

PISCES Board of Directors Meeting Minutes

24 July 2014

10:00 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 Vice Chairperson, Rob Kelso. Chairperson Henk Rogers was out of the country and unable to call in.

Other Members in attendance included:

Governor George Ariyoshi

Lewis Peach, Board Secretary

Hoyt Davidson

Jim Crisafulli (representing the Director of DBEDT)

Also in attendance:

Mari-Ela David Chock, Christian Andersen, Elliot Sanders and Polly Roth, PISCES staff

Members of the public

II. Approval of meeting minutes:

Board Meeting – May 20, 2014: Draft minutes were circulated prior to the meeting. Mr. Peach made a motion to accept the May 20, 2014 minutes as submitted. Governor Ariyoshi seconded the motion, and the Board voted unanimously to accept the minutes.

III. Board Membership Update:

The Governor's Office of Boards & Commissions provided a PISCES Board roster at Jim Crisafulli's request. Some of the information is out of date. As the contact for PISCES Board information listed on the roster, Ms. Roth provided updated information on the Chairpersons prior to the Board meeting. Ms. Roth will follow up after the meeting to provide updated information on the UH President. Jim Crisafulli reported that terms of two Board members, Henk Rogers and James Keravala, ended on June 30, 2014. The Hawaii State Senate appointed Henk Rogers to a second, four-year term ending on June 30, 2018. The Hawaii State House of Representatives has not made a determination yet about the seat held by James Keravala until June 30, 2014. This seat is currently vacant. Jim Crisafulli has provided Mr. Keravala's resume to the House, but has no current information on their plans for nomination. On June 30, 2015, the terms of Hoyt Davidson and Lewis Peach are scheduled to end. This agenda item will remain open pending an update from the Office of Boards and Commissions.

IV. Board review and approval of Annual Report for the submission to Hawaii Legislature:

All changes to the original Annual Report circulated to the Board had been incorporated in the draft circulated two days before the Board meeting. Board members complimented PISCES staff on a job well done. Mr. Peach noted that there was a NASA logo on page 7 of the report and asked whether PISCES had obtained permission from NASA for the use of the logo. PISCES had not sought permission from NASA, so it was decided that the logo should be removed from this year's report and that we would seek permission for subsequent years. Mr. Peach

mentioned that there is a formal process and an established policy and criteria to obtain NASA's approval to use the logo, and the NASA POC for this approval process is Mr. Bert Ulrich from NASA/PAO at Headquarters. Mr. Davidson noted that the report did not identify the beginning and end dates for the fiscal year of the report. It was decided that the beginning and end dates for the fiscal year would be identified early in the report. Mr. Peach made a motion that the annual report be approved with these two corrections and that the report should be submitted to the Hawaii State Legislature through proper channels. Mr. Davidson seconded the motion and it passed unanimously.

V. Request for Board approval of FY14 expenditures:

The Board reviewed the financial statements provided in advance of the meeting that showed \$667,972 in total expenditures, of which \$505,483 were expended for personnel costs, \$139,901 for non-labor operations costs and \$22,588 in overhead. Governor Ariyoshi made a motion to approve the FY14 expenditures as presented. Jim Crisafulli seconded the motion and it passed unanimously.

VI. Request for Board approval of proposed FY15 budget:

The Board reviewed the financial information provided in advance of the meeting showing carry out of \$420,638 of FY14 funds into FY15 that will be added to the FY15 appropriation of \$900,000 for a total available of \$1,320,638. The PISCES staff presented a 16 month budget for these funds, of which \$890,000 is budgeted for personnel costs, \$379,844 for non-labor operations costs and \$50,794 for overhead. Mr. Davidson made a motion to approve the 16-month budget as presented. Governor Ariyoshi seconded the motion and it passed unanimously.

VII. Request for Board approval authorizing DBEDT to amend the RCUH contract to add the FY15 funds appropriated by the 2014 Legislature and extend the term to 12/31/2015:

Ms. Roth informed the Board that DBEDT's current contract with RCUH to provide administrative services for PISCES is written for \$1.3M (includes the \$500K and \$800K from the 2013 and 2014 Legislative appropriations for PISCES) and will expire on December 31, 2014. The contract can be amended to add time and funds. Mr. Peach made a motion to extend the contract to December 31, 2015 and to add the \$900K 2015 Legislative appropriation for PISCES to the contract. Governor Ariyoshi seconded the motion and it passed unanimously.

VIII. Request for future briefing on DBEDT Aerospace vision:

Mr. Kelso informed the Board that Chairperson Rogers wants to ask DBEDT Director Richard Lim to give a briefing at a future PISCES Board meeting on the DBEDT vision of how PISCES and aerospace fit with economic development in Hawaii. The Board discussed the benefit of this request and the timing. Members noted that the results of the gubernatorial election could have an effect on the relevance of this DBEDT Director's vision. It was agreed that Chair Rogers would send a letter to Director Richard Lim requesting a briefing at our November 8th, 2014 PISCES Board Meeting, noting that the invitation would be dependent on the results of the November 2014 gubernatorial election.

IX. Board review and approval of PISCES MOUs:

Two (2) MOUs were presented to the Board for their consideration and approval. The MOUs

presented to the Board for approval are:

- University of Hawai'i Maui College (UH-MC): The MOU agrees to establish cooperative relations to explore mutually beneficial opportunities in robotic mobility, operations and command and control system integration and User Interface Design. Mr. Peach made a motion to approve the MOU between PISCES and UH-MC. Governor Ariyoshi seconded the motion and it passed unanimously.
- University of Houston Center for Advance Materials (CAM): The MOU agrees to establish cooperative relations to develop joint research on planetary regolith resource extraction and utilization. Governor Ariyoshi made a motion to approve the MOU between PISCES and CAM. Mr. Davidson seconded the motion and it passed unanimously.

X. Board discussion and decision regarding next steps to be taken regarding the PISCES Test and Check-out Facility and Land Acquisition:

In light of the fact that the 2014 legislative budget process did not appropriate CIP funds for the PISCES land and building, Mr. Kelso noted the need for the Board to re-visit its March 21, 2014 decision accepting the Shipman site as the PISCES Board's first choice and directing PISCES staff to begin a process based on that decision. Since PISCES cannot proceed on the schedule originally envisioned, Mr. Kelso noted that there needs to be a board decision to investigate other options if they want to maintain program momentum. Mr. Kelso suggested that it may be useful to view the facility requirements in phases.

- Phase I – the current phase: PISCES has leased a 1,000 square foot office suite and an 800 square foot high bay facility for a mechanical lab. The University of Hawaii at Hilo has allowed PISCES to locate the laser lab, temporarily at least, in the Science & Technology Building on campus. This arrangement, while functional for the time being, has limitations. There is no room for check and test-out for visiting teams, and there is a real shortage of space for interns and students working on key PISCES projects.
- Phase II – locating a 3,000 – 6,000 square foot facility with office and lab space that can be leased until Phase III comes to fruition.
- Phase III – acquisition of land and construction of the permanent PISCES Test and Check-out Facility.

PISCES staff have been looking at rental space while trying to investigate ready-to-go options as well. Examples of options identified:

1. Foreign Trade Zone (FTZ) warehouse on the fringes of the Hilo airport: There are about 6,000 square feet available for rent that could work for PISCES offices and lab facilities. 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.
2. Armory Building in Kea'au: This is a possible permanent option. This was not on the list of options reviewed in the building site assessment and process completed in March 2014, so any serious steps in this direction will require research into process in addition to research into suitability.
3. Wainaku Executive Center: This is a landscaped 10-acre site with an 11,809 square foot facility with a high bay, offices, a conference room and rooms suitable for labs and lay-down areas, outdoor lay-down areas, storage facilities and spots for regolith arenas.

The asking price for the facility is \$8.25M compared to approximately \$24M for the building and land acquisition estimates prepared by Ferraro Choi. This option also was not on the list reviewed in the building site assessment and process completed in March 2014, so any serious steps in this direction will require research into process.

Executive Director Kelso noted that Hawaii Island business leaders are looking into the possibility that there are unused, bonded CIP funds carried out from FY14 that could be used for PISCES land and/or building acquisition. This is one possible way forward in the near term. However, any action other than moving forward on the Shipman option will require a directive from the Board.

Mr. Peach made a motion to direct PISCES staff to explore both interim and long term options and to report findings back to the Board. Mr. Crisafulli seconded the motion and it was passed unanimously.

XI. Project Updates:

Advance materials were sent to the board providing updates on the summer 2014 internship program, PRISM (PISCES Robotic International Space Mining) competition, STARS (STEM Aerospace Research Scholars) program, the Hawaii County basalt construction project, the laser lab, the rover and ISRU, the electrodynamic dust shield lunar surface flight experiment, and the NASA laser communication ground terminal. Staff members presented the updates at the meeting and responded to questions.

XII. Update on 2014 Aerospace Conference planning and November Board Meeting:

Mr. Crisafulli provided general information about the upcoming Office of Aerospace Development conference, "The Next Giant Leap", in Waikoloa and encouraged all Board members to attend. The conference will be held from November 9 – 13, 2014, with Sunday, November 9th featuring tours to PISCES analog sites and labs. The PISCES board meeting will precede the conference and be held on November 8, 2014.

XIII. Schedule next Board meeting and adjourn:

The next PISCES Board meeting will be on November 8th, just prior to the 2014 Aerospace Conference in Waikoloa. A doodle poll will be circulated by PISCES staff within the next week to assure that there will be a quorum. The intent is for this meeting to be an all-day, on-site meeting. Please contact Ms. Roth if you are requesting travel support for the November 8, 2014 meeting. Also contact Ms. Roth if you would like to request a Board meeting prior to November 8, 2014. The meeting was adjourned at 11:50 am, HST.