

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 October 25, 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 9:01 am. Also present for the meeting were CEO Joel Janorschke, Business Manager Kevin Olson, and Sherry Fabini to take the minutes. Attending by means of video conference were CLP Attorney Chad Felstul and one member-owner. Debra England from HRExpertiseBP joined during Executive Session. Member Services/HR Manager Carey Hogenson and Finance Manager Shannon Haveri joined the meeting after Executive Session was complete.

2.

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

3.

A motion was made by Josephson and seconded by Peterson to approve the amended September 27, 2023, minutes. Motion passed.

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.

- Applications and Terminations
- Monthly Payments

Present

Agenda

Minutes

Consent
Agenda

Secretary

<p style="text-align: center;">7.</p> <p>The Operating Margin for the month of August was a positive \$91,866 as compared to a budgeted figure of a positive \$1,553 for a positive variance of \$90,313. Non-Operating Margins-Interest for the month of August was positive \$8,460 as compared to a budgeted figure of positive \$1,640 for a positive variance of \$6,820. Non-Operating Margins-Other for the month of August was a negative \$416 as compared to a budgeted figure of a positive \$2,500 for a negative variance of \$2,916. Other Capital Credits & Patronage Other for the month of August was a positive \$22,183 as compared to a budgeted figure of zero, for a positive variance of \$22,183. This resulted in a total margin for the month of August of a positive \$122,093 as compared to a budgeted figure of a positive \$5,693 for a positive variance of \$116,400.</p>	<p>August Financials</p>
<p style="text-align: center;">8.</p> <p>A motion was made by Larsen and seconded by Peterson to approve the August financials. Motion passed.</p>	<p>Financial Approval</p>
<p style="text-align: center;">9.</p> <p>Business Manager Olson addressed the Board on the Integrated Vegetation Management (IVM) and grant updates.</p> <ul style="list-style-type: none"> • Starting Right-of-Way (ROW) work to complete this year’s project • Proper notification channels for our new IVM are in place • Members have been notified in advanced • Contracted Forrester is meeting with members • Focusing on three areas: <ul style="list-style-type: none"> 1. Finland/Murphy City 2. Gun Club Road 3. Hugo’s/Indian Lake • Recap on The Infrastructure Investment & Job Act (IIJA) and the Great River Energy (GRE) grants <ul style="list-style-type: none"> 1. Topic 3 Finland Substation rejected earlier 2. Topic 2 Smart Grid rejected 3. Topic 1 Wildfire was chosen to move forward to the next step. 4. Part of another grant for Solar at sub-station in conjunction with GRE is still pending <p>Member Services/HR Manager Hogenson reported to the Board events that she has been working on:</p>	<p>Manager Reports</p> <hr style="width: 100%;"/> <p style="text-align: right;">Secretary</p>

- Finalizing the Calendar
- CLP Holiday Open House
- Employee Holiday Party

Energy Services Manager Jones and Operation Manager Bentler were not in attendance at the meeting. The Board had no concerns for either regarding their written reports.

10.

CEO Janorschke provided the following reports to the Board:

- Minnesota Rural Electric Association (MREA) Update
- Guatemala International Electrification Trip-June of 2024
- Minnesota is partnering with Iowa and NRECA
- Seven cooperatives have committed to sending a line-worker
- MREA will keep a wait list of any other cooperatives that decide they would like to send a line-worker
- MREA will do fundraising to support the financial requirements of this trip

Other Matters of Interest

- Continue to work on 2024 budget
- Interviewing for the position of Energy Service Representative/Master Electrician and for the position of Member Service Representative
- Continue to work on updating policies, redistricting boundaries, and Bylaw's
- Attended VIA ZOOM the GRE Board of education session-2024 preliminary budget
- Attended ZOOM Meeting regarding the New ERA Opportunity (GRE)
- Meet with members regarding retirement of services
- Phone calls with seasonal members regarding recent rate adjustment
- GRE Report
- CEO Report (David Saggau)
- Financial Update (Michelle Strobel)
- 2024 Budget Highlights (Michelle Strobel)
- Member Rate Discussion (Jon Brekke)
- EPRI's (Electric Power Research Institute) EV2Scale program (Jeff Haase)
- DERII (Distributed Energy Resource Innovation Initiative)
- Interim report (Gabe Chan)
- System Operations Update (Lisa Orpen)
- System Operation Tour

CEO Report

Secretary

<p style="text-align: center;">11.</p> <p>President Veitenheimer reported on the GRE Board meeting he attended October 4 and 5. He reported on:</p> <ul style="list-style-type: none"> • Increase personnel on the Transmission Committee • Compensation and Reimbursement for Board Meetings • Reviewing 2024 Budget • Directors given New Committee Assignments • Reviewed action be taken at the October Board meeting 	<p>GRE'S Board Meeting</p>
<p style="text-align: center;">12.</p> <p>A motion was made by Weideman and seconded by Larsen to approve the 2023 write-off for bad debt. Motion passed.</p>	<p>2023 Bad Debt Write Off</p>
<p style="text-align: center;">13.</p> <p>A motion was made by Weideman and seconded by Josephson to approve the 2024 Resolution for Early Retirement. Roll call. Larsen, yes. Weideman, yes. Josephson, yes. Peterson, yes. Veitenheimer, yes. Motion passed.</p>	<p>2024 Resolution for Early Retirement</p>
<p style="text-align: center;">14.</p> <p>A motion was made by Larsen and seconded by Peterson to delete Board Policy IV-27 Right-of-Way (ROW) Clearing. Motion passed.</p>	<p>Board Policy IV-27</p>
<p style="text-align: center;">15.</p> <p>CEO Janorschke presented the Board with the 2024 Budget Proposal to review. Janorschke informed the Board new updates have been made after reviewing. The Board will be emailed a new copy with more details.</p>	<p>2024 Budget Proposal</p>
<p style="text-align: center;">16.</p> <p>CEO Janorschke informed the Board the Articles of Incorporation and Bylaws template was updated with all the mark-ups and changes. If any other questions or suggestions are needed, add them to the new mark-up.</p>	<p>Articles of Incorporation and Bylaws</p> <hr style="width: 100%; margin-top: 20px;"/> <p style="text-align: right;">Secretary</p>

<p style="text-align: center;">17.</p> <p>After discussion, a motion was made by Peterson and seconded by Josephson adopting Map 1 as new district boundaries for CLP. Motion passed.</p>	<p>New District Boundaries</p>
<p style="text-align: center;">18.</p> <p>Attorney Chad Felstul discussed with the Board the GRE Articles of Incorporation and Bylaw Amendment Resolution and reasons for the special meeting being cancelled.</p>	<p>GRE Resolution</p>
<p style="text-align: center;">19.</p> <p>The Board discussed the date for the next Board meeting. The next board meeting date is set for November 29, 2023, at 9:00 a.m.</p>	<p>Next Meeting</p>
<p style="text-align: center;">20.</p> <p>There being no further business to come before said meeting, adjournment was called for at 3:55 p.m. with a motion from Peterson and a second by Larsen. Motion carried.</p>	<p>Adjournment</p>
<p>CORPORATE SEAL</p>	<p style="text-align: center;">_____ Steve Josephson, Secretary</p> <p style="text-align: right;">_____ Secretary</p>

