



**MEETING MINUTES OF THE
HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC)
BOARD OF DIRECTORS**

MARCH 1, 2018

Manoa Innovation Center, 2800 Woodlawn Drive, 2nd Floor Board Meeting Room
Honolulu, HI 96822

PRESENT

Derek Lau, Chair
Elijah Yip, 1st Vice Chair
Fred Delse, Secretary/Treasurer
Mary Alice Evans, DBEDT
John Morton, UH Representative
Linda Rosehill, NELHA Representative
Craig Nakanishi, HSDC Representative
Mark Anderson, B&F Alternate Representative

STAFF PRESENT

Robbie Melton, Executive Director & CEO
Ray Gomez, HTDC Controller
Erin Furuichi, HTDC Staff

EXCUSED:

Kelly King
Race Randle
Luis Salaveria, DBEDT

GUESTS:

Dawn Takeuchi Apuna,
Deputy Attorney General

1. Call to Order: Meeting called to order by Vice Chair Elijah Yip at 3:07 pm.
2. Approval of Minutes – February 2, 2018 HTDC Special Board meeting

Motion made by Mary Alice Evans to approve the February 2, 2018 minutes of the HTDC special Board meeting and seconded by **Mark Anderson** and **John Morton** abstained.
Motion to approve the minutes of the February 2, 2018 HTDC Special Board meeting (Unanimously passed, 6 - 0). **Motion carried**

Chair Derek Lau arrived at 3:10 p.m. and presided over the meeting.

3. Federal Projects Committee

A. Hawaii Small Business Innovation Research (HSBIR) Matching Grant Phase 1

HSBIR phase 1 Budget report- Fred Delse reported on the remaining budget for FY2018
FY 2018 total remaining budget was \$100,949.60 and requested funding amounts totaled
\$375,068.00

HSBIR Matching Grant Phase 1 awards recommendations: Total of \$101,000.00.

HSBIR Matching Grant Phase 1 awards recommendations and decision making.

Fred Delse reported that the Committee met on February 22, 2018 and are submitting 3 applicants to the board for funding. Although 5 projects were received and all projects were deemed worthy of funding. Tridentis, Navatek and Nalu Scientific who received the highest scores, are recommended for funding.

	Company Names:	Amounts:
1)	Tridentis: "Design of an Autonomous, Green Powered, Mobile Coastal Monitor"-NOAA	\$ \$29,000.00
2)	Akabotics: "Novel Suction Tip for Marine Life Avoidance during Robotic Sediment Removal" - NSF	\$ -0-
3)	Navatek, Ltd.: "Inflatable Multi-Platform Recovery System" – Navy (priority)	\$ 31,000.00
4)	Navatek Ltd.: "Numerical Methods Combat Power and Energy Systems (CPES)" - ONR	\$-0-
5)	Nalu Scientific: "Design and Fabrication of the "AARDVRAC" Advanced ASoC Rapid Digitizer, Variable Readout Chip" - Energy	\$ 41,000.00

Motion made by John Morton to approve the recommendations of the Federal Projects Committee to award the three applicants and seconded by **Linda Rosehill**.

Motion to approve the recommendations of the Federal Projects Committee to award the three applicants (Unanimously passed, 7-0). **Motion carried**

4. 80/80 update and presentation as requested by BOD

Robbie Melton updated the 80/80 program with a presentation which included a renewed tagline from "Innovation Starts Here" to "Innovation is Here". Ms. Melton presented a graph showing the growth of technology and innovation jobs since the inception of the initiative in 2014 to 2018. The chart showed modest gains in tech and innovation with the Innovation Jobs having a higher growth. The job numbers come from the DBEDT Annual Emerging Industries Report. For 2016, the numbers show that in the tech sector, salaries have gone beyond \$80,000 with the average now at \$83,000 per year. This is 79% of the national average. Innovation jobs are 64% of the national average. HTDC anticipates job numbers to increase once the innovation centers are complete.

5. UH Lease Status-Chair Lau moved on to the UH lease agenda item, at which time John Morton recused himself from the meeting.

Robbie Melton presented 2 bills concerning the UH Lease status and asked for update on the Governor's message. Mary Alice Evans presented that the information for replacement of general funds to the HTDC budget went to the Ways and Means and the Finance committees this morning. There will be a formal Governor's message to follow. Robbie Melton presented that 2 bills have been introduced, HB583 and SB48, which is an appropriation to HTDC for operating costs, salaries and expenses. Discussion centered on the likelihood of HTDC getting funding to replace the lost revenue.

Chair Derek Lau asked if we should continue to wait or set up a meeting with UH. Mary Alice Evans recommended that the Board and staff meet with UH as soon as possible to discuss terms and conditions. The Permitted Action Group was formed at the last meeting, consisting of Elijah Yip, Craig Nakanishi and Luis Salaveria. Mary Alice Evans will contact UH to schedule a meeting and get back to the Permitted Action Group and Robbie and staff.

Following the discussion, John Morton resumed his participation in the meeting.

6. Tech Parks update

A. First Responder Tech Campus

Funding update

The First Responder Tech Park has gone through the RFP process to hire a project manager. The Project Manager position is on hold until we resolve funding. Funding for planning and design was approved but hit a stalemate in getting the funds transferred from DAGS. Robbie Melton requested assistance from Luis Salaveria. There was \$1.5 million left over from purchasing the land. However, the funding has lapsed. Robbie Melton is meeting with the CIP chair at the Senate level to see if it can get re-appropriated under planning and design

B. Hilo Multipurpose Processing Facility

Leasing agreement

Luis Salaveria and Robbie Melton met with the Foreign Trade Zone director to working out the lease agreement, and will continue operating as if lease agreement is already in effect. UH CDC met with facility design committee and is working on finalizing the draft. The total project funding of \$8.5 million will not be encumbered by June 30, 2018. About \$2 million will be encumbered for design and the remaining will lapse and be re-appropriated.

7. Innovation Centers Update

A. Maui Research and Technology Center (MRTC)

Robbie Melton reported work to re-vamp the co-working space is being done, such as updating furniture, with the purpose of drawing more people to the space. The furniture is original furniture from around 1992. HTDC Innovation Manager, Francisco Dao is working on creating a website to use as a marketing tool as we relaunch Co-Hana. The current vacancy is 50%.

B. Sandbox development progress/timeline

Robbie Melton reported on the investor introduced by Senator Wakai for the Sandbox and it looks like HTDC may get \$1.5 million investment. The investor from Japan is part of a global network of co-working spaces and is bringing his expertise. HCDA will be holding its Board meeting next week and will be voting to approve the development agreement with Stanford Carr. Once the agreement is approved, the ground-breaking ceremony can be planned. Anticipate the ground breaking to take place in April and all Board members will be invited.

C. Natural Energy Laboratory of Hawaii Authority (NELHA) Report

Linda Rosehill reported that NELHA is very busy working on 2 bills. One is for an aquaculture accelerator and to get an aquaculture conference in Hawaii. The OTEC tax credit bill died in Senate.

D. Hawaii Strategic Development Corporation (HSDC) Report

Elijah Yip reported that HSDC met on January 29th. Reef Ventures has disbanded and partners have moved on. Sultan Brothers presented at the meeting.

E. University of Hawaii (UH) Report

John Morton reported that the UH is working on Legislative bills, where Senate is less friendly than the House side and there is not a lot of companion bills. The other item is the legal issues related to the TMT as UH is waiting for the Supreme Court to rule.

8. Next HTDC Board Meeting: May 3, 2018
9. Adjournment. Meeting was adjourned at 4:16 p.m.

Motion by **Elijah Yip** and seconded by **Craig Nakanishi**

Adjourned the Board meeting at 4:16 p.m. (Unanimously passed 7-0)

*An executive session may be called to consider the hire, evaluation, dismissal, or discipline of an officer or employee, where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held pursuant to Section 92-5(a) (2), HRS.

*An executive session may be called to deliberate concerning the authority of persons designated by the board to conduct labor negotiations or to negotiate the acquisition of public property, or during the conduct of such negotiations pursuant to Section 92-5(a) (3), HRS.

The public meeting is accessible for individuals with disabilities. Auxiliary aids and services are available upon request by calling the Hawaii Technology Development Corporation offices at: (808) 539-3615. A request for an auxiliary aid or service should be made no later than FIVE working days prior to the public meeting.