

Cape & Vineyard Electric Cooperative, Inc.
Executive Committee and Finance Committee
Open Session Meeting Minutes – Thursday, March 12, 2020

The Cape & Vineyard Electric Cooperative, Inc. Executive Committee and Finance Committee met in open session on Thursday, March 12, 2020 at 12:40 p.m. in the CVEC Offices, 23H2 Whites Path, Suite 4, South Yarmouth, MA 02664

PRESENT WERE:

1. Leo Cakounes, President, Finance and Executive Committee Member/Director, Harwich
2. Steve Gavin, Finance Committee Member/Director, Yarmouth
3. Robert Wirtshafter, Treasurer/ Finance Committee Member/Director, Chatham
4. Ron Beaty, Executive Committee Member/Director, Barnstable County
5. Charles McLaughlin, Executive and Finance Committee Member/Director, Barnstable
6. Charles Hanson, Finance Committee Member/Clerk/Director, Brewster
7. Jennifer Rand, V. President/Executive Committee Member/Director, West Tisbury-by phone

ABSENT WERE:

1. Austin Brandt, Executive Committee Member/Director, Cape Light Compact (CLC)

STAFF PRESENT:

Liz Argo, Executive Director
Tatsiana Nickinello, Administrative Services Manager

PUBLIC PRESENT

None

1. CALL TO ORDER

Pres. Cakounes called the meeting to order at 12:40 p.m. and announced the Meeting Notice/Agenda was duly posted on the CVEC, Inc. website in accordance with the Open Meeting Law on March 10, 2020 at 12:40 p.m. Pres. Cakounes verified that there was a physical quorum of the Finance Committee and Executive Committee present.

2. PUBLIC COMMENT

There were no public comments.

5. UPDATE, DISCUSSION AND POSSIBLE VOTE ON CVEC FULL TIME STAFFING THROUGH 2023

Pres. Cakounes asked if there were any objections to take the Agenda items out of order due to the quorum issues. There were no objections.

L. Cakounes said that during previous meetings' discussions he misunderstood the CVEC Executive Director's, Liz Argo, retiring date timeline. He further explained that under his impression, L. Argo was to retire some time in 2020. He continued saying that he thought a new hire will be brought for a training period of about 6 months, after which L. Argo would retire and a new hire would assume the position of the CVEC's Executive Director. L. Cakounes noted that his impression was inaccurate. He said that after clarifying the subject with L. Argo, it was evident that she does not intend to retire in 2020, but rather in 2023. He expressed his concern that the current ad implies the supervisory position, when in fact, the new

hire will assume a subordinate role. R. Beaty did not share the same concern. L. Cakounes reminded the Committees that L. Argo still needs more help in the office and suggested hiring a “management” level subordinate with the compensation range of \$60, 000, who can be “groomed” into the Executive Director’s position in a few years. L. Argo stressed that CVEC needs a second qualified individual with qualifications above the middle management level. L. Cakounes argued that it is not sustainable to have a second individual at a significantly higher compensation level. L. Argo mentioned that the money for two supervisory compensations was budgeted. She referenced CVEC’s budget, which reflected budgeted amount necessary to support two people. C. Hanson was concerned about CVEC’s future income and ability of the budget to “cover” the salaries. C. McLaughlin noted that he was surprised by the “change of heart” and added that his understanding was that L. Argo was to retire some time in 2020, beginning of 2021. He said that he is not in support of hiring another supervisory person at the \$90,000 compensation range. The discussion took place about possible new organizational structure, changing the ad or potentially “scrapping” everything and starting over with a hiring process by reevaluating everything starting with the job description. The members reviewed the presented “tasks breakdown” handouts. L. Cakounes encouraged the members to work on the sheet and share it with the rest. It was agreed to bring the discussion to the Full Board meeting. It was clarified that L. Argo wants to make the transition and retire in winter of 2022. She added that she is planning to stay available on “per need” basis.

C. McLaughlin moved the Executive Committee to instruct the President to table all actions in hiring a new Executive Director as presently advised, seconded by R. Beaty, and voted as follows:

- | | | | |
|---------------------------------------|------------|---------------------------------|------------|
| <i>1. R. Beaty, Barnstable County</i> | <i>Yes</i> | <i>3. L. Cakounes, Harwich</i> | <i>Yes</i> |
| <i>2. C. McLaughlin, Barnstable</i> | <i>Yes</i> | <i>4. J. Rand, West Tisbury</i> | <i>Yes</i> |

Motion carried in the affirmative (4-0-0)

C. Hanson moved the Finance Committee to instruct the President to table all actions in hiring a new Executive Director as presently advised, seconded by S. Gavin, and voted as follows:

- | | | | |
|-------------------------------------|------------|--------------------------------|------------|
| <i>1. S. Gavin, Yarmouth</i> | <i>Yes</i> | <i>3. L. Cakounes, Harwich</i> | <i>Yes</i> |
| <i>2. C. McLaughlin, Barnstable</i> | <i>Yes</i> | <i>4. C. Hanson, Brewster</i> | <i>Yes</i> |

Motion carried in the affirmative (4-0-0)

By virtue of consensus, it was agreed not to “pull” the ad and not to put together a Search Committee until the Full Board meeting.

J. Rand left the phone conversation at 1:40 p.m.

6. UPDATE, DISCUSSION AND POSSIBLE VOTE ON MARINA CLAIMS FOR FULL TAX REIMBURSEMENT RELATIVE TO BARNSTABLE FIRE DISTRICT

L. Argo reminded the members that the Town of Barnstable and Barnstable Fire District (BFD) are two separate entities. C. McLaughlin clarified that the Town of Barnstable acts as BFD’s agent, while BFD remains a separate entity. L. Argo continued saying that for the last three years, the Town of Barnstable was not reimbursing full property tax amount in relation to BFD solar PV project. As a result, BFD could not reimburse CVEC in the full actual tax amount. L. Argo reported that Marina is calling \$18,000 short payment. She added that CVEC may be potentially exposed to a lawsuit as CVEC is contracted with the

developer. C. McLaughlin offered to investigate on the issue of the Town of Barnstable short payment to BFD. It was agreed to revisit the topic after the investigation has been conducted.

R. Wirtshafter joined the discussion at 1:50 p.m.

7. DISCUSSION AND POSSIBLE VOTE ON CVEC CONTINUING EFFORTS TO INFLUENCE STATE LEGISLATURE REGARDING PROPERTY TAX LAW RELATIVE TO PV IN GROUND MOUNTS

It was agreed to return to the topic at a later date due to the quorum issues.

8. DISCUSSION AND POSSIBLE VOTE TO APPROVE CVEC'S UNDERTAKING OF PV/STORAGE INITIATIVE ROUND 6

L. Argo announced that in order to proceed with Round 6 Initiative, the Board voting will be required. It was discussed that it is beneficial to move forward sooner in order to secure better SMART program incentives. The "battery component" income models were discussed. L. Cakounes instructed the staff to put the topic on the Agenda for the next Full Board meeting.

9. DISCUSSION AND POSSIBLE VOTE TO ADJUST SERVICE AGREEMENT FEE FOR ROUND 5 AND 6 STANDALONE LEASES

L. Argo reminded the Committees that Standalone Lease projects will need service agreements. She continued saying that the service fee in relation to some smaller projects may need to be adjusted. The service fees sliding scale was presented for the members to review. It was concluded that the Full Board's vote will be needed to change the service fee and institute the sliding scale method.

10. DISCUSSION AND POSSIBLE VOTE TO APPROVE EXPANDED SERVICE AGREEMENT WITH TOWN OF YARMOUTH

L. Argo announced that CVEC was approached by the Town of Yarmouth with the proposition to expand CVEC's current services to include overseeing town's gas accounts for an upcharge.

It was voted unanimously to approve the Expanded Service Agreement with the Town of Yarmouth.

11. DISCUSSION AND VOTE ON REQUEST FROM BOARD MEMBER FROM FALMOUTH, ROSEMARY CAREY, THAT CVEC ENDORSE THE CLIMATE EMERGENCY DECLARATION

L. Argo presented citizens' petition to endorse the Climate Emergency Declaration sent by R. Carey. L. Cakounes noted that CVEC should not be involved with any kind of political movements and strongly opposed CVEC's endorsement of the Climate Emergency Declaration. R. Beaty and C. McLaughlin shared L. Cakounes' point of view and agreed that such an endorsement may jeopardize CVEC's tax-exempt status. There were no actions taken by neither Executive nor Finance Committees at this time. It was agreed to bring the topic for a Full Board to discuss.

3. APPROVAL OF FEBRUARY 13, 2020 EXECUTIVE COMMITTEE AND FINANCE COMMITTEE MEETING MINUTES

Due to the lack of time, it was agreed to review the February 13, 2020 Executive and Finance Committees Meeting Minutes prior to the next Full Board meeting.

4. TREASURER'S REPORT

Due to the lack of time, it was agreed to postpone the treasurer's report.

12. SELECTION OF REGULAR MEETING DATE/TIME FOR EXECUTIVE AND FINANCE COMMITTEES FOR MEETINGS

It was tentatively agreed to schedule Executive and Finance Committees meetings for the second Thursday of each month.

13. UPDATES ON:

A) Migration to professional Microsoft versions of OneDrive and Outlook

L. Argo reported that CVEC is transitioning to a professional Microsoft Version of Outlook with the help of CVEC consultant J. Clark.

B) Usage and Allocation database

L. Argo reported that CVEC's staff is working on compiling usage and allocation database that will be instrumental in better serving the towns.

C) Battery Energy Storage System at DY

L. Argo reported that contracts should be delivered soon. She added that Ameresco will be able to order batteries shortly. The discussion took place about a potential loan. The Members wanted to take another look at the financials. It was agreed to put the item on the next meeting's Agenda.

B) PV/Storage Initiative Round 4

L. Argo reported that some Round 4 projects are waiting for the interconnection studies, while others are waiting on permits for construction. The construction is to begin in summer 2020.

C) PV/Storage Initiative Round 5

L. Argo reported that Round 5 projects are in the process of applying for the interconnection studies.

D) Provincetown VMCC PV and existing structural issues

L. Argo had no significant updates on the status of Provincetown VMCC repair work. She added that CVEC is following the issue closely and will keep members informed of any news.

Executive and Finance Committees unanimously voted to adjourn at 2:25 p.m.

LIST OF DOCUMENTS & EXHIBITS

- February 13, 2020 Executive Committee and Finance Committee Meeting Minutes
- CVEC Financials as of February 29, 2020
- Adder and Service Agreement Fees Sliding Scale
- CVEC Management Level Task Breakdown
- CVEC Future: 2021-2025 Vision Sheet
- CVEC Executive Director Ad
- CVEC Executive Director Job Description
- Rosemary Dreger-Carey Climate Emergency Declaration informational email handout