

MEETING OF THE BOARD OF DIRECTORS  
OF  
CHERRYLAND ELECTRIC COOPERATIVE

February 24, 2025

---

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on February 24, 2025.

Meeting was called to order at 9:29 a.m. by President Schneider.

Present:       Gabe Schneider, President  
                  Melinda Lautner, Secretary  
                  Thomas Van Pelt, Treasurer  
                  Terry Lautner  
                  David Schweitzer  
                  Dean Adams  
                  Rachel Johnson, CEO  
                  Shannon Beery, Assistant Secretary

Ms. Valarie Handy, Sr. Vice President, was not present.

Mr. Brad Pavwoski, CFO; Mr. Frank Siepker, COO; Ms. Deidra Charnes, Director of Human Resources; Ms. Courtney Doyle, Communications & Member Relations Manager; and Mr. Greg Jenkins, General Counsel, joined the meeting.

President Schneider reviewed the board agenda. Motion by Mr. Schweitzer, supported by Ms. Lautner, and carried to approve the agenda.

The January meeting minutes for the regular board meeting were discussed. Motion by Mr. Lautner, supported by Mr. Schweitzer, and carried to approve the minutes of the regular board meeting, held on January 20, 2025.

Upcoming meetings were discussed.

No members were present for public input.

Reports from the safety team, managers, and general counsel were reviewed and discussed.

Mr. Siepker gave an update on the cooperative's facilities planning process, including the finalization of floor plans, ongoing discussions with townships, and the terms of the base contract with Cunningham-Limp as applicable to the Design Development phase.

Ms. Johnson discussed her CEO report. She provided an update on the senior team's recent retreat, including initial findings from the staff's strategic planning process. Ms. Johnson will

bring the full strategic plan back to the board for input in the coming months. She also highlighted multiple advocacy efforts with regional legislators. Finally, she shared an update on Michigan's recent Earned Sick Time Act legislation. The passing of House Bill 4002 includes amendments for adjusting troubling language relating to retaliation for sick time use and establishing a normal rate of pay for sick time use, both of which are considered legislative wins for the cooperative. Ms. Johnson recognized the hard work of Ms. Charnes in spearheading the engagement of other Michigan cooperatives in this initiative.

To account for the recent retirement of Mr. Mark Wilson and the succession of Mr. Pavwoski as CFO, the board was required to update CoBank's authorized signatories and certificate of incumbency. Motion by Mr. Schweitzer, supported by Mr. Lautner, and carried to approve CoBank Resolution of Authorized Officers and Incumbency regarding same.

Wolverine Power Cooperative requested stakeholder letters of support for its Community Benefits Plan process as part of its New ERA grant requirements. Motion by Ms. Lautner, supported by Mr. Van Pelt, and carried to approve Board Resolution 2025-3: Support of Wolverine's CBP Proposal.

Wolverine Power Supply Cooperative matters were discussed.

Ms. Lautner's term as one of Cherryland's director representatives on the Wolverine board expires in April 2025. She expressed her interest in seeking another term. With no other directors expressing interest, motion by Mr. Van Pelt, supported by Mr. Schweitzer, and carried to nominate Ms. Lautner as Cherryland's returning director representative on the Wolverine Board of Directors.

Wolverine's 2025 certification of delegates and voting delegates for its Annual Meeting were needed. Mr. Schweitzer indicated his address was listed incorrectly. Motion by Mr. Van Pelt, supported by Mr. Schweitzer, and carried to certify the 2025 Wolverine delegates, as amended. Further, motion by Ms. Lautner, supported by Mr. Adams, and carried to approve Mr. Schweitzer as the 2025 Wolverine Annual Meeting voting delegate, with Mr. Van Pelt as the alternate.

Ms. Johnson and the board discussed an upcoming proposed Wolverine bylaw amendment that seeks to eliminate Spartan Renewable Energy and Wolverine Power Marketing's representation on the Wolverine board. This bylaw amendment will come before the Wolverine board at its Annual Meeting in April.

Mr. Schneider provided a brief update on MECA, which included the announcement of Mr. John Kran as MECA's new CEO.

Board member updates were discussed.

The board recessed for a break at 11:10 a.m. and reconvened at 11:19 a.m.

The board discussed the cooperative's legal services.

Board of Directors Meeting – February 24, 2025

At 11:45 a.m. the board entered Executive Session to discuss executive personnel matters. Motion by Ms. Lautner, supported by Mr. Van Pelt, and carried to enter Executive Session.

At 12:12 p.m. the board ended Executive Session by motion of Mr. Adams, supported by Mr. Lautner, and carried to end Executive Session.

There being no further business to come before the board, it was moved to adjourn, supported, and carried. Meeting adjourned at 12:12 p.m.

\_\_\_\_\_  
Gabe Schneider, President

\_\_\_\_\_  
Melinda Lautner, Secretary

We, the undersigned directors of the Cherryland Electric Cooperative, do hereby approve, ratify, and conform to all respects of the above and foregoing minutes of this regular meeting of the Board of Directors of said Cooperative and each and every step taken and performed thereat.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

SPECIAL MEETING OF THE BOARD OF DIRECTORS  
OF  
CHERRYLAND ELECTRIC COOPERATIVE

February 24, 2025

---

A special meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on February 24, 2025.

Meeting was called to order at 9:01 a.m. by President Schneider.

Present:       Gabe Schneider, President  
                  Melinda Lautner, Secretary  
                  Thomas Van Pelt, Treasurer  
                  Terry Lautner  
                  David Schweitzer  
                  Dean Adams  
                  Rachel Johnson, CEO  
                  Shannon Beery, Assistant Secretary

Ms. Valarie Handy, Sr. Vice President, was not present.

Mr. Brad Pavwoski, CFO; Mr. Frank Siepker, COO; Ms. Deidra Charnes, Director of Human Resources; Ms. Courtney Doyle, Communications & Member Relations Manager; Mr. Greg Jenkins, General Counsel; and Mr. Jason Rice, Metering Supervisor, joined the meeting.

President Schneider reviewed the board agenda. Motion by Mr. Schweitzer, supported by Mr. Van Pelt, and carried to approve the agenda as presented.

President Schneider opened the public meeting regarding the cooperative's proposed rate increase at 9:03 a.m.

Member, Ron Schultz, was present for public input.

CEO, Rachel Johnson, outlined the components of the proposed rate increase and the continued implications of the co-op's rising fixed costs. Residential and general service members would see a two-phase increase in both the availability charge and the energy charge, to be effective April 2025 for phase one and January 2026 for phase two. All other non-residential and non-general service members would see a single increase effective April 2025. Ms. Johnson noted the co-op's enduring competitive positions on reliability and bottom-line bill charges as compared with other Michigan co-ops as well as with the local investor-owned utility. She also expressed the necessity to investigate the co-op's current rate structure and whether it may warrant future change to reflect members' needs. President Schneider commented on behalf of the board, indicating they do not take rate increases lightly. They want to keep reliability at the forefront for the co-op's members, maximizing the value each member receives while minimizing the financial increases necessary to do so. Motion by Mr. Schweitzer, supported by Mr. Adams, and carried to approve the 2025/2026 rate increase as proposed and documented in Section D of Rate Book No. 5, Cherryland Electric Cooperative.

President Schneider closed the public meeting at 9:21 a.m.

\_\_\_\_\_  
Gabe Schneider, President

\_\_\_\_\_  
Melinda Lautner, Secretary

We, the undersigned directors of the Cherryland Electric Cooperative, do hereby approve, ratify and conform to all respects of the above and foregoing minutes of this special meeting of the Board of Directors of said Cooperative and each and every step taken and performed thereat.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_