## AHC Quarterly Board Meeting Minutes

|  |
| --- |
| Title |  AHC Annual Board Meeting  |
| Date | Tuesday, September 17, 2019 |
| Time | 4:30pm to 5:30pm ET  |
| Location | Conference Bridge |

ROLL CALL

| **BOARD MEMBER** | **PRESENT?** |
| --- | --- |
| Christy Morris  | N |
| Chris Geldart – President | Y |
| Mike Ambrosio - Vice President | Y |
| Jim Sheehan | Y |
| Ira Tannenbaum |  |
| Kelly McKinney - Treasurer | Y |
| Joe Picciano | Y |
| Tom O’Reilly | Y |
| Joe Bruno | N |
| Bud Mertz | N |
| Chris Eisenbrey  | Y |
|  |  |

| **PMO**  |  |
| --- | --- |
| Tom Moran | Y |
| John Molnar | Y |
| Tom Hyatt | Y |
|  |  |

| **Invited Guests** |  |
| --- | --- |
|  |  |
|  |  |

**ACTION ITEMS or DECISIONS MADE or RECOMMENDATIONS**

| **Item** | **Responsibility** | **Due** |
| --- | --- | --- |
| AHC Board website: <http://www.ahcusa.org/ahc-board.html> |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

**MINUTES -**

**Discussion Items:**

|  |
| --- |
| **Governance:** |
| ***NOTES:****The meeting was called to order by Board President Chris Geldart.**A quorum was reached.* *Motion: Kelly McKinney**2nd : Jim Sheehan**Minutes approved for June 2019*1. **Finance Report**

Financial information provided on website.John Molnar provided the Finance Report and reviewed the balance sheet. Report covers books for Jan thru Jun -2019. No questions from Board members.**DISCUSSION**1. **Forming an AHC Applied Research Institute to support R&D & Commercialization**

Board officers met in July 2019 in Philadelphia, PA to discuss the forming of AHC Applied Operational Research Institute (AHCi).This retreat focused on the purpose, mission, possible projects areas (reduce risk, education, building new culture for resilience, etc…. Information from meeting is posted on the AHC Board webpage.Several members provided feedback on the call.See discussion notes below.1. **Discussion on new 5 Year Strategic Plan**

Tom Moran provide overview of current draft a five-year strategic planA seventh item was added to support Federal and Private Sector research initiatives with operational needs an industry and statesWill vote to approve on the next quorum call1. **Legal update**

Tom Hyatt discussed how the ACHi will form. Keep it simple, start as a working group and grow from there.Discussed COF (Conflict of Interest) form for Board member disclosure. Asked Board members to send form back ASAP.1. **Operational Update:**

AHC has been prepping for hurricane season for months.Hurricane DORIAN helped AHC to form new partnerships and data partners,AHC made contact with provider of social media data analytics provider that uses social media sources to provide faster situational awareness faster.See details below.**Current Initiatives Update:**DHS/INL Contracting update: Tom Moran provided an updated on the DHS/INL agreement, the sole-source status of the AHC, and the scope. Should be finalized shortly.Working to connect SISE with state EOCs as part of the SISE-net initiative. This will speed up info sharing dramatically during operational periods.AHC audit is underway. No issues.**Open Discussion**Board discussed open items on disaster response.Meeting was adjourned.**2020 Full Board Quarterly Conference Call Meeting Schedule**1. March 17, 2020, 4:30-5:30 PM ET
2. June 16, 2020, 4:30-5:30 PM ET
3. September 15, 2020, 4:30-5:30 PM ET
4. December 15, 2020, 4:30-5:30 PM ET

**Supporting Documents**1. June 2019 Meeting Agenda
2. AHC Finance Report
3. AHC Board Member Matrix Directory

**Parking Lot:**1. AHC Overhead rate increase to 10%
2. 2019 Board Annual Meeting – Date/Location
3. Update DRAFT Strategic Plan
4. Board Committee formation
5. Update AHC Board of Director Manual
 |
|  |

FULL RECORDING OF SEPTEMBER 2019 MEETING:

[**https://www.ahcusa.org/ahc-board.html**](https://www.ahcusa.org/ahc-board.html)

**DISCUSSION TRANSCRIPT EXCERTPS**

Tom Moran:

Okay. Very good. So looks like we got a quorum, Mr. Chairman.

Chris Geldart:

Okay, sir.

Tom Moran:

You have the agenda in front of you or do you want me to walk through it?

Chris Geldart:

Tom, I'm pulling it up right now. I just actually just got in, in front of a computer. So if you want to start, go ahead.

Tom Moran:

All right. Very good. So, welcome. This is the quarterly board meeting for September 17th, All Hazards Consortium. On the phone we have Tom O'Reilly, Joe Picciano, Mike Ambrosio, Kellen McKinney, Chris Geldart, Jim Sheehan, Tom Hyatt, John Molnar and myself, Tom Moran. Did I miss anyone?

Tom Moran:

Okay. We do have a quorum. So I did attach the minutes. I sent those out last Friday. Chris, I'll let you kind of walk through the approval of the minutes and then we can get into the financial court.

Chris Geldart:

All right, Tom, I didn't have a problem with the minutes. I looked through them, but if Christy's on, I'm sure there's something that we need to do.

Tom Moran:

Well, we should vote before she gets on.

Chris Geldart:

All right. Do I have a motion to approve the minutes from the last meeting?

Tom O'Reilly:

Motion to approve.

Chris Geldart:

Second.

Jim Sheehan:

[inaudible 00:14:31] second.

Chris Geldart:

There you go, Sheehan seconded. Okay. Yeah. I would ask if you don't have your phone on mute, please mute your phone unless you're talking so we can hear Tom.

Tom Moran:

All right. We have a first and a second.

Chris Geldart:

So we're good to go, Tom.

Tom Moran:

All right. Very good. Then it's approved. Next up is our finance report. I did put that in the invite. Also I put a link in there to the board information website where we're keeping all the documents online for each of the board meetings we have. So you can go back and reference that as well as the recording. So let me turn it over to John Molnar for a finance report. John.

John Molnar:

Yeah, I'll be quick here. The report is basically January through June of this year. So it is for six months. Just some highlights that I want to call out. In the income category there, there's a 31,489. What that represents is basically the funds that we get from HSEMA in regards to providing the services for the grants and the subcontracts that we do for the various activities that they're dealing with.

John Molnar:

You can see them there, the threat exercises, the action officer, the preparedness specialist, the intelligent officers, IT support, some strategic support, senior advisor. They actually hired Barbara Childs-Pair. I don't know if a lot of people here would remember Barbara, but I think she was actually the first president if I remember right Tom.

Tom Moran:

Yes, she was.

John Molnar:

But anyway, I'm getting off subject here. But that 31,000 is basically a little less than half of what we get because of those services. So we're probably close to $75,000 that we bring in over the course of the year from those services. But anyways, that's what we've accrued to date, 31,400.

John Molnar:

The other one is the NIP fees that we have obtained so far, 115,000. What is not represented here is EEI's check for 25,000 and about two more invoices that we are preparing for the NIP three grand. We okay? For the NIP three grand of about 110. So probably about 140,000 is not represented of actual income that we get free and clear here at the AHC.

John Molnar:

Moving down to the expense line items. They're basically three big items that you see that are driving the spend within AHC, especially within the overhead area. You see the executive director services, that's Tom's basically salary for six months. PMO is me. Those are my charges for the six months.

John Molnar:

Then we have marketing communications, which is about 6,000 of that 20,000 is software that we purchase to help run some of our automation communication activities that we deal with to get information out to our subscribers, over about 45,000, 50,000 subscribers that we have within our network, as well as the IT support that we get from Abel Marcus. That's about the 14,000. I don't think you're going to do any better than that for six months worth of IT support to help us set up our email, help us set up a SharePoint site that we just enabled, and do other activities that Abel is doing for the automation that we're dealing with here.

John Molnar:

So you can kind of see out of the total costs now what is included in here that's driving numbers way up are the reimbursements from the HSEMA personnel that you see down along the second page there. But anyways, in terms of the costs, you can kind of see at the end, it says 32, a negative 32.

John Molnar:

But again, we are probably running closer to about a hundred thousand dollars in profits for half of the year based on the NIP activity that we just have to get reimbursed for yet. That hasn't occurred within this accounting cycle. Any questions? Did I go a little bit too fast? Let me know if that's a good enough level for everyone.

Chris Geldart:

I'm good, John.

John Molnar:

All right, appreciate it.

Tom Moran:

Okay. Very good. Next up is our discussion. We had the board officers meet in July to discuss the formation or the initial meeting around the forming of the Applied Research Institute. I think on the board website, if I can pull that up on the screen, if you click on that link, it'll take you to the, hang on a second, take you to the board website where we have the documents, the recording of the session. We took pictures.

Tom Moran:

Anyway, I wanted to just briefly get the folks that were able to attend just to maybe provide some feedback on that meeting if you can remember it because it was a few meetings ago. Then we can just do a kind of a where are we at the current state. So let me pull up the agenda here. So I know we had our officers there. Mike Ambrosio was there, Kelly McKinney, Chris Geldart. We also invited Dennis Schrader and John [inaudible 00:21:10] to attend that meeting.

Tom Moran:

We spent, I think we were there on a Saturday for, I think it was like nine to three or something like that. So I'll just go around the horn and invite board members for comments on that. We've made some progress. I'll give you an update after we get the board feedback on it, or let me just do the update right now and we'll get that out of the way.

Tom Moran:

So we have a website up and running. It's on the screen for those of you on the webinar, I'll send out the URL to the group. But the first thing we want to do is to put together an online place that takes the minutes notes from the meeting and puts it online. We'll have some other resources that will be up there. We came up with a mission statement, what is the Applied Operational Research Institute?

Tom Moran:

We got to get a better name, the logo, the A-O-R-I, AORI, doesn't resonate really well. But anyway, we wanted to define who we are, what we do, who we serve, how we serve them. We have a URL. We're going to put together a pitch deck, basically, where we can go to initially some of the utilities who have research foundations to fund research and give them a, basically an ask to become part of it because the whole idea, this model will be privately funded.

Tom Moran:

We'll also get some, I'm sure, government funding. But the idea is how we can develop and accelerate commercialization of research into the private sector to solve real world operational problems, either multi-sector or sector specific or company specific. It really doesn't matter. So we did a lot of work at the retreat.

Tom Moran:

Since that time we've got the website up, we got a logo, we got the URL, we're working on the pitch deck now. We'll come back to the board, as far as making, who are some of the possible partners we can partner with. Tom O'Reilly and I spoke about this in the past. We definitely want to go after some of the larger private sector foundations, Bloomberg, Gates. I mean, there's a list of these folks that invest heavily in disaster response, cyber security, reducing risk. We already had one conversation with an insurance company that was very interested once this gets up off the ground.

Tom Moran:

So anyway, that's the backdrop to the current state. I just want to invite board members for comments. So Mike Ambrosio, if you're on, any comments on the meeting we had back in July?

Mike Ambrosio:

Well, Tom, I thought it was one of the better ones we've had. I think for the short period of time we were there, a lot was discussed, a lot of participation, a lot of exchange of ideas and thoughts. It was good. I mean, I don't recall too much back in July with a lot going on, but I think it was really worthwhile. I know you have it up on the site, but it's worthwhile just taking a look back and seeing how much we've covered.

Tom Moran:

Yeah. Okay. Thank you, Mike. Yeah, we covered a lot of ground. For a lot of people, they've never heard the history of how the consortium got started and we had it firsthand from Dennis and John and we captured it. So that was refreshing for me, quite frankly. So very good. Kelly.

Kelly McKinney:

Hey, Tom.

Tom Moran:

[crosstalk 00:24:48]

Kelly McKinney:

Yeah. I mean, you said July and it just kind of struck me that, what is it September, I guess that's only two months. It seems like two years ago that we had that conversation and a lot has happened. I mean, we've had a couple of big near misses on [inaudible 00:25:15]. Then we had the devastating impact to the Northern Bahamas, which that cat five sat on top of those islands and basically turned them into oatmeal. It was just horrible to watch. The response there has been, I think sort of less than ideal as we would have expected. Then we had a couple of those big storms that brushed the southeast coastlines.

Kelly McKinney:

So I would say a lot of the things we talked about, I think so for me, as an engineer, you always sort of have to start with a problem statement. I think we did that. You can't really solution something until you clearly understand what it is that you're solutioning. We did define the problem, I think, and a lot of it really had to do with the landscape for disaster planning, preparedness, response and recovery in this country and where it is and where it needs to be.

Kelly McKinney:

I think that was the substance of the discussion. I would just say that a lot of what we talk about, and a lot of the origins of the problem stems from sort of lack of leadership. There's not this clear vision for [crosstalk 00:26:59]. Somebody just came off mute. I heard a lot of whooping in the background.

Speaker 1:

Tom likes to take care of everything else.

Tom Moran:

Can everybody mute your phone, please? Thank you.

Kelly McKinney:

So I would just say, Tom, just to not go on too long, the problems that we talked about, I think they've sort of been exacerbated. I mean, I think the leadership question is getting worse.

Speaker 1:

[inaudible 00:27:40]

Kelly McKinney:

Hey, guys, you got to put your phones on mute, please. We're hearing a lot of talking in the background. Please put your phones on mute, put your phones on mute, please. Okay, so I think it's the right tool.

PART 1 OF 4 ENDS [00:28:04]

Kelly McKinney:

So, I think it's the right tool for what we're faced with right now. One of the things that the policy makers keep talking about is connecting to the private sector and how we do that, and I think this organization that we talked about that is it's mission. I think it knows how to do it so I think we really just have to get to work. I would say that, for me, I'm excited about it. I think there's a lot of wise men and women that are crafting this idea but the two months since we talked just went by in the blink of an eye, and for me it was just very little bandwidth to dedicate to it. So, I think that's really the problem, how do we leverage some of the brainpower that we have to really get to work on the problem?

Kelly McKinney:

The other thing I would say, Tom, is I saw what you've been doing with these storms and there's a lot of great work there so I think what's really what we're going to build on, a lot of the accomplishments of this group so far. So, apologies, that was kind of long winded but those are my thoughts.

Tom Moran:

No, that's okay. Thank you, Kelly. Chris, comments and... We got some next steps that Chris and I are working on, but Chris I just wanted to give you the opportunity to provide comment.

Chris:

Yeah, I think the best part, Kelly covered a lot of it so I don't want to re-hash anything and [inaudible 00:29:46]. I guess the big thing for me was two things, one, when you get groups together like that there's a tendency for a group think process to go on at some point and I don't think we had that at all. There were a lot of good ascending opinions that came into it that I think framed out pretty well, all of it revolving around, yes, we're talking about an institute but really what we're looking at is leveraging what we've been good at and that is creating results and we're going to be sticking to that theme as closely as we can with this. So, that's really my outtake of it, Tom. I don't want to go too long on it.

Tom Moran:

Yeah. I think as a summary we wanted to do three things coming out of that. One is we wanted to establish our messaging, which I think we did. It's up on the website, there's document that's up on the board site. Number two, we wanted to get a presence which we have up now, that was the second box to check, is just get something up on the web that we can point to. And three, we wanted to begin messaging kind of the... as we're going to be talking to private sector what's the pitch? What are going to be saying? So, we have a sample put together for that and I'll be inviting you all that wanna participate in that to help me fill that idea. The idea is to get that together and very simple get some initial meetings going and let's go talk to a few people, and if we get something great, if not we'll improve our messaging. But at the end of the day I think there's a... One of the things that came out at the meetings was establishing and scaling the culture of innovation that the private sector and the states that have been working with an consortium have adopted.

Tom Moran:

The challenge is there's just not enough of them and we have to sustain that framework certainly with funding but there's a whole education outreach and publication component to this that we need to work on to really drive this culture which is growing. The whole innovation culture and disaster management is really good. Kelly, for example, you and I talked awhile ago about we ought to be talking six, seven, eight days before the storm arrives, well we did. So, we have six states, you'll love this, talking with electric, fuel, and food and telecom six days in front of that event. So, all work groups, but one of the things that came out of that was just knowing who to call when, and sure enough when that thing took a turn they were all on board. It was really amazing, so we wanted to formalize that process. But that was an idea you and I talked about this past summer and Mike Zuppone loved it and we implemented it during a door in. So, it helped, it would've been a huge help if that thing turned differently. [crosstalk 00:32:51].

Kelly McKinney:

Well, that's we've been saying Tom, in our business it's all about getting the right people in the right conversations at the right time and I think that's exactly what you're doing. Had that storm done what we thought it was going to... if it had gone right down the pipe of Florida like we thought it would've, man, that would've been... those groups would've just exploded just with all the people trying to get on and all the problems you were solving.

Tom Moran:

Yeah. The other thing that was new and different was we formed a lodging youth case committee. How do we get FEMA and utilities to coordinate better over this competitive resource called rooms, right? Well, two days before the storm FEMA called us and said, "Hey listen, we would like to coordinate with the utilities. Can you pull the group together?" So, we did and sure enough we had a lodging committee working that storm together, FEMA and the utilities, first time that's ever happened. They didn't have to activate formally, but the idea is we got the people together. Now the storm's over and the youth case committee's still active and moving, so like I said, it's all about getting the resources together now to make this thing happen. But anyways, that's the update. I wanted to make sure we had a discussion around the research institute. DHS is very happy about it, [Bob Kolloski 00:34:10] kept asking me yesterday from DHS and he wants to set up a meeting on learn more about the institute and how they can use it at DHS to help commercialize research into the private sector quicker.

Tom Moran:

Next item for discussion is the five year strategic plan. I sent out a copy for that. It's, it's been updated several times, the latest version of that. It basically takes us, we need to change the date from 2019 to 2023, but it incorporates some of the edits. I think we've updated it pretty well. I'm going to finalize it and send it out for board approval, but this is important as we go forward. I'm going to add to this a seventh goal which is really focused around the institute and creating a mechanism to drive research partners in public private research. I provided that to you for your review. Any discussion or questions on the current draft for this? Okay. Very good, hearing none I'll update that and send it around and if we can get that approved we could put that up and have that off the work plan.

Tom Moran:

Next up is our legal discussion. Tom [Hyatt 00:35:40] is on with us. Tom, I'll turn it over to you. We only got one item but you might have a couple others so I'll just turn it over to you for any legal updates.

Tom Hyatt:

Thanks, Tom. So, one thing quickly just to finish up comment on the Philadelphia meeting, it really was great. We had a terrific conversation. Kelly and Sandy and Dennis and the whole cloud really providing a lot of terrific ideas and back and forth. It was one those retreats where you really accomplish something, some really thinking about those things so much appreciation for the time spent on that. On the legal side of that, really the only piece there is that we're still flexible about what that may look like and what the vehicle for that may be.

Tom Hyatt:

So, if you weren't there, we talked a little bit about the value of doing it as a service line, so just another activity perhaps along the lines of a fleet working group but also expanded beyond that within the consortium, and if this thing matures and is incubated and is ready to take off then perhaps having a separate entity for it as well. So, we are big believers in the keep it simple, stupid, strategy and won't build anything that doesn't need to be built but those were some of the ideas that were kicked around in that regard as well. The other thing I'll just add on the legal side is that it's that time of year again for conflict of interest forms, so either I or Tom [Moran 00:37:04] will send out to you the conflict of interest disclosure form and the policy again. The policy has not changed but you might give it a quick eyeball to see what's in there. Always important to keep in mind because it's easy to forget that this applies not only to you but to your immediate family members, and the definition of that relationship is in the policy.

Tom Hyatt:

So, recall also that those are disclosures that must be made. It's part of the tax rules that apply to us but also just from a good governance conflict approach. So, take a look and make sure whether or not you're covered. Put your disclosures into the form. The form is really quite easy. It's a couple of pages and can be done in a very short period of time. We really have worked to keep that as lean and mean as we can. So, if you would complete those and send them to me, I'll send out my email address again when we send this out. I'll review them, if there is anything there that needs to come to the board of course we'll elevate it then. Last point on that is keep in mind that even though we do annual disclosures, the obligation really is a real time disclosure. So, we're doing this now in September October, something comes up in February that's different, some new venture you're in, something you're doing that comes to be something done with the consortium you do need to update that on a real time basis. So, it's just adding that to your disclosure form or sending another one that we'll staple to the first one so that we have that there as well. But happy to answer any questions there might be on that, otherwise, Tom, back to you.

Tom Moran:

Okay. So, we had several of folks fill that out already. I think the only ones that we... I will send an email out, Tom [O'reilly 00:38:44], James [Shehan 00:38:44], Joe [Pitchiana 00:38:45], [Christy Morris 00:38:45], [Vlad Murtz 00:38:46], Chris [Eisenborey 00:38:47]. I'll send those out. For everybody there's really no conflict. Unless something's changed, I don't think we're doing business with anybody on the board like we had some issues here earlier this year at the University of Maryland which Tom went over at the Philadelphia meeting, so.

Tom Hyatt:

Just one thing to add there, Tom, if I might, keep in mind also though that this is not only about economic and financial conflicts of interest, but it is about dualities of interest as well. So, where you might serve on another board or another policy or something along those lines that is in a Venn diagram has some common territory with us for example, important to disclose that as well. That doesn't mean it's a conflict or adverse or that anything needs to be done about it, but important for us to track that should that come along, particularly as we start to expand our activities and there may be some overlap there.

Tom Moran:

Any questions for Tom? All right. Just a couple of operational updates I mentioned to you as [Dorian 00:39:58] came about, we have a number of partnerships that have been developed that I just wanted to bring to the board's attention. I've created YouTube videos on all these so I'll send you all a link to watch it. Most significantly is some of the newer datasets and dashboards were getting into, and Jim Shehan you will like this one, so we are working with a partner that provides the same data to the federal agencies where they are vetting... It's basically an active shooter or cyber, any type of incident alert, but it's vetted. So, there's an AI, artificial intelligence, component and there's a human component and it vets social media and provides that out as an alert.

Tom Moran:

As an example, the Texas shooting was found on social media 18 minutes before it actually hit the news. Joe P., this goes back to remember that company we worked with during Sandy, and I cannot remember their name, but they did this for us during Sandy, the social media alerting company. I can't remember-

Joe P.:

Yeah, I do remember. I've forgotten the name myself, but they were really helpful.

Tom Moran:

It was tremendously helpful and it was all people. They had like 40 analysts around the clock, well it's now moved into a combination of analysts and artificial intelligence. It's a dashboard they want us to test within the slice working group and we're going to look at active shooter to start with. DHS would like us to get into some more day to day law enforcement centric stuff, either cyber or active shooter alerting. It's just alerting, that's all it is. It's not a incident management, but we are working with DHS and the vendor on that now. So, what that would do is give us another capability but really in the physical security and maybe even cyber security arena. So, I mentioned to you about our hurricane season prep activities already with the working groups. We have created several youth case committees that are bringing federal, state, and local together. I want to zoom in on one of them in particular, is our partnership with Walmart. They are providing us data for all of their stores where we can use them as staging areas for the electric and food sectors. We have signed agreements and been approved for partnership with the Petroleum Marketing Association. They just approved they're going to be a paying subscriber.

Tom Moran:

They're going to recruit their 1,200 members into the [inaudible 00:42:40]. We got our first paid subscription from one of their members for $900 for three years, but as our first subscription that's not a lot of money but it's significant that it was our first sale to a complete total stranger who saw the [sice 00:42:55], watched the pitch, and bought it. So, it was very exciting for us to see that, now the food sector is going to follow suit. So, for those of you who remember, we had a board meeting at EEI a couple years ago and Tom [Kuhn 00:43:10], the president of EEI, challenged us it would be great if the consortium could bring together the fuel, electric, telecom, and food sectors together. Well, we're there, so we just got approval from both the SMI, the Food Marketing Institute, as well as the Petroleum Marketing Association of America. So, big announcement there. We haven't done any press release on it but I wanted you guys to know that's been approved.

Tom Moran:

So, a list of current issues, the one I want to zoom in on here is our DHS contracting. We are supposed to find out this week that our contract with Idaho National Labs has been funded. I was told it would happen on the 15th of September but it probably will go into this week. What that means is the first of hopefully many engagements with DHS. They love what we're doing, they want to scale it. We put in a proposal for 2.7 million, we'll see how much they fund and how much the university wants to take off the top, but we've been assured that's going to happen so that'll be a real game changer for us to spin up our working groups that we extend.

Tom Moran:

And then lastly, we're working with states to connect their WebEOC systems into a single network into the site. So, what will that give us? That'll give us the ability to coordinate at the state level across multiple states and regions. We've never seen information sharing like this before and it's going to be real time. It'll allow us to provide information right into the WebEOC systems at the state level, and when they issue a curfew we'll know it within nanoseconds of them posting it. When they close a road we'll know it within nanoseconds of them posting it. So, it's really going to speed things up between the private sector and the states working as a region. We're going to include FEMA and DHS on that but certainly there as a FYI working with the states is really the operational pieces. So, it's been busy, it's been a lot going on.

Tom Moran:

And lastly, and most importantly, I want to recognize John [Bomar 00:45:21] and the work he's been doing with the auditors. You all cannot imagine the detail these guys are getting into, and John is working like night and day. So, John I appreciate you. I'm not sure the board knows all of it but John is answering all those questions you guys would just roll your eyes, and digging up details from stuff we don't even remember. It's really funny, so I wanted to recognize John for his efforts on that with Ashley and some of the others but we're getting through it. I guess, John, the audit's done from last year and now they're working on... What's the status currently of the audit?

John Molnar:

They're probably about three quarters of the way through. There doesn't seem to be any surprises so far that they've come up with but they certainly... If we handle, I don't know, let's pretend we handle 100 transactions a month, so it's 1,200 a year, they ask for the details of about 20% to 30% of those. So, I'm probably getting into 400 validations of invoices and receipts and bank account statements and copies of all those that I have to send over to them to validate that Tom and I aren't stealing everybody's money here. I'm being facetious, you know, hopefully, but that's really what they're after, to make sure that everything's on the up and up. So, they validate about 30% of all of our activities and it is an excruciating period for me. Tom, I appreciate it that, but yes there is certainly a lot that goes into the audit practice when they get through these.

Tom Moran:

So, anyway, I appreciate, John, all you're doing. I just wanted the board to know that not only is the audit tough but you're a Steelers/Pirates fan which is almost as bad as being a Redskin fan. [crosstalk 00:47:19].

John Molnar:

Yeah, the weekend of Maryland with Temple and the Steelers and the Pirates just being totally off the radar screen was a very difficult time.

Tom Moran:

So, one last thing as an update, I have not put anything together on this, I'm trying to do detailed updates on video because you all tend to like those and watch those, but we have a meeting coming up on Thursday this week I believe, Brian Baker who Chris you know well. I think he was your deputy, right, when you were in DC [HTMI 00:47:57]?

Chris:

Yes sir, and he's currently my wife's boss.

Tom Moran:

Okay, so Brian has contacted us, [Haggerty 00:48:04] has signed long term surge agreements with Los Angeles I believe and New York City, if I got that right. And what Brian wanted to do is to see could he partner with a consortium and could we develop a mechanism to build a bench of consultants that would be available to do X, Y, and Z for these big cities. They've already talked with Houston, I think Chris, you'd know more than I would, but we're having a meeting on Thursday to talk about us doing that support like we've been doing for DC. So, the staffing service or component may get an injection, and Tom I wanted you to hear that as well because we'll keep an eye on revenues for that. We have no idea what the process or package will be but clearly Haggerty is going to be doing a lot of the staffing for these big urban areas.

Tom Moran:

I think in L.A., I forget how many they have, I thought I heard 75 people there, and I think now with New York city they're getting ready to do that or more. I'm not sure of the numbers but I'll keep the board updated on that, but I wanted you all to know that we're serving as a trusted agent to get retired or currently active 1099's and gauge those specific things as it relates to these major urban areas and I guess this is a big deal. I know L.A., it's a big deal after the fires.

Tom Hyatt:

Hey, Tom, I don't know if you want to bring it up and I don't mean to extend the meeting any longer, but the deal that we're doing now with [COG 00:49:41], which is an extension of what Chris initiated at a FEMA, COG has now reached out to us and saw the benefits of this program as well. Chris, I don't know how much you worked with Brian [Misner 00:49:55] and stuff, but that RES F5 group has hired a program manager through us to help manage the 15 or so projects that they are doing on some of the regional collaboration project. And the RCPGP monies that are coming in will be added to this and that will also be part of what is managed by this person that was hired through us to help document that. In terms of documentation, the [AAC 00:50:28] has set up a share point site to help maintain the deliverables of all these various projects within the national capital region and document the deliverables as well as the contracts, as well as some of the lessons learned that these people are working through.

Tom Hyatt:

I think the program manager said there are 58 people working on all these variety of projects across the national capital region. Anyways, Tom, I didn't mean to take up any time but I thought it was interesting as well.

Tom Moran:

No, and-

Chris:

That sounds like deja vu.

Tom Moran:

No, and I'm sitting here laughing. I'm really glad you brought it up because I just want to... We've watched as Joe and Jim Shehan and Kelly when the New York City RCPGP grant closed down all that stuff went into hiding and it wasn't available, they couldn't share it. It was great work. Well, we learned from that so I'm going to talk with Kent and say, "So, we avoid that situation again. Here's what we'd recommend." So, I sent him an email back and forth, anyway, they want to use the consortium as their system of record for this. So, when people retire, move on, it's still available to them, it's secure. It's held up in the sites and everybody's vetted that comes in. So, they're going to use the site to run that, Chris, out of the national capital region. I thought you all would get a kick out of that.

Chris:

Again, Tom, that sounds like deja vu from the last RCPGP that the consortium ran for the NCR.

Tom Moran:

Yeah, Tom. I know.

Kelly McKinney:

And Tom and Chris and having Jimmy Shehan on and Joe P., who are for the New York, New Jersey, Connecticut, PA RCPGP I think is also sort of appropriate because Jimmy has been very vocal about the fact that there was so much grant money spent productively to create really important tools and processes for catastrophic response and all that stuff was just allowed to languish, so reconnecting back to that I think is such a great idea. The other thing I was just thinking, I know Haggerty has been doing that surge planning for the state of California, I didn't know they were doing it for L.A. and New York, but I think just to sort of put a thought into your head, I think what we ought to think about doing is anybody that we would provide for that sort of work we should spend some time with those people and we should develop in them some of those coordination core competencies that we've been talking about.

Kelly McKinney:

In other words, just I guess brain wash them and they all have this consortium approach to emergency management. I think that adds a lot of value to those people. They're going to drop into those places and cross pollinate. It's just a way to have a big influence I think because this stuff isn't just good ideas. This is the way forward, and so I think we could really... if we spend a little time with those people, I don't know, maybe it's a couple of days, maybe it's a week or something, and have sort of like an academy or something and this defined curriculum of training and then send them out. It'd be like a Navy SEAL jumping into an EOC somewhere, you know?

Tom Moran:

Love it. And Kelly, I may have had that customers wrong, maybe it was the state of California so forgive me if I'm wrong, but no you're right. You're talking about onboarding them and we're putting [crosstalk 00:54:30].

Kelly McKinney:

Yeah, onboarding them. Exactly right. It's totally onboarding, Tom. For Hurricane Sandy we had all kind of people rotate through into our EOC. When you have a long term job like that and that huge surge, we had folks from all over the place. Rarely did they really have an impact on us and I think we have an opportunity to put people in that could have an immediate impact and do some really great work, so it's pretty exciting stuff I think.

Tom Moran:

So, you just brought up another question if I may pose it here, when Sandy hit, and this is really for Joe... for Jersey and New York City, when did you know this was going to be a protracted long term recovery thing? Was it before the storm hit? What were the signs that you kind of hit, "Oh, crap. This is going to be months?"

Joe P.:

In ascending a whole bunch of useless people who do an assessment that was never used was the first sign. The second sign was they showed up in mass and the third sign was they didn't leave for a long time. [crosstalk 00:55:45] when there was no power and every single tree was knocked over onto a line and there wasn't any gas to move anybody around you realized it was going to be for awhile.

Tom Moran:

Okay, good. Kelly-

Joe P.:

But I think for the shore regions and for big chunks of New York-

PART 2 OF 4 ENDS [00:56:04]

Tom:

But I think for the shore regions and for big chunks of New York City, it really was the devastation to people's homes.

Speaker 2:

And Tom, it does determined on what it is and how it hits. Because if you had gone 24 hours prior to Sandy hitting New York City ... And Kelly, I don't want to speak for you here. But I'm just watching that and as it went by us, you have an idea that this is going to be rough, but you really don't know until it really does hit. And then you do your damage assessment to see what's happened with that. Probably as it's hitting, you're getting the idea. But I don't know if you can go much more than 24 hours prior to some hit from something like that.

Joe:

This is Joe again. I think the unusual part was everybody thought hurricane and they didn't think surge. They talked about it, but that made it unusual because I think it defined a geographical area that really wasn't what we expected in the hurricane play. And Staten Island, Kelly, is a great example. They just got wiped out with this whole event. And that was something that probably didn't cross a lot of our minds.

Kelly McKinney:

In New York, since Katrina, we had been working on a coastal storm plan and we got lucky because we had turned most of the pieces on the bigger pieces on for Irene the year before. So Irene was really like a six and a half million dollar exercise for New York city. And it went over the top of us and just devastated upstate New York, but we escaped. But we had a really good dry run with it. So for Sandy, we turned those same teams on and we turn them all over the place. So we had de-watering teams, we had emergency power teams. With all the stakeholders, we had the army Corps and utilities and all of the healthcare facilities and schools and everybody.

Kelly McKinney:

And so I'll never forget. We got them together two days before Sandy. We knew now what the forecast is going to be. And we said, "Look, we're going need pumps, we're going to need generators. Get your orders in now, we want to be first in line. We've got prescriptive mission assignments. We want to get this stuff into queue." And man, it was crickets in the room. Everybody's like, "No, we're good. We're fine." And then we convened them all two days after the storm, and they were crawling all over each other to put their requests in. So they just were unable to imagine, and we're staring down the barrel of a hurricane.

Kelly McKinney:

They were unable to imagine that they would need water pumps for Christ's sake, or generators. I would just say the other thing is, after that storm hit, New York city OEM, we had 185 people and every one of them was leading a different team and we still didn't have enough people to lead teams for whatever those individual problems that pops up. And to me, that's the real challenge is that spike that happens in the early minutes and days. And if we had these rapid response emergency managers that could drop into an EOC and take a problem set and take a group of stakeholders and start working a problem. If we had a dozen of those, or 20 of those, we could turn a job around literally. And to me, the real pain points are the first few days in the job when you have to do everything at once and you don't have enough people for it.

Joe:

I just want to add one thing that bothered me to this day during that event, was the absence of being able to operationalized regionally. All the effort we put in the RCPG, the politicians, and Kelly will agree with this. They said, "Do it yourself," which literally, and Jim and I worked these issues on even the issue with fuel, different decisions in the same area, there was just zero coordination. And it was literally purposely done. I think both States went out of the way not to coordinate, and it was sinful because there was opportunities for looking at housing programs that had proven themselves successful. That was to me, Kelly, was one of the more disturbing pieces of that. We lost so many opportunities to regionalize. And that was the purpose of the Ohio consortium and the same thing with the regional catastrophic grant. So going back to the grant, until you build that regional structure that literally fits those plans, no matter how well your state operates and the major regional event, I still think we're challenged. Well, that [crosstalk 01:01:06] because of Trump politics.

Kelly McKinney:

Yeah. And both of you guys are a hundred percent right. But I think that, and Tom's already starting to do that. A, she's already starting to do that. If that structures in place where it's like, "Hey, the governor before got on this call for a disaster. You got to get on this call, this isn't a political issue. This is what we do. This is the plan. The plan is that you get on this call." And I think it would work. I really do. And those structures, we mapped those out in the RCPG, we've got the conference call forms, we've got the processes. And so all we got to do is get the bosses in the room. It's not a long distance there. I think it's easily done. And I think [crosstalk 01:01:58] with the group that could do it.

Joe:

Yeah. If Tom could get the private sector to lead, maybe the States will jump on. Because there's two pieces to this, and a lot of what the Ohio consortium does is position those key private sector organizations assets and capability in a way that could be used regionally. I'm still not comfortable, Kelly, that there's an existing framework to pull it all together. I just haven't seen enough, but maybe it's there.

Speaker 3:

Joe, what you just said is, we're now working with some pretty large trade associations. And that's exactly what they're asking of us. There's no sector to sector coordination with States, like plural. And that's the gap. They said, "Tom, that's what we need. We need to work with each other as private sector, but we need to get with the impacted States way before it starts, we need early indicators. Is this going to be a bad one?" That's why I asked the question. The only metric I have for a really bad one, is I watch the electric sector move their fleets. And I knew Dorian was going to be bad because they were moving thousands of people, five days in advance. I said, "Holy crap, this is going to be a bad one."

Speaker 3:

Well, who else needs to know that? And that's why I asked you all the question. But anyway, my point, Joe is what you said is what the private sector is asking of us. Could we do that, in other words, could we take that role and what government should have done, could we do it with private sector and invite States and feds to participate in it? I don't know, that's what I wanted to tease out with you all. But it sounds to me like for all the wrong reasons, government shut it down when there was a whole lot of people and time and money invested in it. And for whatever reason, it didn't materialize.

Kelly McKinney:

Well, we've got some [inaudible 01:03:52] going on in the listeners this call probably because it would get in the weeds. But for me, there's a real sort of crisis in the country because of what we're talking about here is just obvious. And the two States can't get together, three States can't get together for the benefit of their other people is not going to be acceptable on the front page of New York times. And so we got to fix this. And the fact that we're talking about it, and if we have influence across States, it's not going to take much talking or much demonstrating before this idea takes hold, and it just starts to propagate and people start to see it and they start to replicate it. It's not like you've got to do it 50 times. You do it a couple of times, people see it, and it's going to get legs. And once FEMA gets their shit together, they're going to start talking about it too. And God knows if that will ever happen in my lifetime, but that's really all it would really take is for some leadership in some key States.

Kelly McKinney:

If they start talking about it in NEMA, they start talking about it at IEM, it'll start to happen. It's not rocket science. And like Joe said, if Andrew Cuomo and Chris Christie had talked for five freaking minutes, then Cuomo wouldn't have got his ass in a sling over the gas shortage. Right. So that's a value ad for any politician.

Speaker 3:

Yeah. Yeah. So Chris Geldbart, this may be something we want to consider when we finally get a chance to meet with Chris Krebs, because clearly FEMA is not running the show anymore when it comes to private sector. It is clearly DHS, FEMA is part of it, but their MBOC and that program is really disconnecting people, but DHS is going to own this when it comes to critical infrastructure. So right now, it's chaos, but there maybe something we could do as part of our funding from them, is maybe look at how our approach might help bring that, and expedite some of the processes that all you guys on this call built, but for whatever reason, they didn't get adopted or sustained or whatever. So anyway, just a thought. Chris, I'll give you the last word here, but I wanted to ask that discussion because these sectors and finance may join that. So it will be electric, comms, fuel, food, and finance. Those are the ones that we're going to be working with very closely going forward. Okay, Chris, that's it for me. I'll give you the last word. Good discussion. Thank you all for your input.

Speaker 2:

Okay. Yeah. So Tom, I called Krebs today. He rolled me to voicemail, but then sent me a text and said he's going to get back to me at the end of the day. So I'll look for a call for him at the end of the day. The conversation that Kelly was having there and Jimmy and Jill about Sandy and some of those issues with the RCPGP back up again, and everything else that's going on. That's all great stuff to feed into the two things that Tom was talking about. One with the Haggerty side, but more particularly what Tom was just saying about, as we all know, the nip was created, but it never was really operationalized.

Speaker 2:

They just put an executive framework around it. And I think that's our conversation with Chris Krebs of everything that we've been doing, how you actually operationalize, go to the operations and tactical level of the national infrastructure protection plan. So that's what we're going to push on. Appreciate everybody's time on the call today, and Tom, all the work that you guys have done. And of course, John Molnar and everything that he's doing every day, we appreciate that.

Speaker 3:

Okay. Okay. Thank you.

Kelly McKinney:

Yeah. Great job guys.

Joe:

[crosstalk 01:07:59] Stay well, everyone.

Speaker 3:

All right. We got it. All right.

Kelly McKinney:

Thank you.

Speaker 3:

Good night.