

MEETING OF THE BOARD OF DIRECTORS

OF

CHERRYLAND ELECTRIC COOPERATIVE

January 21, 2008

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The regular meeting of the Board of Directors of Cherryland Electric Cooperative was held at the Great Wolf Lodge in Traverse City, Michigan on January 21, 2008.

Meeting was called to order at 3:20 p.m. by President Van Pelt.

Present: Tom Van Pelt, President  
Terry Lautner, Sr. Vice President  
Melinda Lautner, Secretary  
John Pope, Treasurer  
Rick Deneweth  
John Olson  
Betty Maciejewski  
Tony Anderson, General Manager  
Pat Barone, Assistant Secretary

Mr. Mark Wilson, Chief Financial Officer; Mr. Frank Siepker, Engineering Manager; Mr. Jim Carpenter, Operations Manager; and Mr. Nick Edson, Key Accounts Representative, joined the meeting.

President Van Pelt reviewed the board agenda. Land Sale was added under New Business.

Motion by Mrs. Maciejewski, supported by Mr. Olson and carried to approve the minutes of the special board meeting held on December 10, 2007 and the regular board meeting held on December 17, 2007.

Upcoming meetings and events were discussed. Motion by Mr. Lautner, supported by Mr. Pope and carried to nominate Mrs. Lautner and Manager Anderson as nominees to the MECA Board, with Mr. Olson as the alternate. Motion by Mr. Lautner, supported by Mrs. Lautner and carried to nominate President Van Pelt and Manager Anderson as voting delegates at the MECA Annual Meeting.

The following board members were appointed as voting representatives for the upcoming NRECA Annual Meeting: NRECA - Mrs. Lautner, voting delegate; Mrs. Maciejewski, alternate; CFC - Mrs. Maciejewski, voting delegate; Mrs. Lautner, alternate; Federated - Mrs. Maciejewski, voting delegate; Mrs. Lautner, alternate; NCSC - Mrs. Lautner, voting delegate; Mrs. Maciejewski, alternate; and NISC - Mrs. Lautner, voting delegate; Mrs. Maciejewski, alternate.

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Mr. Wilson, Chief Financial Officer, distributed the financials. Directors are encouraged to review the Directors' Financial Report and call Mr. Wilson with any questions.

Discussion also followed on the capital credits from Wolverine. It was suggested that CEC board representatives to the Wolverine board ask for the same amount of capital credits as last year as opposed to the \$263,000 suggested by Wolverine.

There was no general counsel report.

Wolverine board minutes were discussed. All ventures seem to be on track. Mrs. Maciejewski distributed a summary of Wolverine's 2008 Budget and Corporate Goals. Manager Anderson distributed a draft copy of Wolverine's News Release regarding the renewable energy agreement between DTE Energy and Wolverine for the DTE GreenCurrents program. Mr. Lautner asked what Resolution 2007-25, as discussed in Section 8.1, entailed. Manager Anderson to review and get back with Mr. Lautner.

Manager reports were reviewed and discussed. Manager Anderson discussed his review of sick leave usage.

Motion by Mrs. Lautner, supported by Mrs. Maciejewski and carried to approve management reports, including the safety report, as presented.

Manager Anderson reported on an offer to purchase Lot #1 of the Cranbrook property for \$53,500.00, subject to bank approval. Motion by Mr. Olson, supported by Mrs. Maciejewski and carried to sell the property for \$53,500.00 and allow Manager Anderson to execute said documents.

The manager appraisal form was discussed; the same form used last year will be used again this year. All appraisals should be mailed back to President Van Pelt in the postage paid envelopes provided at the meeting no later than February 10<sup>th</sup>.

Policy No. 139, Disclosure of Documents, Records and Information was tabled until next month. President Van Pelt asked if Cherryland had a Retention Policy; Manager Anderson to check and let President Van Pelt know.

There was some discussion on the PR strategy that Wolverine is using for the Rogers City project.

Manager Anderson informed the board that Cherryland was mailing a letter to all Elmwood Township members on Wednesday, January 23<sup>rd</sup>, outlining the key facts about the Elmwood Township Substation.

President Van Pelt reminded the board that the February board meeting will be held at the M-Tec Center on Aero Park Drive in Traverse City.

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There being no further business to come before the board, it was moved to adjourn, supported and carried. Meeting adjourned at 4:15 p.m.

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Tom Van Pelt, 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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