

Cape & Vineyard Electric Cooperative Board of Directors Meeting
Meeting Minutes
May 21, 2009

Members Attending: E. Mark Zielinski, Barnstable County, Margaret T. Downey, Cape Light Compact, Barry Worth, Town of Harwich, John Cunningham, Town of Brewster, Peter Cabana, Town of Tisbury

Others present: Jeff Bernstein, BCK, Tom Guerino, Town of Bourne, Joseph Soares, Cape Light Compact, Ron Collins, Kara Mahoney

Public present: none

The twentieth meeting of the Board of Directors of the Cape & Vineyard Electric Cooperative convened at 9:43 a.m. Maggie Downey called the meeting to order with five members present.

I. Approval of Minutes

Maggie Downey asked for any comments or corrections regarding the Draft Minutes of the April 21, 2009 Board of Directors meeting.

Ms. Downey had one correction - On page 1 in the heading, change the date from March 27, 2009 to April 21, 2009.

John Cunningham noted on page 4, last paragraph, 1st sentence, the correct spelling of the word “*Veatch*”. Mr. Cunningham also noted, in the same sentence, that a period should be added after the word “*study*” and the remaining part of the sentence, “*and that it has been sent to MTC*”, be deleted.

Motion by Mark Zielinski to approve the Minutes of the April 21, 2009 as amended, 2nd by John Cunningham, approved 5-0-0.

Maggie Downey asked for any comments or corrections to the Executive Session Minutes #1 of April 21, 2009. No comments or corrections offered.

Motion by Barry Worth to approve the Executive Session Minutes #1 of April 21, 2009, 2nd by John Cunningham, approved 5-0-0.

Maggie Downey asked for any comments or corrections to the Executive Session Minutes #2 of April 21, 2009.

Ms. Downey noted in the 4th paragraph, last sentence, to add the last name Mendelson.

Motion by Mark Zielinski to approve the Executive Session Minutes #2 of April 21, 2009 as amended, 2nd by John Cunningham, approved 5-0-0.

II. New CVEC Members

Maggie Downey welcomed Tom Guerino, Bourne Town Administrator, to his first CVEC Board of Director’s meeting.

Motion by Mark Zielinski to accept the membership application of the Town of Bourne, 2nd by John Cunningham, approved 5-0-0.

III. Treasurer's Report

Mark Zielinski provided the Board with an income statement dated 04/30/09. He reported that as of 04/03/09 the net income balance was \$161,525.56. He also reported that it was discovered that some of the work done by Jeff Bernstein for the Cape Light Compact was erroneously paid by the Cooperative. He noted that meant there were \$31,000 more funds available in the account than shown on his handout.

Motion by Barry Worth to accept the Treasurer's Report dated 4/30/09, 2nd by John Cunningham, approved 5-0-1. Tom Guerino abstained as he has not been present at previous meetings.

IV. PV Project

A. Discussion of procurement obstacles and options for addressing

Jeff Bernstein stated that John Giorgio, Town Counsel for Harwich, had concerns about the procurement process applicable to the project. Specifically, Mr. Giorgio's concern was that the construction aspect would be subject to Chapter 149. Mr. Bernstein noted that what happens between the Cooperative and Municipalities is exempt from procurement. He stated that the Board has a couple of choices. First choice would be to have an abbreviated 30B procurement process.

Maggie Downey stated her goal was to have the RFP out by next Friday (5/29/09). She asked for two people to look at RFP with her to assist in getting it out.

Members discussed whether or not the ten sites needed to be included in the RFP. Jeff Bernstein and Maggie Downey took the position that the roof lease was incidental to the Power Purchase Agreement and because bidders would not be allowed access to potential sites prior to the bid award that the list should not be included. Jeff Bernstein noted that CVEC is doing a Green Communities Act bid. At the time of issuing the RFP it is not known what roofs meet the criteria. Maggie Downey stated that bidders need to be willing to accept legal documents (Power Purchasing Agreement) and pricing parameters. Mark Zielinski argued in favor for including the list of potential sites in the RFP. Tom Guerino stated his concern that any of the facilities have not been pre-determined, and mobilization costs being different town by town.

Mark Zielinski moved question. Maggie Downey asked if anyone would second the motion. Motion not seconded. Members returned to discussion.

Motion by Tom Guerino to issue the RFP as presented by staff, 2nd by Barry Worth. Further discussion among Board Members before approval of motion. Barry Worth withdrew his second to the motion. John Cunningham made a statement suggesting to hold off on moving forward with the RFP until they can speak to John Giorgio.

Motion by John Cunningham to proceed with the RFP as amended on the contingency to talk with John Giorgio, 2nd by Mark Zielinski, members voting 3-1-2 with John Cunningham, Mark Zielinski, Maggie Downey voting in favor, Peter Cabana opposing, and Barry Worth, Tom Guerino abstaining.

2nd vote to motion by John Cunningham. Vote approved 3-2-1, with Mark Zielinski, Maggie Downey, John Cunningham voting in favor, Peter Cabana, Tom Guerino opposing, Barry Worth abstaining.

B. Review of Financial Savings Spreadsheet

Mark Zielinski and Maggie Downey presented the spreadsheet to the Board using 1st District Court House, Barnstable High School and Bournedale Middle School as their model. Ms. Downey informed the Board that she would be emailing the spreadsheet out to them.

C. Status of Site Access Agreements

Maggie Downey stated that she had emailed the site access agreements to them prior to the meeting. Signatures on the agreements would be required from Con Edison Solutions and the representative to the participating town. Ms. Downey indicated that she needs the agreements back and she needs to know the contact person. Ron Collins will be contacting and working with that person.

V. PowerPoint presentation on CVEC Draft Business Plan for upcoming MTC meeting

Mark Zielinski and Maggie Downey announced they have a meeting with Carter Wall, Executive Director of the Renewable Energy Trust at MTC, on Friday, 5/22/09, and went over the draft business plan that they would be discussing with her. Ms. Downey also indicated that the purposes behind putting a business plan together was due to the need for financing and had also been requested by Cape Light Compact.

Highlighted topics included:

- Mission Statement
- Content
- Membership
- Organization
- Financial Model
- Projects
- Financial Projections
- Opportunities
- Risks
- Milestones

Tom Guerino excused himself from the meeting at 11:40 a.m. to attend a prior commitment.

VI. BCK PowerPoint Presentation on Financing Strategy/ARRA Tax Issues

Jeff Bernstein presented the Board with a dense overview of the following topics:

- Financing Strategy/ARRA Tax Issues
- Major changes
- Potential Structures for ITC
- Grant Program in Lieu of Tax Credits
- Bond and Loan Programs – CREBS
- Renewable Energy Loan Guarantee Program
- PTC
- Conclusions

Presentation was followed by a general discussion.

Motion by Maggie Downey to have Counsel come back with recommendations to the CVEC Board of Directors, 2nd by Mark Zielinski, approved 5-0-0

VII. Town of Brewster Wind Project

A. Review of First Draft of Brewster Wind Proforma

Mark Zielinski and Maggie Downey presented a spreadsheet on the Wind Project using numbers provided by the Black and Veatch study. Presentation followed by a general discussion.

B. Discussion on upcoming May 27th meeting

Maggie Downey and John Cunningham discussed the purpose of the May 27, 2009 meeting with Charlie Sumner, Brewster Town Administrator. Mr. Cunningham stated his concern that they were not prepared for the discussion and that the numbers provided in the spreadsheet would not work. Ms. Downey clarified that the meeting was to begin discussion to transition the project by development of the town to CVEC. Mark Zielinski addressed Mr. Cunningham's concerns and reviewed the finances and numbers of project. Mr. Cunningham asked what the benefits would be for Brewster. Mr. Zielinski responded that the Cooperative would bring a financing benefit. There was a consensus among John Cunningham, Maggie Downey, and Mark Zielinski that they were not ready for the meeting on the 27th and due to the meeting with MTC on Friday the 22nd and the Memorial Day holiday there would not be time to prepare. Based upon their schedules and availability they agreed to propose the following dates to Charles Sumner: June 15th, 18th, or 25th (afternoon only).

Jeff Bernstein asked to postpone the next Board of Director's meeting from June 18th to June 25th in the morning.

Maggie Downey suggested tabling the remaining agenda items as the meeting had run over the time allotted and members needed to leave.

Motion by Mark Zielinski to adjourn, 2nd by Barry Worth, approved 5-0-0.

Meeting adjourned at 1:25 a.m.