



MINUTES OF THE MEETING BOARD OF TRUSTEES August 12, 2016

A regular meeting of the Board of Trustees was held on August 12, 2016 at Maine Maritime Academy, Castine, Maine. Chair Peacock and Trustees Arntzen, Cianchette, Fendl, Fryer, Oney, Samway, Sawyer, Shipway, Somerville, Watson, and Wellington were in attendance. Trustees Greenleaf and Theeman participated via conference call. President Brennan, Vice Presidents Carver, Gardner, Haley and True, members of the faculty, staff, a member of the press and representatives of the Town of Castine were also present.

Chair Peacock brought the meeting to order at 8:32 a.m.

The Chair opened the proceedings by turning the floor over to Trustee Wellington as Chair of the Governance Committee for the election of officers of the Board. Trustee Wellington noted that Chair Peacock has served for five consecutive years as Chair and has therefore reached his term limit. On behalf of the Governance Committee, and indeed all stakeholders, Trustee Wellington expressed appreciation for a job well done for the past five years.

President Brennan serves as chair for this meeting since it has to do with the election of officers of the Board but before proceeding with business, the President asked Chair Peacock if he had any comments he would like to make. Chair Peacock thanked the town of Castine for their support during his tenure as Chair. He remarked how beautiful the streets look now that the remodeling is complete noting that it was well worth the hard work and time it took to achieve this transformation though it was a major inconvenience for the town. He stated that Maine Maritime Academy greatly appreciates it. He then thanked everyone on the board stating that he has learned a great deal from everyone. He commented that working with President Brennan is a pleasure.

As the presiding officer, President Brennan recognized Trustee Wellington as the Chair of the Governance Committee. Trustee Wellington then read the list of nominations as follows:

Robert Somerville for Chair
Earl Cianchette for Vice Chair
Dugan Shipway for Treasurer
Rhonda Varney for Secretary

President Brennan then reported that the Governance Committee has submitted the slate of officers for the Maine Maritime Academy Board of Trustees and opened the floor for any additional

nominations. Seeing none, President Brennan proposed that the slate of nominees be accepted by acclamation and asked that Board members indicate their acceptance by saying aye.

President Brennan then congratulated the new officers of the Board at which point the outgoing and incoming Chairs exchanged seats at the table

Chair Somerville thanked the Board for this honor and also thanked Trustee Peacock for his service to the Board noting that he was the first alumnus to hold the position of Chair of the Board. Many important things have been accomplished during his tenure, including our number one ranking by US News and World Report. He then went on to thank the Board for their confidence in selecting him, noting that former Chair Peacock has left him with some big shoes to fill.

1. MINUTES OF MAY 6, 2016 MEETING

On a MOTION by Trustee Theeman and seconded by Trustee Wellington, the Board voted unanimously to accept the minutes of the meeting of May 6, 2016 as distributed.

2. ALUMNI ASSOCIATION REPORT

- Jim Proulx, President of the Alumni Association presented the report. He began by thanking outgoing Chair Peacock for his leadership and guidance.
- Mr. Proulx then announced that the Alumni Association is doing really well. They met yesterday and continued work on the Strategic Plan which mirrors that of the Board of Trustees. The Association could not be happier with the selection of Jeff Wright and Karen Cukierski to head the Alumni Affairs department and have confidence in the future of that office.
- Mr. Proulx announced that the 75th anniversary Homecoming will take place in September. We continue to bring alumni onto campus, with the classes of '56 and '66 on campus this summer and our participation level continues to increase.
- As outgoing President of the Alumni Association he expressed the hope that he leaves it in as good a shape as Earle Cianchette left it to him. He then thanked everyone for their support and friendship noting that he looks forward to whatever the future of the Alumni Association brings.

3. CHAIR'S REMARKS

Chair Somerville began by remarking that the 75th Anniversary is a very important event for Maine Maritime Academy noting that he has some experience in this regard as he was fortunate enough to lead ABS through their 150th Anniversary. He stated that he looks forward to working with the Board and is very open to comments and suggestions 24/7 as his phone is always on.

4. PRESIDENT'S REPORT

President Brennan began by congratulating Chair Somerville and noting that he looks forward to working with him and also thanked Jim Proulx for his service as the President of the Alumni Association.

He continued by noting that since the last meeting of the Board, a lot has gone on. A commencement ceremony for the Class of 2016 was held wherein we graduated 243 women and men, the largest in the Academy's history and he was pleased to report that by the end of this month we should see in excess of 90 percent of those graduates placed within their career fields.

The training ship departed as scheduled on May 9th and returned two weeks ago last Monday. President Brennan joined them in New York and it was his sense from talking with students, crew and staff that things seemed to go well overall. We had a demonstration of the value of some of our training aboard ship – to prepare people to respond to emergencies. One of our beloved cooks, Janis Fitch, fell and seriously broke her leg as the ship was approaching Belgium. Chief Mate McAvoy, Commandant Gandy, Dr. McMann and the Ship's Nurse Tammy Tyler, and 4/C Warren Owen we're singled out by Janice for what they did to assist her from the beginning, but Janice also acknowledged all of her other shipmates who helped and supported her, especially Wanda Wood who stayed behind in Belgium and helped repatriate Janice, who is convalescing now with her daughter.

In association with the training cruise, alumni receptions were hosted aboard the ship in Charleston, Tampa and Portsmouth, and several guests visited the ship while it was in Galveston. President Brennan also pointed out that there were cadets aboard from Massachusetts and Texas Maritime Academies and by all accounts, as well as his personal observation and interactions, these students represented their institutions well, they integrated well with our program and they were well regarded by all.

The President then thanked Alumni President Jim Proulx noting that it has been a pleasure working with him. He has seen Jim's interactions with alumni and students and he has done a marvelous job promoting the Alumni Association and Maine Maritime Academy. The President thanked Jim most sincerely for all he has done to support the Academy. Jim and President Brennan once again attended the Boston Marine Society dinner in Boston and the President announced proudly that he was inducted into the Society that night. Two reunion classes were hosted here this summer, the Class of 1956 and the President drew special attention to the Class of 1966, which dedicated the Midshipman Sculpture during their visit. During his remarks at the dedication, President Brennan said "We have a variety of traditions here at the Academy and one that I find particularly moving is the annual re-dedication of the gun, in which the Regiment of Midshipmen entrust to the incoming freshmen class the responsibility to watch over the gun, metaphorically watching over the traditions of the Academy and the memory of those who had come before; namely the alumni who have been lost at sea or in the line of duty. It occurs to me that placing the sculpture representing an MMA Mariner on this rise, configured to overlook the pathway below and out over the Bagaduce River and Penobscot Bay beyond, has symbolism as well. I imagine this sculpture as if it were you, the Class of 1966 and all of the classes that have gone before, metaphorically looking out for those who are here to follow in your footsteps."

President Brennan then turned to our relationship with the Town of Castine and brought attention to two matters that he considers reflective of how close that relationship has grown. The Castine fire department was called recently to muster at the waterfront to be taken by boat to an island up river where a fire was threatening to spread to the mainland. Our launches as well as our vessel *Quickwater* were deployed to respond and it was the water pumping capability of the *Quickwater* that made a significant difference in the department's ability to bring that situation under control. President Brennan thanked our Marine Operations Manager, Dana Willis and his son Justin, and our Master Small Craft Operators, especially Derek Chase, for their stellar performance.

Another town related matter and one that is still difficult for the Maine Maritime Academy family, including the local community, relates to the tragedies we experienced this past academic year. He drew attention to the President's Action tab which includes two pages from the Town of Castine's Annual Report noting that in a very poignant way what happens to the Academy also affects the people who are the Town of Castine.

President Brennan closed his report by reminding everyone of a joyful reality in our Town/Gown relationship. For 75 years, the Maine Maritime Academy has been located in and part of the Castine Community. For that reason, as we have been planning our various 75th Anniversary celebrations, we felt that the ultimate celebration should symbolically acknowledge the symbiotic relationship between the Town and the Gown. And so, our Homecoming Celebration, which takes place from Thursday, September 22nd through Sunday, September 25th, will culminate at the Castine Town Dock with a Bar-B-Q, a street dance with live music, a big birthday cake, and a fireworks display that will be the envy of New York City. President Brennan noted that he hopes to see all of you back here for this event.

On a personal note, President Brennan remarked that this is the 50th anniversary of his arrival at Maine Maritime Academy as a young kid and the son of the Commandant. Since then he has had the opportunity to get to know many of the Board's Chairmen and Chairwomen. But, there is only one with whom he has served in a Chairman/CEO relationship twice in a totally different operation separated by thirty years and that is Bob Peacock. Bob was the Chairman of the Marine Advisory Council when President Brennan was Commissioner of the Marine Resources. His steady, knowledgeable and considerate hand helped guide and support President Brennan then just as it has over the past five years. The President thanked him for his friendship all of these years.

5. PRESIDENT'S ACTION

There are no actions at this time.

1. STANDING COMMITTEE REPORTS

a. Student Affairs Committee

- The report on yesterday's Student Affairs Committee meeting was given by Trustee Greenleaf via conference phone. Trustee Greenleaf noted that the Committee covered four significant items.
- The first was the introduction of new staff. Dr. True has done a terrific job of finding new strong and experienced talent for us. She noted that the Admissions area has been doing a great job this last couple of months with less than complete staffing.
- The second item was a review by Capt. Nate Gandy regarding the cruise and activities.
- The third item discussed was Admissions projections for fall which are pretty much on track. Right now we have interim projections regarding the total numbers but by the next meeting we should have complete results. It appears that we have an excellent pool of talent for the incoming class.
- The last item for discussion was the continuous improvement being made by the entire Student Services staff. The future success of students is very much dependent on how they settle in at the Academy during their first year here. Dr. True walked through the presentation on the new orientation model where significant and imaginative changes have been made. Early results are very strong and positive
- Dr. True added that Trustee Fendl provided the Committee with statistics on all of the activities our students are involved in.

b. Education Policy Committee

- Trustee Sawyer reported on yesterday's meeting of the Education Policy Committee.
- Dr. Gardner, Vice President for Academic Affairs gave a lengthy presentation on the various accreditation initiatives underway. To summarize, we have a NEASC visit scheduled for November 6th through 9th. On Monday, November 7th the visiting group would like to meet with trustees to discuss the governance of the Academy and how staff and faculty are handling

their obligations. In the Trustees' binders there is a copy of progress report #9 which has to do with the self-study summary: this is also located on the Trustees' website.

- We have in place a planning process for the STCW audit scheduled and the Coast Guard visiting team will be here from January 24th to 26th. Maine Maritime Academy will send three people to the STCW audit at Mass Maritime in November in order to observe their process. We are the last of the state maritime academies to go through the audit.
- There was an MAC meeting with USCG and MARAD this past June. This is a semi-annual event which includes audits, maritime academy policy manual development, and training ship manning requirements, and is a good opportunity to improve or maintain good relations with those bodies. Licensing practices and examinations were also reviewed. The next such meeting will be in Boston next December.
- In the news, MARAD took some actions regarding a stand down at King's Point cadet shipping program. King's Point does not have a training ship so their freshmen go out on commercial vessels for their required sea time. The stand down was ordered as a result of ongoing concerns regarding sexual harassment and sexual assault involving their students while aboard merchant ships. Thirty three cadets were involved in some way. An overture was made to Maine Maritime Academy to accept some of their students aboard but ultimately this was not necessary. Trustee Sawyer noted that from his own Coast Guard Auxiliary experience he knows that instances of sexual harassment and assault are of paramount importance within the USCG and the Department of Homeland Security is aware of those concerns.
- Our head librarian has departed and a search is underway to fill that position by mid- October. Two engineering faculty position searches are ongoing: one is for an electrical engineering position which was approved last spring, and the second is to replace Joanna Evans.
- Dr. Gardner reported to the Committee that he is retiring from USCG on Oct 15 in Boston after 38 years of service. This will be an important event with many high-ranking individuals in attendance.

c. **Finance Committee**

- Trustee Shipway presented the report on the Finance Committee meeting held yesterday. He began by noting that this marks the completion of Vice President Carver's first year as Chief Financial Officer. She has done several very important things during her first year. Under her leadership some major systems upgrades were completed. First, the finance ERP system and then a new purchasing module.
- We are preparing for an external audit which will take place between the 8th and the 19th of August.
- Final results for FY16 are positive with expenses lower than budget and revenue higher than projected. This leaves us with a surplus of approximately one million and a plant renewal fund valued at \$5.3 million.
- The FY17 budget was reviewed and finalized. Vice President Carver involved the Academy Council and senior leadership in the decision making process and the end result is that we will show a deficit of \$1.1 million which will be picked up from the plant renewal fund. In past years we have been able to convert a projected deficit into a positive outcome and we are hoping to do the same this year. As far as the budget process is concerned, there was agreement that it is working better and is more transparent and continual improvements are being made.
- In November, we will receive an update on the Strategic Plan and its impact on the FY18 budget.
- Trustee Shipway announced that we have completed union contract negotiations for two bargaining units and the faculty contract will go to mediation at the end of August. The two agreements were finalized in the FY17 budget
- Our investment pool with the University of Maine has experienced a slightly neutral or downward year but is still up from two years ago. Acadia Trust reserves are up about \$600,000

for a total of \$9.4 million which reflects the fact that we changed our investment profile from that which we had for the past several years.

d. Operations Committee

- Trustee Cianchette reported that the Operations Committee met yesterday and had two PowerPoint presentations. Summing up, he noted that Director of Facilities, Adam Potter and his crew are getting things done at an amazing pace including things that should have been addressed previously and those that are going to move the Academy forward. Trustee Cianchette stated that it would be hard to find a more dedicated team member than Adam and that he is doing a tremendous job. A lot of good things are going on which are well thought out and will help to help save the Academy money in the long run.
- Lisa Roy, Director of IT gave the Committee an update on our simulators which are used here for undergraduate, graduate and continuing education courses. Following the Board meeting a tour is being offered for those who would like to view a simulator demonstration.
- Trustee Cianchette recently spoke with Vice President Petra Carver and discussed the six divisions under her which fall under the purview of the Operations Committee. It was decided that instead of attempting to update the Committee on each of those entities that she would showcase one or two at each meeting in order to better inform Board members and provide greater detail about the things going on in each division.
- Trustee Cianchette noted that this is Jim Proulx's last Alumni Board presentation and in November there will be a new Alumni Board President. He stated that Jim has done a magnificent job as President. The results speak for themselves. Jim was the President of the Seacoast Chapter which is probably the flagship for all the chapters in the nation and sets the bar for all the others. Jim spearheaded that. He has worked his way up in the Alumni Association Board and every position he's held has improved during his leadership. When Jim took over as Alumni Board President, alumni giving was at approximately 7% or 8% and it has now doubled as a result of his team leadership so that ours is now the best of all the state maritime academies. During Jim's tenure the attendance at Homecoming has improved exponentially and this is a wonderful reflection on the work he has done on behalf of the Academy. Trustee Cianchette concluded his report by thanking Jim most sincerely for everything he has done.

e. Advancement Committee

- Trustee Samway began her report on the Advancement Committee meeting by echoing everything Trustee Cianchette said about Jim Proulx and stressing the importance of the Alumni Association's impact on the Advancement area. The participation and the visibility of the Alumni Association are going to pay great dividends for the Academy.
- The Committee was made aware of some staffing challenges and was assured that we are working diligently to get the appropriate staff in place. One critical position has now been filled and work continues to fill others. She thanked the Board for their patience and understanding as we address this issue noting that it is worth the time to get the right people in these positions. Trustee Samway then turned the report over to Vice President Haley so that he could update the Board on specific details regarding the divisions which fall under the Advancement office.
- Vice President Haley began by thanking Jim Proulx personally for his help with Advancement.
- He then reported that we have hired a major gift officer, Sharon Pullman, who will start on August 29th. We are getting closer to filling the position of database administrative assistant, the advancement secretary position and a development associate position. He reported that he is optimistic that those will be filled within the next four weeks.
- The Committee received an alumni relations update, elections for the Alumni Board were covered and it was reported that the Harris directory process update was successful. It was also reported that we held two successful summer reunions, and that the various chapter events went well. Jeff Wright, Director of Alumni Affairs, has been traveling, reconnecting with chapters

and helping to get others up and running. The report concluded by noting that Homecoming will take place in September.

- Jennifer DeJoy, Director of College Relations provided an update on college relations and focused on the 75th Anniversary of the Academy. She mentioned the special edition of the Mariner Magazine which will be coming out in September. The Ellsworth American will also be doing a special edition on us as an insert.
- Vice President Haley then provided the Committee with an update on behalf of Susan Mitchell regarding external relations and what is happening in Augusta during the 128th legislative session.
- Kay Hightower gave an update on the *Bowdoin* campaign: there is about \$400,000 left to raise of the \$1.6 million goal.
- Vice President Haley then provided an update on our FY2016 fundraising, and reported that overall we have raised \$3,568,000 which represents an increase of 3.8% over FY2015. Our annual fund was down 2.2% with annual fund donors down 17.8%. During the meeting he went into some detail regarding this drop in participation and why we were down in annual fund restricted giving. He then spoke about our plan for the annual fund going forward to 2017. The Board was then updated on the new software which is already impacting our operations and stressed the focus on a successful annual fund year and scholarship raising as we move forward.
- Trustee Samway then announced that there are two RESOLUTIONS to be brought before the Board as follows:

RESOLUTION #1

BE IT RESOLVED that the Board hereby accepts with gratitude all gifts and grants of \$1,000 or more and all donated property as set forth in Attachment A.

On a MOTION by Trustee Wellington and seconded by Trustee Somerville, the Board voted unanimously to accept with gratitude all gifts and grants of \$1,000 or more and all donated property as set forth in Attachment A appended to these minutes.

- Trustee Samway then announced that there is also a RESOLUTION to accept a scholarship fund as follows:

RESOLUTION #2

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the Sherri '85 and Coronado 2016 Hickman scholarship fund be established as a permanently endowed trust fund as set forth in Attachment B appended to these minutes.

On a MOTION by Trustee Peacock and seconded by Trustee Wellington, the Board voted unanimously to accept with gratitude the Sherri and Coronado Hickman scholarship fund as set forth in Attachment B appended to these minutes.

President Brennan noted that this marks a real milestone as last week he and former Chair Peacock signed the diploma for Coronado, the first daughter of a female graduate, (Sherri Hickman) from Maine Maritime Academy. Sherri Hickman is a Pilot in the Houston area.

f. Governance Committee

- Trustee Wellington reported that the first item of business for the Governance Committee which met yesterday was the nomination of new officers. The Committee also reviewed the Board's self-evaluation. President Brennan addressed some aspects that Board members felt could be improved upon. More details of this will be discussed at the November meeting of the Board. Between now and November the Committee will discuss those particulars as well as the by-laws and changes needed to ensure consistency and will present a revision to correct some inconsistencies. The Committee will also look at the process for the nomination of officers.

Finally efforts are underway to get the Academy's attorney, Derek Langhauser, here in November to give a presentation on responsibilities and constraints especially with regard to open meetings, and to answer any questions about the by-laws.

g. Other Business

President Brennan gave a report regarding the discussion on our offshore program. He gave a brief history of the development of the program. The program evolved from a suggestion by Chair Somerville that we look at developing an offshore program, particularly dynamic positioning. Professor Teel made a suggestion after visiting a training facility in Ireland that we should start our own training facility utilizing our assets. Captain Gandy recognized the changes in STCW training and how these could be used to our advantage as a training institution. Mike Young was brought aboard to start working with faculty and staff to create an offshore academic program. Professor Young gave a report on the continuing education program particularly as it relates to the Gap courses that are being offered. These have to do with the increased need for credentials for mariners who already have licenses and how they fall short of new STCW changes. He talked about how successful that program has been due to the blended nature of the courses. These are courses that are offered both on line and with a period on campus and have proven to be the beta test for the direction of the Academy and what we are headed towards. The potential for a center for professional mariner development that would use this type of blended course to enable mariners to address licensure credentialing and re-certification. There was also a discussion regarding the property in Bucksport and the market analysis presently being done by the McGovern team. Also discussed was a RESOLUTION regarding the value of having an ad-hoc committee established to act as an interface between the administration and the Board as we go forward to develop the off-shore potential. As required by the by-laws, the Board is required to vote on the establishment of any committee including an ad-hoc committee and President Brennan distributed the following RESOLUTION for the Board's consideration:

RESOLUTION #3

BE IT RESOLVED by the Board of Trustees of the Maine Maritime Academy that the administration is authorized to move forward to develop a new program pertaining to Safety and Offshore Survival, and further the administration is authorized to seek and arrange for the acquisition, subject to Board approval, of a parcel of land suitable for the purposes of developing said program.

Trustee Fryer commented that since an important part of this resolution deals with negotiations regarding real estate, everyone should be attentive to the fact that freedom of access laws do create an explicit exception so that ad hoc committee deliberations would be protected.

On a MOTION by Trustee Wellington and seconded by Trustee Watson, the Board voted unanimously to accept RESOLUTION #3 as set forth in Attachment C appended to these minutes.

Chair Somerville then recognized and thanked the two selectmen in attendance, Peter Vogell and David Unger. Town Manager, Jimmy Goodson commented on the Town and Gown relationship which is at an all-time high. One incident that President Brennan commented on earlier was the collaboration which took place at the Maine Maritime Academy waterfront. Mr. Goodson noted that over the years, MMA has been very generous in allowing the town to use its vessels for emergency purposes but the recent recurring fire at the island showed the town the value of our relationship and use of our assets. He thanked the waterfront crew, Dana and his son, for their assistance in putting out the fire on a nearby island. The Maine Coast Heritage Trust has placed thank you ads in local papers, including the Ellsworth American, expressing its appreciation to both the town and Maine Maritime Academy for the use of our resources. The state of Maine is

under severe drought restrictions and thanks to good planning the filtration plant comes on-line next week and the town won't have to import water. He also thanked MMA for their assistance in water conservation in this and previous years.

It was noted that Mr. Goodson has a son who just graduated from the Academy in May.

Peter Vogell, Chair of the Board of Selectman and also assistant fire chief thanked the Academy for the assistance provided.

Chair Somerville announced that the next meeting of the Board will take place on November 11th, 2016 which coincides with Veteran's Day. Vice President Gardner encouraged as many trustees as possible to attend the ceremony here.

Trustee Sawyer also encouraged all trustees to attend convocation this year stating that it is a wonderful event.

President Brennan then read the necessary wording to allow the Board to enter executive session as follows:

Pursuant to Title 1, Chapter 13, Subchapter 1, Section 405(4) and Section 405(6)(paragraph "C" and "D") of the Maine Revised Statutes pertaining to permitted deliberation during executive session, I move that the Committee go into executive session for the purposes of considering the performance of the President.

On a MOTION by Trustee Peacock and seconded by Trustee Arntzen, the Board voted unanimously to enter Executive Session.

Members of the staff, faculty, public and leadership team then left the room.
The meeting concluded at 9:29 a.m.

Respectfully Submitted,

Rhonda Varney
Secretary to the Board of Trustees
Maine Maritime Academy