

MEETING OF THE BOARD OF DIRECTORS
OF
CHERRYLAND ELECTRIC COOPERATIVE

May 18, 2026

The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Cooperative office in Grawn, Michigan on May 18, 2026.

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

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

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

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

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

No members were present for public input. The board discussed recent written correspondence received from a member.

Upcoming meetings were discussed. Ms. Beery reminded the board of the 88th Annual Meeting, to be held on June 11, 2026 at Incredible Mo's in Grawn.

At 9:15 a.m. President Schneider welcomed Mr. Bobby Peplinski and Mr. Jerry Tomczak from Cunningham-Limp. The guests joined Ms. Johnson, Mr. Siepker, and Mr. Pavwoski in providing the board with a review of the entire facilities planning process, from land procurement and viability studies to design development and bid strategy. Mr. Peplinski discussed the success of the bidding process with Mr. Tomczak highlighting the importance of contractor safety in those chosen, confirming Cunningham-Limp's mirrored prioritization of the cooperative's mission. Mr. Siepker discussed the final Guaranteed Maximum Price as outlined in the proposed construction contract amendment and indicated the bottom-line financial commitment being requested for approval by the board. The board posed several questions with regard to bidders, the sale of

the current headquarters, and project reporting, with staff and Cunningham-Limp representatives providing responses regarding same. Mr. Hanselman spoke to his firm's review of the contract amendment and confirmed that he had no reservations with Ms. Johnson executing same. President Schneider commended the work of cooperative staff and the Cunningham-Limp team, reiterating his confidence in the proposed cost. Ms. Johnson indicated that groundbreaking was tentatively planned for August 2026, pending the board's final authorization of the construction project.

Mr. Siepker gave a special presentation on the cooperative's 5-year construction work plan and answered questions from the board regarding same. He reiterated the work plan will not require formal board approval, but the board's adoption of it will be recognized in June. The plan seeks to meet system growth and continue improving reliability and member satisfaction through ongoing underground line building, capacity improvements, and new line extensions.

The board recessed for a break at 10:29 a.m. and reconvened at 10:40 a.m.

Ms. Charnes delivered a brief presentation to the board on strategic staffing, which represented a condensed version of her final project as part of NRECA's Management Internship Program. The presentation covered the importance of intentional role planning for knowledge transfer and long-term team success. President Schneider offered congratulations on her successful graduation and Ms. Charnes expressed gratitude to the board for the learning opportunity and to staff for the support. Ms. Johnson provided gratitude to Ms. Charnes for choosing a project that can be used internally for long-term staffing planning.

The April board report and March financials were discussed.

Mr. Siepker provided a brief update on the facilities planning process. Plans for utility and road permitting are underway, with construction permitting expected to follow. The developer has secured the required performance bonding, representing a significant milestone and enabling progression toward infrastructure development.

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, noting the application process would resume, effective immediately. Ms. Johnson indicated upcoming travel on behalf of the cooperative, including advocacy work on Mackinac Island with state and federal legislators in late May. She also gave an update on the cost of service study currently underway as well as this year's election window. Finally, Ms. Johnson shared that she will be attending an upcoming event regarding data centers on June 1st, held by Northern Michigan Chamber Alliance.

At 11:13 a.m. the board entered Executive Session to discuss key account opportunity and facilities contract details. Motion by Mr. Van Pelt, supported by Ms. Handy, and carried to enter Executive Session.

At 11:33 a.m. the board ended Executive Session by motion of Mr. Lautner, support by Ms. Lautner, and carried.

To move forward with the construction phase of the new headquarters project and authorize Ms. Johnson to execute the construction contract amendment, a resolution was drafted by Mr.

Board of Directors Meeting – May 18, 2026

Hanselman. This resolution also sets requirements for project reporting and designates Mr. Adams as construction liaison for the duration of the project. Motion by Mr. Lautner, support by Ms. Handy, and carried to approve Board Resolution 2026-1: Construction Contract Authorization.

With Mr. Adams being named as construction liaison, Mr. Lautner proposed Mr. Adams receive additional fixed sum compensation for his time and expertise, with President Schneider recommending a fee for consideration. Motion by Mr. Van Pelt, support by Ms. Lautner, and carried to approve the additional board compensation for construction liaison, with Mr. Adams abstaining.

Voting delegates were needed for the CFC annual meeting and NCSC annual meeting. Motion by Ms. Handy, supported by Mr. Lautner, and carried to approve President Schneider as the voting delegate for the CFC annual meeting. Motion by Ms. Lautner, supported by Ms. Handy, and carried to approve Ms. Johnson as voting delegate for the NCSC annual meeting.

An additional alternate was added to the Election & Credentials Committee members for 2026. Motion by Ms. Lautner, supported by Mr. Adams, and carried to approve Ms. Rachel Fehrenbach as additional 2026 Election & Credentials Committee member.

The 2025 patronage capital allocation was discussed. The allocations, from both the Cooperative and Wolverine Power Supply Cooperative, will be reflected on members' June bills. Motion by Mr. Van Pelt, supported Ms. Handy, and carried to approve the 2025 capital allocation as presented.

Wolverine Power Supply Cooperative matters were discussed.

President Schneider provided a brief update on MECA, including successful advocacy efforts in the nation's capital for NRECA Legislative Conference and updates on ongoing meetings with John Kran.

Board member updates were discussed.

At 11:59 a.m. the board entered Executive Session to discuss executive compensation. Motion by Mr. Lautner, supported by Mr. Schweitzer, and carried to enter Executive Session.

At 12:25 p.m. the board ended Executive Session by unanimous consent.

There being no further business to come before the board, it was moved to adjourn, supported, and carried. Meeting adjourned at 12:25 p.m.

Gabe Schneider, President

Melinda Lautner, Secretary

Board of Directors Meeting – May 18, 2026

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.

