

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 Tuesday, November 22, 2022, with the participation of Scott Veitenheimer, Pat Schmieder, Roger Peterson, Steve Josephson, and Kyle Weideman by means of video conference.

Five 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, Business Manager Kevin Olson, Marketing Manager Carey Hogenson, Operation Manager Brian Bentler, CLP Attorney Chad Felstul, by means of video conference, Sherry Fabini to take the minutes, and one member owner. Finance Manager Shannon Haveri joined later in the meeting.

2.

A motion was made by Pat Schmieder and seconded by Steve Josephson to approve the agenda with changes. Motion passed.

3.

A motion was made by Roger Peterson and seconded by Steve Josephson to approve the October minutes as amended. Motion passed.

4.

The consent agenda consisting of the following was reviewed. A motion was made by Steve Josephson and seconded by Pat Schmieder to accept the consent agenda. Motion passed.

- Applications and Terminations
- Monthly Payments
- Correspondence

Present

Agenda

Minutes

Consent  
Agenda

Applications  
and  
Terminations

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Secretary

Applications for Membership and Termination of Electric Service were presented for consideration.

**NEW SERVICE-4**

**TRANSFER OF OWNERSHIP-25**

**TERMINATION OF MEMBERSHIP (Name Change Only)-2**

**TERMINATION OF MEMBERSHIP-26**

5.

A motion was made by Roger Peterson and seconded by Pat Schmieder to accept the financials. Shannon Haveri, Financial Manager, joined the meeting to answer questions from the Board She explained prices on materials for Operations and general office supplies are both up. Health Insurance and Federated Insurance are projected to increase slightly for 2023. Great River Energy (GRE) will have an increase for 2023. The plan is to keep the Power Cost Adjustment (PCA) at .04 x kwh for the time being until the Cost-of-Service Study has been completed. The Financial report was accepted. Motion passed.

Financials

6.

Kyle Weideman asked Marketing Manager Carey Hogenson about donations for the year. She said that she will have that report at the December Board meeting. She asked the Board for a \$500.00 donation for the Red Kettle. Carey explained that all monies collected stay in Lake County. Carey also told the Board that \$1,000.00 was donated to the Two Harbors Food Shelf on Give to The Max Day.

Managers  
Reports

A motion was made by Kyle Weideman and seconded by Steve Josephson to donate \$500.00 to the Red Kettle. Motion passed.

Carey also reported to the Board that on December 2, 2022, CLP will have an open house from 10:00 a.m. to 2:00 p.m.

Carey reported on the Toy Drive. The number of children on the wish list in the Silver Bay area has doubled from previous years.

Carey discussed ordering apparel with the CLP logo for the Board of Directors. A motion was made by Kyle Weideman and seconded by Steve Josephson to provide the Board of Directors CLP apparel. Motion passed.

Roger Peterson had questions on the Members Service Report regarding Solar arrays and the Nova site. Joel Janorschke

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Secretary

<p>explained that members apply online. Our engineer from Star Energy Services will review the members application and after the engineer's approval it will move on for the final approval from the CEO. Operating Manager Brian Bentler was asked about supply issues regarding transformers. Brian stated we are having some trouble sourcing transformers, but he is working with B &amp; B Transformers on the issue.</p> <p>CEO Joel Janorschke talked about the recent outages. Operation Manager Brian Bentler noted that the wind and the snowfall caused the outages along with a bad insulator.</p>	
<p style="text-align: center;">7.</p> <p>A motion was made by Roger Peterson and seconded by Kyle Weideman to approve the GRE Resolution for negotiation and execution of a power supply contract (PSC) with Southern Minnesota Municipal Power Agency (SMMPA). Motion passed.</p>	<p>GRE Resolution</p>
<p style="text-align: center;">8.</p> <p>CEO Joel Janorschke gave the CEO report to the Board. Staff is working on the 2023 Budget. He talked with CEO Darrick Moe from Minnesota Rural Electric Association (MREA) and is setting up a meeting in December or January. A member was in touch with Business Manager Kevin Olson regarding home energy audits. Joel will investigate this and see what other Coops are doing in this regard.</p> <p>Joel attended the meeting at GRE on November 15, 2022. An update on the potential PCA bill credit for December was presented. They estimate a \$20 million bill credit. A brief financial update was given. They talked about natural gas pricing, Northland Reliability Project, and the Inflation Reduction Act.</p> <p>Current chair is Dan Carlisle from Todd Wadena Cooperative; new chair will be John Twiest from Arrowhead Electric. The current vice chair is John Twiest; new vice chair will be Christine Fox from Itasca Mantrap Cooperative. The next MMG meeting will be held as a joint meeting with the GRE Board scheduled for December 7 and 8.</p> <p>Scott Veitenheimer reported on the November GRE Board meeting. The 2023 budget was approved along with the 2023/2024 strategic plan. The Northland Reliability project was approved, which was a MISO approved project. The resolution regarding Power of Service contract with southern Minnesota was also approved. The Annual Eminent Domain Resolution along with the Generation interconnection for J1426 solar project was also</p>	<p>GRE Board and Member Managers Report</p> <hr/> <p>Secretary</p>

<p>approved which was also a MISO project. September was a good month for GRE.</p>	
<p style="text-align: center;">9.</p> <p>Representing Cooperative Light &amp; Power at MREA’s Annual Meeting and District Meetings for the year will be Scott Veitenheimer as voting delegate. First alternate will be Steve Josephson and second alternate will be CEO Joel Janorschke.</p>	<p>MREA Voting Delegate and Alternates</p>
<p style="text-align: center;">10.</p> <p>A motion was made by Steve Josephson and seconded by Pat Schmieder to approve the resolution to authorize CEO Joel Janorschke to conduct banking transactions. Roll call. Pat, yes. Kyle, yes. Steve, yes. Roger, yes. Scott, yes. Motion passed.</p>	<p>Resolution for Banking</p>
<p style="text-align: center;">11.</p> <p>A motion was made by Kyle Weideman and seconded by Pat Schmieder to approve the Resolution for Allocation of 2021 Operating Margin. Roll call. Pat, yes. Kyle, yes. Steve, yes. Roger, yes. Scott, yes. Motion passed.</p>	<p>Resolution for Allocation of 2021 Operating Margin</p>
<p style="text-align: center;">12.</p> <p>A motion was made by Roger Peterson and seconded by Steve Josephson to add CEO Joel Janorschke to the Secretary’s Certificate. Roll call. Pat, yes. Kyle, yes. Steve, yes. Roger, yes. Scott, yes. Motion passed.</p>	<p>Secretary’s Certificate.</p>
<p style="text-align: center;">13.</p> <p>A motion was made by Pat Schmieder and seconded by Roger Peterson to add CEO Joel Janorschke to Form 674 and Form 675 Motion passed.</p>	<p>Form 674 &amp; Form 675</p>
<p style="text-align: center;">14.</p> <p>A motion was made by Kyle Weideman and seconded by Pat Schmieder to add CEO Joel Janorschke to CoBank Incumbency Certificate and CoBank permission forms. Motion passed.</p>	<p>CoBank</p>
<p style="text-align: center;">15.</p>	<hr/> <p>Secretary</p>

<p>A motion was made by Steve Josephson and seconded by Kyle Weideman to add CEO Joel Janorschke to CoBank Designation of Authorized Users. Motion passed.</p>	<p>Designation of Authorized User</p>
<p>16.</p>	
<p>Attorney Chad Felstul shared with the Board that he and the staff have been reviewing the bylaws. He will be emailing the proposed changes to Board next week in preparation for discussion at December's Board meeting.</p>	<p>New Business</p>
<p>Some of the proposed changes are: Changing the legal name of The Cooperative Light &amp; Power Association of Lake County to Cooperative Light &amp; Power Association. Updating director voting methods to include in person, electronic or/and mail-in ballots. Adding limitations of liability language to the Articles. Campaign finance disclosure was also added.</p>	
<p>17.</p>	
<p>At 11:31 a.m. a motion was made by Roger Peterson and seconded by Steve Josephson to go into executive session to discuss with the Board an update on a GRE transaction. Motion passed. At the conclusion of the discussion, a motion was made by Kyle Weideman and seconded by Steve Josephson to exit the session at 11:40 a.m. Motion passed.</p>	<p>Executive Session</p>
<p>18.</p>	
<p>The Board discussed the date for the next board meeting. The date is set for December 21, 2022, at 9:00 a.m.</p>	<p>Upcoming Meeting</p>
<p>19.</p>	
<p>There being no further business to come before said meeting, a motion was made by Pat Schmieder, and seconded by Steve Josephson to adjourn the meeting at 11:41 a.m. Motion carried.</p>	<p>Adjournment</p>
<p style="text-align: center;">_____ Secretary, Roger Peterson</p>	
<p>CORPORATE SEAL</p>	
	<p style="text-align: center;">_____ Secretary</p>