MINUTES
GOVERNANCE COMMITTEE
Monday, November 19, 2018 – 10:30 AM
Authority Conference Room, 4th Floor, Suite 414
Dulles State Office Building

Members Present
Gary Turck, Chairman
John B. Johnson, Jr.
Alex MacKinnon
Margaret Murray

Staff Present
James W. Wright, Executive Director
Angela Marra, Executive Assistant

Guests Present

Committee Members Absent
Alfred Calligaris
Fredrick Carter
Thomas Hefferon

Other Board Members Present

1. Chairman Turck called the meeting to order at 10:29 AM.

2. J. Wright read a memo from Chairman Turck regarding the appointment of Alex MacKinnon to the Governance Committee, effective November 15, 2018. With this recent appointment, a quorum was confirmed for the meeting.

3. Essential Air Service (EAS) - Ogdensburg – Support Letter

The Authority received a letter from the Ogdensburg Bridge & Port Authority (OBPA) on November 15, 2018. The letter is requesting support addressed from the Authority to the United States Department of Transportation (USDOT) recommending USDOT award the Essential Air Service bid to SkyWest Airlines. The deadline for this letter to be received is December 5, 2018. With the next Authority Board meeting scheduled on December 20, this could not be put before the Board for approval. Mayor Currier of Massena has gone on record supporting the Ogdensburg International Airport (OGS). The Massena airport has recently lost a second connector airline and is now only servicing Boston.

A MacKinnon stated this has been an ongoing issue between the airports in Ogdensburg and Massena, and it is good to see a decision being made to support one of the two. It is better to have one success rather than two failures. A. MacKinnon further stated that this is a nice facility to fly out of and there are usually quite a few cars in the parking lot.

J. Wright stated that this is only a vote for the acceptance of the support letter. The Authority is taking no role in the airport, only sending a letter of support. J. Wright has also heard from F. Carter in that he is in support of this EAS.
A MacKinnon asked if this would involve any Authority money in the future. J. Wright responded it would not.

Upon a motion by M. Murray, and seconded by J. Johnson, the letter of support recommending USDOT award the EAS bid to SkyWest Airlines under DOT Dockets: DOT-OST-1997-2842 and DOT-OST-2012-0163 approved by the Governance Committee. The letter will be signed by the Authority Executive Director and mailed/emailed to the requested addresses.

4. OGS Space Utilization -

J. Wright stated he would like to begin a conversation with OGS to obtain a full floor within the Dulles State Office Building. J. Wright would like to begin this conversation with OGS and the “Second Floor” with special attention to the needed improvements and investments within the building. One such improvement mentioned time and again by OGS within the building is the sprinkler system. J. Wright would also like to retain the Wladis Law Firm to assist in this negotiation.

G. Turck asked if there would be a deadline given to the Wladis Law Firm. J. Wright responded that he envisioned the process to take 60-90 days, and that we do not want to see this become an open-ended situation. He would also like to see this processed as an hourly retainer, as opposed to a monthly.

J. Johnson asked if the cost of the current sprinkler problem is known. J. Johnson further stated there are waivers that can be used with the fire code for these situations.

J. Wright stated this is why he would like to begin meeting with the commissioner and work his way down as needed. He also believes that the argument can be made that this building needs to be updated in order to keep up with the $10 million DRI award to downtown Watertown. The possibility does exist that the Authority could occupy a different floor where the work has been moved to Albany.

A MacKinnon stated that this sounds like a better option than constructing a new building as it makes sense to use an already existing space.

Upon a motion by A. MacKinnon, and seconded by J. Johnson, the decision to contact the Wladis Law Firm to begin work with OGS and the “second floor” was unanimously approved by the Governance Committee.

5. By-Laws -

J. Wright stated that several Authority Board members had reached out to Authority Counsel regarding the attendance policy for board and committee meetings. J. Wright would like to suggest the item be moved to the back burner at this time. There has been nothing regarding absenteeism in the statute for 25 – 30 years, there must be a reason. Furthermore, once it is put into place you cannot go back to review previous absences, and who would be appointed to recognize or determine an excused absence going forward? M. Murray asked how long the non-voting member terms are. J. Wright responded that most are currently expired, however once appointed they remain in that position until removed or a reappointment takes place. This being said, the current non-voting members terms expire(d) as follows:
Vacant position – has been vacant since 2009 (FC moved to voting)
B. McGrath – expired 2015
M. Doheny – expired 2017
H. Hollenbeck – expired 2015
S. Hunt – expires 2019

J. Johnson stated these appointment issues are not unique to the Authority. They are experiencing similar vacancy and expired issues on the SUNY Board as well, as are other Agencies and Authorities across NYS.

P. Murray stated that the Authority has been able to hold meetings accordingly, except for one issue. J. Wright commented that there are ways to function if we were to lose a board member. S. Hunt has been talking to the “second floor” about filling these vacancies.

6. Personnel Matters – Succession Planning

1. Hire a search facilitator -
   J. Wright suggested Greg Gardner. Mr. Gardner should help establish the search criteria. He is familiar with the Authority, and knows this process.

2. Establish a Chairman appointed search committee -
   J. Wright recommends the Governance Committee, plus other board members, even to include non-board members.

3. Review Internal Candidates -
   Within the Authority there are four (4) managers who may be interested. The outside search still needs to be conducted in order to give these candidates credibility.

4. Establish Recruitment Timeframe –
   This does not need to be so formal.

M. Murray asked J. Wright if he is willing to stay and renew his current contract, then all of this would be done after that time. J. Wright responded that his current contract expires in August of 2019. He would like to do an extension if the Board desires. J. Wright further stated he would be willing to stay on for a few months to help the new Executive Director.

J. Johnson stated there is nothing that precludes the Authority from extending the current contract.

M. Doheny and F. Carter have both commented that they would like to have some closure to the recent events.

A MacKinnon asked if there is someone in charge at the Authority in J. Wright’s absence. A. MacKinnon further asked what if something drastic, such as J. Wright dying, happened. J. Wright responded that he has been appointing managers to be in charge during his absences. If J. Wright were to pass, the Governance Committee would meet and appoint a division manager as the new acting director. J. Wright further stated that he did not feel it was necessary to designate a deputy director at this time as there is plenty of help with the existing managers.
A MacKinnon stated that he has heard from M. Doheny that she would like to begin succession planning.

J. Johnson stated that this is currently only a “review of the process”, not a formal proposal.

G. Turck recommended this topic be addressed at the January meeting. J. Johnson commented this would tie in well with the budget discussion.

7. Health Insurance

J. Wright has uncovered a situation regarding the stipend advantage regarding what happens to those employees who have been taking advantage of the stipend when they retire. J. Wright has recently found out that just prior to retiring, an individual, who had been receiving the stipend, enrolled in the health insurance plan, allowing him to qualify for the retiree insurance program.

J. Wright would like to suggest that the Authority amend the health insurance policy to state if an employee has been receiving the stipend, they must enroll for one (1) full year of health insurance coverage to receive retiree insurance coverage.

Upon a motion by A. MacKinnon, and seconded by M. Murray, the decision to amend the health insurance policy was unanimously approved by the Governance Committee.

J. Wright further commented that there are married employees under the age of 65 who are looking to retire, but are being deterred from retiring because there is no option for spousal coverage. The Authority currently has two (2) such employees who are each over 55 with 30+ years of service. The Authority is currently trying to find a solution that could provide them with the same coverage for up to ten (10) years until they would qualify for Medicare. This would help eliminate retirement disincentives. There would also be a reduction in salary cost to the Authority for the 30+ year employee, with a lesser increase to rehire a new employee.

A MacKinnon asked what current coverage is available for the spouse if the retired employee were to pass away. J. Wright responded that COBRA would be available for 18 months, completing the commitment to the employee.

8. The committee meeting was adjourned at 11:52 am.

Respectfully submitted,

Gary Turck
Chairman, Governance Committee