

Regular Session Board Meeting Minutes for April 22, 2020

STAR ISLAND CORPORATION Regular Session of the Board of Directors

MEETING MINUTES
April 22, 2020 at 7:00 pm
Via Zoom

Members in Attendance:

Kyle Belmont
Tom Coleman (Vice President of the Board)
Erik Cordes
Nick Dembsey (President of the Board)
Leon Dunkley
Debbie Duval
Gary Kunz
Jeff Loewer (Treasurer)
Keri Mattaliano (SIUCC President)
Nathan Soule (ISAUU President)
Mary Trudeau (Clerk)
Arlyn Weeks
Louise Williams

Absent:

Other:

Tricia Coleman (incoming ISAUU President)
Tom Kennedy (incoming Board member)
Celeste Magliocchetti (Pel Liaison)
Joe Watts (CEO)
Sarah Whalen

Check In – After a brief Board member check in, sharing milestones, the meeting was convened.

Call to Order – Nick Dembsey called the meeting to order at approximately 7:05 pm.

2020 Annual Meeting:

Agenda Review and Meeting Planning:

Nick reported on ongoing planning and preparations for a “virtual” Annual Meeting, to be conducted via Zoom. He noted that the agenda is being reworked to shorten the meeting, and the

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Board discussed limiting the meeting to 90 minutes, rather than the 2 hour estimation. Nick noted that there will be a “walk through” held next week, and he urged all Board members to attend. He noted that keeping comments and introductions short will be key to pacing the meeting and holding the viewers attention. He suggested that the format of the meeting be modified to conduct 2019 business (approval of reports, presentation of transitions, approval of past minutes, etc.) to the beginning of the meeting, and allowing discussions to move towards the future as the meeting progresses.

Nick Dembsey noted that, typically, recognition of departing Board members is done at the Annual Meeting. He suggested delaying a celebration of Gary Kunz’s tenure until such point in the future where we can all be physically together. Mary Trudeau noted that one of the high points of the awarding of the Bringer of Light Award is the social recognition from peers that occurs during a traditional face to face annual meeting, and she suggested delaying the awarding of a Bringer of Light Award until such time as we can all be physically together, as well. Louise Williams suggested that we revisit the anticipated recognition of our community ceremony in six months, for similar reasons. Kyle noted that this may be an opportunity to recognize staff efforts in light of the COVID-19 pandemic. Nick summarized the thoughts of the board by noting that due to the forum available for the meeting, and a need to simplify the agenda, there will be no Bringer of Light Award; no elaborate recognition of staff or Board; and there will be no celebration of community in this virtual Annual Meeting.

Voting at Annual Meeting:

Joe Watts reported that remote voting through the Zoom application has been approved by the Governor of Massachusetts, and that the Annual Meeting will incorporate procedures to allow for legally binding votes. Tim Dullea will provide the technical expertise to set up the voting procedures, including a practice question to be posed during the Annual Meeting. The practice question will allow verification that attendees are able to accurately cast votes via the Zoom application. Joe reminded the Board that the April 28 “walk through” will allow the Board and other presenters to go through the motions of voting, prior to the Annual Meeting.

Discussion on COVID-19 Impacts:

Context and Opening Remarks:

Joe Watts offered a presentation on the work Star Island Corporation has been focusing on over the last several weeks, starting with a summary of background information and outlining the work of the Crisis Response Team and its various subgroups. He acknowledged there were several possible scenarios for the 2020 conference season, including a traditional conference season with a June opening; a partial island opening at some point during the season; and a scenario where we are unable to open safely at any point in the 2020 conference season. He reviewed communications from staff to various stakeholders, including current salaried employees; potential seasonal employees; and conference leadership.

Work of the Crisis Response Team and Subgroups:

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Jeff Loewer reviewed the financial considerations of the various options. Noting that the Finance Committee subgroup has been modeling the impacts of the virus, he reported that they are analyzing revenue streams, and costs, in light of potential changes in income. He noted that the subgroup is considering the “smartest” way to borrow, based on cash flow estimates through to June 2021. He noted that there are several borrowing options available to the SIC, including increased use of our existing credit line; a Paycheck Protection Program loan; an expansion of our existing term loan with Cambridge Trust; an extraordinary distribution from the Permanent Trust; and reclassification of formerly restricted gifts.

Jeff noted that our Paycheck Protection Program loan application had not been processed by Cambridge Trust in a timely manner, resulting in an initial failure to obtain funds under the program. Jeff noted that communications are ongoing to insure that our application is submitted for an anticipated second round of funding.

Jeff also reminded the Board that we are in a much more positive position currently, than when the SIC faced the 2007 closure of the island for the first half of the season. This closure is not related to island operations, and would be done proactively in the face of a global crisis.

Sarah Whalen reported on Health and Safety considerations, in the opening of the island. She noted that conversations have been ongoing at the Health Committee, a group composed of health practitioners and an epidemiologist. She noted that the Committee took a vote to answer whether the island could be safely opened this summer, and the unanimous decision was a resounding NO. She noted that the Committee discussed what a safe, future, opening would look like, noting that things such as widespread antibody testing; widespread availability of a vaccine; and/or herd immunity would need to be in place.

Sarah did note that one Committee member felt, optimistically, that an end of summer opening might be possible, and there was a comment that “risk might be no greater on Star than on the mainland.” Sarah reported that Kerry Nolte has reached out to the NH Department of Health, but has not received a response to her questions. Sarah noted that we will be watching for guidelines for “camps and seasonal facilities” to be issued in the coming weeks.

Joe wrapped up the presentation by discussing SIC’s top priorities/responsibilities of care, including the health and safety of our Star Island family and the long-term health and stability of Star Island and the SIC. He also noted various board considerations, including fiduciary, risk management, and reputational responsibilities, and the importance of owning whatever decision we make as an organization and speaking with one voice. Joe also noted that work is ongoing, and there are future considerations, including virtual programming, monitoring and interacting with external bodies, and planning for 2021.

Discussion:

Debbie Duval questioned whether Pels offered a contract in 2020 would be given preference in a 2021 hiring, and Joe noted that there are reasons we shouldn’t go that far, but that we would offer

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special considerations to these people during the 2021 hiring process. Tom Kennedy questioned whether our seasonal staff would be eligible for unemployment, and Joe noted we are monitoring eligibility. He did note that traditionally, SIC employees have not been eligible for benefits as per NH law, but it appears that new federal laws passed in response to the COVID-19 pandemic might change eligibility status for 2020

The Board asked for an update on any conversations with the Isles of Shoals Steamship Company, as well as with the Uncle Oscar. Joe noted that these companies are also dealing with the reality of the pandemic, and are making significant changes in their seasonal offerings. He noted that at this point in time, we are not planning on allowing day trips to the island, though we are in continued conversations with our ferry partners

The Board discussed the appropriate forum for a Board vote on the 2020 conference season opening. While two directors felt strongly that the vote should be taken in open session, the majority of directors felt that a vote taken in Executive Session would allow for the strategic timing and release of any decisions.

Based on a motion duly made and seconded, a majority of the Board

VOTED to enter executive session at approximately 8:50 pm

The Board returned to open session at 9:17 pm

Meeting Reflections:

The Board agreed that the discussions this evening were difficult and important. It was noted that staff would release any decisions made in Executive Session in a thoughtful and strategic manner over the upcoming week. The Board agreed to keep the decisions confidential until such time for this reason, and to continue to speak in a single voice to our constituents.

The meeting was adjourned at 9:27 pm.

Meeting Adjourned.

Submitted by:

Mary Trudeau, Clerk