

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 February 17, 2021 with the participation of Greg Lien, Alis Stevens, Scott Veitenheimer and Pat Schmieder. The directors attended the meeting by means of video conference to comply with Minnesota Department of Health social distance and meeting guidelines. Four directors were present at the time the meeting was called to order at 9:09 am. Also present for all or parts of the meeting were General Manager/CEO Hal Halpern and Communications Manager Kevin Olson.

Present

2.

A motion was made by Scott Veitenheimer and seconded by Pat Schmieder to accept the agenda with no further revisions. Motion carried.

Agenda

3.

A motion was made by Alis Stevens and seconded by Scott Veitenheimer to approve the minutes upon clarification of annual meeting related questions. Motion carried.

Minutes

4.

The Operating Margin for the month of December was a positive \$64,140 as compared to a budgeted figure of positive \$23,529, for a positive variance of \$40,611.

Non-Operating Margins-Interest for the month of December was \$3,959 as compared to a budgeted figure of \$8,622 for a negative variance of \$4,663.

Non-Operating Margins-Other for the month of December was a negative \$9,704 as compared to a budgeted figure of negative \$14,697 for a positive variance of \$4,993. Other Cap Credits & Patronage for the month of December was \$184,419 as compared to a budgeted figure of \$250,00 for a variance of negative \$65,581. This resulted in a total margin for the month of December of positive \$242,814 as compared to a budgeted variance of positive \$267,454 for a negative variance of \$24,640.

Finances

Secretary

<p>During the review of the finances, discussion ensued regarding revenue with and without the allocation of Payroll Protection Plan (PPP). Also discussed were revenue changes during January and February due to Covid19 pandemic related demand fluctuations, payment delays and the impact of recent positive Covid 19 cases among staff. Further trends and changes will be assessed through the coming months.</p>	<p>Actual and Potential Revenue Effect of Covid</p>
<p>5.</p> <p>On February 10, 2021, District 5 Board Director, Robert Nikolai submitted a resignation letter, with one year left on his term. A motion was made by Pat Schmieder and seconded by Alis Stevens to accept his resignation. Motion carried.</p>	<p>Resignation of District 5 Director</p>
<p>6.</p> <p>Motion was made by Scott Veitenheimer and seconded by Alis Stevens to elect Pat Schmieder as Vice-President to serve the un-expired portion of the term vacated by Robert Nikolai. Motion carried.</p>	<p>Election of Vice President</p>
<p>7.</p> <p>The Board discussed the upcoming scheduled elections for District 3 and 4 directors, as well as the election of recently vacated District 5 director during the annual meeting. Due to the continued hazard posed by Covid 19 for indoor meetings of this size, a motion was made by Pat Schmieder, seconded by Scott Veitenheimer to schedule a drive-in meeting on May 19, 2021, with minimal contact for the safety of the staff and members. Motion carried. The details of the meeting will be discussed during March Board meeting.</p>	<p>Annual Meeting</p>
<p>8.</p> <p>A motion was made by Alis Stevens and seconded by Scott Veitenheimer to appoint CLP's CEO the duty and the authority to manage date, time and location of nomination meetings for Districts 3, 4, and 5, as well as to provide the required notice to the members residing in the districts in question. Motion carried.</p>	<p>Nomination Meetings</p>
<p>9.</p> <p>Historically CLP has sought the support of a consultant during previous Teamster and IBEW union negotiations. The Board discussed possible support by Pemberton Law. A motion made by Pat Schmieder and seconded by Alis Stevens to hire them, carried with a 3 to 1 vote.</p>	<p>.</p> <p>Union Negotiations</p>
	<hr/> <p>Secretary</p>

<p style="text-align: center;">10.</p> <p>The directors reviewed a proposed policy to establish and operate an Audit Committee selected among the members of the Board of Directors to assist the Board in fulfilling its financial stewardship role on behalf of consumer-members. The primary role of the Audit Committee will be to investigate any matter brought to its attention with full access to all books, records, facilities and personnel of the cooperative.</p> <p>A motion was made by Alis Stevens and seconded by Pat Schmieder to approve the establishment of the said Committee and to further review and revise the policy during March Board Meeting. Motion carried.</p>	<p style="text-align: center;">Audit Committee</p>
<p style="text-align: center;">11.</p> <p>A motion was made by Alis Stevens and seconded by Scott Veitenheimer to move the meeting to executive session at 1:55 pm to discuss a personnel related issue. Motion carried. At the conclusion of the discussions, a motion was made by Scott Veitenheimer and seconded by Pat Schmieder to exit the session at 2:04 pm. The motion carried.</p>	<p style="text-align: center;">Executive Session</p>
<p style="text-align: center;">12.</p> <p>The consent agenda consisting of the following was reviewed. A motion was made by Scott Veitenheimer and seconded by Alis Stevens to accept the consent agenda without further action.</p> <ul style="list-style-type: none"> • Applications and Terminations • Monthly Payments • Correspondence <p>Applications for Membership and Termination of Electric Service were presented for consideration.</p>	<p style="text-align: center;">Consent Agenda</p> <p style="text-align: center;">Applications and Terminations</p>
<p>NEW SERVICE-6</p> <p>TRANSFER OF OWNERSHIP-21</p> <p>TERMINATION OF MEMBERSHIP (Name Change Only) -2</p> <p>TERMINATION OF MEMBERSHIP-39</p> <p>Monthly Payments: Monthly Payments: The list of expenses was reviewed with some discussions on operating expenses.</p>	<p style="text-align: center;">Monthly Payments</p> <hr style="width: 100%;"/> <p style="text-align: center;">Secretary</p>

<p>Following correspondence was included in the consent agenda:</p>	<p>Correspondence</p>
<p>A thank you letter from American Heritage Girls Troop 2931 for CLP grant to continue their support of the community activities.</p>	<p>American Heritage Girls Troop 2931</p>
<p>13.</p>	
<p>Hal Halpern reported on behalf of Marketing, Member Services and Operations.</p>	<p>Senior Staff Reports</p>
<p>The marketing report focused on CLP Caring Closet, details of Annual Meeting and upcoming Emergency Response Team presentation.</p>	<p>Marketing</p>
<p>The communications manger’s report focused on the progress of the GRE/Honeywell load control meetings, Honeywell server upgrade progress, and activities to continue support of remote work force.</p>	<p>Communications</p>
<p>The member services manager updated on LP/NRG generator issues, and progress on LP EV forklift demo, and discussions with ACRT on vegetation management.</p>	<p>Member Services</p>
<p>14.</p>	
<p>There being no further business to come before said meeting, adjournment was called for at 3:45 pm with a motion from Scott Veitenheimer, seconded by Alis Stevens. Motion carried.</p>	<p>Adjournment</p>
<p style="text-align: center;">_____ ALIS STEVENS, Secretary</p>	
<p>CORPORATE SEAL</p>	<p style="text-align: center;">_____ Secretary</p>

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