

MINUTES OF THE TWENTY-SEVENTH MEETING OF THE
GOVERNANCE COMMITTEE
HELD ON APRIL 30, 2019

Pursuant to notice dated April 16, 2019, the twenty-eighth (28th) meeting of the Governance Committee (“Committee”) of the NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY (“Authority”) was convened at 10:00 a.m. on Tuesday, April 30, 2019, at the office of the New York State Dormitory Authority (“DASNY”), One Penn Plaza, 52nd Floor, New York, New York, and in the Authority’s Albany Office at 17 Columbia Circle, Albany, New York. The two locations were connected by videoconference.

The following Members of the Committee were present:

Sherburne Abbott, Chair

Richard Kauffman, *Chair of the Authority*

Charles Bell

Kate Fish

Jay Koh

Mark Willis

Also present were Alicia Barton, President and CEO; Janet Joseph, Senior Vice President for Strategy and Market Development; Jeffrey Pitkin, Treasurer; Noah Shaw, General Counsel; Sara LeCain, Esq., Senior Counsel and Secretary to the Committee; and various other staff of the Authority.

Ms. Abbott called the meeting to order and noted the presence of a quorum. The meeting notice and agenda were forwarded to the Committee members on April 16, 2019 and the press on April 17, 2019.

Ms. Abbott stated that the first item on the agenda concerned the approval of the minutes of the twenty-seventh (27th) meeting of the Committee held on January 29, 2019.

Whereafter, upon motion duly made and seconded, and by unanimous voice vote, the minutes of the twenty-seventh (27th) meeting of the Committee were approved.

Ms. Abbott indicated that the next item on the agenda was approval of the proposed revisions to the Authority's Whistleblower Policy. Noah Shaw, the Authority's General Counsel, began by stating that in February 2019, the audit of the Authority's Ethics and Compliance Program was finalized. The audit included several observations and recommendations pertaining to the Authority's Whistleblower Policy, specifically: (1) referencing the Authority's Code of Conduct, rather than a Code of Ethics; (2) improving the investigation structure and reporting protocols; and (3) defining communication between the General Counsel and the Director of Internal Audit. Management concurred with all recommendations.

Mr. Shaw continued, noting that the proposed amendments to the Whistleblower Policy incorporate each of the Director of Internal Audit's observations and recommendations. The Board is responsible for establishing whistleblower protections and as such, is being asked to adopt these amendments to the Authority's Whistleblower Policy.

In response to an inquiry from Ms. Abbott, Mr. Shaw indicated that the Whistleblower Policy does not specifically state issues such as health and safety when referring to activities at West Valley. However, those concerns are likely covered by other language within the policy.

In response to an inquiry from Mr. Kauffman, Mr. Shaw stated that information on the calls received through the Authority's hotline is not provided in any of the reports, but that information is tracked and recorded. Mr. Koh added that during the internal audit process there is always a discussion to ensure that there is a clear line of communication with management to see if they have any financial concerns relating to the conduct of the agency.

Whereafter, upon motion duly made, and seconded and by voice vote of the members present, the following resolution was adopted.

Resolution No. ____

RESOLVED, that the amendments to the Authority's Whistleblower Policy presented at this April 30, 2019 meeting are hereby recommended for approval and adoption by the Board.

Ms. Abbott indicated that the next item on the agenda was the review and approval of the Governance Committee Charter. Mr. Shaw stated that pursuant to the Public Authorities Accountability Act of 2005, each of the Authority's Committees adopted Charters setting forth each Committee's responsibilities. One of the responsibilities is to periodically review its Charter and determine what, if any, amendments need to be made. These recommendations will then be made to the full Board for approval at its meeting later in the day. Management is not recommending any changes at this time.

Following Mr. Shaw's presentation, Ms. Abbott recommended that Management research how other agencies handle the governance review process and what the Governance Committee should do as far as reviewing and making recommendations as to governance principles. Mr. Shaw indicated that this review could be incorporated into the next Board Member review cycle. Additionally, Mr. Shaw noted that the Annual Confidential Board Member Performance Evaluation asks for feedback on the Authority's governance from the Members and suggested that these questions be updated to seek further guidance and review.

Whereafter, upon motion duly made, and seconded and by voice vote of the members present, the following resolution was adopted.

Resolution No. ____

RESOLVED, that the Authority's Governance Committee Charter as presented to the Members for consideration at this April 30, 2019 meeting, with such non-substantive, editorial changes and grammatical changes as the President and Chief Executive Officer, in her discretion, may deem necessary or appropriate, is recommended for adoption and approval by the Board.

Ms. Abbott indicated that the next item on the agenda concerned a resolution to convene in private session. Section 108 of the Public Officers Law authorizes the Members to convene in private session in order to review a matter made confidential by State law. Section 2800 of the Public Authorities Law requires that the Authority conduct an annual confidential board member performance evaluation. Since the law states that the annual board member performance evaluation is confidential, it may be discussed by the Members in private session.

Whereafter, upon motion duly made, and seconded and by voice vote of the members present, the following resolution was adopted.

Resolution No. ____

RESOLVED, that pursuant to Section 108 of the Public Officers Law and Section 2800 of the Public Authorities Law, the Members of the Governance Committee shall convene in private session on April 30, 2019 for the purpose of reviewing the Annual Confidential Board Member Performance Evaluation of the Authority.

Following the private session, the meeting was reconvened in open session. Ms. Abbott noted that no formal action was taken.

Ms. Abbott stated that the Committee was asked to recommend approval of the Annual Confidential Board Member Performance Evaluation Report, which was reviewed during the private session.

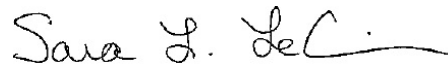
Whereafter, upon motion duly made, and seconded and by voice vote of the members present, the following resolution was adopted.

Resolution No. ____

RESOLVED, that the Authority's Annual Confidential Board Member Performance Evaluation Report as presented at this April 30, 2019 meeting is hereby recommended for approval by the Board to be submitted pursuant to Section 2800 of the Public Authorities Law.

Ms. Abbott stated that the last agenda item concerned other business. There being no further business, upon motion duly made and seconded, and by unanimous voice vote of the Committee members, the meeting was adjourned.

Respectfully submitted,

A handwritten signature in black ink that reads "Sara L. LeCain". The signature is written in a cursive style with a long horizontal flourish at the end.

Sara L. LeCain
Secretary to the Committee