

PISCES Board of Directors Meeting Minutes

29 January 2014

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

Hoyt Davidson

Mary Alice Evans (representing the Director of DBEDT)

Galen Ho

Jim Keravala

Donald Straney (representing the President of the University of Hawaii; attended a portion of the meeting)

Rob Kelso

Also in attendance:

Gregg Kinkley, Deputy Attorney General, State of Hawaii

Jim Crisafulli, Office of Aerospace Development

Christian Andersen, Mari-Ela David Chock, John Hamilton, Rodrigo Romo, Polly Roth, PISCES staff

Several members of the public

II. Election of Board Vice Chair:

Chair Rogers opened the floor to nominations. Discussion touched on the advantages having a Vice Chair who was based in Hawaii and the necessity for succession planning. It was agreed that succession planning is very important, and that it is flexible enough that a person may serve as Vice Chair without the expectation or requirement that that person become Chair. Mr. Rogers nominated Rob Kelso and Mr. Davidson seconded the nomination. Because of Mr. Kelso's position as Executive Director of PISCES, it was noted that if Mr. Kelso becomes Vice Chair this will not infer that he will succeed to the Chair position. It was also agreed that Mr. Kelso will run Board meetings in the Chair's absence but, because of Mr. Kelso's position as Executive Director, he will not sign Memoranda of Understanding in the Chair's absence. Mr. Kelso was unanimously elected to be the PISCES Board Vice Chairperson.

III. Approval of meeting minutes:

- Board Meeting – October 7, 2013: Draft minutes were circulated prior to the meeting. Mr. Ho made a motion to accept the October 7, 2013 minutes as submitted. Mr. Kelso seconded the motion, and it passed unanimously.
- Board Meeting - November 1, 2012, and Board Meeting - November 11, 2012: Ms. Evans apologized for not completing summaries for these two meetings and requested

that the approval of these minutes be deferred until the next Board meeting. The Chairman concurred.

IV. Board review and approval of PISCES MOU:

A Memorandum of Understanding between Jenoptik Laser Technologies, LLC and PISCES and signed by the President of Jenoptik was presented to the Board for approval. Governor Ariyoshi made a motion to approve the MOU. The motion was seconded by Ms. Evans and the Board approved the MOU unanimously. Chairperson Henk Rogers signed the MOU on behalf of PISCES.

V. Approval of the final report on use of FY13 funds:

The Board reviewed the financial statements provided in advance of the meeting that showed \$500K in total expenditures, of which \$362.3K were expended for personnel costs, \$121.8K for operations costs and \$15.9K in overhead.

Mr. Rogers made a motion to approve the final report on the use of the FY13 funds. Ms. Evans seconded the motion and the Board unanimously approved.

VI. Approval of revised FY14 budget (corresponding to the FY14 full \$800K allocation):

The Board reviewed the revised FY14 budget provided to them, presented in RCUH budget categories. It differed from the budget presented to the Board at their October meeting in two main respects:

- The FY14 budget was increased from \$780K to \$800K to account for the reinstatement of the 5% originally held back from the Governor's budget until the ramifications of the federal budget deliberations were fully understood. The \$20K addition was applied mainly to the test equipment category.
- The FY14 budget was adjusted to account for the fact that FY13 funds were used to cover additional payroll and basic operating costs until FY14 funds arrived. Test equipment purchases planned for FY13 funds were delayed in order to assure payment of the on-going salaries and basic operating costs. The FY14 budget was adjusted by lowering the personnel budget and raising the operating budget (including test equipment) to compensate for the change in cash flow plans.

Ms. Evans made a motion to accept the FY14 revised operating budget as presented. Mr. Davidson seconded the motion and it was passed unanimously.

The Board reviewed the update on the Capitol Improvement Project (CIP) funds showing \$1.57M remaining to be encumbered. Ms. Evans explained that there were three options with regard to the CIP funds. First, if the funds are not spent or encumbered and no other action is taken prior to June 30, 2014, the funds could lapse and no longer be available. Second, if the funds are encumbered by June 30, 2014, they can be used as encumbered. Third, the legislature can amend the Act that granted the funds to change the language to extend the lapse date. The board reviewed the proposed plan to encumber the funds by June 30, 2014 for the purpose of additional planning (conceptually ~\$125K) and design work for the PISCES facility (~\$1,427K).

Mr. Kelso made a motion to accept the concept of encumbering the funds (through proper competitive process) for planning, land acquisition and design work by June 30, 2014. Mr. Ho seconded the motion and it was passed unanimously.

VII. For information: Overview of the legislation submitted for PISCES funding and request to Board for their letter of testimony on the bills

Mr. Kelso provided an overview of the bills that could support PISCES work under consideration in this session and asked all members to provide testimony in support of the bills. They are:

- HB 2152/SB 2585 Funding of PISCES operations, \$1.376M
- HB 2151/SB 2583 Matching funds for engineering study for laser communications ground station, \$500K (Other \$500K to come from NASA)
- HB 2150/SB2584 Matching funds for sustainable technology demonstrations in the areas of basalt construction, renewable energy and water reclamation, \$250K (Other \$500K to come from California)

VIII. For discussion, FY15 budget prioritization:

Mr. Kelso introduced a list of the six top priority FY14/15 PISCES projects in order of their importance. After discussion of the merits and logistics involved in each project, the order was revised and the priority of the NASA Laser Communications Relay Demonstration and Ground Terminal was elevated. The resulting list is as follows:

1. Basaltic construction and 3D fabrication (R&D)
2. PISCES Robotic Village – Integrated ISRU/Resource Extraction
3. NASA Laser Communications Relay Demonstration (LCRD) and ground terminal
4. PISCES Planetary Analogue Test Site (PPATS)
5. PISCES lunar surface flight experiment
6. International Robotics Mining Competition in Hawaii

Mr. Kelso will meet with Chair Rogers to review the budgetary effects of the prioritization.

IX. For information, Update on options for conduit for non-state funds:

Ms. Roth gave a brief summary of the options reviewed, rejected and those that may benefit from further research. Ms. Roth and Ms. Evans will meet to investigate the options of modifying the RCUH-DBEDT contract to enable receipt of revenue by PISCES and to review any possible of avenues available through DBEDT fiscal.

X. Report of the subcommittee on possible models for the PISCES research park (action from last Board meeting):

Mr. Rogers reported that the subcommittee has not yet met.

XI. For information, Update on PISCES operations and 3 month forward look:

PISCES staff provided updates on staffing, November-January mainland meetings, basaltic construction and fabrication, integrated in-situ resource utilization and the PISCES Robotic Village, PISCES planetary analog test program, the implementation/operation of the NASA

laser communications ground terminal, the lunar surface flight experiment, the international robotics mining competition in Hawaii, the PISCES website and public information and outreach activities. Mr. Kelso reminded the board of the workshop on Planetary Volcanism that PISCES is co-sponsoring on May 28-30, 2014 in Houston, Texas.

XII. Schedule next Board meeting and adjourn:

The Board agreed that it would make sense to meet after May 5th when the legislative results should be available, and before the May 28th Planetary Volcanism workshop. The date and time will be determined by a poll circulated by PISCES staff. Ms. Evans made a motion to adjourn the meeting. Mr. Kelso seconded the motion and it was unanimously approved. The meeting adjourned at 11:05 am, HST.

Compendium of Actions

1. Agenda item VII: Provide testimony for the PISCES bills being considered in this State of Hawaii legislative session – Board Members
2. Agenda item VIII: Elevate the priority of the NASA Laser Communications Relay Demonstration and Ground Terminal from priority 5 to priority 3 – PISCES staff – action completed.
3. Agenda item VIII: Mr. Kelso will meet with Chair Rogers to review the budgetary effects of the prioritization.
4. Agenda item IX: Ms. Roth and Ms. Evans will meet to examine possible conduits for receipt of PISCES revenue through RCUH and/or DBEDT fiscal.
5. Agenda item X: Subcommittee meeting on possible models for the PISCES research park (action from prior Board meeting) – Board members Mr. Rogers, Mr. Peach, Mr. Davidson, Mr. Keravala
6. Requested action: Change the background on future slides given as advance materials to a less ink-hungry color from current black background – PISCES staff