

MEETING OF THE BOARD OF DIRECTORS  
OF  
CHERRYLAND ELECTRIC COOPERATIVE

March 23, 2026

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The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on March 23, 2026.

Meeting was called to order at 9:04 a.m. by President Schneider.

Present: Gabe Schneider, President  
Valarie Handy, Sr. Vice President  
Melinda Lautner, Secretary  
Dean Adams, Treasurer (attended virtually)  
Terry Lautner  
David Schweitzer (attended virtually)  
Thomas Van Pelt  
Rachel Johnson, CEO  
Shannon Beery, Assistant Secretary

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

President Schneider reviewed the board agenda. Motion by Ms. Handy, supported by Mr. Van Pelt, and carried to approve the agenda.

President Schneider called for a motion of the Consent Agenda. Motion by Ms. Handy, support by Ms. Lautner, and carried to approve the Consent Agenda.

No members were present for public input.

Upcoming meetings were discussed.

Ms. Johnson provided an update on the cooperative's ongoing progress with the impact plan. The plan's strategic milestones continue to be met across all focus areas. The board discussed timing of rate structure considerations alongside focus group work. In June, a mid-plan review and evaluation will be brought to the board. President Schneider voiced his appreciation for the work completed so far and looks forward to the mid-plan assessment.

Mr. Jason Rice presented an overview of the cooperative's Advanced Metering Infrastructure project. Despite initial setbacks due to supply chain constraints, deployment of the meter installation has been extremely successful and, at time of the board meeting, nearly 95% complete. Mr. Rice spoke to the immediate benefits of the upgrade, including real-time outage notification and the robust integration with the cooperative's operational systems. The new AMI

system also offers more regular and precise data for reliability and forecasting, which is already being put to use with studies conducted by Mr. Rice and the cooperative's data analyst. The board posed several questions regarding the project and Mr. Rice answered same. Ms. Johnson commented on the significance of the resources required for this project and expressed her gratitude to the board for continuing to support the modernization of the cooperative's systems. She also commended Mr. Rice for his leadership and for his role in the success of the project. Mr. Schweitzer noted that in the midst of the utility industry becoming more and more tech heavy, the cooperative remains a leader in staying ahead of these changes.

Ms. Johnson and Mr. Siepker provided an overview of the cooperative's response to Winter Storm Iona. The weather system delivered two storms in one, resulting in a significant multi-day event that primarily impacted the southeast part of the service territory in Manistee County. While the storm was severe, the cooperative's system and its restoration crews performed very well, with average outage durations remaining relatively low. Ms. Johnson highlighted the proactive planning efforts of Cherryland's line crews, warehouse team, and operations staff leading up to the storm, noting the advance securing of contractor support, which enabled a timely and efficient response while avoiding the higher costs of last minute emergency aid support. She also commended the hard work of Ms. Doyle and her team in maintaining transparent and informative communications for members throughout the storm event. It was noted that member feedback was generally positive, with appreciation for the careful work of line crews as well as ongoing maintenance, particularly tree trimming. The board engaged in thoughtful discussion regarding storm response strategy and preparedness, with several directors praising the work of the entire team in supporting members and getting the lights back on as safely as possible.

The board recessed for a break at 9:52 a.m. and reconvened at 10:00 a.m.

The February board report and January financials were discussed.

Mr. Siepker provided updates to the board regarding the facilities planning process. The land purchase on Rennie School Road was closed upon on March 20, 2026, which included an approved escrow agreement with the Oleson Foundation for water and sewer extensions. Mr. Siepker recognized Ms. Beery and Mr. Hanselman's diligence in working to get the final agreements in place. He also indicated that progress with Garfield Township is encouraging, with the planning commission's overall agreement of the cooperative's site plan. Staff has met with adjacent property owners and will submit final landscaping plans that include appropriate screening measures ahead of the commission's final decision at the March 25, 2026 meeting. Mr. Siepker detailed next steps required for permitting and indicated the bidding process for subcontractors will begin in April. The board posed several questions regarding the project and Mr. Siepker answered same. Mr. Adams added that he has been taking part in pre-bid meetings and is happy to answer any questions the rest of the board may have. Ms. Johnson indicated that initial financial forecasts and a draft resolution for the project will be presented to the board in April.

The general counsel report was reviewed and discussed.

Ms. Johnson discussed her CEO report. She provided an update to the board on the economic development loan program and recent advocacy work with local and state officials. Ms. Johnson announced FEMA funding had been approved following last year's ice storm and the process for reimbursement will begin for Presque Isle Electric & Gas and Great Lakes Energy, with final

Board of Directors Meeting – March 23, 2026

sums and timing of funds unknown. Finally, she indicated she had been officially seated as a director on the NRECA board at PowerXchange. She has been appointed to the Executive Committee for one year to represent Region 4. Ms. Johnson’s first official NRECA board meeting as a seated director will be in April.

Mr. Brad Pavvoski shared the audit report on behalf of the Audit Committee. The 2025 audit went very well with no significant difficulties or concerns from the auditors, Rehmann. Mr. Schweitzer noted positive highlights from the report, indicating the cooperative is in a healthy financial position. Wolverine is delayed in issuing its finalized capital credit allocations, so the figures in the audit draft represent best estimates. Motion by Mr. Schweitzer, supported by Mr. Adams, and carried to accept the 2025 audit barring any material changes in final capital credit allocation numbers from Wolverine. Mr. Pavvoski also indicated that with this audit, Rehmann’s contract is up and he plans to send RFPs for consideration for next year’s audit.

There were no Wolverine Power Supply Cooperative matters to discuss.

President Schneider provided an update on MECA. He echoed Ms. Johnson’s previous announcement of the FEMA award, noting the affected co-ops still have much work ahead. President Schneider offered condolences for the recent passing of past MECA President & CEO, Craig Borr. Finally, he indicated that Cloverland Electric Cooperative would be represented at this year’s MECA Symposium conference after its recent rejoining to the statewide association.

Board member updates were discussed.

There being no further business to come before the board, it was moved to adjourn, supported, and carried. Meeting adjourned at 10:48 a.m.

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Gabe Schneider, President

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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.

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