

**Cape Light Compact
Governing Board and Executive Committee
Open Session Meeting Minutes
Wednesday, December 7, 2016**

The Cape Light Compact Governing Board and Executive Committee met on Wednesday, December 7 2016 in the Innovation Room, Open Cape Building, Barnstable County Complex, 3195 Main Street, Barnstable MA 02630 at 2:00 p.m.

PRESENT WERE:

1. Joyce Flynn, Chair, Yarmouth
2. Robert Schofield, Vice-Chair, Bourne
3. Ronald Zweig, Secretary, Falmouth
4. Peter Cocolis, Treasurer, Chatham
5. Fred Fenlon, Eastham
6. Valerie Bell, Harwich
7. Thomas Donegan, Provincetown
8. Tim Carroll, Chilmark
9. Richard Elkin, Wellfleet
10. Sue Hruby, West Tisbury
11. Paul Pimentel, Edgartown – by phone at 2:12 PM.
12. Martin Culik, Orleans Alternate – Until 4:01 PM
13. David Anthony, Barnstable
14. Richard Toole, Member at Large, Oak Bluffs – by phone at 2:12 PM.
15. Andrew Gottlieb, Mashpee
16. Sheila Lyons, Barnstable County

ABSENT WERE:

17. Brewster - Vacant
18. John Alley, Dukes County
19. Michael Hebert, Aquinnah
20. Brad Crowell, Dennis
21. Tisbury - vacant
22. Joshua Peters, Sandwich
23. Joseph Buteau, Truro

Members physically present: 14

Members present by phone: 2

LEGAL COUNSEL

Jeff Bernstein, Esq., BCK Law, PC

STAFF PRESENT:DF

Maggie Downey, Administrator
Austin Brandt, Power Supply Planner
Phil Moffitt, Residential Manager
Lindsay Henderson, Analyst
Jacob Wright, Special Projects Coordinator

PUBLIC PRESENT

Chris Powicki
Jillian Douglass

PUBLIC COMMENT

No members of the public wished to speak.

Chr. Flynn opened the meeting at 2:14 pm and recognized Board Members that were participating remotely by phone due to geographic distance.

CONSIDERATION OF MEETING MINUTES

The Board considered the Oct 11, 2016 Meeting Minutes. *Peter Cocolis moved the board to accept the amended minutes, seconded by M. Culik and voted by roll call as follows:*

1. D. Anthony – Barnstable	yes	10. T. Donegan – Provincetown	abs
2. R. Schofield - Bourne	yes	11. S. Hruby – West Tisbury	yes
3. F. Fenlon - Eastham	yes	12. J. Flynn - Yarmouth	yes
4. P. Pimentel – Edgartown	yes	13. T. Carroll – Chilmark	yes
5. R. Zweig – Falmouth	yes	14. A. Gottlieb – Mashpee	yes
6. V. Bell – Harwich	yes	15. R. Toole – Oak Bluffs	yes
7. R. Elkin – Wellfleet	yes	16. S. Lyons – Barnstable County	yes
8. M. Culik – Orleans	yes		
9. P. Cocolis – Chatham	yes		

Motion carried in the affirmative (15-0-1)

The Board considered the November 9th, 2016 Meeting Minutes. *Richard Elkin moved the board to accept the amended minutes, seconded by R. Schofield and voted by roll call as follows:*

1. D. Anthony – Barnstable	yes	10. T. Donegan – Provincetown	abs
2. R. Schofield - Bourne	yes	11. S. Hruby – West Tisbury	yes
3. F. Fenlon - Eastham	yes	12. J. Flynn - Yarmouth	yes
4. P. Pimentel – Edgartown	yes	13. T. Carroll – Chilmark	yes
5. R. Zweig – Falmouth	yes	14. A. Gottlieb – Mashpee	yes
6. V. Bell – Harwich	abs	15. R. Toole – Oak Bluffs	yes
7. R. Elkin – Wellfleet	yes	16. S. Lyons – Barnstable County	yes
8. M. Culik – Orleans	yes		
9. P. Cocolis – Chatham	yes		

Motion carried in the affirmative (14-0-2)

1. DISCUSSION AND POTENTIAL VOTE REGARDING NEGOTIATIONS AND CONTRACTING WITH A NEW FISCAL AGENT

Maggie Downey requested a vote on a proposed motion so that the record reflect what the Board wishes her to do in regards to pursuit of a new fiscal agent.

Richard asked if the Compact is restricted to specifically member towns as fiscal agents. Jeff Bernstein replied and said that we are not restricted to member towns, although the proposed motion refers simply to discussion with Compact members. David Anthony asked what the scope and ability of this motion was in terms of execution of a new agreement. Jeff Bernstein stated that this allows for wide ranging discussion, but any execution would return to the board first. The motion itself only allows the discussion with the 23 members, including Barnstable County.

Peter Cocolis said that the agreement would be simpler with one of our own towns, and then the Compact could look outside of that if no agreements can be reached. He said MUNIS and other systems would be much more seamlessly transferred to another town.

David Anthony said that the Town of Barnstable is one of the towns considering to serve as fiscal agent. He said that OPEB liability is a major issue, but it's the easiest one to deal with. He went on to say that the biggest true problem is absorbing employees and retirement obligations. He said he's surprised that more towns haven't had conversations regarding taking on the Compact. Maggie Downey said she brought this issue to the town managers, and town managers said collectively that the Town of Barnstable was best suited, and should start there.

Tom Donegan stated that the Board of Selectmen of Provincetown did vote 5-0 to enter into discussions. He said that there's many opportunities for the towns to work together. He said that there are many people who are committed to working this out.

Sheila Lyons spoke, saying that she was not in favor of this entire situation (the County terminating its relationship as fiscal agent with the Compact), and said she'll be making a statement regarding the situation at the commissioner's meeting. She said that there is good work being done here at the Compact, and the County is making a mistake.

Martin Culik responded by saying that he had received the impression that Jack Yunits was more on the side of the Compact, and not wanting the Compact to depart. Maggie Downey responded by saying that while that may be true, members of the Assembly the County Commissioners feel very strongly about not supporting the Compact as it is currently constructed.

Consistent with the Cape Light Compact's Intergovernmental Agreement, Article II(P), Ronald Zweig moved the Board vote to authorize the Compact Administrator, legal counsel, and Compact Board members to enter into discussions with Compact members regarding serving as the fiscal agent for the Cape Light Compact.

The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote, seconded by Robert Schofield and voted by roll call as follows:

1. D. Anthony – Barnstable	yes	10. T. Donegan – Provincetown	abs
2. R. Schofield - Bourne	yes	11. S. Hruby – West Tisbury	yes
3. F. Fenlon - Eastham	yes	12. J. Flynn - Yarmouth	yes
4. P. Pimentel – Edgartown	yes	13. T. Carroll – Chilmark	yes
5. R. Zweig – Falmouth	yes	14. A. Gottlieb – Mashpee	yes
6. V. Bell – Harwich	yes	15. R. Toole – Oak Bluffs	yes
7. R. Elkin – Wellfleet	yes	16. S. Lyons – Barnstable County	yes
8. M. Culik – Orleans	yes		
9. P. Cocolis – Chatham	yes		

Motion carried in the affirmative (15-0-1)

2. DISCUSSION OF TRANSITION AGREEMENT BETWEEN CAPE LIGHT COMPACT AND BARNSTABLE COUNTY

The terms provide orderly transition to new fiscal agent, identify the tasks to be performed by Barnstable County, and acknowledge that this agreement would expire June 30th. It allows Barnstable County to continue performing Accounts Payable and other duties it has previously been conducting during the length of the agreement. It also agrees to indemnify and hold harmless the county from liabilities incurred by the Compact.

Tom Donegan stated that there’s a current provision in our agreement about acting in ‘good faith’, and asked if the transition agreement incorporates that provision or if there would be a potential claim that the County has not acted in good faith. Jeff stated that the transition agreement does not include such a provision and that would be difficult to enforce, even if it were included in the transition agreement.

Sue Hruby stated that her feeling is that the issues here are not so much operational but more political in nature. Maggie Downey and Sheila Lyons both agreed, stating that the political climate has become more divisive and mistrustful.

Richard Elkin asked what the specific terms of the agreement consist of. Jeff Bernstein responded and explained. The first term is removing the Administrative Services Agreement, replacing with the Transition Agreement. It runs until June, but can be extended if both parties agree. The third term explains Barnstable County’s responsibilities during the term of the agreement, essentially a continuation of services. The County will continue to provide Compact with IT services and space for a fee, along with payroll and benefits. Richard Elkin replied by asking in terms of real estate, where would the Compact reside, and Jeff Bernstein and Maggie Downey both replied by saying that it isn’t immediately clear yet, whether the Compact will continue to rent space from the County or seek new office space.

David Anthony stated that the physical transfer of physical assets and staff is an arduous process, that will take a significant period of time. Tom Donegan stated that the timeline appears very short, and that a longer period to accomplish a physical transition would be good. Sheila Lyons responded by saying she’d broach the issue this week with the Commissioners.

David Anthony moved the board vote to authorize the Compact Chair to execute a Transition Agreement Between Barnstable County and the Cape Light Compact, to be approved as to form by legal counsel. The Transition Agreement shall terminate the Administrative Services Agreement and allow for the Cape Light Compact's orderly transition to a new fiscal agent, and shall include, but not be limited to, provisions for: (i) Barnstable County's role as fiscal administrator during the transition; (ii) additional related services to be provided by Barnstable County during the transition; and (iii) payment by the Cape Light Compact for such services.

The Compact Administrator is authorized and directed to take all actions necessary or appropriate to implement this vote, and to execute and deliver all documents as may be necessary or appropriate to implement this vote, second by R. Schofield and voted by roll call as follows:

1. D. Anthony – Barnstable	yes	10. T. Donegan – Provincetown	abs
2. R. Schofield - Bourne	yes	11. S. Hruby – West Tisbury	yes
3. F. Fenlon - Eastham	yes	12. J. Flynn - Yarmouth	yes
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7. R. Elkin – Wellfleet	yes	16. S. Lyons – Barnstable County	yes
8. M. Culik – Orleans	yes		
9. P. Cocolis – Chatham	yes		

Motion carried in the affirmative (15-0-1)

CHAIRMAN'S REPORT

Joyce Flynn asked all members to see their board of selectmen very soon. She wants the Towns to understand the green aggregation power supply program and that the Compact is entering negotiations for a new fiscal agent. She then recognized Sheila Lyons, as her last board meeting as a County Commissioner.

TREASURER'S REPORT

Peter Cocolis stated that the operational fund is paying Barnstable County for services, reflecting our continued payments to the county for rent and other expenses.

ADMINISTRATOR'S REPORT

1. Nominations for Executive Committee

Maggie. Downey notified the Board that nominations for Executive Committee positions are now open, and will be open through the January meeting, when they will be voted on.

R. Elkin and B. Schofield nominated Joyce Flynn for Chairman.

P. Cocolis and S. Lyons nominated Bob Schofield for Vice Chairman.

*S. Lyons and S. Hruby nominated Peter Cocolis for Treasurer.
R. Schofield and T. Carroll nominated Ron Zweig for Secretary.
S. Hruby and P. Cocolis nominated Richard Toole for Member-At-Large.*

2. Update on Eversource Rate Case:

Maggie Downey said filing will be happening in January, the Attorney General is actively involved in the case.

Jeff Bernstein also said it will be a tight timeline of six months before rates take effect. Tim Carroll asked if there are pressing issues, he'd like to get them out to towns as soon as possible so they can react. Joyce Flynn asked Jeff Bernstein if the rate case will proceed ahead of grid modernization. Jeff Bernstein believed that the two cases will be heard at the same time, though the rate case will likely see a decision before the grid modernization case.

Ron Zweig commented saying that once the case is filed, perhaps we should approach the selectmen to inform them that the Compact is intervening on the towns' behalf.

3. Green Power Supply Program

A courtesy letter will be sent to the Attorney General, Department of Energy Resources, and the Department of Public Utilities informing them in regards to our green aggregation power supply program.

BOARD MEMBER UPDATE

Tom Donegan stated that we saved \$3.5 million dollars from FY16, according to the DPU December 1, 2016 Power Supply Annual filing. Austin Brandt is going to verify whether that is purely residential.

EXECUTIVE SESSION

At 3:59 p.m., Chr. Flynn moved to enter into Executive Session pursuant to MGL Chapter 30A §21(a) 3 to discuss strategy with respect to pending regulatory litigation relative to National Grid and the Cape Light Compact and the National Grid Agreement for Natural Gas Heated Homes (DPU16-169) and in accordance with M.G.L. 30A, §21(a)(3) and §21(a)(10), to review and approve prior executive session meeting minutes for release to the public.

Chr. Flynn declared that an open session may have a detrimental effect on the Cape Light Compact's litigating position and that disclosure of confidential and competitively-sensitive information will adversely affect its ability to conduct business in relation to other entities making, selling or distributing electric power and energy. The Governing Board would not return to Open Session at the conclusion of Executive Session.

1. D. Anthony – Barnstable	yes	10. T. Donegan – Provincetown	yes
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7. R. Elkin – Wellfleet	yes	16. S. Lyons – Barnstable County	yes
8. M. Culik – Orleans	yes		
9. P. Cocolis – Chatham	yes		

Motion carried in the affirmative (16-0-0)

No updates from the Board Members.

Meeting adjourned at 4:33 pm.

Respectfully submitted,
Jacob Wright

LIST OF DOCUMENTS & EXHIBITS

- Meeting Notice/Agenda
- October 11th Meeting Minutes – Draft
- November 9th Meeting Minutes – Draft
- 8074 CLC Operating Fund Budget dated 12/6/2016