

PISCES Board of Directors Meeting Minutes

26 February 2015

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

Jim Crisafulli (representing the Director of DBEDT)

Rob Kelso

Don Straney

Also in attendance:

Gregg Kinkley, Deputy Attorney General, State of Hawaii

PISCES staff: Mari-Ela David Chock, John Hamilton, Polly Roth

II. Approval of meeting minutes:

Board Meeting – November 8, 2014: Draft minutes were circulated prior to the meeting.

Mr. Crisafulli made a motion to accept the November 8, 2014 minutes as submitted.

Governor Ariyoshi seconded the motion, and the Board voted unanimously to accept the minutes.

III. Budget update and related approvals:

Appropriation update: Ms. Roth briefed the board on the status of the \$900K appropriated to PISCES in the FY15 budget, noting that there has been a \$110K restriction placed on the funds appropriated in the Governor's budget, reducing the full amount available for allocation from \$900K to \$790K.

Cash flow issues: As of January 31, 2015, 58% into the fiscal year, only 10% (\$90K) of the total FY15 appropriation has been made available for PISCES use. Ms. Roth illustrated the cash flow issues resulting from the pace of release of FY15 funds. An additional \$200K has been allocated and is moving through administrative steps that will make it available for expenditure. The request for allocation of the remaining \$500K is in the Governor's office awaiting approval.

FY15 Expenditures YTD: Ms. Roth presented expenditure reports for the period July 1, 2014 through January 31, 2015 showing \$454,633 in total expenditures, of which \$345,568 were expended for personnel costs, \$93,691 for non-labor operations costs and \$15,374 in overhead.

Revised budget: PISCES presented a revised budget for the sixteen months between July 1, 2014 and October 31, 2015, that takes into account the \$110K restriction imposed by Governor Abercrombie. The proposed revised budget was \$1,210,638, of which \$890,000 is for personnel costs, \$274,075 for non-labor operations costs and \$46,563 for overhead. Mr. Crisafulli made a motion to accept the revised budget as presented. Governor Ariyoshi seconded the motion, and the Board voted unanimously to accept the revised budget.

IV. Board review and approval of PISCES MOU with Google Lunar XPRIZE (GLXP):

A Memorandum of Understanding between Google Lunar XPRIZE and PISCES was presented to the Board for approval. The MOU expresses the wish to establish cooperative relations in conducting allied, parallel and synergistic efforts in the emerging commercial space enterprise sector, as well as collaborative efforts in education. Mr. Crisafulli made a motion to approve the MOU with GLXP. Governor Ariyoshi seconded the motion, and the Board voted unanimously to approve the MOU.

V. Review/closeout of actions arising from the November 8, 2014 Board Meeting:

- a. All Board Members: Propose new Board Member candidates to Jim Crisafulli. Not much progress on this to date, revise deadline to April 30, 2015. Henk Rogers and Jim Crisafulli will work together to winnow the list to three candidates to be recommended to the appropriate nominating bodies.
- b. Governor Ariyoshi and Henk Rogers: Governor Ariyoshi suggested that he and Henk Rogers would assist in briefing the new administration on PISCES activities, projects and importance for economic development within the State of Hawaii. Completed & closed.
- c. PISCES staff and Board: Submit ideas for a catchy tag line to Mari-Ela Chock or Polly Roth by the revised deadline of April 30, 2015.
- d. PISCES staff: Create a 60 second "elevator speech" by the revised deadline of April 30, 2015. This product will be informed by the catchy tag line referred to in item 'c'.
- e. PISCES staff: The original task was to develop a white paper that investigates the industry impact (jobs, technology, infusion of funds from outside the state and country) of various ideas and provides milestones on a biennium basis so that it is clear which budget will fund the various activities by 12/31/2014. It was agreed at today's meeting that the staff would propose some ideas for this task at the next full board meeting, likely in May 2015.
- f. Polly Roth, Board & Governor Ariyoshi: Re-circulate the white paper sent to Deputy Attorney General Gregg Kinkley on funding conduits, issues and options, and Mr. Kinkley's response. This paper describes the "special fund" option for which PISCES would have to obtain legislative approval. Governor Ariyoshi agreed to assist in briefing individuals within the executive and legislative branches on the special fund request. Completed & closed.
- g. Board Members: Provide feedback as soon as possible to Polly Roth or Christian Andersen on the Multi-Purpose Processing Facility white paper provided at the Board meeting. This paper will be circulated again, and the board is asked to provide feedback by the revised deadline of April 30, 2015.
- h. Henk Rogers: Provide a note of introduction for Mari-Ela Chock to individuals at Hawaii Public Radio. Chair Rogers asked Mari-Ela to contact him again.
- i. Galen Ho: Connect Mari-Ela with individuals at Think Tech, a program on OC16 (public access TV on Oahu). Chair Rogers asked Mari-Ela to contact him again.

VI. Update on PISCES-related bills being considered by the 28th Hawaii State legislature:

Mr. Kelso provided an update on the status of the PISCES bills that are currently being considered by the 28th Legislature of the State of Hawaii.

- The first bill, SB672, appropriates general funding for the Center to continue its planetary surface systems work enabling Hawaii to move to the forefront of the aerospace sector, as well as an additional appropriation for the acquisition of a central headquarters and testing

facility. The amounts requested are \$1.971M for operations and \$8.5M for facility acquisition.

- SB671 (HB867) is a PISCES-led basalt rebar initiative requesting funds for an engineering study to determine how volcanic basalt can be used as an asset and potential new industry in the State of Hawaii. The study will assess if Hawaii's basalt can be used as a material in manufacturing basalt rebar – a considerably lighter and stronger alternative to steel rebar – while investigating the necessary energy support needed for production. Funding for this initiative is likely to be included in a mega-omnibus bill rather than in this stand-alone bill, and HTDC will likely administer the funds.
- SB1158 proposes the establishment of a special fund for the operation, maintenance, and management of all PISCES projects, facilities, services, and publications. The bill also provides the ability for the Center to accept outside revenue.
- There are two other bills relating to PISCES. HB1282 seeks to provide funds for the Laser Communications Ground Station. We believe that the funds appropriated last year for the same purpose are still available. Jim Crisafulli will contact NASA personnel to get an update on the status of the project. SB673 is a measure that seeks to add a seat on the Board for the Director of the Office of Aerospace Development. This measure appears not to be gaining momentum since DBEDT already has Board representation.
- The bills are currently being evaluated by legislative committees for further approval.

VII. Board Membership update:

There are two vacant positions at this time, both positions are to be filled by House Nominees. Hoyt Davidson's term (Governor Nominee) ends on June 30, 2015, so it makes sense to address this circumstance at this time as well. Please refer to action "a" in agenda item V that asks all Board members to propose new Board Member candidates to Jim Crisafulli by April 30, 2015. Henk Rogers and Jim Crisafulli will work together to winnow the list to three candidates to be recommended to the appropriate nominating bodies.

VIII. Update on February 20th Lunar Flight Experiment Press Conference:

Mr. Kelso provided an update on the very successful February 20th Lunar Flight Experiment Press Conference, reviewing the coverage that the event received. All major Hawaii news stations covered it, as well as the major Oahu and Hawaii newspapers. Various on line news sites covered the event, including SpaceRef, Big Island Video News, Big Island Now, West Texas News and MSN. Associated Press (AP) covered the event and it was then picked up by at least fifteen mainland media markets. The PISCES website also posted an article about the event. The projected launch date for the lunar flight experiment is in the end of 2016.

IX. Schedule next Board meeting and adjourn:

There will be a brief, one topic PISCES Board meeting in mid-March to discuss aerospace measures being considered by the 28th Hawaii State Legislature. There will also be a May meeting to provide an update on legislative actions affecting PISCES. A doodle poll will be circulated by PISCES staff to identify appropriate dates. The meeting was adjourned at 10:12 am, HST.

Summary of Actions Due

Board Member Actions due by April 30, 2015:

1. Propose new Board Member candidates to Jim Crisafulli
2. Submit ideas for a catchy tag line to Mari-Ela Chock or Polly Roth
3. Provide feedback to Polly Roth or Christian Andersen on the Multi-Purposed Processing Facility

Henk Rogers Action due as soon as practical:

1. Provide a note of introduction for Mari-Ela Chock to individuals at Hawaii Public Radio

Galen Ho Action due as soon as practical:

1. Connect Mari-Ela with individuals at Think Tech, a program on OC16 (public access TV on Oahu)

Staff Actions due by April 30, 2015:

1. Submit ideas for a catchy tag line to Mari-Ela Chock or Polly Roth
2. Create 60 second "elevator speech"

Staff Actions due by the May Board meeting:

1. Propose some ideas for a white paper that investigates the industry impact (jobs, technology, infusion of funds from outside the state and country) of various ideas and provides milestones on a biennium basis so that it is clear which budget will fund the various activities