

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

12 March 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

Mary Alice Evans (representing the Director of DBEDT)

Galen Ho

Jim Keravala

Rob Kelso

Dan Rasky

Also in attendance:

Gregg Kinkley, Deputy Attorney General, State of Hawaii

Jim Crisafulli, Office of Aerospace Development

Bill Brooks and Joe Ferraro, Ferraro Choi and Associates, LTD

Roy Takemoto, PBR Hawaii & Associates, Inc.

Ralph Morita, DAGS-Planning Branch

Al Inoue, Inoue-Hawaii Realty

Melanie DeMello, Okahara & Associates, Inc.

Christian Andersen, Rodrigo Romo, Polly Roth, PISCES staff

Several members of the public

Chair Rogers gave the floor to Jim Crisafulli who offered a tribute to Dr. Frank Schowengerdt who passed away recently. Dr. Schowengerdt was instrumental in the founding of PISCES. A moment of silence was observed in remembrance of Dr. Schowengerdt's life and his many contributions to PISCES.

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

- Board Meeting – January 29, 2014: Draft minutes were circulated prior to the meeting. Mr. Rogers asked for a correction to the spelling of his name in the first line of agenda item II, "Election of Board Chair". Ms. Evans made a motion to accept the January 29, 2014 minutes as corrected. 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.

### **III. Review of PISCES building site assessment process and report:**

Mr. Ralph Morita, DAGS Public Works Planning Branch Manager, Mr. Bill Brooks, Ferraro, Choi, and Assoc., and Mr. Roy Takemoto, PBR Hawaii and Assoc, presented materials on the PISCES site selection study providing an overview describing the project team, the selection study process, project schedule implications, site and building requirements, identification of candidate sites that met minimum criteria, the evaluation of three sites that met the criteria and were available, and a discussion of the risks and recommendations relative to the sites.

The three sites that met the criteria and are available are the UHH Future Tech Park, Mana Industrial Park and Shipman Industrial Park. The three sites were evaluated on the basis of cost (including land acquisition, site development and building construction), site acquisition time, funding acquisition availability and permits & surroundings. The Shipman Industrial Park site had a slight edge in both the weighted and un-weighted rankings, in both the purchase and lease options.

The primary risk factors are funding (for both the FY15 land acquisition appropriation and for future appropriations for construction funding) and the site development timeline. The timeline is geared to completion and occupation of the Phase I building by June 2017. In order to keep this schedule, land acquisition must be complete by the end of December 2015.

UHH Future Tech Park and Mana Industrial Park are State-owned lands. Shipman Industrial Park lands are privately owned. The State-owned properties do not need to be purchased, but are currently undeveloped and will require an appropriation of CIP funds to pay for infrastructure development. The Shipman Industrial Park parcel must be purchased, however the purchase price includes existing infrastructure. It appears that Shipman acquisition costs and UHH and Mana infrastructure development costs would be approximately the same.

Purchase of private lands using state funds is subject to DLNR approval. Approvals for use of the state-owned lands, UHH and Mana, also have an approval path but it is likely to be a quicker approval process than that required for the purchase of the privately owned Shipman parcel. The question is whether the state approval process plus infrastructure development is shorter for the state-owned lands compared to the approval and purchase of the Shipman lands.

In the discussion that followed, the question of whether the June 2017 timeline for the completion of Phase I should be the driving force. This timing was adopted to coincide with additional PISCES requirements for supporting the NASA laser communication ground station on Mauna Loa that will be coming fully on line at that time. Governor Ariyoshi stressed that the Board needs to do what is best for the program.

Ms. Evans outlined some benefits to the selection of the UHH site, noting that PISCES being adjacent to the UH-Hilo main campus could enhance the synergy with UH-Hilo science programs, students and infrastructure. She also noted that the approval of the Board of Land and Natural Resources is required to purchase private land.

Mr. Rogers stated that PISCES' job is to bring the aerospace industry to Hawaii. Building on Mr.

Morita's notion that the new PISCES building will be a magnet in all three scenarios, drawing additional development nearby, Mr. Rogers wondered how easy it would be for private enterprises to obtain permission to build on state-owned lands.

**IV. Board decisions with regard to PISCES Building site and planning:**

In the matter of currently unencumbered funds from the FY13-FY14 CIP allocation: Governor Ariyoshi made a motion to encumber the remaining \$1.5M of the FY13-FY14 CIP funding for planning and design, independent of site selection by June 30, 2014. Ms. Evans seconded the motion and the Board voted unanimously to approve the motion.

Mr. Rogers made a suggestion that the Board meet again next week to give members a chance to digest all of the information provided today and to give Board members not present an opportunity to voice their concerns and observations. The Board agreed and Mr. Rogers instructed PISCES staff to conduct a poll to determine the best date and time in the March 19-21 window.

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

The Board will meet in in the March 19-21, 2014 time frame at the best time identified by the on-line poll. The meeting was adjourned at 10:53 am.