



BROOME COUNTY LOCAL DEVELOPMENT CORPORATION

GOVERNANCE COMMITTEE MEETING

March 18, 2020 – 11:45 a.m.
The Agency Conference Room, 2nd Floor
FIVE South College Drive, Suite 201
Binghamton, NY 13905

AGENDA

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| 1. Call to Order | R. Bucci |
| 2. Accept the February 19, 2020 Governance Committee Meeting Minutes | R. Bucci |
| 3. Public Comment | R. Bucci |
| 4. Review/Discussion/Recommendation to Approve the Broome County Local Development Corporation's Revised Whistle-Blower Policy, a Copy of Which is Attached Hereto, as Exhibit "A" | T. Gray |
| 5. Review/Discussion/Recommendation to the Readoption of the Code of Ethics, Defense and Indemnification Policy, Compensation Reimbursement and Attendance Policy and Travel Policy with No Changes | T. Gray |
| 6. Review/Discussion/Recommendation of the Approval of the 2019 Mission and Measurement Report | T. Gray |
| 7. Adjournment | R. Bucci |

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION
GOVERNANCE COMMITTEE
February 19, 2020 - 11:45 a.m.
FIVE South College Drive
The Agency Conference Room, Suite 201, 2nd Floor
Binghamton, NY 13905**

PRESENT: J. Peduto, C. Sacco, B. Rose, J. Stevens and D. Crocker

GUESTS: Jeff Platsky, Press & Sun Bulletin
Joseph Moody, Town of Union
Brian Haynes, Great Eastern Hemp, LLC

ABSENT: R. Bucci

STAFF: S. Duncan, T. Gray, N. Abbadessa, C. Hornbeck, B. O'Bryan, T. Ryan and
A. Williamson

PRESIDING: J. Peduto

AGENDA ITEM 1: Mr. Peduto called the meeting to order at 11:45 a.m.

AGENDA ITEM 2: Accept the March 20, 2019 Governance Committee meeting minutes. Mr. Peduto asked if there were any changes to the March 20, 2019 minutes; hearing none, accepted the minutes, with no corrections.

MOTION: No motion necessary.

AGENDA ITEM 3: Public Comment: None

AGENDA ITEM 4: Review/Discussion/Recommendation of the Broome County Local Development Corporation (i) Taking Official Action Toward the Issuance of up to \$295,000,000 Principal Amount of Revenue Bonds for the Purpose of Financing a Certain Project for the Benefit of United Health Services Hospitals, Inc. (ii) Describing the Forms of Financial Assistance Being Contemplated by the Issuer with Respect to Such Project; and (iii) Authorizing a Public Hearing with Respect to Such Financing and the Undertaking of Such Project. Ms. Duncan stated United Health Services, Inc. (UHS), submitted an application for the purpose of tax issuance of revenue bonds up to \$295,000,000 for a major renovation and new construction project at the Wilson

Campus in Johnson City. Acceptance of this application will authorize a required TEFRA hearing. The project includes construction and relocation of a new and state-of-the-art emergency room for improved patient care, an MRI lab, a new medical surgical patient unit with private rooms and three floors of shelved space for anticipated growth. A new helipad will be constructed on top of the building and will reduce transport time for patients by an estimated seven to nine minutes. Total square footage is just under 183,000 square feet and total project cost related to this part of the project, as outlined in the application, are expected to be \$132,000,000. UHS is seeking \$121,600,000 in bonds on this part of the project. The remaining \$10.5 million is required equity into the project by the applicant. In addition, UHS is determining whether to proceed with refinancing of existing debt, including bonds issued by the BCLDC for the Epic Software project, as well as other outstanding debt, as part of their total issuance. A list of outstanding debt will be provided when required notice of the TEFRA hearing is made public. UHS applied to NYS Department of Health for a Certification of Need (CON), received on February 6, 2020. UHS' intent is to do a public offering on bonds in April 2020. The transformation of the UHS Campus and Wilson Hospital will complement the hundreds of millions of dollars invested by Binghamton University, toward the development of the Johnson City Health and Cultural District, which is located in a state-designated Innovation District (idistrict) and a federally-designated Opportunity Zone. The project will substantially improve the physical landscape of an important area of Johnson City and serve as a catalyst for the Village and development along Main Street. UHS noted in their application the last major capital improvement to the Wilson campus was more than 30 years ago. UHS is currently the largest employer in Broome County and makes up a critical share of our region's largest sector of health care. This project has been identified as critical to patient access and care and to retaining and attracting new and highly qualified professionals. Staff strongly recommends the Governance Committee move this to the full Board. A short question and answer period followed regarding labor policy. Ms. Duncan clarified that a local construction company, LeChase Construction, will be working on the project. Mr. Peduto requested a motion.

MOTION: To Recommend the Matter to the full Board for Consideration. On a MOTION by Ms. Sacco, seconded by Mr. Rose, the MOTION CARRIED UNANIMOUSLY.

AGENDA ITEM 5: Review/Discussion/Recommendation to Approve Summary Results of Confidential Evaluation of Board Performance. Ms. Duncan stated as required by the ABO, The

Agency conducts an annual confidential evaluation of Board performance. Typically, at the end of each year, The Agency aggregates those results and then posts them to our website. This does require Governance and Board approval.

MOTION: Motion to Move the Results to the full Board for Approval. On a MOTION by Mr. Rose, seconded by Ms. Sacco, the MOTION CARRIED.

AGENDA ITEM 6: Review/Discussion/Recommendation to Approve the Readoption of the BCLDC Bylaws and Policies: Property Acquisition Guidelines, Property Disposition Guidelines, Internal Controls and Accountability Policy, Investment and Deposit Policy and Purchasing Policy with No Changes. Mr. Gray stated an annual requirement of the ABO is to review the Bylaws and Policies. The staff is recommending the Board accept in their current form.

MOTION: Motion to Move the Bylaws and Policies to the full Board with No Changes. On a MOTION by Ms. Sacco, seconded by Mr. Rose, the MOTION CARRIED.

AGENDA ITEM 7: Adjournment: Mr. Peduto asked for a Motion for Adjournment.

MOTION: On a MOTION by Ms. Sacco, seconded by Mr. Rose, the MOTION CARRIED UNANIMOUSLY and the meeting was adjourned at 11:52 a.m.

The next scheduled meeting of the BCLDC Governance Committee is to be determined.

BROOME COUNTY LOCAL DEVELOPMENT CORPORATION

WHISTLE-BLOWER POLICY

Every member of the Board of Directors (the "Board") of the Broome County Local Development Corporation (Corporation) and all officers and employees thereof, in the performance of their duties, shall conduct themselves with honesty and integrity and observe the highest standard of business and personal ethics set forth in the Code of Ethics of the Corporation (the "Code.")

Each member, officer or employee is responsible to report any violation of the Code (whether suspected or known) to the Corporation's Executive Director or Chairman of the Board of the Corporation. Reports of violations will be kept confidential to the extent possible. No individual, regardless of their position in the Corporation, will be subject to any retaliation for making a good faith claim and, any employee who chooses to retaliate against someone who has reported a violation, shall be subject to disciplinary action, which may include termination of employment. Regardless, any claim of retaliation will be taken and treated seriously and irrespective of the outcome of the initial report of violation or complaint, will be treated as a separate offense.

The Executive Director or Chairman of the Board of the Corporation is responsible for immediately forwarding any violation or claim to the Corporation's counsel who shall investigate and handle the claim in a timely manner.

In accordance with Public Authorities Law Section 2857, no state or local authority shall fire, discharge, demote, suspend, threaten, harass or discriminate against an employee because of the employee's role as a whistleblower, insofar as the actions taken by the employee are legal.

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION
CODE OF ETHICS**

The members of the board (the "Board") of the Broome County Local Development Corporation (the "Agency"), a not-for-profit corporation of the State of New York (the "State"), along with the officers and staff of the Agency, shall comply with and adhere to the provisions of the outlined Code of Ethics ("Code").

**ARTICLE I
CONFLICTS OF INTEREST**

A conflict of interest is a situation in which the financial, familial, or personal interests of a director, officer or employee come into "actual" or "perceived" conflict with their duties and responsibilities with the Agency. "Perceived" conflicts of interest are situations where there is the appearance that a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee may be influenced to act in a manner that does not represent the best interests of the Agency. The perception of a conflict may occur if circumstances would suggest to a reasonable person that a director, officer or employee may have a conflict. "Actual" conflicts of interest are situations where a director, officer or employee can personally benefit from actions or decisions made in their official capacity, or where a director, officer or employee is influenced to act in a manner that does not represent the best interests of the Agency. Except for Prohibited Conflicts of Interest as set forth in Article V herein, Perceived and Actual conflicts of interest should be treated in the same manner for purposes of disclosure under Article IV herein.

**ARTICLE II
STANDARDS OF CONDUCT**

Each director, officer, and employee of the Agency shall: (1) not accept other employment which will impair his or her independence of judgment in the exercise of his or her official duties; (2) not accept employment or engage in any business or professional activity which will require him or her to disclose confidential information which he or she has gained by reason of his or her official position of authority; (3) not disclose confidential information acquired by him or her in the course of his or her official duties nor use such information to further his or her personal interests; (4) not use or attempt to use his or her official position to secure unwarranted privileges or exemptions for himself, herself or others except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (5) not engage in any transaction as a representative or agent of Agency with any business entity in which he or she has a direct or indirect financial interest that might reasonably tend to conflict with proper discharge of his or her official duties, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; (6) not, by his or her conduct, give reasonable basis for the impression that any person can improperly influence him or her or unduly enjoy his or her favor in the performance of his or her official duties, or that

he or she is affected by the kinship, rank, position or influence of any party or person; (7) abstain from making personal investments in enterprises which he or she has reason to believe may be directly involved in decisions to be made by him or her or which will otherwise create substantial conflict between his or her duty in the public interest and his or her private interest, except that nothing herein shall prohibit any business or enterprise in which such director, officer or employee may have a financial interest from obtaining financial assistance provided that the Prohibited Conflicts of Interest provisions of Article V herein are not violated; and (8) endeavor to pursue a course of conduct which will not raise suspicion among the public that he or she is likely to be engaged in acts that are in violation of his or her trust. Notwithstanding anything herein to the contrary, nothing shall prohibit any director, officer or employee of the Agency from acquiring property adjacent to or otherwise proximate to the lands in which the Agency has an ownership interest provided that such acquisition is not based upon the use of confidential information obtained by such director, officer or employee of the Agency in his capacity with the Agency as determined by such member after consultation with Chairman of the Agency and Counsel to the Agency.

ARTICLE III GIFTS

No director, officer or employee of the Agency shall directly or indirectly, solicit any gift, or accept or receive any gift having a value of seventy-five dollars or more under circumstances in which it could reasonably be inferred that the gift was intended to influence such individual, or could reasonably be expected to influence such individual, in the performance of the individual's official duties or was intended as a reward for any official action on the individual's part. Inferences that gifts having a value of less than seventy-five dollars can influence or reward directors, officers or employees of the Agency is deemed to be unreasonable.

ARTICLE IV PROCEDURES FOR DISCLOSURE

Except for Prohibited Conflicts of Interest as set forth in Article V below, all directors, officers or employees of the Agency shall adhere to the following procedures:

1. All Actual and Perceived conflicts of interest shall be disclosed in writing to the Ethics Officer as soon as practicable after learning of the Actual or Perceived conflict of interest. The written disclosure must (i) identify the matter before the Agency, (ii) identify the Standard of Conduct in question and (iii) contain sufficient facts and circumstances in order to accurately convey the extent of the director's, officer's or employee's interest in such matter. In addition, in the event a director on the board of the Agency has a conflict, he or she shall verbally disclose the conflict during a public session of a board meeting at which the matter creating the conflict appears on the agenda. Such verbal disclosure shall be recorded in the minutes of the meeting and be made part of the public record.

2. The director, officer or employee with the conflict of interest shall refrain from participating in discussions or decisions on the matter creating the conflict. In addition, in the

event a director on the board of the Agency has a conflict, he or she shall recuse him or herself from any deliberations and abstain from voting on such matter creating the conflict.

3. The director, officer or employee with the conflict of interest shall refrain from directly or indirectly attempting to influence the discussions, decisions, deliberations or vote on the matter giving rise to such conflict.

ARTICLE V PROHIBITED CONFLICTS OF INTEREST

Notwithstanding any other provision contained in this Policy, financial conflicts of interest shall be governed solely by this Article V.

Prohibition: No director, officer or employee shall have a direct or indirect financial interest in a contract with the Agency where such director, officer or employee has some form of control over the contract ("Prohibited Interest").

No Cure: Disclosure and recusal will not cure a Prohibited Interest. In order to avoid a violation of a "Prohibited Interest" the contract may not be acted upon or the director, officer or employee would have to resign.

Violations: Any director, officer or employee who is determined to have "willfully and knowingly" violated the Prohibited Interest provisions of Article V may be found guilty of a misdemeanor. In addition, the contract, if willfully entered into, may be determined "null, void and wholly unenforceable"

Exceptions: There are fifteen exceptions to the Prohibited Interest provision. One of the more commonly claimed exceptions comes into play when the director, officer or employees ("officials") interest in the contract is prohibited solely by reason of the official's employment with the entity that has the contract with the Agency. This exception applies provided: (a) the official's compensation from the private employer is not contingent upon the contract between the employer and the Agency and (b) the official's duties for the private employer do not directly involve the procurement, preparation or performance of any part of the contract. [Note: This exception does not cover an Agency official who is a director, partner, member, or shareholder of the private employer]. The second most commonly claimed exception is where the official has an interest in a contract that was entered into with the Agency prior to the time the official was elected or appointed as such director, officer or employee of the Agency. Provided, however, this exception does not authorize the renewal of any such contract.

Disclosure of Exception: Disclosure of Interest that falls within one of the Exceptions: The official is required to publicly disclose the nature and extent of his or her prospective, existing or subsequently acquired interest in any actual or proposed contract. The disclosure must be made in writing and must be placed, in its entirety, in the official record. The official must recuse him or herself from participating in any discussion or action on the contract.

Notification of Potential Conflict due to a Financial Interest: Every director, officer or employee shall immediately notify the Agency's Ethics Officer of any potential conflict of interest due to a direct or indirect financial interest in any matter coming before the Agency where such director, officer or employee has the power or duty to negotiate, prepare, authorize or approve the matter before the Agency. The Ethics Officer shall review the potential financial conflict of interest in consultation with Agency counsel.

ARTICLE VI PENALTIES

Any employee that fails to comply with this Policy may be subject to termination. In addition, any director, officer or employee that fails to comply with this Policy may be penalized in a manner provided for in law.

ARTICLE VII ETHICS OFFICER

The Agency's Board shall designate an officer, director or employee of the Agency to serve as the Ethics Officer of the Agency. In the event of a vacancy, the Agency Board Chair shall serve as the Ethics Officer until such time as the Agency Board appoints a successor.

The Ethics Officer shall report to the Governance Committee. The Ethics Officer shall have the powers and duties set forth below, and such other powers and duties as may be prescribed by the Board:

1. Advise in confidence each director, officer or employee of the Agency who seeks guidance regarding ethical behavior.
2. Receive and record disclosures of conflicts of interest in the record of the Agency.
3. Receive and investigate complaints about possible violations of this Code of Ethics. Dismiss complaints found to be without substance.
4. Prepare investigative reports of his or her findings to be submitted for action by the Board.
5. Seek consultation and guidance from Agency Counsel.

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION
DEFENSE AND INDEMNIFICATION POLICY**

The Broome County Local Development Corporation (Corporation), shall indemnify all Directors of the Board and each officer and employee thereof, in the performance of their duties, and to the extent authorized by the Board, each other person authorized to act for the Corporation or on its behalf, to the full extent to which indemnification is permitted under the Laws of the State of New York.

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION
COMPENSATION, REIMBURSEMENT AND ATTENDANCE POLICY**

The Directors of the Board of the Broome County Local Development Corporation (the "Board") shall serve without salary at the pleasure of the Legislature of the County of Broome, New York (the "MUNICIPALITY") but may be reimbursed for reasonable expenses incurred in the performance of Corporation duties at the approval of the Board.

The officers, employees and agents of the Corporation shall serve at the pleasure of the Corporation at such compensation levels as may be approved by the Board from time to time and may be reimbursed for reasonable expenses incurred in the performance of Corporation duties at the approval of the Board.

The Directors of the Board and officers of the Corporation shall be available as required to perform the operations of the Corporation and as set forth within the By-Laws of the Corporation, as may be amended, restated or revised by the Board from time to time. Said Directors and officers of the Corporation shall put forth their best efforts to perform their respective duties as outlined in the By-Laws of the Corporation and any other directives of the Board relating to same.

**BROOME COUNTY LOCAL DEVELOPMENT CORPORATION
TRAVEL POLICY**

Section 1. APPILICABILITY

This policy shall apply to every Director of the Board (the "Board") of the Broome County Local Development Corporation (the "Corporation") and all officers and employees thereof.

Section 2. APPROVAL of TRAVEL

All official travel for which a reimbursement will be sought must be approved by the Executive Director prior to such travel. Provided, however, in the instance where the Executive Director will seek reimbursement for official travel, such travel must be pre-authorized by the Chairman of the Board of the Corporation.

Section 3. PAYMENT of TRAVEL

The Corporation will reimburse all reasonable expenses related to meals, travel and lodging that were incurred by any director, officer or employee as a result of the performance of their official duties. . All official travel shall be properly authorized, reported and reimbursed. Under no circumstances shall expenses for personal travel be charged to, or temporarily funded by the Agency. It is the traveler's responsibility to report his or her travel expenses in a responsible and ethical manner, in accordance with this policy.

Section 4. TRAVEL EXPENSES

Travelers may use their private vehicle for business purposes if it is less expensive than renting a car, taking a taxi, or using alternative transportation, or if it saves time. The traveler will be reimbursed at the maximum rate allowed by the Internal Revenue Service.

Meals will be reimbursed at actual expense or a per diem rate, whichever is less. Lodging will be reimbursed at actual expense up to certain daily rate caps established for various locations. The applicability of such caps shall be determined on a case by case basis taking into consideration availability of lodging and other extenuating circumstances.

Reimbursement for miscellaneous expenses shall be determined on a case by case basis. Mileage rates, per diem allowances and lodging caps will be established and from time to time amended by the Treasurer. All determinations made pursuant to this section shall be made by the Treasurer. In the instance where such determinations regard the travel of the Treasurer, the Chairman shall make such determinations.

Authority Mission Statement and Performance Measurements

Local Public Authority Name: Broome County Local Development Corporation

Fiscal Year: January 1, 2019 – December 31, 2019

Mission Statement: The Broome County Local Development Corporation actively fosters economic growth in Broome County and Greater Binghamton. The Corporation aims to provide new and expanding businesses with the best tools available including real estate and market information, incentives, financial assistance, and general support. We demonstrate integrity in all that we do. We support projects that offer clear public benefits including investment, job creation, job retention, and increased quality of life. We are committed to building a strong and diverse economy in Broome County and Greater Binghamton.

Date Adopted: March 8, 2013

List of 2020 Performance Goals:

1. Seek long-term financial sustainability of the LDC.
2. Provide training for the LDC Board of Directors.
3. Develop a joint strategy with the Chamber of Commerce to continue advancing the *Broome County...a good life™* campaign.
4. Link the existing county-wide promotion program with the new talent attraction strategy.
5. Continued ABO compliance.

Authority Stakeholder(s): Broome County Legislature

Authority Beneficiaries: The residents of Broome County

Authority Customers: The residents and businesses of Broome County

Authority self-evaluation of 2019 performance:

1. Investigated new funding strategies for the *Broome County...a good life™* campaign.
2. Continued to respond to the most critical issues and barriers identified by the business community.
3. Still pursuing long-term financial sustainability.
4. Continued efforts to ensure transparency and compliance with the ABO.

Governance Certification:

1. Have the board members acknowledged that they have read and understood the mission of the public authority?

Board of Directors Response: Yes

2. Who has the power to appoint management of the public authority?

Board of Directors Response: The Corporation has no direct employees.

3. If the Board appoints management, do you have a policy you follow when appointing the management of the public authority.

Board of Directors Response: N/A

4. Briefly describe the role of the Board and the role of management in the implementation of the mission.

Board of Directors Response: The Board provides oversight, sets policy, and sets the strategic direction for the Agency. Agency management works closely with the board to ensure the Agency's activities are always in line with the mission of the organization.

5. Has the Board acknowledged that they have read and understood the response to each of these questions?

Board of Directors Response: Yes