

State of New York  
Office of the Inspector General



Investigation of Supervision  
at the Office of General Services'  
Sheridan Avenue Steam Plant

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Inspector General

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## EXECUTIVE SUMMARY

In April 2011, the Inspector General received an allegation that an employee of the New York State Office of General Services (OGS), Daniel Jackson, had been arrested for a drinking and driving-related offense after he had left work in his personal vehicle. The complainant indicated that Jackson's arrest, which allegedly occurred a half hour after he left his job site, suggested that he had been drinking on the job at the Sheridan Avenue Steam Plant in Albany. On June 15, 2011, Jackson pleaded guilty to Driving While Ability Impaired,<sup>1</sup> a traffic infraction, and was sentenced to a conditional discharge in Mechanicville City Court in Saratoga County. An ignition interlock device<sup>2</sup> was placed on his vehicle, and his driving privileges were restricted to driving to and from work.

The Inspector General's investigation revealed that Jackson, at times, arrived at work smelling of alcohol. In addition, upon being questioned by the Inspector General, Jackson admitted to drinking at work. Of note, the Inspector General also determined that several co-workers and supervisors were aware of Jackson's drinking but failed to take appropriate action, either by referring him to the Employee Assistance Program for alcohol counseling or OGS's Bureau of Human Resources Management for discipline. Instead, they permitted Jackson to remain at work and continue to perform his duties, which included monitoring the plant or performing boiler maintenance, activities requiring precision and attentiveness that would necessarily be hindered by the effects of alcohol, thereby potentially placing at risk fellow plant employees, innumerable local residents and the tens of thousands of workers who commute daily to the downtown Albany area to work.

In the course of the investigation, the Inspector General uncovered additional problems at the Sheridan Avenue Steam Plant indicating significant personnel issues that management both caused and ignored prior to the changes implemented by the current OGS Commissioner. Each revealed potentially broader systemic deficiencies by OGS management, including inadequacies in implementing the remedial policies recommended in the Inspector General's 2009 report regarding misconduct by OGS employees in the East Garage of Empire State Plaza.<sup>3</sup> Specifically, management was aware of and ignored significant time abuse by an employee who openly constructed his own elaborate entertainment area and watched television for significant periods of his shift, and ignored and permitted the use of unauthorized break rooms where abuse of time occurred.

The investigation further revealed a systemic deficiency in management supervision of the steam plant and in failing to follow OGS's inspection reporting policy, which contributed to the problems identified above.

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<sup>1</sup> NY VTL §1192(1). Driving while ability impaired. No person shall operate a motor vehicle while the person's ability to operate such motor vehicle is impaired by the consumption of alcohol.

<sup>2</sup> An ignition interlock device is a mechanism, like a breathalyzer, installed on a motor vehicle's dashboard. Before the vehicle can be started, the driver first must breathe into the device. If the resultant breath-alcohol concentration analyzed result is greater than the programmed blood alcohol concentration, the device prevents the engine from being started.

<sup>3</sup><http://www.ig.ny.gov/pdfs/Lack%20of%20Supervision%20Enabled%20Creation%20of%20Man%20Cave,%20Janitors%20Complained%20of%20Racial%20Taunts.pdf>

In the wake of this investigation, which involves conduct occurring immediately following the publication of Inspector General's prior report, the Inspector General recommended that OGS require its managers to routinely conduct unannounced inspections of facilities under its control and report any findings relating to those inspections. Additionally, all OGS supervisors should be trained in OGS policies regarding the influence and use of alcohol by state employees on state property. Finally, the Inspector General referred nine employees for discipline as a result of the findings of this report.

In response to the Inspector General's investigation, OGS Commissioner RoAnn M. Destito took immediate corrective action. Commissioner Destito commenced disciplinary action against all employees referred by the Inspector General. Commissioner Destito restructured management organization in the Utilities, General Services Facility, and Real Property Management Divisions. This restructuring has increased productivity and strengthened supervisory oversight and accountability. Additionally, OGS has conducted code of conduct, supervisor, and discipline training, and has created and implemented on-line training for supervisors.

## **INTRODUCTION AND BACKGROUND**

### **Background**

#### *The Inspector General's 2009 Investigation of an OGS Facility*

On July 14, 2009, the Inspector General and the New York State Police conducted surveillance of a storage room in the East Garage at the Empire State Plaza and found certain employees were misusing the storage room as an unauthorized break room during hours they were supposed to be working. In the aftermath of the Inspector General's investigation, then OGS Deputy Commissioner William Hill instituted unannounced bi-monthly inspections of OGS facilities by OGS management. Hill required that all of his subordinates in management positions provide him with reports of these tours each month. These inspections continue to date. In addition to the unannounced inspections ordered by Hill, OGS's former Real Property Management Group Director Martin Gilroy, who oversaw both building and utilities management, directed his staff to inspect all OGS-operated facilities to determine whether any of the buildings housed any other unauthorized break rooms. According to Gilroy, his divisions reported back that no such break rooms were found.

#### *The Sheridan Avenue Steam Plant*

The Sheridan Avenue Steam Plant produces steam for heating and cooling of the Empire State Plaza. Operation of the plant is the responsibility of OGS's Utilities Management Division within the Real Property Management Group. The plant consists of multiple natural gas boilers and gasoline powered backup generators, and is the largest consumer of natural gas in the northeastern United States. The facility operates 24 hours a day, 365 days a year. Currently, 22

employees maintain the plant. Operations are covered by six shifts<sup>4</sup> of three employees (one supervisor and two front-line workers). Five of the shifts simply monitor plant operations and respond when necessary; a sixth shift, which also functions as the maintenance staff, provides coverage when other staff members are on leave. All maintenance work is conducted by the sixth shift when assigned to the day shift, approximately 7:00 a.m. to 3:00 p.m. The afternoon and overnight shifts conduct monitoring and security functions unless a problem arises. In addition to the operations and maintenance staff, the plant also is staffed with a manager, administrative support, and utility helpers who generally clean the facility and grounds.

*State Policy on Alcohol Use and OGS's Alcohol and Drug Policy*

State policy on alcohol use, in effect since 1995, mandates that employees are “prohibited from on-the-job use of, or impairment from, alcohol.” The policy notes the “use of and abuse of alcohol . . . has a detrimental effect on the productivity, attendance, and health of [the] workforce.” The policy further declares that the state “must be vigilant to protect the safety and welfare of the public” and fellow employees. As such, state policy prescribes that supervisors with a reasonable suspicion that someone is impaired may have that person tested for alcohol use under Civil Service Law §72. Evidence to support such reasonable suspicion includes “unsteady gait, odor of alcohol on the breath, thick or slurred speech, aggressive or abusive language or behavior, and disorientation or lethargy.”<sup>5</sup>

In addition to state policy, OGS’s Code of Conduct includes an Alcohol and Drug Policy. The policy states, in pertinent part:

[P]ossession or consumption of alcoholic beverages is prohibited in State workplaces, vehicles and State worksites except when in connection with appropriately authorized and scheduled activities approved by the Commissioner of the Office of General Services, and provided that the alcoholic beverages are dispensed by an agent or firm authorized to do so by the Commissioner, as outlined in Section 300.12 of the New York State Codes, Rules and Regulations.

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An employee who is considered unfit to perform his or her duties as a result of an impairment which may be caused by alcohol or a controlled substance, may be required to be examined by the Employee Health Service and may also be disciplined for such impairment during work hours. In addition, the employee may be placed on involuntary leave pursuant to the Civil Service Law.

The OGS Code of Conduct also requires employees to “report any acts of wrongdoing through . . . supervisory channels and to OGS Legal Services.” In addition, the code mandates that an employee “should contact an appropriate source in situations where clarification may be

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<sup>4</sup> The eight hour shifts generally cover the periods 7-3, 3-11, and 11-7 with the supervisors of each team slightly staggered. The shifts also cover weekend hours as well; therefore, only the first shift covers a normal Monday thru Friday day work shift. Assignments to the various shifts are based on seniority.

<sup>5</sup> See Governor’s Office of Employee Relations Policy on Alcohol and Controlled Substances in the Workplace (reissued 1995).

required, such as OGS Human Resources Management or OGS Legal Services.” In the instance of suspected alcohol use and abuse, Human Resources and Legal Services then contact Labor Relations, the state employees trained to identify and address alcohol use and abuse in the workplace.

In November 2007, OGS updated its Code of Conduct and distributed copies to every OGS employee. In addition, the Code of Conduct is available and accessible to all OGS employees on OGS’s intranet. The OGS employees interviewed in this investigation acknowledged their ability to access the Code of Conduct.

## **THE INSPECTOR GENERAL’S INVESTIGATION REVEALS CONTINUED SYSTEMIC PROBLEMS AT OGS**

### **Jackson’s Consumption of Alcohol During Work Hours Went Unaddressed**

Daniel Jackson is a Public Utilities Engineer 1 (PUE1) who has worked at the Sheridan Avenue Steam Plant since 1984. As part of his duties, Jackson performs maintenance on the plant’s natural gas powered boilers. According to many staff members, Jackson is a highly skilled mechanic with broad experience maintaining and repairing the equipment at the plant. Jackson also performs monitoring duties on off-shifts as needed. Prior to the incidents recounted in this report, Jackson had never been disciplined and all of his performance reviews were at least satisfactory.

As noted, on March 30, 2011, Jackson was arrested by the Mechanicville Police Department and charged with a drinking and driving-related offense. On June 15, 2011, Jackson pleaded guilty to Driving While Ability Impaired, a traffic infraction, and was sentenced to a conditional discharge in Mechanicville City Court in Saratoga County. An ignition interlock device was placed on his vehicle, and his driving privileges were restricted to driving to and from work. As an additional condition of his plea agreement, Jackson was required to cooperate with the Inspector General’s investigation.

The Inspector General conducted several interviews of Jackson. Jackson admitted that, on March 30, 2011, he was drunk when he arrived at work for his 7:00 a.m. to 3:00 p.m. shift. He stated that there were not many management representatives in the plant that day, so he was able to work a little while and then drink a beer at the plant. He did this at least twice, going out to his car and getting beer out of a cooler he kept in his vehicle parked in an enclosed area of the plant. According to Jackson’s time records, Jackson stopped working about an hour early that day. He testified that he then showered at the facility and had another beer.

When Jackson left the plant that day, he went directly to a grocery store to purchase more beer. He was observed walking in the store and getting into his car by a citizen who, noting Jackson’s gait and appearance, immediately contacted police. When he was pulled over at approximately 4:00 p.m., Jackson told the arresting officer that he drank a “couple” of beers “at work.” At the police station, the officer included Jackson’s admissions in the arrest report, and Jackson placed his initials on the form confirming his statement. During his interview with the Inspector General, Jackson identified his initials on the arrest report. Jackson also related that he

drank at the plant on other occasions and that his supervisor, Michael Pranchak, had spoken to him about his drinking.

The Inspector General did not find any record at OGS memorializing a conversation between Pranchak or any other member of OGS management and Jackson about Jackson's drinking. Nevertheless, during interviews with the Inspector General, both Pranchak, Jackson's direct supervisor, and Terrence Potter, Pranchak's supervisor and Acting Plant Manager at the time of the Jackson arrest, claimed they had spoken to Jackson about his drinking. Both men asserted, however, that they were unaware that Jackson was drinking at work, but rather that he came to work smelling of alcohol and appeared to be "hung over." Neither supervisor ever asked Jackson to leave work or submit to an alcohol test. Instead, they permitted Jackson to remain at work and continue to perform his duties, which included monitoring the plant or performing boiler maintenance, activities requiring precision and attentiveness that would necessarily be hindered by the effects of alcohol, thereby potentially placing fellow plant employees and surrounding areas at risk. Potter argued, incredibly, that he was not qualified to decide whether a person was under the influence of alcohol, but admitted that he never contacted OGS Human Resources Management so that a qualified state labor relations employee could then make such a determination. Instead, Potter spoke to Jackson's union representative and asked him to advise Jackson to obtain help through the Employee Assistance Program. Potter admitted, however, that he did not consult Jackson's union representative further to see if any action had been taken.

Potter emphatically denied that any other subordinates consumed alcohol or other intoxicants at work. The Inspector General showed Potter a copy of an e-mail he wrote, addressed to his crew, to advise them of a tour by the Office of the State Comptroller scheduled for April 2011. The e-mail stated:

There will be a Tour, of our Plant, by a Comptroller's Office person on 4/14 – Thursday. Please make sure your areas are tuned up and that any contraband (if any) is removed/discarded. Inform your personnel. Any questions, give me a call. Thanks.

When asked what type of "contraband" he expected his subordinates to remove, Potter responded, "I don't know, it's just a statement, I don't know." Potter then explained that he meant inappropriate pictures, not alcohol or drugs. Indeed, when the Inspector General's investigators toured the facility, they observed numerous photographs and artwork depicting women in various stages of undress in several rooms within the plant.

The Inspector General also interviewed Anthony Isgro, the former Plant Manager who had been transferred to the State Office Campus in late 2010. Isgro confirmed that he was at the plant when the Inspector General's 2009 report was issued detailing an unauthorized and misused break room at an OGS facility. He stated that upon direction from his supervisors, he and Potter inspected the entire facility seeking inappropriate items. Isgro admitted that the searches uncovered bedrolls and empty beer cans, which he discarded. Isgro conceded that he did not ask who owned the bed rolls or beer cans, nor did he refer these discoveries to his supervisors, OGS Human Resources Management, or the Inspector General. While he said he

had no idea who owned the bedrolls, he conceded that he suspected that the beer cans belonged to Jackson because “there’s been a problem there before.” Isgro stated that he had smelled alcohol on Jackson and that he had referred the issue to Jackson’s direct supervisor, Pranchak, to suggest that Jackson obtain help. Isgro confirmed that Potter approached him about Jackson’s drinking problem and he recommended that Potter also speak to Jackson. Isgro admitted that he never told any of his superiors about what he found, but claimed that they wanted these issues handled “in-house” and were “out of touch” with lower level staff. In fact, when he wished to get in touch with Robert Lobdell, Director, Division Albany Utilities, regarding any employee issue, Isgro related that Lobdell directed that all such matters should be referred to Lobdell’s secretary for initial review. Notwithstanding, Isgro admitted that, after instructing both Pranchak and Potter to speak to Jackson about his drinking, he never inquired further.

Despite this assertion that management wanted such issues to be dealt with at the plant level, Isgro admitted that he had reported the on-the-job drinking of another OGS employee to management. That employee had been suspended for drinking on the job and then, on his first day back to work, arrived intoxicated. Isgro reported him again because this employee’s conduct was, in Isgro’s words, “extreme.”<sup>6</sup> Jackson, on the other hand, according to Isgro, never exhibited an inability to walk, speak, or work. Even though he may have smelled of alcohol, Isgro considered Jackson his “go-to guy” on plant operations and he did not wish to lose him as an employee.

In 2010, Michael Mannarino, a Plant Superintendent A, replaced Anthony Isgro as Potter’s direct supervisor when Potter became Acting Plant Manager. Mannarino stated that the first time he had any idea that an employee at the plant had a drinking problem was when his supervisor, Lobdell, informed him that the Department of Motor Vehicles (DMV) had sent him a notice that Jackson had lost his driving privileges. Although the DMV report did not advise Lobdell of the basis for the lost privileges, the revocation of Jackson’s license was due to the March 30, 2011 arrest. When Mannarino contacted Potter to inform him that Jackson was no longer permitted to drive OGS vehicles, Potter finally told Mannarino that he suspected that Jackson had an alcohol problem. Mannarino claimed that if he had known about the conduct earlier, he would have initiated disciplinary action against Jackson.

While state and OGS policy clearly prohibits the use of alcohol at work or being impaired by alcohol at work, the supervisors interviewed in this investigation repeatedly stated that they were not trained to determine if someone was impaired. Nevertheless, three of Jackson’s supervisors admitted that they were aware that Jackson smelled of alcohol at work and might have had a drinking problem. When confronted with their admissions, each supervisor asserted that the smell of alcohol on someone’s breath or person does not necessarily mean the person is impaired. Regardless of the merit of this assertion, no one took appropriate steps to address the matter. Each supervisor directed a lower level supervisor to speak to Jackson, and Potter attempted to refer the matter to Jackson’s union representative even though, as detailed earlier in this report, OGS policy requires that either Legal Services or Human Resources Management be contacted.

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<sup>6</sup> The employee was terminated by OGS on September 7, 2010.

## **Abuse of Time and Other Misconduct Ignored by Supervisory Staff**

During the investigation into the Jackson matter, the Inspector General learned of an incident that had recently occurred at the plant. A longtime employee, Boyd Bonner, a Plant Utilities Engineer 1, was a fan of the television show, *Dancing with the Stars*. Bonner normally worked the day shift, but periodically was required to work an evening shift to cover for a co-worker who was off. Toward the end of the 2011 season of the show, Bonner was ordered to work several evening shifts, which overlapped with the prime time airing of the show. Rather than miss the show, Bonner attempted to watch it on a television brought to the plant by an employee and maintained in an unauthorized break room at the plant, but the room had been locked by other employees. Bonner apparently was furious to have been locked out of the unauthorized break room and objected to Potter. Potter, who admitted to the Inspector General that he had been aware of both the existence of the unauthorized break room and the television prior to Bonner's complaint, ordered the television removed from the facility. During the following week, on May 17, 2011, Bonner again was assigned to the afternoon shift, but this time he came to work prepared to circumvent any obstacles to watching the show. About 20 minutes before the show began, Bonner went to the enclosed parking deck at the plant and removed from his personal vehicle a television, a 15-foot-long antenna, a portable generator, and a chair, and prepared to watch television. He watched the entire two-hour broadcast of the show on the deck, and then spent approximately 20 minutes dismantling the makeshift living room he had assembled. The entire scene was recorded on the plant's video cameras. On the video, several plant employees, including the shift supervisor, William Tatro, are seen walking past Bonner as he watched the television.

Tatro informed the Inspector General that other than monitoring the plant gauges and conducting two plant tours a shift, there is little work to be done on the afternoon and overnight shifts. Many employees on those shifts watch television or engage in non-work activities. Tatro admitted that Bonner watched television on the date in question while Tatro was on duty. Tatro explained that Bonner was "just killing time" watching *Dancing with the Stars*. Tatro stated that he thought the incident was funny,<sup>7</sup> but admitted that, "the elaborate antenna and all that didn't look good." Tatro claimed that because he was not Bonner's regular supervisor, he did not discipline him; nor did he inform Bonner's regular supervisor, or anyone else at OGS.

Bonner's direct supervisor was Michael Pranchak, who also was Jackson's supervisor. Pranchak told the Inspector General that he and Potter decided to informally address Bonner's conduct "in-house" because "we just didn't probably didn't want to shed any light on the plant in that regard." Potter admitted that he took no disciplinary action against either Bonner for spending two hours watching television, or Tatro for the failure to supervise, because, he claimed, when he tried to discipline employees in the past, his efforts were blocked by Lobdell. He admitted that he kept the situation "in-house" and only told his direct supervisor, Michael Mannarino. According to Potter, Mannarino told Potter that Bonner was an "idiot," but did

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<sup>7</sup> Tatro exhibited a complete lack of supervisory responsibility. In addition to Bonner's conduct, he had also heard about Jackson's drinking issues. He claimed that he never encountered any problems with Jackson on his shift, but when asked what he would have done if he found Jackson drinking a beer at work, Tatro responded, "A beer? Nothing."

nothing further. When confronted with these events, Mannarino denied knowing of the incident prior to the Inspector General uncovering it.

Potter claimed that Bonner had been a problem employee for many years but that Gilroy and Lobdell failed to support his attempts to discipline Bonner. In one performance review, Potter suggested that Bonner undergo a medical review by Employee Health Services based on his behavior at work, but that request was ignored by Lobdell. Interviews with Bonner's co-workers confirmed that Bonner had a long and problematic history with OGS. During his 30-plus years at the agency, Bonner was found on numerous occasions sleeping on the job, was discovered watching television at least three times when he should have been working, walked off the job, and yelled at his supervisors. A review of Bonner's personal history folder revealed that only one incident resulted in discipline.<sup>8</sup> And none of the above behavior led to an unsatisfactory performance evaluation.<sup>9</sup> Bonner's time and attendance was also historically poor, and he was only required to produce medical excuses for his non-scheduled absences intermittently. In addition, when he failed to bring in an excuse, or when he walked off the job, he was never disciplined. According to several co-workers, Bonner was rewarded for his poor behavior with easier work assignments; Bonner generally had hours of free time each work day.

Anthony Isgro, the former Plant Manager, and Michael Mannarino, who became Potter's supervisor in 2010, both confirmed that Bonner was a poor employee. Mannarino claimed that he did not bother to take action against Bonner because Bonner was scheduled to retire in April 2012 and that discipline was therefore futile.<sup>10</sup> Isgro, on the other hand, explained that he had been Bonner's supervisor more than once in his career. Isgro claimed that on his first tour as Bonner's supervisor, he attempted to bring Bonner in line by issuing counseling memoranda and requiring that Bonner punch in and out on a time clock. Isgro claimed that he tried to take other actions, but those attempts were thwarted by Gilroy and Lobdell. OGS records confirm that between approximately 2001 and 2004, Isgro initiated remedial measures in an attempt to improve Bonner's attendance and performance. Isgro stated that after he was promoted out of his supervisory position with Bonner in 2004, no one else undertook progressive discipline. When Isgro returned to the plant in mid-2008, he claimed that he felt it was useless to try to bring Bonner under control a second time. Isgro stated that during his time at OGS, he has become disenchanted with the progressive discipline system and that it was not a productive use of his front line supervisors' time. Isgro stated that, "It's easier to just set him aside than to go through . . . counseling, discipline, the union gets involved . . . it just becomes so time-consuming, and, I guess, history speaks of people getting off of this stuff, and I say 'so why bother?'" Equally frustrating, according to Isgro, was the direction of Martin Gilroy encouraging lower level supervisors to keep matters "in-house" rather than refer employee issues to OGS management at the Empire State Plaza in Albany.

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<sup>8</sup> In 1990, Bonner was disciplined for bringing a television and mattress into work and for being found asleep three times during the same shift on his mattress. The penalty was a fine of 10 days of pay. This discipline was imposed prior to his transfer to the steam plant.

<sup>9</sup> In 1982, an OGS supervisor attempted to fail Bonner on his first probationary evaluation which would have led to his immediate termination. The supervisor noted that Bonner "did little work," was a "time abuser," and had "poor self-control." The evaluation, however, was prepared three months late and Bonner had successfully completed probation because of the passing of the probationary period. Although many of his subsequent performance reviews noted similar deficiencies in his conduct, Bonner was never issued a timely unsatisfactory evaluation.

<sup>10</sup> Bonner retired on April 9, 2012, while facing discipline for actions uncovered by this investigation.

## **Failure to Adequately Perform Facility Inspections**

As noted earlier in this report, commencing in 2009, OGS Deputy Commissioner William Hill required that all OGS supervisors reporting to then Group Director of Real Property Martin Gilroy perform two inspections of facilities under their control each month and memorialize their observations in tour reports. At that time, the group consisted of two subgroups: Building Management (which was the subject of the Inspector General's 2009 report) and Utilities Management. Tours conducted by managers who were eligible for overtime were to be conducted during normal working hours; tours conducted by managers who were not overtime eligible were to be conducted at times other than normal working hours. As was noted in the Inspector General's 2009 report, some members of OGS management had not been to the East Garage, the site of an unauthorized and misused break room, in over seven years. According to Hill, the purpose of these inspections was to return management staff to the field and make them aware of what was occurring at OGS's various locations.

The Inspector General reviewed the tour reports, focusing primarily on reports documenting tours conducted by the managers who were not eligible for overtime. In most cases, the tour reports were wholly inadequate, including only minimal details such as date, time, building, and employees working that shift. The reports filed by Building Management staff – those managers under review in the Inspector General's 2009 report - however, were more comprehensive than those filed by the Utilities Management supervisors. The reports of two Building Management staff were particularly noteworthy in their detail. One manager from Building Maintenance uncovered an employee stealing from a downstate facility. The incident was referred to Human Resources Management and the employee was terminated. Another manager in Building Maintenance at the Empire State Plaza found one employee sleeping and another group of employees taking an extended break in a makeshift break room, which was ultimately dismantled following its discovery. This manager memorialized both incidents and forwarded them through his management structure, but he was unaware of any discipline that resulted from his discoveries. Rather than rely on discipline alone, that manager drafted additional reports concerning his re-checks of the employees involved in both incidents. Both managers related to the Inspector General that they had received little guidance from their supervisors on how to conduct the tours or complete the reports, but that they wished to competently do so. Unfortunately, it appears that these managers were the exception.

In fact, when the Inspector General conducted an unscheduled tour of the Sheridan Avenue Steam Plant, investigators found multiple unauthorized break rooms, cigarette butts inside the facility, and inappropriate photographs and depictions of women. When questioned, none of the male employees thought that the suggestive images were inappropriate because, they asserted, women did not have access to those areas of the plant. As noted previously, Potter only asked that the photographs be removed when he knew that an outside guest was visiting the facility.

Significantly, Gilroy and his subordinate in charge of utilities, Robert Lobdell, were derelict in their duties with respect to the required inspections. Lobdell was responsible for Utility Management throughout the Albany area including the Empire State Plaza, the Harriman Campus, the Riverfront Pump Station, as well as the Sheridan Avenue Steam Plant. Neither

official conducted their twice-a-month tours on a regular basis after the first few months, and rarely, if ever, conducted tours in the early morning hours. For instance, Gilroy did not submit a single report from 2009 through 2011 for an inspection after 8:00 p.m. or before 6:00 a.m. In addition, the reports he submitted contained little to no information and lacked detail regarding the operations that should have been observed. Gilroy even submitted a report relating to an employee holiday party that commented solely on the food served. Lobdell's reports were similarly inadequate, with only one report covering the hours from 11:30 p.m. to 7:30 a.m., and then only because he was called to a facility because of an emergency. Notably, Lobdell did not inspect the plant until the day after the Inspector General visited the site and the investigators' tour became known.

When confronted with the inadequacy of his tours, Lobdell conceded that his "visits are generally after work, before work, 8 o'clock at night, they'll be a few, but not in the middle of the night." Lobdell admitted that after he heard that the Inspector General had visited the plant, he decided to conduct his own tour of the facility. During that tour, Lobdell revealed that he spoke to Bonner, who admitted his conduct regarding the television. Lobdell also testified that Bonner told him that both Jackson and Pranchak were drinking in the plant.<sup>11</sup> However, at that point, he knew of the Inspector General's investigation of the matter and, therefore, did not report it further.

Lobdell admitted to the Inspector General that he was aware that Bonner has been a problem for years, but he had done nothing to address the situation. He never showed up at the plant at off hours except in an emergency. Nevertheless, Lobdell tried to divert attention from his failure to perform his duties, particularly the bi-monthly tours required by Hill, and instead blamed his subordinates, including Potter, stating, "supervisors are too lazy to take the steps to do the right thing to justify and write and document when people are doing the wrong thing . . . I've been trying to turn that around." When asked, however, if he ever disciplined a supervisor for failing to supervise, Lobdell admitted that he had not. Lobdell then stated that if a problem existed, he "assumed" that someone would tell him, and that no one ever told him about ongoing problems with Bonner. Contrary to this assertion, OGS documents revealed that when Potter and Isgro forwarded reports and performance reviews detailing Bonner's shortcomings, those documents were sent through management channels before being placed in Bonner's personal history file. Lobdell was shown those documents by the Inspector General, and he conceded that his initials appeared on each of them.

In addition, other than Bonner's statement that Jackson and Pranchak were drinking on the job, Lobdell testified that he was unaware that anyone was drinking at the plant.<sup>12</sup> Lobdell, rather than admit that he might have observed the improper conduct if he had performed his inspections as required by Hill, again tried to blame his subordinate managers. Lobdell stated that the supervisors should have known to contact Human Resources, but then admitted, "I don't know that it's ever been a real . . . topic of discussion."

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<sup>11</sup> Pranchak, when interviewed by the Inspector General, denied drinking on the job.

<sup>12</sup> Lobdell admitted that he knew that Jackson lost his driving privileges for a period, but denied that he knew it was for Driving While Ability Impaired or that it involved the consumption of alcohol during work hours at an OGS plant.

The Inspector General also interviewed Lobdell's supervisor, Martin Gilroy.<sup>13</sup> Gilroy was interviewed previously as part of the Inspector General's 2009 investigation and was at the top of the chain of command under scrutiny in that investigation. Gilroy admitted that he received a counseling memorandum from former-OGS Commissioner John Egan after the Inspector General's report was issued and that the counseling specifically directed that his supervisory performance had to improve. Gilroy also admitted being directed by Hill to perform the same bi-monthly tours as all of his subordinate staff and to submit reports of those tours to Hill. Gilroy, however, failed to follow this directive. Instead, Gilroy denied any knowledge of the activity mentioned in this report and claimed that he was kept uninformed by his subordinate staff. Gilroy had no explanation for his failure to complete his inspection tours properly, and when asked about the quality of the reports of his subordinate staff, he claimed that his role in the process was merely to forward their reports to Hill. Hill claimed to have reviewed the reports, noted the deficiencies, and to have raised them with his subordinates. Despite Hill's assertions, the Inspector General uncovered no improvement in the tour reports under review.

Gilroy's statements throughout his interview evinced a manager who wished to be kept uninformed. Gilroy admitted he directed his staff to look for unauthorized break rooms at OGS properties, but conceded he did not expect to be advised if the managers found any. Rather, Gilroy stated that if one of his managers found anything, he expected staff to "deal with it and address it." When confronted with his own deficient tour reports and the poor reports prepared by most of his staff, Gilroy denied responsibility and blamed his subordinates. Rather than address the abdication of his responsibilities as a supervisor, Gilroy repeatedly denied knowledge of any of the conduct described in this report. Indeed, Gilroy appeared far more concerned about the issuance of another negative report by the Inspector General than his own mismanagement.

## **FINDINGS AND RECOMMENDATIONS**

The Inspector General determined that OGS employee Daniel J. Jackson, a Plant Utilities Engineer 1 assigned to the Sheridan Avenue Steam Plant, had a history of using alcohol while at work and often arrived at work smelling of alcohol. The Inspector General also determined that several co-workers and supervisors were aware of Jackson's drinking but failed to take appropriate action, either by referring him to the Employee Assistance Program for alcohol counseling or OGS's Bureau of Human Resources Management for discipline.

In the course of the investigation, the Inspector General uncovered additional problems at the steam plant indicating significant personnel problems that management both caused and ignored. Each revealed potentially broader systemic deficiencies by OGS management, including inadequacies in implementing the remedial policies recommended in the Inspector General's 2009 report. Specifically, management was aware of and ignored significant time abuse by Boyd Bonner, a Plant Utilities Engineer 1, who openly constructed his own elaborate entertainment area and watched television for significant periods of his shift.

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<sup>13</sup> Gilroy was interviewed by the Inspector General on January 26, 2012, and retired on April 12, 2012.

The investigation further revealed a systemic deficiency in management supervision of the steam plant and failure to follow inspection reporting policy, which contributed to the problems identified above.

The Inspector General recommended that OGS management conduct tours of its facilities statewide consistent with the recommendations of the Inspector General's 2009 report and the subsequent directive by OGS management. The tours should be conducted consistent with their original intent: bi-monthly tours should be conducted during every shift; detailed reports that include every area inspected and both positive and negative findings; these reports should be drafted and forwarded to supervisors and executive management; staff should be trained on how to conduct the tours and what types of information should be included in the tour reports; and, audits of inspection reports should be conducted, and copies of the reports should be provided to Human Resources Management for potential disciplinary action.

The Inspector General further recommended that staff be trained in proper supervision and discipline procedures to improve or remove problem employees. Managers also must be trained in state and OGS policies to recognize and properly handle suspected alcohol use by subordinate staff.

Prior to the issuance of this report, the Inspector General referred information from this investigation to OGS for discipline of staff responsible for the conduct described in this report. OGS advised that it took the following action with respect to individual OGS employees:

- Robert Lobdell, Director, Division Albany Utilities, was required to pay a fine equivalent to 30 days' pay, totaling approximately \$13,212; conduct facility tours of each OGS utility location on a monthly basis at designated times of the evening; and undergo specified training.
- Michael Mannarino, Plant Superintendent A, was required to pay a fine equivalent to 25 days' pay, totaling approximately \$8,100, and undergo similar training and tour requirements as those imposed on Lobdell.
- Terrance Potter, Plant Utilities Engineer 3, was required to pay a fine equivalent to 15 days' pay, totaling approximately \$3,944, and to undergo appropriate training.
- Michael Pranchak was required to pay a fine equivalent to 10 days' pay, totaling approximately \$2,240; and to undergo appropriate training.
- William Tatro, Plant Utilities Engineer 2, was required to pay a fine equivalent to one day of pay, totaling approximately \$228. He has since retired.
- Daniel Jackson, Plant Utilities Engineer 1, was required to pay a fine equivalent to 15 days' pay, totaling approximately \$3,160. In addition, Jackson was placed on a two-year probationary period with random drug and alcohol testing. Any further misconduct by Jackson, or his failure to take or pass a blood test for substance abuse during the probationary period, will result in immediate termination.
- Boyd Bonner, Plant Utilities Engineer 1, was issued a Notice of Discipline and subsequently retired in April 2012.

- Martin Gilroy, Director of Facilities Management and Operations, retired on April 12, 2012, thereby precluding discipline.
- Anthony Isgro, Plant Utilities Engineer 4, was not disciplined as all conduct described in this report took place prior to 2010, outside the permissible disciplinary period.

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**The response of the Office of General Services to the Inspector General's report appears on the following pages.**



**ANDREW M. CUOMO**  
GOVERNOR

**ROANN M. DESTITO**  
COMMISSIONER

STATE OF NEW YORK  
**EXECUTIVE DEPARTMENT**  
**OFFICE OF GENERAL SERVICES**  
MAYOR ERASTUS CORNING 2ND TOWER  
THE GOVERNOR NELSON A. ROCKEFELLER EMPIRE STATE PLAZA  
ALBANY, NEW YORK 12242

May 29, 2013

Ms. Catherine Leahy-Scott  
New York State Inspector General  
Office of the State Inspector General  
Empire State Plaza  
Agency Bldg. 2, 16th Floor  
Albany, NY 12223

Dear Ms. Leahy-Scott:

Re: NYS IG 0274-002-2011: Sheridan Avenue Steam Plant

I am writing in response to your report concerning Supervision at the Office of General Services (OGS) Sheridan Avenue Steam Plant. I was dismayed to learn shortly after my appointment as OGS Commissioner in May 2011 of the apparent lack of supervision taking place within the OGS Real Property Management Group as discovered by your office. Since my appointment, I have strived to ensure that all employees and supervisors perform their duties in a professional manner and with integrity and dedication to the highest principles. I will discuss the steps I have already taken, and additional steps I plan to take, to address the deficiencies noted in your report.

I wish to commend your staff for working cooperatively with OGS' s Legal and Labor Relations staff throughout this investigation so that we could take immediate action to address the issues identified. As you know, I was very upset to learn of the failure of certain supervisory officials in our Utilities Management Division to proactively address the apparent substance abuse problem of Mr. Jackson and the time abuse and unauthorized break room usage by Mr. Bonner. Because the Inspector General shared information with my staff in a timely fashion, OGS was able to commence the disciplinary actions as reflected in your report. As a result, six employees were disciplined, paid fines totaling in excess of \$27,000 for their misconduct, and attended. Code of Conduct training with a focus on Supervisory responsibilities. Unfortunately, no disciplinary action was taken against Boyd Bonner, who retired on April 4, 2012 less than 2 weeks after being served with a Notice of Discipline seeking his termination from state employment, and Martin Gilroy, the Director of Facilities Management and Operations, who was responsible for the oversight of the OGS Utilities Management Division and retired from State employment on April 12, 2012.

OGS-- Utilities Management-- Division lost thirty-three (33) Utilities Division employees (approximately 30% of the Utilities Staff), including ten (10) supervisory positions, between 2009 and 2012. This reduction significantly impacted operations, resulted in daily reassignments of engineer staff, and insufficient supervision. In addition to disciplining the referenced individuals, OGS eliminated Mr. Gilroy's position as well as the position of Director of General Services Facility Management and consolidated those duties into a new Deputy Director of Real Property Management position. Working with the Department of Civil Service and the Governor's Office of Employee Relations, we were finally able to fill a number of vacancies and alter the work and supervisory schedules of the employees within our Utilities Management Division. We also appointed a new Deputy Commissioner for Real Property Management in April of 2012. These reforms 'have not only increased the Utilities Management Division's productivity and reduced contractual preventive maintenance and overtime costs, but have also resulted in increased supervisory oversight and accountability.

In addition, in 2012 our Legal and Labor Relations staff provided in-person Code of Conduct training to all OGS Utilities Management Division employees and supervisors. During the course of these trainings, supervisors were reminded that OGS has zero tolerance for violations of our Code of Conduct. Supervisors were advised that they are required to visit their business unit areas and employees at irregular times to ensure compliance with agency policies and practices. I further directed, prior to our receipt of your report, that our Legal and Internal Controls staff provide your agency's recommended Code of Conduct and Internal Controls training to OGS Executive Staff. During both trainings, supervisors were advised to contact Legal Services or Human Resources to seek assistance in handling conflicts or disciplinary situations including, but not limited to, concerns of substance abuse.

We recognize the importance of conducting bi-monthly unannounced tours during every shift of our facilities, providing detailed reports of our findings, forwarding such reports to supervisors and executive management and conducting training and performing audits with respect to the tour reports. I personally accompanied our new Deputy Commissioner for Real Property Management on a late night unannounced visit to several locations. We also understand the value in training staff in proper supervision and discipline procedures, and in recognizing and properly handling instances of suspected alcohol use. We are already taking appropriate steps to implement these recommendations.

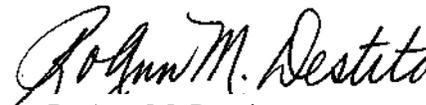
For example, we are actively working with our training staff to concert your training PowerPoint for Code of Conduct and Internal Controls to an electronic format with questions which require correct answers before the employee can continue through the training module. In light of our reduction in resources, we believe online training will provide the guidance necessary for our employees. We plan to require that all OGS employees take this training on an annual basis. This online training, like the classroom setting training referenced above, will address supervisory responsibilities relative to employee substance abuse, seek to identify any instances where improper conduct is taking place on state property, and make assistance available to all business units within the agency from OGS Legal Services, Human Resources and Labor Relations. We will ensure that all supervisors are made aware, in accordance with the 1995 GOER Alcohol and Controlled Substances in the Workplace policy memorandum, that our Labor Relations Department should be contacted immediately when there is a reasonable suspicion that an employee is not able to perform his or her duties as a result of a disability which may be caused by alcohol or a controlled substance.

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We understand and welcome your recommendations for improvements relative to the review of the bi-monthly inspection tours. We are changing our process to have the inspection reports audited by our Legal Services unit. Should there be an incident noted which requires disciplinary action, and the supervisor has not already addressed the situation, that inspection report will be provided to OGS Labor Relations for review and appropriate action, as well as to your Office.

I again wish to thank the Inspector General for the cooperative manner in which this investigation was conducted. We look forward to working with your Office in the future.

Sincerely,

A handwritten signature in black ink that reads "RoAnn M. Destito". The signature is written in a cursive style with a large initial "R".

RoAnn M. Destito

cc: H. Zwickel  
N. VanDoren



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