text-align: center;">_____ Steve Josephson, Secretary</p>	
<p>CORPORATE SEAL</p>	<p style="text-align: center;">_____ Secretary</p>

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