

## PISCES Board of Directors Meeting Minutes

12 August 2016

9:30 a.m. Hawaii Standard Time

### I. Call to Order/Roll Call:

A quorum being present, the meeting was called to order by PISCES Board Chairperson, Henk Rogers.

Other members in attendance included:

Kim Binsted

Luke Flynn

Galen Ho

Mary Alice Evans (representing the Director of DBEDT)

Don Straney

Patrick Sullivan

Kris Zacny

Also in attendance:

Office of Aerospace Development: Jim Crisafulli and Jeff Pang

Deputy Attorney General Gregg Kinkley

PISCES staff: Rodrigo Romo, Polly Roth, Rob Kelso

Others: John Hamilton

### II. Introduction of New Board Members:

Chair Rogers welcomed Dr. Kim Binsted, Professor at the University of Hawaii and the principal investigator for HI-SEAS, to her first PISCES Board meeting. Chair Rogers also welcomed Dr. Luke Flynn, Director of Hawaii Space Grant Consortium and the Hawaii Space Flight Laboratory, to his first PISCES Board meeting.

Another Board change was also noted. Rob Kelso became the PISCES External Relations & Strategy Specialist on July 26, 2016, leaving the PISCES Executive Director Ex-Officio Board Member position vacant.

### III. Approval of Board meeting minutes:

Board Meeting – May 11, 2016: Draft minutes were circulated prior to the meeting. Ms. Evans made a motion to accept the May 11, 2016 minutes as submitted. Mr. Ho seconded the motion, and the Board voted unanimously to accept the minutes.

### IV. Review and approval of FY2016 annual report to Legislature:

The draft of the FY16 PISCES Annual Report was distributed to Members of the Board on August 5, 2016 for their review in advance of the meeting. The content of the annual report is proscribed by statute and is due on September 1, 2016. After a brief discussion, Ms. Evans made a motion to accept the FY16 PISCES report to the Legislature. Chair Rogers seconded the motion, and the Board voted unanimously to accept the report.

Board Members noted that it would be useful to have a one-page summary report to provide

to interested parties. Mr. Romo explained that PISCES staff is working on a very brief report that will serve this purpose.

At this point in the meeting, there was a brief discussion about taking Item VI, Strategic Planning, out of order. The Board Chair determined to continue in the original order, particularly since the Strategic Planning discussion will extend beyond this meeting.

#### **V. Discussion and action FY2017 and FB 2018-19 funding:**

- **Options for use of FY17 funds:** Mr. Romo presented three approaches to using the \$609.2K available for use in FY17 (\$229.2K funds carried out from FY16 plus \$380K from the anticipated FY17 allocation). Mr. Romo noted that the budget labelled “Current Plan” was based on receiving a requested amount of \$650K for FY17 rather than the actual received amount of \$380K. If the budget is not reduced, PISCES will run out of operating funds in June 2017. FY18 funds are likely to be approved and available for use in November 2017, so Mr. Romo provided two alternative plans for the Board’s consideration.

“Plan A” keeps current PISCES staff without adding an Executive Director position in January 2017 in contrast to the “Current Plan”. The result is that under “Plan A”, funds run out in August 2017.

“Plan B” includes reductions in force that would allow PISCES funds to last until November 2017. “Plan B” eliminated the External Relations & Strategic Specialist position at the end of October 2016, dropped the Administrative Services Specialist from 1 FTE to 0.6 FTE effective 9/1/2016, cut PIO hours from an average 20 hours per week to 10 hours per week effective 9/1/2016, and added an External Contracts/Grant Specialist position in November 2016 that is not salaried, but would receive performance-based compensation.

The Board discussed the options, with some members voicing concern about the low travel budget and other aspects of the fixed and variable costs. Ms. Evans made a motion to adopt budget “Plan B” for FY17 and to give the Program Manager the authority to amend budgets for both fixed and variable cost elements in order to take advantage of opportunities that may arise. Chair Rogers seconded the motion and the Board voted unanimously to adopt “Plan B”.

- **Options for Fiscal Biennium 2018-19 funding request:** Mr. Romo presented three options for the FY18-19 Biennium Budget Request: a “Low” option (\$550K); a “Medium” option (\$700K) and a “High” option (\$900K). The differences between the options were in personnel and operating expense costs.

Staffing ranged from 4.25 FTE for the “Low” option, to 5.75 FTE for the “Medium” option and 7.5 FTE for the “High” option. All options added new staff positions (either full or part-time) in grant writing and workforce development and restored the Executive Director position. The “High” option added a Project Manager in addition to the Executive Director.

Board members expressed concern about the low amount of the travel budget in all three proposals, and general concern about the low amounts for operating costs.

The Board suggested that the Project Manager in the “High” option be removed and that operating costs in all options be increased. In addition, they suggested that the “Low” option should be similar in amount to the funds available for FY17. Mr. Romo agreed to provide revised FB18-19 “Low”, “Medium” and “High” budgets to the Board by Monday, August 15, 2016, reflecting the Board’s advice.

Mr. Sullivan made a motion that PISCES submit their FB18-19 budget request for \$900K. Chair Rogers seconded the motion and the Board voted unanimously that PISCES submit a FB18-19 funding request for \$900K.

**VI. Strategic planning discussion:**

Chair Rogers began a discussion about PISCES’ future direction by noting that Hawai’i State funding for PISCES covers only very basic PISCES operations and that there is much more that can and should be done to expand opportunities for aerospace in Hawaii. He noted that taking a macro view of what PISCES should and/or shouldn’t do is an important strategic exercise that will help to define PISCES future direction and perhaps produce a big idea that will inspire action and collaboration from many quarters.

The Board discussed creating a project that can pull people together behind a large aspirational goal. Chair Rogers and Mr. Sullivan volunteered to draft a white paper that will lay out some of the big ideas and outline an overarching project. Once complete, the white paper can be used to engage people and obtain their feedback.

**VII. Informational update on strategic issues (external):**

Mr. Kelso gave a brief informational update on his activities in recent months.

**VIII. Informational update on operations (internal):**

Mr. Romo provided a status update on PISCES projects, referring Board members to the advance document for more detail.

**IX. Schedule next Board meeting and Adjourn:**

PISCES staff will circulate a poll to find a time for the next meeting on October 3, 2016, which is the Monday before the OAD Aerospace Conference in Honolulu begins. The meeting was adjourned at 11:33 am, HST.