

PISCES Board of Directors Meeting Minutes

26 June 2015

9:00 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:

Mary Alice Evans (representing the Director of DBEDT)

Galen Ho

Rob Kelso

Governor Ariyoshi

Hoyt Davidson (joining at 9:01)

Also in attendance:

Gregg Kinkley, Deputy Attorney General, State of Hawaii

Jim Crisafulli and Jeff Pang, Office of Aerospace Development

PISCES staff: Polly Roth

II. Approval of meeting minutes:

Board Meeting – May 19, 2015: Draft minutes were circulated prior to the meeting. Ms. Evans made a motion to accept the May 19, 2015 minutes as submitted. Mr. Ho seconded the motion, and the Board voted unanimously to accept the minutes.

III. Discussion and Action on PISCES FY16 operations options:

PISCES Executive Director Kelso gave a brief review of the four operations scenarios presented at the May 19th Board meeting, noting the main staffing differences between the scenarios. Board members discussed the options, focusing on the relationship between the continuance of FY16 operations and the viability of options for FY17 funding. Securing additional funding for FY17 is critical. The Board agreed that Executive Director Kelso's recommendation of scenario B had the benefits of: preserving core staffing until July 1, 2016; fulfilling existing commitments to private, County, State and Federal collaborators, and; continuing PISCES operations until additional funding for FY17 is secured. Ms. Evans made a motion to approve scenario B as the operating strategy for FY16. Governor Ariyoshi seconded the motion. The Board voted unanimously to approve scenario B as the operating strategy for FY16.

IV. Discussion and Action on addressing likely funding gap July-October 2016:

PISCES can operate with State funds through June 30, 2016 by enacting the strategy outlined in scenario B. However, these funds will be depleted by June 30th or shortly thereafter. Board members agreed that it is essential to make a strong and strategic effort to secure a higher level of state funding for PISCES FY17 operations through the Governor's supplemental budget request, which will be introduced in the 2016 Legislative Session. While there is \$400K appropriated in Act 119, Session Laws of Hawaii, 2015 for FY17, experience has shown that these funds, and any other funds appropriated for FY17

in the 2016 legislative session for PISCES in FY17, will not be available for PISCES use on July 1, 2016 and possibly not until November 2016. The following ideas were listed as possible sources for operating funds for this period:

- Funds from non-State sources: Ms. Evans noted that the PISCES Special Fund bill that passed in the 2015 legislative session will allow PISCES to accept funds from outside sources to be used for PISCES operations expenses, provided that this bill is enacted into law. The Governor will take action on this bill by July 9, 2015.
- Governor's approval to allot, expend and contract with RCUH of \$81,311 of formerly restricted PISCES FY15 funds for general operations.
- A reduction of the general fund restriction on appropriated PISCES FY16 funds: Ms. Evans said that notification of the 10% departmental restriction on FY16 appropriations has been conveyed to all departments. The DBEDT Director has discretion in the allocation of the 10% restriction to various DBEDT programs. PISCES can request allotment of the full \$400K appropriation of FY16 funds.

V. Information on process for annual report to Legislature:

Ms. Roth provided a draft timeline for Board participation in the review and approval of the PISCES annual report to the Legislature due on September 1, 2015. The Board asserted a preference for meeting before July 15th to review the draft report and provide direction to PISCES staff on the revision and submission of the report.

VI. Schedule next Board meeting and adjourn:

The Board agreed to meet on the morning of July 13, 2015 (subject to a poll to be conducted by PISCES staff to confirm a quorum), to review the draft annual report to the Legislature and to provide direction on submittal of the report. The meeting was adjourned at 10:08 am, HST.