



**Space Florida
Board of Directors Meeting**

November 24, 2014



Teleconference
Call In Number: 888-204-5987
Guest Code: 4503386 #



**Board of Directors Meeting
Agenda**

November 24, 2014
11:00 AM Eastern Daylight Time
Call-in Number: 888-204-5987
Guest Code: 4503386 #

Agenda Items	
Call to Order	Frank DiBello
Roll Call	Emma Newsham
Welcome & Introductions	Bill Dymond
Public Comments	Bill Dymond
Business Before the Board	
1. Approval of Minutes <ul style="list-style-type: none"> • September 29, 2014 	Bill Dymond
2. Audit and Accountability Committee Report	Denise Swanson
3. Contracts/Business Development/Projects Activities <ul style="list-style-type: none"> • Cella • Neon • Syros Negotiation Update 	Howard Haug
Near Term – Upcoming Events: <ul style="list-style-type: none"> • SAYFIE Florida Leaders Summit, Dec 3-4, Orlando, FL • Florida Automated Vehicle Summit, Dec 15-16, Orlando, FL • Space Florida Board Meeting. Jan 21, 2015, Tallahassee, FL • Florida Space Day, March 25, 2015, Tallahassee, FL 	Frank DiBello
Closing Remarks / Adjournment	Bill Dymond



SPACE FLORIDA BOARD OF DIRECTORS

Governor Rick Scott,
State of Florida

William T. Dymond, Jr., Chairman
President, CEO and Managing Partner
Lowndes, Drosdick, Doster, Kantor & Reed

Lewis Bear, Jr.
President & CEO, The Lewis Bear Company

Jay Beyrouti
President, Monicarla, Ltd.

Jesse Biter
President/CEO, Biter Enterprises, LLC.

Julius D. Davis
President and CEO, Voltair Engineers

Hayden Dempsey
Chair, Florida Governmental Affairs Practice Greenberg Taurig

Danny Gaekwad
CEO, NDS USA Information Technology & MGM Hotels, LLC

Belinda Keiser
Vice Chancellor, Keiser University

Chris Kise
Partner, Foley Larner

Henry Rodriguez
Rodriguez Investment Management

Johnathan Stanton
CEO, NAC Semi & Lema Construction

Brian Lamb
President & CEO, Fifth Third Bank – North Florida

Neal Dunn, MD, FACS
Chairman of the Board, Summit Bank, N.A



SPACE FLORIDA BOARD OF DIRECTORS

AUDIT & ACCOUNTABILITY COMMITTEE

Lewis Bear, Jr.
President & CEO
The Lewis Bear Company

Henry Rodriguez
Rodriguez Investment Management

Brian Lamb
President & CEO, Fifth Third Bank – North
Florida

GOVERNANCE & COMPENSATION COMMITTEE

Jesse Biter
President/CEO
Biter Enterprises, LLC.

Danny Gaekwad
Chief Executive Officer
NDS USA Information Technology & MGM
Hotels, LLC

Belinda Keiser
Vice Chancellor
Keiser University

Draft Minutes of a Regular Meeting of the Space Florida Board of Directors

A regular meeting of the Space Florida Board of Directors was held September 29, 2014 at the Disney Yacht Club in Orlando, Florida.

Board Members Present:

Jay Beyrouiti (by phone)
Julius Davis
Hayden Dempsey (by phone)
Neal Dunn, MD, FACS
William Dymond, Jr.
Danny Gaekwad (by phone)
Johnathan Stanton

Others Present:

Malvina Gasco, The Boeing Company
Mark Jager, The Boeing Company
Louis Laubscher, Enterprise Florida
Sherri Martin, Department of Economic Opportunity
Michael Stewart, Jacksonville Aviation Authority
Gray Swoope, Commerce Secretary and President/CEO, Enterprise Florida
Elizabeth Walker, Department of Economic Opportunity
Tom Wilkes, GrayRobinson, PA

Space Florida Staff:

Frank DiBello
Howard Haug
Denise Swanson

Agenda

- I. Welcome and Introductions
- II. Public Comments
- III. Business Before the Board
 1. Approval of Minutes
 - August 20, 2014
 2. Audit Committee & Governance Committee Reports
 3. Contracts/Business Development/Projects Activities
- IV. President's Report
- V. Near Term – Upcoming Events
- VI. Closing Remarks and Adjournment

A quorum being present, the meeting was called to order at 9:08 a.m. (EDT).

Chairman Bill Dymond called the meeting to order and welcomed board members and guests.

Public Comments

There were no comments from the public.

Approval of Minutes

Johnathan Stanton made a motion to approve the minutes of the August 20, 2014 Board of Directors meeting, which was seconded by Neal Dunn, and approved unanimously.

Business Before the Board

Audit and Accountability Committee Report: Procurement Policy Update

Denise Swanson reported that the Audit and Accountability Committee met on September 25, 2014 to review and recommend for full board approval the Procurement Policy Update. Legal Counsel Tom Wilkes, Gray Robinson, explained that in instances where the goods and services purchased are not going to be used in Space Florida Operations, and the cost is to be paid either directly or indirectly by the other party, the procurement policy is not applicable.

Julius Davis made a motion to approve the Procurement Policy Update, which was seconded by Neal Dunn, and approved unanimously.

Governance & Compensation Committee Report

Howard Haug reported that the Governance & Compensation Committee met on September 17, 2014 to approve the minutes of the previous meeting and to approve support of management seeking full board approval to move forward with the development of the Space Florida Performance Pay Plan.

As a result of the Space Florida Compensation Study commissioned in January 2013, Space Florida has implemented the base pay component of a comprehensive compensation package. To complete compliance with the market study, management now requests board approval to move forward with the development and eventual approval of the Performance Pay Plan. This Plan is contingent upon the availability of funding and will be based upon achievement of corporate, department and individual targets. The plan year will be July 1 to June 30, the same as the organization's reporting fiscal year. Management plans to present the draft plan to the committee and the full board in January 2015, and will seek full board for approval on a finalized plan in May 2015. If approved and funding is available the plan will be implemented for fiscal year beginning July 1, 2015 and ending June 30, 2016.

Johnathan Stanton made a motion to approve management move forward with the development of the Performance Pay Plan, which was seconded by Julius Davis, and approved unanimously.

Contracts, Business Development and Project Activities

Haug reminded the board that at the last meeting it approved efforts associated with operations and maintenance, utilities and property management, and service commodity needs through September 30, 2014 for Project Syros/Orbiter Processing Facility and Processing Control Center, known as OPF3. NASA has since announced Syros as one of the awardees of the Commercial Crew Transportation Capability phase of NASA's Commercial Crew Program. Though Syros had not yet signed the binding Memorandum of Understanding, they have strongly indicated their intention to enter a sub-permit agreement with Space Florida as soon as possible. Haug restated the terms of the binding Memorandum of Understanding for board members.

After board discussion, the motion was amended to limit approval to an additional thirty days to allow completion of negotiations on the Memorandum of Understanding and the sub-permit agreement.

Danny Gaekwad made a motion to approve management to complete negotiations and reach agreement on the binding Memorandum of Understanding and Sub-Permit Agreement as described and to approve the respective operations and maintenance, utilities, property management and service commodity needs associated with the facilities for an additional thirty days, which was seconded by Johnathan Stanton, and approved unanimously.

Haug informed board members that for Project Magellan, the agreements between nine agencies and Northrop Grumman totaled over 1,500 pages. As the project is now being executed, numerous "scrivener errors" are being discovered. In the opinion of management and outside counsel, none of the changes involve any material terms of the agreement. They anticipate that more of these errors will be discovered. Northrop Grumman, whose outside counsel was responsible for drafting the agreement, has requested that all of the agencies involved in the agreement execute a "First Amendment" to correct these errors. In addition, management is requesting the board to further authorize senior staff to execute future nonmaterial amendments from time to time respective to this project.

Neal Dunn made a motion to (i) approve the First Amendment to the Cooperation Agreement for Project Magellan (Northrop Grumman) and (ii) authorize the President of Treasurer to execute amendments from time to time to leases and all other agreements and instruments involved in Project Magellan, but only if such amendments do not affect or modify in a material manner the Cooperation Agreement and the numerous leases and other agreements and instruments attached as exhibits to the Cooperation Agreement, which was seconded by Julius Davis, and approved unanimously.

Haug stated that Space Florida has been working with two entities, a builder and operator of spacecraft, and a supplier of key components, on a deal known as Project Icarus. Their joint need is related to the structure and financing of \$5,000,000 for Computer Numerical Control (CNC) equipment associated with the production of the components. Space Florida's interest is to establish the capability of providing key components not only to this specific operator of spacecraft, but to other spacecraft builders and operators in Florida. The agreement is expected to include both companies and Space Florida, whereby Space Florida invests \$1,000,000 of Space Florida Finance Funding as the equity portion and finances the balance of \$4,000,000 with third party sources. The debt will be serviced directly from the purchaser of the components via an operating lease agreement and is expected to retire the debt within 36 to 48 months.

Neal Dunn made a motion to approve management to negotiate and enter all related contracts to complete the above described transactions, which was seconded by Julius Davis, and approved unanimously.

President's Report

DiBello informed the board that the most significant recent industry happening was the announcement of the commercial crew transportation capability contract being awarded to Boeing and SpaceX. Other events worth noting are Orbital's commercial flights to the International Space Station; a United Launch Alliance and Blue Origin partnership to develop a new rocket engine; and continued unmanned aircraft systems flight demonstrations by Space Florida, which are generating new project activity.

DiBello stated that Space Florida's target is to close at least one deal per month this next year. In support of this goal, Space Florida has worked to broaden its financing network of lending partners and is also working hard to secure a sub-orbital launch vehicle that will allow Florida the ability to launch small satellites in a very cost-effective way. DiBello said sub-orbital launch represents a significant growth market.

DiBello relayed Space Florida's goals and initiatives in the government, civil, and commercial space sectors. Florida's goal in the government sector is to preserve and protect both of its bases and the programs in the state. In positioning Florida for next-generation vehicles and operations, Florida has made key investments to help secure and stabilize various operations, including the Strategic Weapon System (SWS) Ashore test facility. In the civil space sector, Space Florida is partnering with Kennedy Space Center to improve facilities and processes to lower the cost of operation. Space Florida is close to an agreement with NASA on the Shuttle Landing Facility, and continues to make improvements to the Space Life Sciences Lab. Space Florida's goal in the commercial space sector is the development of an independent launch capability to support a variety of markets, both horizontal and orbital. Key future initiatives are the Shuttle Landing Facility, Shiloh, and support for unmanned mobile systems operations.

Space Florida is working to ensure there is consistent state policy in place for all spaceport territories and spaceports, and is coordinating with federal and state agencies and other organizations.

DiBello provided a brief update on several important projects, including construction activity at Exploration Park.

Near Term – Upcoming Events

Upcoming events include the International Astronautical Congress in Toronto, Canada, the International Symposium for Personal and Commercial Spaceflight in Las Cruces, NM in October, the First Coast Defense Expo November 6 in Jacksonville, and the Innovation Coast Awards, November 6-7, in Pensacola.

DiBello alerted board members that there will be a Special Board Meeting by phone sometime in the fall, and the next regularly scheduled Space Florida board meeting will be held January 21, 2015 in Tallahassee.

DiBello notified all present that he was recently elected to chair the Commercial Spaceflight Federation (CSF), a national organization working to make commercial human spaceflight a reality. In addition, DiBello will be chairing Earth+, a private foundation established by CSF.

Closing Remarks and Adjournment

There being no further business, Dymond adjourned the meeting at 10:27am (EDT).

William Dymond, Jr., Chair

BOARD OF DIRECTORS MEETING

September 29, 2014

I, Frank DiBello, the undersigned President of Space Florida, do certify and declare that the attached is an accurate copy of the Minutes as approved by the Board of Directors of Space Florida in accordance with the Bylaws, and recorded in the minutes of the meeting of the Board of Directors held on September 29, 2014, and not subsequently amended or modified.

Frank A. DiBello, President



Space Florida Board of Director Meeting
November 24, 2014
Contracts for Approval

1. **Project Neon:** Space Florida is interested in participating in an A Round equity investment in a company (Titled Project Neon) that is an education technology company which provides a platform for students to design and run their own experiments on satellites in space. The investment would be used to expand the sales team, build additional learning resources, and grow into international markets. Concurrent with this investment, the company will be establishing its presence in Florida, with an office for sales focused on the Florida education market, as well as capabilities for engineering and manufacturing of the educational kits and development of curriculum resources. Additionally, the company's product is expected to be of great value to Florida school districts with an emphasis on Science, Technology, Engineering, and Math (STEM) curriculum, and provides Space Florida with a strategic inroad to the emerging small satellite market. Due diligence is currently underway and Space Florida expects to be able to close on an up to \$500,000 investment by the end of calendar year 2014.
 - *Space Florida requests board approval for management negotiations and enter all related contracts to invest up to \$500,000 in Project Neon's A round, pending successful completion of Space Florida's due diligence.*

2. **Cella Energy:** Space Florida is interested in participating in a "C" round equity investment in Cella Energy, a United Kingdom Company. Cella Energy has developed and continues to improve its unique intellectual property in safe solid-state hydrogen storage. In the near term, the company's material can be used as a light weight high-performance replacement for batteries such as powering small Unmanned Aerial Vehicles and many other aerospace applications. Long-term, the company's material may offer emission free alternatives to the current combustion engine markets. In June 2014 Cella went into a pre-packed administration and was purchased by its creditors. Since that event, Cella has grown its revenue streams by focusing on the near term opportunities noted above. Cella maintains its United States presence at Space Florida's Space Life Science Lab at the Cape Canaveral Spaceport Complex. The proceeds from the "C" round will be to expand the company's general operations primarily in Florida. Due diligence is nearing completion and Space Florida expects to be able to close on an up to \$500,000 investment before the end of calendar year 2014.
 - *Space Florida request board approval for management to negotiate and enter all related contract to invest up to \$500,000 in Cell Energy's "C" round, pending successful completion of Space Florida's due diligence.*