

Cape & Vineyard Electric Cooperative, Inc.  
Board of Directors  
Open Session Meeting Minutes  
Thursday, July 18, 2013

The Board of Directors of the Cape & Vineyard Electric Cooperative, Inc. met on Thursday, July 18, 2013 at 9:35 a.m. in Rooms 11/12, Superior Court House, Barnstable, Mass.

**Present were:**

John Checklick, President/Director, Falmouth  
Charles McLaughlin, V. President/Director, Barnstable  
E. Mark Zielinski, Director, Barnstable County  
Peter Cabana, Executive Member/Director, Dukes County  
Charles Hanson, Clerk/Director, Brewster  
John Scott, Director, Chatham  
Joseph Bayne, Director, Eastham  
Lawrence Cole, Director, Harwich  
David Gardner, Director, Provincetown @ 10:02 am  
William Straw, Director, Tisbury  
Jennifer Rand, Director, W. Tisbury  
Steven Gavin, Director, Yarmouth

**ABSENT WERE:**

Joseph Soares, Director, Cape Light Compact  
Bourne, Vacant  
Richard White, Director, Dennis  
Vacant, Edgartown  
Michael Richardson, Director, Mashpee  
Richard Toole, Director, Oak Bluffs  
John Jannell, Director, Orleans  
James Killion, Director, Sandwich

**COUNSEL & STAFF PRESENT:**

Jeffrey Bernstein, Esq., BCK Law, LLC  
Karen Loura, Administrative Assistant  
Liz Argo, Consultant

**PUBLIC COMMENT:**

There were no public comments.

**OPENING REMARKS**

- With a quorum of the Board of Directors present, President Checklick called the meeting to order at 9:50 am. He stated that the agenda was posted pursuant to the Open Meeting law at the CVEC website and the exterior public meeting notice board at Superior Courthouse.
- He informed the Board that Krueger Energy, Quebec Canada are developers interested in working with CVEC. They have asked for an opportunity to give a presentation in the future. He acknowledged there currently is no RFP and is aware of the DOER Situation. He said if the members are interested he would arrange for a presentation in September or October and if there is interest in this Company, they could be added to the bidders list for any future projects. There was agreement it would be beneficial to hear from experts to familiarize members about the

various opportunities. Pres. Checklick agreed to forward an electronic version of their power point presentation to the members.

- Pres. Checklick also reported that he has heard from Keith Mann concerning Cranberry Bogs windmill project in Wareham.
- Pres. Checklick submitted his Certificate of Completion of Conflict of Interest Law Training completed on 5/17/13.
- There was discussion concerning the timing of new constructs and Atty. Bernstein reported there are new caps published yesterday but no legislation to raise the net metering cap which is expected to be raised this year. It was noted that some projects which are in in the System of Assurances will not be built. Ace & Broadway projects are in the System of Assurances. SREC II the emphasis is on roof mounted solar projects areas like landfills where no trees have to be removed.

*David Gardener arrived to the meeting @ 10:02 a.m.*

- There was discussion about pre-identifying potential lands, the Marstons Mills Airport property, doing better at site assessment and encouraging all the towns to think about potential sites. S. Gavin said it would be great for CVEC to develop a set of questions with criteria for site evaluation which could be used by member municipalities and he urged adding it to the to-do list.
- It was reported that ACE has paid Nstar.
- There was discussion about Monomoy High School's desire to incorporate solar generation into their new building and it was determined that projects could absolutely qualify for SRECS once built as long as there is room within the cap and otherwise qualified. L. Cole was urged to contact the Falmouth Ice Rink who got SRECs on their own and if qualified Monomoy High School could do the same.
- P. Cabana asked for factual information as far as production and usage. He said he believes solar and small head hydro generation are two renewables which have potential and he requested a subcommittee be formed to interface with the State especially concerning Article 97.

#### **CONSIDERATION OF MEETING MINUTES**

- The Board then considered the March 28, 2013 Board of Directors' Meeting Minutes. L. Argo offered to correct the spelling of Preston Ribnick's first name. *P. Cabana moved the Board vote to correct the spelling and accept the minutes as presented, seconded by S. Gavin and voted unanimously in favor with J. Rand abstaining.*
- The Executive Committee then considered the minutes of May 13, 2013. *M. Zielinski moved the Executive Committee vote to accept the May 13, 2013 Open Session Meeting Minutes as presented, seconded by C. McLaughlin and voted unanimously in favor 4-0-0.*
- The Executive Committee then considered the minutes of May 16, 2013. *M. Zielinski moved the Executive Committee vote to accept the May 16, 2013 Open Session Meeting Minutes as presented, seconded by C. McLaughlin and voted unanimously in favor 4-0-0.*
- The Executive Committee then considered the minutes of June 20, 2013. Pres. Checklick requested to replace the word "displeasure" with "disappointment" concerning Paul O'Keefe's (Bourne Director) resignation on Page 2. *M. Zielinski moved the Executive Committee vote to amend and accept the June 20, 2013 minutes as requested, seconded by C. McLaughlin and voted 3-0-1 in favor with P. Cabana abstaining.*

Pres. Checklick requested the open session meeting minutes be distributed via email one week prior to the next meeting - by agreement. Atty. Bernstein recommended Executive Session minutes be distributed at the meeting.

There was discussion relative to Directors seeking designation as Special Municipal Employees from their Boards of Selectmen which limits conflict of interest matters. C. McLaughlin agreed to draft a letter for the members Boards of Selectmen.

#### **DISCUSSION AND POTENTIAL VOTE OF BYLAW AMENDMENTS**

- J. Bayne reported review and approval of the Eastham Town Manager and Board of Selectmen.
- J. Rand raised questions W. Tisbury have regarding Section 2.4 Membership Fee; Capitalization Obligations. They seek explanation concerning the reference to "Section 9 Nature of Cooperative" and the future obligations of CVEC and the ability of towns to disjoin CVEC if an obligation charge is levied. She also said W. Tisbury would not support amending the Bylaws to force towns to appoint a director and she suggested prior to suspension of a member, the appointing authority be notified.
- S. Gavin asked if there could be Bylaws review on a bi-annual basis. Atty. Bernstein stated that they could be but the Bylaws are subject to approval by the IRS and changes might implicate CVEC's status and said he would not recommend adding such a policy to the Bylaws.
- L. Cole identified typos and stated Harwich Board of Selectmen were pleased to receive the proposed amendments. The Harwich Selectmen questioned the Cooperative being formed under Chapter 164. There was discussion relative to Chapter 164 and C. McLaughlin provided a history of the language and incorporation. Atty. Bernstein offered to contact Town Counsel Georgio to explain. He said Harwich has requested specific wording providing for Board of Directors can appeal in Section 5.6 Right of Appeal to Full Board. C. McLaughlin provided the background and M. Zielinski explained the arrangement was an attempt to strike a balance of power between the Executive Committee and the Board of Directors. L. Cole also suggested Section 9 is an elaboration of Section 1.4 Purposes and Section 9 Nature of Cooperative language belongs under Section 1.4. He also asked for clarification to Section 12.7 Reports; Financial Audits that audits would be performed by an external CPA. Atty. Bernstein said that could be accomplished with a motion to make it a policy of the Board.
- Pres. Checklick said the Board can approve the amendments correcting the Scribner's errors. *M. Zielinski moved the Board vote to approve the amendments as proposed, seconded by C. McLaughlin.* Discussion followed. The draft amended bylaws were previously distributed to Directors and Town Administrators inviting input/feedback. W. Straw said he would like directive from Tisbury Town Administrator before voting. *L. Cole moved to amend Section 12.7 that external financial audits will be conducted by a C.P.A., seconded by J. Rand and voted unanimously in favor 12-0-0. The Board then voted 11 in favor, 0 opposed and 1 (W. Straw) abstained to approve the Bylaw amendments.*

#### **Discussion and Potential Vote on Appointing CVEC Clerk and Assistant Clerk**

An appreciation plaque was presented to M. Downey for her years of service and her significant contributions to CVEC since founding.

*J. Bayne moved the board vote to appoint Charles Hanson, Director, Brewster to the position of Clerk and Karen Loura, Administrative Assistant to the position of Assistant Clerk, seconded by P. Cabana and voted unanimously in favor 12-0-0. Individuals will perform in these roles for 1 year.*

**UPDATE ON STRATEGIC PLAN/STAFFING UPDATE**

The position of Special Project Coordinator has been advertised. The General Manager's position is not being advertised yet due to budget concerns. L. Argo excused herself from the meeting. There was discussion concerning options available to CVEC for a GM position and hopes to reduce legal expense to put toward salaries or reduce budget. P. Cabana urged advertising in Martha's Vineyard newspapers also because of the population influx during the summer and talent base of the island. C. McLaughlin noted advertising, review, screening, interviews, job offer, etc. is a good 3-month cycle. He suggested advertising the GM position opening in September with a January, 2014 start date. It was suggested the position also be advertised in Trade Magazines and the Board agreed it would not offer to pay relocation expenses. B. Straw urged CVEC develop performance measurements. Atty. Bernstein said he believes there were \$20,000-\$30,000 worth of legal services provided which could have been performed by someone else and the legal budget could also be reduced by fewer Open Meeting Law Complaints. There was discussion concerning the development vs. wholesale legal costs and it was agreed a meeting with Joseph Soares, Cape Light Compact Senior Power Supply Planner to discuss wholesale energy is needed. W. Straw asked about a microgrids presentation possibly at the September Annual Meeting or in October.

\*Lunch/Break: 11:55 a.m. -12:15 p.m.

**OPEN SESSION VOTE ON ENTRY INTO EXECUTIVE SESSION AND REQUIRED DECLARATIONS OF THE CHAIR:**

At 12:16 p.m. Pres. Checklick announced the topics for the executive session as listed on the agenda. He declared an open meeting may have a detrimental effect on CVEC's ability to conduct business in relation to other entities making, selling or distributing electric power and energy; and that the consideration of the purchase, exchange, lease or value of real property will have a detrimental effect on CVEC's negotiating position and litigating position as a public body. He stated that the Board will not return to open session this day. *L. Cole moved the Board vote to enter into Executive Session pursuant to MGL Chapter 40S § 21(a)(3), (6) & (10) to review Executive Session Minutes, PV Procurement Strategy Discussion and to discuss potential lease of real property and potential PV litigation concerning installation issues with a prior project, seconded by C. Hanson and voted by roll call as follows:*

John Checklick, President/Director, Falmouth	Yes
Charles McLaughlin, V. President/Director, Barnstable	Yes
E. Mark Zielinski, Director, Barnstable County	Yes
Peter Cabana, Executive Member/Director, Dukes County	Yes
Charles Hanson, Clerk/Director, Brewster	Yes
John Scott, Director, Chatham	Yes
Joseph Bayne, Director, Eastham	Yes
Lawrence Cole, Director, Harwich	Yes
David Gardner, Director, Provincetown @ 10:02 am	Yes
William Straw, Director, Tisbury	Yes
Jennifer Rand, Director, W. Tisbury	Abstained
Steven Gavin, Director, Yarmouth	Yes

Motion carried 11-0-1.

Respectfully submitted,

Karen E. Loura

Assistant Clerk