

MINUTES OF THE
SPECIAL MEETING OF THE
JOINT AD HOC CEO PERFORMANCE
AND COMPENSATION COMMITTEE
OF THE BOARDS OF DIRECTORS OF
CONNECTICUT MUNICIPAL ELECTRIC ENERGY COOPERATIVE
AND
CONNECTICUT TRANSMISSION MUNICIPAL ELECTRIC ENERGY COOPERATIVE

January 25, 2022

A Special Meeting of the Joint Ad Hoc CEO Performance and Compensation Committee of the Boards of Directors of Connecticut Municipal Electric Energy Cooperative (“CMEEC”) and Connecticut Transmission Municipal Electric Energy Cooperative (“CTMEEC” dba Transco) was held via Zoom and telephonically on Tuesday, January 25, 2022 at 2:00 p.m.

The meeting was legally noticed in compliance with Connecticut General Statutes and all proceedings, and all actions hereafter recorded occurred during the publicly open portions of the meeting.

The following Committee Members participated telephonically or via Zoom:

Groton Utilities: Ronald Gaudet
Jewett City Department of Public Utilities: Kenneth Sullivan
Norwich Public Utilities: Christopher LaRose
South Norwalk Electric & Water: Alan Huth
Third Taxing District, East Norwalk: Kevin Barber

The following Non-Voting Members participated telephonically or via Zoom:

Groton Municipal Representative: Mark Oefinger
Jewett City Department of Public Utilities: Louis Demicco
Jewett City Municipal Representative: George Kennedy
East Norwalk Municipal Representative: Pete Johnson

The following CMEEC Staff participated:

Dave Meisinger, CMEEC CEO
Robin Kipnis, Esquire, CMEEC General Counsel
Margaret Job, CMEEC Paralegal and Compliance Specialist

Others participating telephonically or via Zoom:

Dave Silverstone, Esquire, Municipal Electric Consumer Advocate

Ms. Job recorded.

Committee Chair Kevin Barber called the meeting to order at 2:01 p.m. noting for the record that today's meeting is being held telephonically and via Zoom. He asked participants to state their names when speaking for clarity of the record.

Specific Agenda Item

A Public Comment Period

No public comment was made.

B Roll Call

Ms. Job conducted roll call with each participant responding individually as their names were called. Committee Chair Barber confirmed a quorum of this Committee was present.

C Approve the Minutes of the January 18, 2022 Special Meeting of the Ad Hoc CEO Performance and Compensation Committee

A motion was made by Committee Member Ronald Gaudet, seconded by Committee Member Alan Huth to approve the Minutes of the January 18, 2022 Meeting of the Ad Hoc CEO Performance and Compensation Committee.

Motion passed unanimously.

D Possible Executive Session to discuss CEO Performance and Compensation Pursuant to C.G.S. Section 1-200(6)(A)

Committee Chair Barber reminded the Committee that at its last meeting the Committee agreed to a two-pronged approach to the conduct of an evaluation of CEO 2021 performance and the process for development of a long-term comprehensive CEO compensation and incentive plan, and that today the Committee intends to enter Executive Session to conduct the 2021 performance evaluation.

Ms. Kipnis explained that the Committee is required to ask Mr. Meisinger if he prefers this discussion take place in Public Session or Executive Session.

After discussion, Mr. Meisinger explained that he would be happy to leave the meeting for conduct of the Committee's discussion of his performance for 2021 in Executive Session.

Committee Chair Barber further explained that the Committee will utilize the APPA CEO evaluation form provided to this Committee in advance of today's meeting to conduct Mr. Meisinger's 2021 performance evaluation. He added that the section focusing on goals will be stricken from the form since goals had not been developed for 2021.

Mr. Meisinger added that if the Committee determines a percentage of his base salary for an incentive payment for 2021 performance, that he would like the Committee to explain how they arrived at the percentage of incentive payment they award. The Committee agreed.

At this time, Committee Chair Barber entertained a motion to enter Executive Session.

A motion was made by Committee Member Gaudet, seconded by Committee Member Christopher LaRose to enter Executive Session.

Motion passed unanimously.

The basis for entering Executive Session is to discuss CEO Performance and Compensation Pursuant to C.G.S. Section 1-200(6)(A). Members of the Committee and non-Committee Board members Louis Demicco, Pete Johnson, George Kennedy and Mark Oefinger as well as CMEEC staff Ms. Job remained.

The Committee entered Executive Session at 2:13 p.m. with instructions to return to Public Session upon completion of discussion in Executive Session.

The Committee re-entered Public Session at 3:51 p.m.

Committee Chair Barber explained that no action was taken during Executive Session. He stated that the Committee did great work however they did not complete the task they set out to do. He explained that another meeting will be scheduled to do that.

E Discussion Regarding Use of Compensation Consultant, and Possible Vote to Retain Compensation Consultant

Committee Chair Barber reminded the Committee that this topic was briefly discussed at this Committee's meeting on February 18, 2022. He explained that the Committee discussed creating a process for framing the annual CEO evaluation and review, as well as creating a comprehensive long-term CEO compensation, benefit and incentive package. Mr. Meisinger had explained to the Committee that last year, CMEEC conducted an extensive RFP which resulted in the engagement of Winston Tan of Intandem, LLC to conduct a staff compensation survey. Intandem assisted CMEEC with a comprehensive review of non-CEO CMEEC staff job descriptions and assisted with the creation of a staff compensation plan. He added that Intandem came highly recommended by others in the public power industry.

Mr. Meisinger further explained that he and Committee Chair Barber held a telephone conference with Winston Tan to discuss the potential engagement of Intandem to assist in the Committee with these tasks. Mr. Meisinger explained that Intandem is willing to work with this Committee on these tasks, which will include a survey of the Board on appropriate evaluation metrics. They will then work with this Committee to create a process for use in the future. He further explained that the engagement may be three-to-four-months in duration with an anticipated completion date in April or May 2022. At that time, should the Board make any adjustments to the CEO base salary as part of this comprehensive effort, that adjustment would be retroactive to January 1, 2022.

Committee Chair Barber added that he was pleased with Intandem's presentation provided during their conference with Winston Tan on Monday, January 24, 2022. He added that engaging Intandem will be beneficial in the development of long-term incentive package which can be followed each year. He stated that he would recommend that this Committee authorize the engagement of Winston Tan and Intandem to conduct the survey and assist in development of a long-term incentive package for the CEO.

After brief discussion, the Committee agreed that Intandem should be asked to include, as part of this engagement, some consideration of an incentive plan for non-CEO staff. Mr. Meisinger agreed that he would ensure this statement is added to the engagement letter and he explained that Mr. Kipnis will be the signatory on the letter for separation purposes.

A motion was made by Committee Member Gaudet, seconded by Committee Member Kenneth Sullivan to retain Intandem, LLC to conduct a CEO compensation survey and assist in the development of a comprehensive long-term incentive package for the CEO and to authorize Robin Kipnis, Esquire, CMEEC General Counsel to execute the agreement for those services.

Motion passed unanimously.

F Adjourn

A motion was made by Committee Member Gaudet, seconded by Committee Member Sullivan to adjourn.

Motion passed unanimously.

The meeting was adjourned at 4:11 p.m.