

PISCES Board of Directors Meeting Minutes

20 May 2014

9:00 a.m. Hawaii Standard Time

I. Call to Order/Roll Call:

It was determined that a quorum was present, and the meeting was subsequently called to order by PISCES Board Chairperson, Henk Rogers.

Other Members in attendance included:

Governor George Ariyoshi

Lewis Peach, Board Secretary

Hoyt Davidson

Mary Alice Evans (representing the Director of DBEDT)

Galen Ho

Jim Keravala

Donald Straney (departing at 10:13 am)

Rob Kelso

Also in attendance:

Rodrigo Romo and Polly Roth, PISCES staff

Members of the public

II. Approval of meeting minutes:

- Board Meeting – March 21, 2014: Draft minutes were circulated prior to the meeting. Ms. Evans made a motion to accept the March 21, 2014 minutes as submitted. Governor Ariyoshi seconded the motion, and the Board voted unanimously to accept the minutes.
- Board Meeting – November 1, 2012: Draft minutes were circulated prior to the meeting. Ms. Evans made a motion to accept the November 1, 2014 minutes as submitted. Governor Ariyoshi seconded the motion, and the Board voted unanimously to accept the minutes.
- Board Meeting – November 11, 2012: Draft minutes were circulated prior to the meeting. Ms. Evans made a motion to accept the November 11, 2014 minutes as submitted. Governor Ariyoshi seconded the motion, and the Board voted unanimously to accept the minutes.

III. Request for Approval of Executive Director's Travel, May 15 – June 20, 2014:

Ms. Evans noted that RCUH has delegated the authority to approve travel expenditures to the Principal Investigator (P.I.) for research projects such as PISCES, however, she is requesting that the Board discuss the appropriateness of the PISCES Executive Director teleworking, including supervision of the PISCES staff, from Houston from May 15 to June 20, 2014. Members of the Board agreed that the work of PISCES requires the development of relationships with organizations located outside of Hawaii, and more specifically in Houston, because we are building an industry that is in its fledgling stage in Hawaii. The Executive Director needs flexibility in building these relationships, including the judicious use of teleworking. The Board agreed to assign two requirements to the Executive Director when he

is teleworking:

- A. Produce a document that outlines how Hilo employees will be managed, supervised and held to the planned activities in the Executive Director’s absence.
- B. Produce a report on activities and meetings undertaken while in the teleworking location.

The Board elected to address related personnel matters in an Executive Session at the end of the public meeting.

IV. Update on Staff Changes:

An updated PISCES staff organization chart was provided to the Board members. Two part time employees, a Robotic Specialist and a PIO Assistant, have been added to the roster bringing the total FTE count to 6.25.

V. Legislative update on PISCES bills and budget appropriations

Mr. Kelso reported that the Legislature approved the following resolutions introduced during the session.

- A. HR 99 “designating July 20, 2014 as ‘Tranquility Base Day’ in Hawaii to honor the forty-fifth anniversary of the Apollo 11 Lunar Landing at Tranquility base and urging the United Nations Educational Scientific and Cultural Organizations to include Tranquility Base and associated artifacts on the World Heritage List”, and
- B. HR 97 “commending and supporting the Pacific International Space Center for Exploration Systems’ collaborative work with the National Aeronautics and Space Administration and private industries in the areas of basaltic concrete and additive manufacturing and requesting collaboration to explore opportunities for applications of basaltic concrete and additive manufacturing”.

Mr. Kelso also reported on the funding bills in the Legislature, providing the chart below as a snapshot of the requests and current appropriations. Appropriations listed below are not enacted until the Governor signs them into law in early July. It is possible that there will be a restriction, since predicted revenue growth has decreased from earlier projections. Mr. Kelso stated that PISCES staff are revising plans for the fiscal year to assure optimal productivity at the reduced operations funding level. Revised budgets for FY14 & FY15 will be presented at a July Board meeting.

Bill #	Description	Request	Appropriation
SB2583/HB2151	Laser Communications Ground Station Initiative	\$500K	\$250K
SB2584/HB2150	Sustainable Technologies	\$250K (Subject to match with State of California)	\$0
SB2585/HB2152	PISCES Operations & CIP	\$1.376M * \$1.5M	\$500K ** \$0

* The total original budget for FY15 was \$1.776M, of which \$400K was already appropriated in the first year of the biennium.

** Since \$400K was appropriated in the first year of the biennium, the total appropriation for PISCES operations in FY15 is \$900K.

VI. Update on PISCES lab facilities

Mr. Kelso reported that the laser lab set-up at UH-Hilo is nearly complete. Once safety modifications are complete, the laser can be powered on. This should occur in the coming week.

The rover was also housed in a lab on the UH-Hilo campus until last week when it was relocated to a rented high bay facility in Shipman Industrial Park. The new location provides more space for working on and maneuvering the rover, and will also accommodate a microwave sintering area and storage for some of the more sensitive analog site support equipment.

VII. Update on PISCES build-out plans

Mr. Kelso noted that since the Hawaii Legislature did not appropriate the requested \$1.5M CIP funds for purchase of the Shipman land parcel for the PISCES building, there will be at least a one-year delay in accessing CIP funds for this purpose. This delay in starting design and construction of the planned PISCES building means other options will need to be considered in order to reach the goal of having the new Control Center available for NASA laser communications currently scheduled for 2018.

There is \$1.57M remaining from current CIP funds appropriated in 2012 for use in FY13 and FY14. These funds must be allotted and encumbered prior to June 30, 2014, or the funds will lapse. Pursuant to the direction of the PISCES Board at its January 29, 2014 meeting, DAGS requested that the funds be encumbered for the purpose of additional planning (~\$1.2K) and design (~\$1.4M) work for the PISCES facility. However, the Department of Budget and Finance had concerns about expending the amount requested for design work. It is unlikely that there is time before the June 30th deadline to allot and encumber the funds for construction. CIP fund-appropriations can only be extended by law. Since the Legislative session is over, the funds are beyond extension by law. If the Department of Budget and Finance recommends disapproval of this or an amended request, the remaining CIP funds will lapse.

Mr. Kelso noted that DAGS and PISCES staff have been investigating the possibility of an allotment and encumbrance alternative that could be executed prior to the deadline. There is 6,000 square feet of warehouse space currently available for rent for storage purposes in the Hilo Foreign Trade Zone (FTZ). Conceptually, the space could work for PISCES office and labs in the near term. The concept that \$1M in FY13/FY14 CIP funds could be encumbered for the lease and tenant improvements at the FTZ was discussed, but there are several impediments to the approach.

- An Executive Order from DLNR has granted use of the land and warehouse to DBEDT for FTZ activity. If the activities PISCES will be undertaking do not fall within that purpose, there would need to be a new Executive Order. DLNR and DBEDT would have to agree to such a change, and the change itself would take months.
- Using \$1M of FY13/FY14 CIP funds for a warehouse lease and tenant improvements has not been determined to fall within the parameters for use of CIP funds.
- Approval of an Allotment Request and encumbering \$1M of FY13/FY14 CIP funds for the warehouse lease and tenant improvements cannot, in all likelihood, be

accomplished by the June 30, 2014 deadline. There is a lot of information that would need to be gathered to support the Allotment Request, and the process of contract encumbrance itself takes time, particularly in the end of the year when there is a backlog of requests to encumber funds approaching deadline.

- Since the PISCES Board voted to accept the Shipman site as their first choice, they may need to authorize use of a different site where building and development could occur, even as a temporary option.

Time is of the essence, and each of these procedural steps will require time.

The Board agreed to keep decision makers informed so that the PISCES program can continue its work and make progress on its goals.

VIII. Project Updates

Advance materials providing updates on the Hawaii County basalt construction project, the 3D regolith project with NASA and Phase I of the NASA laser communication project were provided to the Board. In the interest of time, Mr. Kelso commented only briefly on these projects.

IX. Timeline for annual report to Legislature

Advance materials provided to the Board noted that the annual report to the Legislature will be ready for Board review in early July. The Board will be able to review and provide feedback on the report prior to a Board meeting in mid-July to capture additional comments and discuss specific report-related issues. The report must be finalized by early August order to assure that there will be time to submit the report through proper channels for an on-time delivery of September 1, 2014.

EXECUTIVE SESSION: A role call was taken to determine that there was still a quorum present. The Board unanimously voted to enter an executive session to address personnel matters raised in agenda item III.

X. Update on November 2014 Aerospace Conference planning

Due to time constraints, this was deferred until a future meeting.

XI. Schedule next Board meeting and adjourn:

The Board will aim to meet in mid-July. The date and time will be determined by a poll circulated by PISCES staff. The meeting adjourned at 10:38 am, HST.