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Minutes of the Commission Meeting Held on November 16, 2017 In the Stone Building 33 New York Avenue, Oak Bluffs, MA

IN ATTENDANCE

Commissioners: (P= Present; A= Appointed; E= Elected)

P Gail Barmakian (A-Oak Bluffs)	- Michael Kim (A-Governor)
P Trip Barnes (E-Tisbury)	P Joan Malkin (A-Chilmark)
P Christina Brown (E-Edgartown)	- Katherine Newman (A-Aquinnah)
- Peter Connell (A-Governor; non-voting)	P Ben Robinson (A-Tisbury)
P Robert Doyle (E-Chilmark)	- Doug Sederholm (E-West Tisbury)
P Josh Goldstein (E-Tisbury)	P Linda Sibley (E-West Tisbury)
P Fred Hancock (E-Oak Bluffs)	P Ernie Thomas (A-West Tisbury)
P Leonard Jason (A-County)	P Richard Toole (E-Oak Bluffs)
P James Joyce (A-Edgartown)	P James Vercruysse (e-Aquinnah)

Staff: Adam Turner (Executive Director), Bill Veno (Senior Planner), Christine Flynn (Economic Development and Affordable Housing Planner), Dan Doyle (Transportation Planner).

Chairman James Vercruysse called the meeting to order at 7:00 p.m.

Adam Turner said the Stop & Shop Deliberation will not take place tonight. The applicant went to the LUPC after the Public Hearing was closed and there were a lot of issues and information, and staff needs more time to evaluate. Rather than go quickly, it was discussed with the applicant, and it was decided to slow down the process a little bit. The next LUPC for Stop & Shop will be on November 27, 2017.

1. PRESENTATION BY VINEYARD POWER

Commissioners Present: G. Barmakian, T. Barnes, C. Brown, R. Doyle, J. Goldstein, F. Hancock, L. Jason, J. Joyce, J. Malkin, B. Robinson, L. Sibley, E. Thomas, R. Toole, J. Vercruysse.

1.1 Vineyard Power Presentation

Richard Andre presented the following:

- Vineyard Power has been developed to produce electricity from local, renewable resources while advocating for and keeping the benefits within the community.
- It is a Federal and State process that started in 2009.
- The site was identified through a seven year process.
- The timeline was reviewed.
 - 2009-Present - Project Outreach to RI and MA Fisheries and Communities
 - 2010-2015 - Task Force Process
 - 2011 - Request for Interest
 - 2012 - Environmental Assessment
 - 2014 - Proposed Sale Notice
 - 2015 - Final Sales Notice, Auction and Lease Issuance

- 2015-Present - Ongoing Project Consultations with Fisheries, Communities and Environmental Groups
- The Federal government tried to build on a failed effort, Cape Wind. As part of that process a Federal Task Force was set up, which includes a member from every town, so there is local representation.
- From 2009 to 2010, approximately 35 meetings were held.
- The area for the development is about 3,000 square feet.
- The Federal area starts about 3 miles offshore. Areas were eliminated due to environmental concerns and a large fishing conflict.
- In 2011, a Request for Interest was put out and twelve developers showed an interest.
- Vineyard Power conducted a Visual Impact Survey to determine the relationship between the perceived impact and distance from land, according to the Vineyard Power members and the community. It was found that anything 10 miles and closer to shore was deemed not acceptable. At 14 miles offshore, about 85% of the participants deemed it acceptable.
- The next challenge of the Federal government was to split the area into zones. With ultra-wind there needs to be a contiguous area. The area was split into five zones facing southwest for the prevailing wind. Every zone has an equal amount of deep and shallow water. The water depth closest to shore is 125 feet.
- A competitive auction was held in 2013 and 2015. Three developers won the auctions: Deep Water Wind, Baystate Wind and Vineyard Power. Baystate Wind is in partnership with Eversource and Orsted Energy. Two other zones went unleased, but it has now been announced that they will be available for lease in 2018.
- The leasing area has become very competitive up and down the East Coast for Federal bids.
- All electrical markets are controlled by the State.
 - There needs to be a Power Purchase Agreement with the utility companies, which usually lasts 30 years.
 - Utilities are required to procure 1,600 megawatts of offshore wind, which equates to 15% of the Commonwealth's production and will generate energy to power more than 750,000 homes.
 - The State did not want to put all of its eggs in one basket, so they split it up into an incremental process over 10 years.
 - The first RFP was issued in June 2017 and the bid needs to be submitted by December 20, 2017.
 - Every subsequent bid has to be lower than the prior bid and this round has three bidders.
 - The Commonwealth has given themselves four months to decide on a winner and then a couple of months to finalize the contract.
- Each project is approximately \$2 billion.
- There will be 1,000 construction jobs for 18 to 24 months to build the turbines, and they will be union workers.
- There is money behind these projects, and it is very much a Danish dominated industry. The people backing Vineyard Power are Danish and now also a Spanish utility company. They build large wind power projects.
- When Vineyard Power started in 2009, they talked to the Federal government about whether the local community could participate, and they said no. They wanted larger projects but led us down the road to multifactor considerations. If any developer partnered with the local community, they could see a local benefit. A Community Benefit Agreement was signed with Vineyard Wind. This made the following commitments:

- The Operation and Maintenance facility would be in Vineyard Haven, with 50 to 75 jobs based on the Island.
- Invest \$10 to \$20 million to upgrade the harbor.
- Two boats will be based here.
- Working with the schools for education and training of the workforce.
- There will also be a helicopter out of the airport for emergency and backup weather conditions.
- An Island Resiliency Fund will be developed to promote solar and storage projects around the Island, and the Towns can own the projects after ten years.
- A new bill has been proposed that allows any of the Towns to enter into purchase agreements for their residents, but it would require Town Vote.

1.2 Commissioners' Questions

Joan Malkin said there are three leaseholds and the State has to accept the lowest bidder, so do the other two bidders hang out and wait? **Richard Andre** said they do, or they decide not to continue.

James Vercruysse asked if it was the lowest price per kWh. **Richard Andre** said it was.

Leonard Jason asked what the terms of the lease are. **Richard Andre** said once the lease is signed, there needs to be continuous improvement. Once electricity production begins, there is a 25 year lease, and if the project is not continued, it needs to be decommissioned. The developer has to provide a Surety Bond or show that money is in the bank for the decommissioning.

Fred Hancock asked what the height of the turbine would be. **Richard Andre** said the top of the tower would be 400 feet; previously it was 300 feet. The top of the blade is 699 feet.

Fred Hancock asked if there were any height limits in the leases. **Richard Andre** said there are not, but there are changes to the lighting requirements if the turbine is over 700 feet. One of the challenges is applying for a building permit, but not constructing for about three years. The technology in this industry is always changing and evolving. For now, they are following a European model and have Project Envelopes which gives a little more leeway.

Gail Barmakian said the developers have to test and provide data, and asked what happens in the midst of that. **Richard Andre** said the Federal Government can terminate the lease, so it is a risk to the developer, and they have to continue to monitor. There will be a lot of scientific research going on. Once the windfarm is operating, there will be about 25 local employees per project kept on for 25 years and also seasonal workers. Vessels will be run out on a daily basis and there will be marine animal observers on the boat.

Robert Doyle asked if all goes well, when would the project be commissioned? **Richard Andre** said the contract would be signed in 2019, construction would start in 2020 and the first production would be in 2021.

Joan Malkin asked when the States have purchased power agreements, how is it decided who gets what. **Richard Andre** said they settled on a sweet spot of 400 megawatts. The area could hold five times as much. The State requirements are 1,600 megawatts.

Adam Turner said that each of the leases is a quarter of a larger project and asked what the spacing is of these bids. **Richard Andre** said the spacing of the RFPs cannot be more than two years apart and they are pushing for one year apart. If it is a very attractive price, the project would probably be accelerated.

There was a discussion about price.

- **Richard Toole** asked what he thought the price would be.

- **Richard Andre** said if you show a continuous amount of projects you will see a reduction. If you did 2,000 megawatts the prices ranged in the mid to low teens. In Europe the last bids were \$0.10/kWh.
- **Ben Robinson** asked if the State has set an upper threshold for price.
- **Richard Andre** said if the price is not competitive they don't have to accept.
- **Adam Turner** said Deep Water is in RI and asked what their price was.
- **Richard Andre** said about \$0.30 /kWh. Block Island was already paying \$0.40 so \$0.30 seemed a break.

Gail Barmakian asked if the 50 workers based on the Island would be union workers. **Richard Andre** said no, they would be locally sourced.

Joan Malkin said that Vineyard Haven would be the harbor and asked about Menemsha. **Richard Andre** said it would be Vineyard Haven. The Coast Guard operates out of Menemsha. Vineyard Haven harbor is the type of harbor that is needed for this.

Josh Goldstein asked why this presentation was happening tonight, since MVC approval is so far down the process. **Adam Turner** said a letter of support from the MVC would help Vineyard Power's bid. This is a fairly significant issue that will affect us over time. He thought it would be good to educate everyone for the future.

Richard Andre said they based a survey vessel out of Vineyard Haven this year. There are two substations on Cape Cod in Barnstable and West Barnstable. The Nantucket option has been taken off the table as their cable is past its capacity.

Adam Turner said they are using the Tesla batteries in Puerto Rico and asked if they are competitive for storage. **Richard Andre** said the only way to make money in storage is pairing it with solar, so we are focusing on those types of projects.

Fred Hancock asked how far apart the turbines are. **Richard Andre** said one nautical mile, 6,000 feet apart. We heard from the fishing community to design an array in a way to traverse through them. You can even go right up to them.

James Joyce asked if they are in the area referred to as "the dump" (as there is good fishing in that area). **Richard Andre** said the area goes around "the dump."

Trip Barnes asked when Vineyard Power would start to make money. **Richard Andre** said that is on the horizon now.

James Vercruyse asked if there are any regulatory issues that could come before the MVC. **Richard Andre** said the cable will go through Edgartown with Muskeget Channel and a MEPA permit. It will also involve Vineyard Haven harbor.

Christina Brown said the cable will be similar to the one from Falmouth to West Chop and asked what else he needed from the MVC. **Richard Andre** said the approval of the MVC and support. It is the beginning of a green economy on the Vineyard.

Gail Barmakian asked how the decision was made for the cable going to the Cape. **Richard Andre** said West Barnstable is the furthest on the Cape that the size cable needed came down the Cape and where we could plug in. There was no benefit to the community to bring the cable to Martha's Vineyard.

Linda Sibley asked how big the facility would be, and if real estate on Vineyard Haven Harbor was available. **Richard Andre** said the site was already found.

Adam Turner asked how many turbines they will have. **Richard Andre** said about 40 to 50.

Christina Brown asked if either of the other two developers that have leases offer Vineyard benefits. **Richard Andre** said he did not know.

Adam Turner said the MVC has invited the other two developers to come and present.

Dan Doyle asked if there was a common industry standard for the number of days per year that the towers would be visible. **Richard Andre** said these towers would be visible on the clearest of days. Most days have a haze, and he can find out more information.

Richard Toole asked what the closet turbine in Falmouth is to the Island. **Fred Hancock** said he thought it was 7 to 10 miles.

2. NEW BUSINESS

Commissioners Present: G. Barmakian, T. Barnes, C. Brown, R. Doyle, J. Goldstein, F. Hancock, L. Jason, J. Joyce, J. Malkin, B. Robinson, L. Sibley, E. Thomas, R. Toole, J. Vercruysse.

2.1 Blue Economy Presentation

Christine Flynn presented the following:

- Two weeks ago the Blue Economy Foundation was launched.
- The Blue Economy Foundation emphasizes that water is the core that balances the environment and the economic health of the area.
- The intention is to support a more balanced and sustainable year-round economy: businesses, jobs and wages.
- The Blue Economy encompasses many industry sectors: education, research and development (Woods Hole Oceanic Graphic Institute, Mass Maritime Academy, NOAA); maritime related industries such as working harbor fronts and ship building; coastal infrastructure; transportation; energy; wastewater infrastructure; commercial fishing and aquaculture; and tourism.
- The Cape and Islands regional economy is driven by water. The future depends on the preservation of natural resources. As a coastal community, the Island faces many challenges like water quality, housing, climate change and sea level rise. These are all complex, inter-connected, and costly issues that will not go away. There are no quick fixes, and the problems won't be solved without leadership and significant funding.
- The Blue Economy initiative includes the Cape, the Islands and Plymouth County.
- It was launched in 2015 and there have been nine information sessions including strategic planning sessions, including one on the Vineyard that had over 50 attendees.
- The Foundation is a partnership for private and public entities to work together.
- It is groups and efforts like this that are looking to foster public policy at the State and local level.
- It also fosters our working relationships with the Cape and Plymouth County, and also to be the leaders with our natural resources that help sustain us.

Joan Malkin said a strategic planning session was done, and asked what was next. **Christine Flynn** said the session was to develop an implementation plan. The draft implementation plan highlighted three priorities, including promotion and support of maritime industries, focus on education, and public outreach.

James Vercruysse asked if the foundation would gather funds. **Christine Flynn** said yes, and help establish public policy.

Joan Malkin asked if the foundation is to show that what is being developed is being accomplished. **Christine Flynn** said we want to make sure we are monitoring how well we are doing, and identify areas we are not.

Joan Malkin said the establishment of concrete steps is very important.

Christine Flynn said there are a number of organizations and stakeholders involved in this initiative. There are over 30 organizations involved from the private sector, conservation groups and educational institutions.

Gail Barmakian said that education is important and asked if local fishermen are involved. **Christine Flynn** said the Barnstable Fisherman Association and the Barnstable Shellfish Group are involved.

Robert Doyle said he would also expect there will be ideas for expanding jobs. **Christine Flynn** said yes, workforce development is a key priority, as is reinforcing existing institutions and diversifying the year-round economy.

2.2 Executive Director's Report

Adam Turner presented the following:

- **Healthy Aging Task Force:** A couple of months ago he was invited to join the Healthy Aging Task Force. It is made up of Town officials that coordinate services for the elderly population on the Island. For the MVC to not be involved no longer makes sense. The MVC can play a key role in assistance for finding solutions in terms of a little financial assistance, mapping and demographics. They have a lot more infrastructure, and Community Services is now involved. He is bringing this to the Commission as it is not something the Commission has been involved with before. It is a policy decision that was made and he wanted to bring that to the Commissioners.
 - **Gail Barmakian** said she would like to know more about it.
 - **Adam Turner** said the MVC will assist with information regarding income stream, the demographics and the costs involved. We will help them with the statistics and help them with the mapping. We will also help with grant writing if needed.
 - **James Vercruysse** said he thinks it is appropriate to help with the demographics. We do it for everyone else on the Island.
 - **Leonard Jason** said this is exactly why Mr. Turner was hired, and that it was important for him to be involved.
- **Nitrogen Testing:** 700 individual tests were conducted over last year. All but one of the ponds has been tested at least once. A grant was received to examine pond openings as a nitrogen remediation strategy.
- Commission staff is working with Chilmark on Menemsha and have been asked to look at the corridor and develop some improvements.
 - **Joan Malkin** said for the Town there were two major issues: traffic efficiency and pedestrian safety, and we asked Adam Turner if he could help us redesign Menemsha to help us with those issues.
 - **Adam Turner** showed the plans that give the Town concrete ways to improve. Blowing sand was an issue and the bulkhead was not effective, so a better system was developed.
- **Historical Inventory:** Commission staff is working to put together a database for historic structures for easier analysis during a DRI review, and to allow Commissioners to make better decisions on those applications. Mark London was hired to do the majority of the research, with the support of Chris Seidel and Lucy Morrison. There is a lot of information, including several thousand records that contain age and the number of structures in an area by period.

- **Josh Goldstein** asked if he were to give an address, the database would be able to show data for that address.
- **Adam Turner** said yes, that is the goal. The database will also look at trends so we can put it in context of how the structure fits to the district. With information about the neighborhood, it will help put a project into context.
- **Open Space:** an Open Plan was done in Tisbury and now other towns are coming forward for assistance.
 - **James Vercruysse** asked what constitutes Open Space.
 - **Adam Turner** said every Town has criteria. This survey will allow towns to decide what they want to do with the space. The visioning process works. One of the things we heard in Tisbury was that we didn't know that space was there and this survey shows that.
- **Budget:** the Executive Committee Meeting will be on December 6, 2017. He thought the budget will still have a 2-3% increase range. The MVC will need to generate more capital, and we are committed to do that. Last year, \$500,000 was received in grants, and more can be done with that this year. Health care costs are going up 19%.
- A grant was received to look at the Evaluation and Development of Shared Workspace.

2.3 Scheduling

Adam Turner said the following:

- The LUPC meeting will be on November 20, 2017 for the East Chop Bluff and the VTA Electric Storage.
- On November 27, 2017, Stop & Shop resumes at the LUPC with the Airport Gas Station.
- The MVC meeting on November 30, 2017 will include the Chappy Wireless Tower, the VTA and a presentation by Orsted industries.
- The Executive Committee will meet on December 6, 2017 at 5:00 p.m.
- The MVC meeting on December 14, 2017 will include Deliberation for the Chappy Wireless Tower, East Chop Public Hearing and Airport Gas.
- He apologized for Stop & Shop being moved around, but it needs to be organized.

2.4 Reports from Committees and/or Staff

James Vercruysse said he will appoint the Finance Committee to look at the budget and asked that anyone interested in joining that group let him know.

- **Christina Brown** and **Joan Malkin** said the Committee is supposed to have someone from each Town.

James Joyce said he would like someone to remind him about rehabilitation. He attended the first meeting for Stop & Shop, but missed the second and now he cannot rehabilitate himself. Why did the MVC establish the policy like that?

- **Joan Malkin** said there was a discussion if rehabilitation should or should not be allowed. The rationale was that if you missed the last hearing date, you didn't have the opportunity to ask questions and receive answers.
- **Fred Hancock** said there were quorum problems as well.
- **Linda Sibley** said the notion is that at the final hearing everything is sorted out and the most important hearing is the last one. It is when the applicant gets to summarize.
- **Adam Turner** asked if James Joyce would be able to go to the LUPC meeting.
- **Linda Sibley** said we were told by counsel that you lose the ability to participate, but counsel could be asked again.
- **James Joyce** said he does not see why it matters. Questions can also be asked during the Deliberation.

- **Linda Sibley** said there was a Mass Court Ruling a long time ago that stated if a member missed a meeting they cannot vote, but we found a way around it if there were multiple meetings.

3. MINUTES

Commissioners Present: G. Barmakian, T. Barnes, C. Brown, R. Doyle, J. Goldstein, F. Hancock, L. Jason, J. Joyce, J. Malkin, B. Robinson, L. Sibley, E. Thomas, R. Toole, J. Vercruysse.


Josh Goldstein moved and it was duly seconded to approve the minutes of September 7, 2017 as written. Voice vote. In favor: 11. Opposed: 0. Abstentions: 3. The motion passed.

Fred Hancock moved and it was duly seconded to approve the minutes of September 28, 2017 as written. Voice vote. In favor: 9. Opposed: 0. Abstentions: 5. The motion passed.

The meeting was adjourned at 8:30 p.m.

DOCUMENTS REFERRED TO DURING THE MEETING

- Minutes of the Commission Meeting – Draft, Held on September 7, 2017
- Minutes of the Commission Meeting – Draft, Held on September 28, 2017


Chairman

3.29.18
Date


Clerk-Treasurer

4.10.2018
Date