

**LONG ISLAND POWER AUTHORITY**

**MINUTES OF THE**

**GOVERNANCE, PLANNING and PERSONNEL COMMITTEE MEETING**

**HELD ON JULY 22, 2020**

*The Governance, Planning and Personnel Committee of the Long Island Power Authority ("LIPA") was convened at 10:45 a.m. at LIPA Headquarters, Uniondale, NY, pursuant to legal notice given on July 17, 2020; and electronic notice posted on LIPA's website.*

*In compliance with Governor Andrew M. Cuomo's Executive Order No. 202.1 on COVID-19 safety, the following guidelines were publicly posted and followed:*

*The Long Island Power Authority is taking steps to minimize the risk of exposure for the public and our employees. As such, LIPA will not be permitting in-person access to its July 22, 2020 Governance, Planning and Personnel meeting. Members of the public are encouraged to observe the live stream of the meeting posted at the LIPA website. The meeting will also be recorded and posted to LIPA's website for later viewing.*

*The following LIPA Trustees were present:*

**Elkan Abramowitz, Committee Chair (via video conferencing)**  
**Drew Biondo, Committee Member (via video conferencing)**  
**Sheldon Cohen, Committee Member (via video conferencing)**  
**Matthew Cordaro, (in person)**  
**Mark Fischl (via video conferencing)**  
**Peter Gollon (via video conferencing)**  
**Laureen Harris (via video conferencing)**  
**Ali Mohammed (via video conferencing)**

**Representing LIPA, in person, were Thomas Falcone, Chief Executive Officer; Bobbi O'Connor, Chief Administrative Officer & Board Secretary; Barbara Ann Dillion, Director of Human Resources and Administration and Sid Nathan, Director of Communications. Participating via video conferencing were Anna Chacko, General Counsel; Mujib Lodhi, Chief Information Officer and Acting Chief Financial Officer; Kenneth Kane, Senior**

Advisor to Operations Oversight; Justin Bell, Vice President of Public Policy and Regulatory Affairs. and Jason Horowitz, Assistant General Counsel and Assistant Secretary to the Board. Also participating via video conference was Tamela Monroe.

*Chair Abramowitz welcomed everyone to the Governance, Planning and Personnel Committee meeting of the Long Island Power Authority Board of Trustees.*

*Chair Abramowitz stated the only item on the agenda was the adoption of the minutes from the June 24, 2020 Governance, Planning and Personnel Committee meeting.*

*Upon motion duly made and seconded, the minutes of the June 24, 2020 meeting were approved unanimously.*

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*Chair Abramowitz stated that the next item on the agenda was the Recommendation to Approve Amendments to LIPA's Code of Ethics and Conduct to be presented by Bobbi O'Connor.*

*Ms. O'Connor presented the following action item and took questions from the Trustees:*

#### **Requested Action**

The Governance, Planning and Personnel Committee (the "Committee") of the Board of Trustees (the "Board") of the Long Island Power Authority ("LIPA") is being requested to adopt a Resolution recommending approval of certain amendments to the Trustee Code of Ethics and Conduct and the Employee Code of Ethics and Conduct (collectively, the "Code" or "Code of Conduct").

#### **Discussion**

Pursuant to Section 2824 of the Public Authorities Law, LIPA is required to adopt a code of ethics applicable to each director, officer, and employee. The Code of Conduct sets forth LIPA's policy regarding the ethical conduct of its Trustees and employees, including their responsibilities under Sections 73 and 74 of the Public Officers Law.

The Code contains statements of general principles as well as specific standards and principles that are designed to, among other things, avoid conflicts of interest in order to maintain the highest level of ethical and professional conduct and public trust in LIPA's activities. Among its many provisions, the Code of Conduct sets forth certain standards

related to issues such as owning and acquiring certain financial interests and the use of material, nonpublic and confidential information. The Code also establishes restrictions regarding the acquisition and trading of securities of certain companies, the solicitation, acceptance or receipt of gifts, the use of LIPA property, and participation in acts of nepotism. The Code requires LIPA Trustees and employees to certify annually the adherence to the Code of Conduct and absence of a conflict of interest.

The Code of Conduct was initially adopted by the Board in October 2007 and has undergone various amendments with respect to changes in laws and other matters. Currently, LIPA has two separate codes of conduct, one for Trustees and another for employees. The proposed amendments are meant to combine the Code into one comprehensive document to cover ethical conduct by both Trustees and employees. Additional amendments are also proposed for clarification and/or to omit outdated or no longer relevant language.

The Code, although not intended to address all situations or answers related to the ethical conduct of LIPA's Trustees and employees, is intended to promote the highest level of ethical conduct at LIPA.

#### **Recommendation**

Based upon the foregoing, it is recommended that the Trustees adopt the resolution in the form attached hereto as Exhibit "A".

*A motion was made and seconded, and the Trustees unanimously adopted the following resolution:*

#### **RESOLUTION RECOMMENDING APPROVAL OF AMENDMENTS TO LIPA'S CODE OF ETHICS AND CONDUCT**

**NOW, THEREFORE, BE IT RESOLVED**, that consistent with the accompanying memorandum, that the Governance, Planning and Personnel Committee (the "Committee") of the Board of Trustees (the "Board") of the Long Island Power Authority ("LIPA") hereby recommends that the Board adopt amendments to the LIPA Code of Ethics and Conduct, in the form attached hereto.

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*Chair Abramowitz stated that the last item on the agenda was the Recommendation to Approve of Resolution Appointing Chief Financial Officer to be presented by Barbara Ann Dillon.*

*Ms. Dillon presented the following action item and took questions from the Trustees:*

### **Requested Action**

The Governance, Planning and Personnel Committee (the “Committee”) of the Board of Trustees (the “Board”) is requested to recommend approval of a resolution appointing Tamela R. Monroe as Chief Financial Officer (“CFO”) of the Long Island Power Authority and its wholly owned subsidiary, the Long Island Lighting Company d/b/a LIPA, (collectively “LIPA”) effective on or about September 1, 2020.

### **Background**

LIPA retained Mycoff Fry Partners (“Mycoff”), an executive search firm that specializes in the recruitment of executives for the electric, natural gas, and water industries, including publicly owned utilities, to lead a search for a new CFO. Mycoff is under a multi-year Board-approved contract, which was procured to address the concerns of the Trustees about the limited pool of qualified applicants for LIPA’s most senior positions in past searches.

Mycoff identified potential candidates, advertised the position, and conducted targeted outreach to industry contacts. These efforts resulted in 14 potential candidates submitting resumes for consideration. Mycoff conducted 13 phone interviews with these individuals before recommending six candidates to LIPA for interviews. One candidate withdrew from consideration for personal reasons and five candidates were interviewed by two panels comprised of 13 LIPA staff members, including LIPA’s Chief Executive Officer (“CEO”) and other LIPA Officers and Directors. Two candidates were invited for additional interviews and staff unanimously recommended Ms. Monroe to the Governance, Planning and Personnel Committee. Ms. Monroe then interviewed virtually with the members of the Governance, Planning and Personnel Committee and several other Trustees.

Based on those interviews, I recommend that Tamela R. Monroe be appointed to the position of CFO of LIPA effective on or about September 1, 2020. In order to facilitate an orderly transition to Ms. Monroe, she will join LIPA’s staff on or about July 24, 2020 as Senior Advisor to the CEO for Finance, which will give her the opportunity to familiarize herself with LIPA and the roles and responsibilities of the CFO before taking over the full duties of the position.

Ms. Monroe has over 35 years of public power experience and has served in positions of increasing authority and influence at two of the countries’ largest public power companies. She has had responsibility for directing the accounting, auditing, finance and treasury, supply chain, resource planning, financial planning and analysis, corporate and capital

budgeting, pricing and rate design, load forecasting, financial reporting, corporate portfolio/project management, and nuclear business operations functions at utilities providing electric, gas, water, and wastewater services.

In addition to her finance and utility background, Ms. Monroe is an experienced leader and strategic partner with strong management skills. Comments of the LIPA staff about Ms. Monroe included:

• “successful record of leading and managing	• “she has experience in all things finance related”
• “professional experience is directly related	• “can hit the ground running”
• “well-rounded experience that includes debt management, rate design, Board	• “straightforward and authentic”
• “has excellent people skills”	• “is passionate about our industry and public power”
• “customer focused”	• “knows how to lead teams and develop
• “extensive electric utility, finance and accounting experience”	• “both finance and operational experience”

Ms. Monroe’s prior financial and executive leadership experience make her well-suited to serve as LIPA’s CFO with an annual salary of \$325,500. This salary is benchmarked against the base salaries for similar positions at other large public power companies, many of whom offer incentive compensation in addition to base salary. LIPA does not offer incentive compensation, is significantly larger, and has a significantly higher cost of living than nearly all the utilities in the public power benchmarking survey. Ms. Monroe’s annual salary is approximately average compared to the industry benchmarking survey for similar public power utilities.

LIPA staff believes the salary request is well-supported for a professional of Ms. Monroe’s caliber.

### **Recommendation**

Based on the foregoing, I recommend approval of the above-requested action by the adoption of the Resolution attached hereto as Exhibit “A”.

*A motion was made and seconded, and the Trustees unanimously adopted the following resolution:*

**RECOMMENDING APPOINTMENT OF CHIEF FINANCIAL OFFICER**

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**BE IT RESOLVED**, the Governance, Planning and Personnel Committee (the “Committee”) of the Long Island Power Authority (the “Authority”) Board of Trustees (the “Board”) hereby recommends that Tamela R. Monroe be appointed by the Board to the office of Chief Financial Officer (“CFO”) of LIPA and its wholly-owned subsidiary, Long Island Lighting Company d/b/a/ LIPA (together with the Authority, “LIPA”);

**BE IT FURTHER RESOLVED**, that the Committee recommends that Tamela R. Monroe be, and hereby be appointed CFO, effective on or about September 1, 2020 with an annual salary of \$325,500, until the earlier of her resignation or removal; and

**BE IT FURTHER RESOLVED**, that the incumbent of the position of CFO shall be an officer of LIPA within the meaning of LIPA’s enabling legislation (Chapter 517 of the Laws of 1986), as amended, including Section 1020-bb of the Public Authorities Law, and all other applicable laws.

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*Chair Abramowitz then entertained a motion to adjourn, which was duly made and seconded, after which the meeting concluded at approximately 11:01 a.m.*

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