

## **PISCES Board of Directors Meeting Minutes**

7 December 2016

11:00 a.m. Hawaii Standard Time

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

A quorum being present, the meeting was called to order by convener Mary Alice Evans in the absence of Board Chair, Henk Rogers.

Other members in attendance included:

Kim Binsted  
Luke Flynn  
Don Straney  
Patrick Sullivan

Also in attendance:

Office of Aerospace Development: Jim Crisafulli, Jeff Pang  
Deputy Attorney General Gregg Kinkley  
PISCES staff: Rodrigo Romo, Polly Roth

In the absence of the Board Chair, Ms. Evans made a motion to appoint Luke Flynn to Chair Pro Tem for this meeting. Mr. Sullivan seconded the motion, and the Board voted unanimously to elect Luke Flynn Chair Pro Tem.

### **II. Approval of Board meeting minutes:**

Board Meeting – October 3, 2016: Draft minutes were circulated prior to the meeting. Ms. Evans made a motion to accept the October 3, 2016 minutes as submitted. Ms. Binsted seconded the motion, and the Board voted unanimously to accept the minutes.

### **III. Update on Board Membership:**

Chair Pro Tem Flynn asked Ms. Evans to inform the group of a recent change to Board membership. Ms. Evans stated that Kris Zachny had resigned from the PISCES Board effective November 29, 2016, out of concern for possible future conflicts of interest. Mr. Zachny's resignation leaves a vacant House nominated position. The House Speaker must forward the name of an interested person to the Governor to fill the seat. The Governor may make an interim appointment if the nomination and his approval occur prior to January 18, 2017. If not, the seat cannot be filled until the nominee is appointed by the Governor and confirmed by the Senate, generally near the end of the Legislative term in April.

### **IV. Discussion and action regarding budget shortfall FY 18/19:**

Mr. Romo provided a status update on the PISCES state budget request. PISCES had asked the Governor to request \$500K in addition to the \$400K in the baseline budget, in his FY 18/19 budget request. The \$500K request was not included in the budget.

Mr. Romo noted that the \$400K in the baseline budget will cover current staffing (2.85 FTE), our facilities and connectivity costs, leaving about \$50K for variable costs (travel, repairs &

maintenance, materials & supplies, other). If the Governor directs a retainage of 10%, which has been the practice for several years, the remaining \$360K will support only about \$10K for variable costs. This would make it very difficult to operate without any external funds. In either case, there will be no funds for the PISCES internship program or for travel that will allow PISCES personnel to connect to national aerospace opportunities.

Ms. Evans was consulted about whether there are still possible pathways for requesting additional state funds for FY 18/19. Ms. Evans noted that, as members of the Executive Branch of Hawaii State government, DBEDT employees and Ex Officio Board members must follow the lead of the Governor. Other Board members and members of the public, however, could seek additional funding through the Legislative branch of the government.

A discussion about making a compelling case for additional funding followed. There was general agreement that supporters of PISCES must present a clear picture of how any additional state funds will help Hawaii to be part of the emerging aerospace industry. The story should focus on the return on investment, noting increases or improvements in the business and/or research sectors of the State.

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

PISCES staff will circulate a poll to find a time for the next meeting to be held in early January 2017. The meeting was adjourned at noon, HST.