

MINUTES

MARCH 07, 2019

10:30 AM – 11:30 AM

1. Call to Order

Bill McDonald moved to call the meeting to order and determined a quorum.

2. Determination of Quorum

Committee Members Present

- Geoffrey Astles, Board Chair
- Richard Kosmerl
- Bill McDonald, Committee Chair
- Henry Smith, Jr.
- Kelli O'Connor Roj

Others Attending

- Bill Carpenter, CEO
- Dan DeLaus, Chief Legal Counsel
- Mike Burns, Director of Accounting & Payroll
- Sara Molyneux, Staff

Absent

Ed White,
Commissioner

3. Approval of Agenda

Bill McDonald reviewed the agenda. Richard Kosmerl moved to approve the agenda, and Kelli O'Conner Roj seconded the motion, which carried unanimously.

4. Review Board Policies Without Changes

Richard Kosmerl noted that per Section 6.2. of the Code of Ethics, Commissioners are required to disclose in writing the names of other entities with which they are affiliated. Richard Kosmerl requested a reminder for the Board. Geoffrey Astles agreed to send the Board an email reminder with instructions.

Richard Kosmerl moved to approve the following policies without changes and Geoffrey Astles seconded the motion, which carried unanimously.

1. Board Roles & Responsibilities
2. Code of Ethics
3. Governance Committee Charter
4. Whistleblower Policy

Upon the Board's acceptance of the Governance Committee Meeting Minutes during the April 4 Board Meeting, these policies will be in good standing for one year.

5. Request to Authorize Discontinuance of Obsolete Policy

Sara Molyneux explained how the Advertising Standards is a Leadership level Policy that includes a specific prohibition relating to tobacco products and addresses present-day products such as electronic cigarettes (vaping). The policy in Board Resolution R-GRTA No. 28 – 1993 Adopting an Advertising Policy Concerning Tobacco Industry Products is outdated and no longer functional.

Kelli O'Conner Roj moved to authorize discontinuance of the policy and Henry Smith, Jr. seconded the motion, which passed unanimously.

Upon the Board's acceptance of the Governance Committee Meeting Minutes during the April 4 Board Meeting, resolution R-GRTA No. 28 – 1993 will be discontinued.

6. Review Board Policies with Changes

The Surplus Property Disposition Policy was submitted with revisions. Mike Burns explained that a change in Public Authorities Law or in FTA Regulations is the primary reason for substantive change to this policy. While there are no such substantive changes being proposed, the Finance Department did evaluate the written policy with the current Public Authorities Law and FTA Regulations to confirm that the practices are being followed and to identify anything we should be following. In Section 2.0 Definitions, the term Restricted Person is now defined. In Section 3.3.B. Methods of Sale, the content now matches the current practices for disposals. Mike Burns explained that the two items that occur most frequently are the disposal of IT equipment and the disposal of buses when they reach the end of useful life. Disposal of buses occurs by sealed bid. The Authority usually gets two bids, although it could increase to three bids. The current amount the Authority gets for such sales is \$5000 or less, which is below the threshold for reporting to New York State. If a sale did result in an amount above the threshold, it would be included in the PARIS report. Buses are generally taken for scrap. The rest of the changes are not substantive and focus on ensuring that internal workflow steps are correct for approvals and sign-offs.

Richard Kosmerl asked whether the Department Head is responsible for determining fair market value. Dan DeLaus confirmed that Department Heads are responsible, in conjunction with the Procurement Department. If the Authority attempts a sale and there are no bidders then either the value is set too high or there is no market value. Dan DeLaus added that appraisals are always required for real property. Richard Kosmerl asked whether there are appraisal companies that the Authority tends to use. Dan DeLaus confirmed that there are two or three companies that the Authority will be engaging soon for appraisals related to the Reimagine project. Bill McDonald asked how much money the Authority generates through these sales. Mike Burns said he would have to look up the details but could confirm that if the Authority disposes of a high number of buses in a year, the number could be upwards of \$50,000. He noted that the last time there was a significant transfer of buses was shortly after Hurricane Katrina. Henry Smith, Jr. asked whether a certain number of hours or years triggers the disposal for buses. Mike Burns explained that the FTA recommends 12 years for 40 ft. buses and 5 years for 60 ft. buses. Bill McDonald asked if buses can be transferred to other FTA recipients, specifically to non-profits. Richard Kosmerl confirmed that the policy covers non-profits and says sales go by fair market value.

Kelli O'Conner Roj moved to approve the revisions and Geoffrey Astles seconded the motion, which passed unanimously.

Upon the Board's approval of the Governance Committee Meeting Minutes on April 4, the revised policy will become the official version.

7. Review of Annual Governance Training Session

The Committee corrected "Agenda" to "Session." The Committee will plan the agenda during the (August/September) fall Governance Committee meeting.

The Committee discussed the content of the evaluations for the retreat. There was a general consensus from the comments that the members all liked and enjoyed having Tom Argust as

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the facilitator, liked the venue, and liked the pre-reading. Other comments indicated that the agenda was extremely full and that it might be better to reverse the order so that the “heavier” topics are covered in the morning. The Committee noted that idea for the next agenda. Richard Kosmerl recalled that the members were discussing the topic of paratransit availability when they encountered the time compression, concluding that if there are major strategic issues to discuss, the Board needs adequate time to hold those discussions. Bill McDonald remarked that the 2018 retreat was unique in a few ways because it contained topics for the Reimagine project in addition to the usual governance topics.

Dan DeLaus suggested that the Committee consider whether there are other pertinent questions that they would like to add to the evaluation for next year’s retreat.

8. Review of 2018 Annual Board Evaluation

The Committee discussed the annual Board Evaluation.

The Committee noted a response of “Neutral” regarding Question 19, which asks about understanding the statutory obligations of the Authority. For the April 4 meeting, Bill McDonald agreed to recommend that Board members read the Roles & Responsibilities of the Board. The policy will be distributed to Board members.

The Committee discussed what type of action to take as result of the responses to Question 26, which was about using the Board Portal. Richard Kosmerl requested that a list of committees and committee members be posted on the portal. Bill McDonald agreed to address the Board during the April 4 meeting and ask for input on what could be improved to make the portal more valuable. The Committee agreed that using the portal and electronic attachments is better than providing paper or printed binders.

Bill Carpenter responded to the results for Question 12, which is about understanding performance metrics and having confidence in their accuracy. One result was “Strongly Disagree.” Bill Carpenter explained that the surveys were compiled in November, and during the December Board Meeting, the EMT explained the On-Time Performance metric and Net Promoter metric. However, there was no way for management to know whether the Board member who provided the response was at the December Board meeting. The Committee agreed that it is important to understand what the actual concerns are regarding the performance measures.

Bill McDonald agreed to mention to the Board during the April 4 meeting that if any member does not understand or have confidence in metric, that he or she should reach out to the Board Chair or the CEO.

The Committee agreed that the comments to Question 11 raise valid points about discussing new metrics. Bill Carpenter explained that for Reimagine the Authority will need to identify what types of measures will make sense in the new system. For example, frequency versus on-time performance. Richard Kosmerl suggested that a measurement of ridership before and after the redesign would be important to know. Bill McDonald suggested to differentiate the ridership measures further, distinguishing ridership compared on existing routes and then the effectiveness for the new service in the new design. The Committee discussed that topics like

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community mobility zones, transfers, and hubs are going to require significant education for the public between approval and implementation of the new system.

The Committee discussed succession planning (Question 10). Bill Carpenter explained that the Board of Commissioners in place at the time of the last CEO transition developed the succession process. The succession process identifies what will happen if an interim or long-term change in leadership is needed. Bill Carpenter noted that the topic is part of regular discussion with the Leadership Team and EMT; they discuss their plans, who their replacements would be, what they are interested in, and how long they need to develop the skills for the next level. Additionally, the organization is looking to increase gender, ethnic, and racial diversity in the Leadership areas. The questions become how do we develop candidates in the organization and how to we provide a diverse leadership team for the community. Richard Kosmerl noted that the Board should understand that we have a succession plan to cover senior positions, that has potential to meet diversity goals, and to keep the organization strong. The Committee agreed that if any Board member has questions or needs more information about succession planning, that he or she can contact Bill Carpenter.

9. Summary of Recommendations

- A. Accept Board Roles & Responsibilities, Code of Ethics, Governance Committee Charter, and Whistleblower Policy for another year.
- B. Remind the Board to provide written statements disclosing affiliations with other entities.
- C. Discontinue the tobacco advertising policy as stated in resolution R-GRTA No. 28 - 1993.
- D. Accept the revised version of the Surplus Property Disposition Policy and Procedures.
- E. Consider whether there are other questions to add to the evaluation for the Governance Training retreat.
- F. Distribute the Board Roles & Responsibilities policy to Board Members.
- G. Ask the Board what can be done to make the portal more valuable.
- H. Remind the Board to contact Geoffrey Astles or Bill Carpenter with questions about performance metrics.
- I. Remind the Board to contact Bill Carpenter with any questions about succession planning.

10. Motion to Adjourn

O'Conner Roj moved to adjourn the meeting and Henry Smith, Jr. seconded the motion, which carried unanimously.