



**Space Florida
Board of Directors Meeting**

September 29, 2014



Disney Yacht Club
1700 Epcot Resorts Blvd
Orlando, FL 32830



**Board of Directors Meeting
Agenda**

September 29, 2014
 9:00 AM Eastern Daylight Time
 Call-in Number: 888-204-5987
 Guest Code: 4503386 #
 Disney Yacht Club
 1700 Epcot Resorts Blvd
 Orlando, FL 32830

Agenda Items	
Call to Order and PLEDGE OF ALLEGIANCE 9:00 AM	Frank DiBello
Roll Call	Marie Duong
Welcome & Introductions	Bill Dymond
Public Comments	Bill Dymond
Business Before the Board 1. Approval of Minutes <ul style="list-style-type: none"> • August 20, 2014 2. Audit Committee & Governance Committee Reports 3. Contracts/Business Development/Projects Activities	 Bill Dymond Denise Swanson/ Howard Haug Howard Haug
President's Report	Frank DiBello
Near Term – Upcoming Events: <ul style="list-style-type: none"> • IAC 2014, Sept 29-Oct 4, Toronto, Canada • Future of Florida Forum, Sept 29-Oct 1, Orlando, FL • Innovation Coast, Nov 6-7, 2014, Pensacola, FL • Space Florida Board Meeting January 21, 2014 	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 Lerner

Henry Rodriguez
Rodriguez Investment Management

Johnathan Stanton
CEO, NAC Semi & Lema Construction

Brian Lamb
President & CEO, Fifth Third Bank – Tampa Bay

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 – Tampa Bay

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 August 20, 2014 at The Hilton Cocoa Beach Oceanfront in Cocoa Beach, Florida.

Board Members Present:

Jay Beyrouiti
Jesse Biter
Julius Davis
Hayden Dempsey
Neal Dunn, MD, FACS
William Dymond, Jr.
Danny Gaekwad (by phone)
Brian Lamb
Belinda Keiser
Johnathan Stanton

Others Present:

Cissy Proctor, Department of Economic Opportunity
Katherine Morrison, Department of Economic Opportunity
Jerry Sansom, Titusville-Cocoa Airport Authority
Michael Stewart, Jacksonville Aviation Authority

Space Florida Staff:

Frank DiBello
Howard Haug
Jim Kuzma
Denise Swanson

Agenda

- I. Welcome and Introductions
- II. Public Comments
- III. Business Before the Board
 1. Approval of Minutes
 - March 24, 2014
 - May 21, 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 9:04 a.m. (EDT).

Chairman Bill Dymond called the meeting to order and welcomed board members. Dymond recognized and welcomed guests Cissy Proctor, Deputy Director of Legislative Affairs, DEO; Katherine Morrison, Sports, Tourism, and Transportation Liaison, DEO; and Michael Stewart, Director of External Affairs, Jacksonville Aviation Authority.

Public Comments

There were no comments from the public.

Approval of Minutes

Brian Lamb made a motion to approve the minutes of the March 24, 2014 Board of Directors teleconference meeting, which was seconded by Belinda Keiser, and approved unanimously.

Jay Beyrouiti made a motion to approve the minutes of the May 21, 2014 Board of Directors meeting, which was seconded by Hayden Dempsey, and approved unanimously.

Business Before the Board

Audit and Accountability Committee Report: Financial Statements

Denise Swanson reported that the Audit and Accountability Committee met on August 5, 2014 to review and recommend for full board approval the Fourth Quarter Interim Financial Statements and the budget for fiscal year 2015. Swanson reviewed the quarterly interim financial statements for the period ended June 30, 2014. She informed members that Space Florida is exceeding plan in Other Revenue due to a return of insurance premiums, an increase in lease revenues and interest income. In Operations Expenses the organization is under plan in Salaries and Other Related Costs due to the filling of open positions later than planned, open positions not being filled, and employee benefits premiums being less than planned. Expenses are over plan in Contract and Subcontract Services due to unanticipated facility O&M costs. Operating, General and Administrative expenses are under plan due to capital improvements coming in under plan, and Utilities and Maintenance is under budget due to utilities usage being less than planned. Finally, Space Florida is over plan in Business and Recruitment/Investment activities due to the fact that its support of the TCAA FAA Spaceport Site Operator's license and the UCF Microgravity Research Center were not included in the initial plan.

Hayden Dempsey made a motion to approve the 4th Quarter Interim Financial Statements for the period ended June 30, 2014, which was seconded by Brian Lamb, and approved unanimously.

Fiscal Year 2015 Budget

Swanson directed board members' attention to a chart comparing the budget and actuals of fiscal year 2014 to the proposed budget for fiscal year 2015. She provided the following highlights of the fiscal year 2015 budget:

State appropriations remained at the same level of \$12.5 million; \$3 million is reserved as follows:

- \$500,000 to the Florida Institute of Technology to conduct research related to FAA Center of Excellence for Commercial Space Transportation;
- \$1 million to support collaborative research, development, and commercialization of projects related to aerospace and other technology and life sciences with Israel; and
- \$1.5 million to market and promote the space tourism industry in the State of Florida

↑ *Other Revenue* will increase due to an increase in anticipated facility lease revenue

= *Salary and Other Related Costs* will remain constant

↑ *Contract and Subcontract Services* is anticipated to increase due to using historical data to more accurately forecast the facility services costs

↓ *Operating, General & Administrative* is anticipated to decrease due to a reduced capital improvement budget offset by an increase in property insurance premiums

↓ *Utilities and Maintenance* decreased due to utility use and costs projections being based on historical costs

↑ *Business Recruitment/Investments* increased due to the legislature allocating \$500,000 of Space Florida's operating budget to Florida Institute of Technology for the FAA Center of Excellence for Commercial Space Transportation as well as support of the Capital Acceleration Program, NANO Racks Competition, and the UCF Microgravity Research Center

↓ *Travel and Entertainment* decreased due to the nature of the business deals being pursued

Swanson and Frank DiBello fielded several questions from board members regarding Space Florida's budgeting process and its collaborative efforts with other state agencies on specific initiatives.

Jay Beyrouiti made a motion to approve the fiscal year 2015 Budget from July 1, 2014 to June 30, 2015, which was seconded by Belinda Keiser, and approved unanimously.

Governance Committee Report

Howard Haug informed the board that management will be working with the Compensation Committee between now and the next board meeting to structure an employee performance bonus plan. The plan will be vetted with the committee and will be presented to the full board at the next meeting. Board members will have until the following meeting to review the plan. Questions and concerns will be discussed at the meeting after that (February 2015), and the board will vote on plan approval at its May 2015 meeting. Haug stated that the plan would become effective in

the fiscal year beginning July 1, 2015 for the year ended June 30, 2016, depending on the availability of funding, which would most likely be non-appropriated money, for that fiscal year.

Dymond reminded the assembly that Jesse Biter, Danny Gaekwad and Belinda Keiser serve on the Compensation Committee.

Dymond then brought to the board's attention that there is a vacancy on the Audit and Accountability Committee due to the expiration of Hal Valeche's board term. Dymond appointed Brian Lamb to the Audit and Accountability Committee. With this being the first meeting of the new fiscal year, Dymond reappointed Jesse Biter, Danny Gaekwad and Belinda Keiser to the Governance and Compensation Committee, and reappointed Lewis Bear and Henry Rodriguez, and new appointee Brian Lamb, to the Audit and Accountability Committee.

Dymond introduced new board member Dr. Neal Dunn.

Contracts, Business Development and Project Activities

Haug began by providing a summary overview of the six business items requiring board action. Haug stated that three items relate to the client side of legislatively directed funding initiatives where the board previously approved management securing the respective funding from the Department of Economic Opportunity (DEO); one item relates to entering into an agreement with the Florida Department of Transportation (FDOT) for funding of Spaceport planning efforts; one relates to a binding memorandum of understanding for OPF3; and the last relates to an agreement to provide to a client a use sub-license for a facility at the Cape Canaveral Air Force Station.

Haug reviewed the first business item, pertaining to the \$1 million memorandum of understanding with Israel to foster collaborative aerospace research, development and commercialization of projects. Space Florida and Israel have completed the initial year solicitation processes and Space Florida has received two qualified proposals for domestic funding totaling \$460,000. One proposal focuses on the development of a small satellite communication dish antenna and the second focuses on airborne telemetry and control systems for live microgravity experiments and scientific users. These proposals are in the final due diligence processes and Space Florida anticipates making awards within the next month.

Hayden Dempsey made a motion to approve management negotiations associated with the RFP awards and related contract activities in conjunction with the Florida-Israel Aerospace Research and Development projects, which was seconded by Neal Dunn, and approved unanimously.

The second action item related to the \$2 million legislative appropriation for Cecil Field Spaceport Infrastructure in accordance with their 2012 Spaceport Master Plan, which was approved at the May 21, 2014 board meeting. These funds will be administered by DEO to Space Florida for distribution to the Jacksonville Aviation Authority for partial funding of their multi-phase plan, beginning with the study, design and initial construction of infrastructure.

Belinda Keiser made a motion to approve management negotiations associated with the related funding and contract activities in the amount of up to \$2,000,000 with the Jacksonville Aviation Authority for this effort, which was seconded by Julius Davis, and approved unanimously.

Haug presented the third legislative-related item, an appropriation of \$500,000 from Space Florida's operations budget to the Florida Institute of Technology (FIT), which was approved at the May 21, 2014 board meeting. These funds will be administered by DEO to Space Florida for distribution to FIT, which will serve as the administrative lead for the Federal Aviation Administration's Center of Excellence for Commercial Space Transportation. The funding will be used to provide a one-for-one match in funding for research projects selected by this FAA Center of Excellence for awards to Florida universities. The focus of the research will be on assuring a safe, environmentally compatible, and efficient commercial space transportation system with specific efforts in the areas of space traffic management and operations; space transportation operations; technologies and payloads; human spaceflight; and space transportation industry viability.

Jay Beyrouiti made a motion to approve management negotiations associated with the related contract activities in the amount of up to \$500,000 with the Florida Institute of Technology for the above referenced effort, which was seconded by Johnathan Stanton, and approved unanimously.

William Dymond declared a conflict of interest and abstained from voting on this board action item.

Brian Lamb declared a conflict of interest and abstained from voting on this board action item.

The fourth business item concerned the intentions of Space Florida and FDOT to enter into agreements for fiscal year 2015 in the amount not to exceed \$1,000,000 that will be used to facilitate spaceport planning efforts. Space Florida anticipates that 50 percent of the funding will be directed to FAA licensing efforts; 35 percent will be directed to spaceport safety related planning, including environmental impacts concerning commercial space transportation; and 15 percent will be directed to the continued funding of the Applied Meteorology Unit.

Brian Lamb made a motion to approve management negotiations and contract activities with FDOT related to the funding of spaceport transportation planning and related project efforts in the amount of up to \$1,000,000 for FY2015 and to approve management negotiations and contract activities in conjunction with the disbursements for these planning and related project efforts in the amount of up to \$1,000,000, which was seconded by Belinda Keiser, and approved unanimously.

Haug reported that the fifth item for board approval concerned Project Syros/Orbiter Processing Facility and Processing Control Center known as OPF3. Haug reminded board members that during the May 21, 2014 board meeting, the board approved OPF3 efforts associated with operations and maintenance, utilities and property management, and service commodity needs through August 31, 2014. This action was made understanding that Space Florida was, and continues to be, in negotiations with Syros to enter a binding Memorandum of Understanding regarding long-term use of the facilities, employment commitment, and capital investment, in addition to the following five key terms:

1. **Sub-Permit Agreement:** Within 30 calendar days of the announcement of awards for the Commercial Crew Transportation Capability phase of NASA's Commercial Crew Program, Syros must elect whether to enter in the sub-permit and, if so, what portion of the properties (whole or partial). If Syros elects not to enter into the sub-permit they waive all rights to the properties and the terms of property improvements will remain binding on the customer.
2. **Term:** There will be two phases: a transition period, lasting from the sub-permit execution date through December 31, 2014 while renovations are completed; and an operational period lasting 10 years, commencing January 1, 2015 with three one-year term extension options.
3. **Property Improvements:** Syros will provide a dollar for dollar match of the infrastructure investment that Space Florida has provided, or reimburse 50 percent of the outstanding unmatched, on or before September 30, 2015.
4. **Fee:** There will be two phases: during the transition period no fee will be assessed; during the operational period Syros will pay a fee up to \$1,000,000 per year depending on what portion of the facility is utilized. Currently, Syros expects to utilize the entire facility.
5. **Operations and Maintenance, CMO (fee for general KSC management of center, and public safety and security services), Utilities, and Insurance:** There will be two phases: during the transition period Syros will pay average costs based on the portion of the properties being utilized; during the operational period Syros will have direct responsibility for all costs or a portion of the costs subject to election of the portion of property to be utilized.

Haug requested that a modification be made to the original action request with regards to the timing. Instead of approval for the entire fiscal year, Haug suggested continuing on a month-to-month approval schedule until the project is announced, which he believes to be imminent.

Belinda Keiser made a motion to approve management to complete negotiations and reach agreement on the MOU 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 through September 30, 2014, which was seconded by Neal Dunn, and approved unanimously.

The final action item concerned Project Athena/Satellite Assembly Building. Space Florida is currently in negotiations with a commercial customer regarding the securing of a sub-license at the Satellite Assembly Building located at Cape Canaveral Air Force Station. The property will consist of approximately 22,500 sf and the permitted use of the premises by the customer will be for Project Athena or any other approved program under the Commercial Space Launch Act. Routine maintenance, utilities, and common area costs, including capital repairs, will be funded via an annual fee, to be funded by the customer, of approximately \$282,000. The customer will be responsible for any other direct costs associated with their use of the property. Space Florida anticipates this agreement to be effective through May 2016, with potential renewable options. In addition, the customer will be required to provide a quarterly report indicating the activity related to the Project Athena program including scheduled launch activity as well as jobs created.

Jesse Biter made a motion to approve management negotiations associated with Project Athena and the related contract activities as described above, which was seconded by Julius Davis, and approved unanimously.

President’s Report

DiBello informed the board that his report would cover end of year performance, a review of Space Florida’s powers under statute, initiatives to position Florida for the future of the space industry, and upcoming industry events. DiBello stated that Space Florida met all Department of Economic Opportunity (DEO) performance measures for fiscal year 2013-14, and closed 11 economic development transactions. Outside of these accomplishments, Space Florida focused on broadening its financing network, securing key leases for its infrastructure assets, completing the fulfillment work on Project Redline and Project Syros, sponsoring several innovation grant competitions, and enabling a number of space education/research events. DiBello further noted that Space Florida created, recruited and retained 1,242 jobs; recruited, retained and expanded 11 companies; and exceeded goals related to industry growth and capital investments. He said that Space Florida has met or exceeded its operational metrics for the last five years, as well as having a clean audit opinion in each of those years.

DiBello reiterated key points from Swanson’s budget report, which can be summarized as follows:

\$12.5 million	Space Florida
\$9.5 million	Space Florida operations
\$1.0 million	Israel MOU
\$1.5 million	Space tourism marketing
\$500,000	Centers of Excellence
\$2 million	Cecil Field Infrastructure
\$5 million	Space Financing Fund
\$3 million	Embry Riddle Aerospace Academy

DiBello educated new and returning board members about Space Florida’s role as Florida’s space authority, with broad spaceport authority and key responsibilities in the three areas of infrastructure, economic development, and positioning Florida for the future aerospace industry. He stated that under Florida law, Space Florida is empowered to exercise certain powers statewide, such as financing, owning/leasing real estate and machinery and equipment; investing, building, owning and operating facilities on special property to grow or expand Florida’s aerospace and space industry; and holding rights to intellectual property. In support of the growth of aerospace, Space Florida is able to use the powers of its independent special district status to finance using off balance sheet financing. The organization also has the authority and responsibility to submit to the Florida Department of Transportation a Spaceport Master Plan, can exercise most powers of local government within the Spaceport territory, and can issue revenue or assessment bonds and issue conduit debt within the Spaceport territory.

While Space Florida focuses on the space industry, DiBello reminded members that this industry is highly integrated with the aviation and aerospace industries. He said that it is also a horizontal industry, encompassing a bit of IT, electronics, materials, propulsion, and more, and all of these are also areas of interest for Space Florida. The space industry is a \$314 billion industry, and Florida’s portion is about \$19.2 billion, or roughly six percent. About 28 percent of that share is hardware, leaving approximately 70 percent in downstream applications (i.e., the companies that make money using the hardware). DiBello informed members that a lot of the high-growth companies are in downstream applications.

Space Florida is also working to maintain a strong base in launch operations within Florida. There are three launch sectors: military, civil and commercial. DiBello expects that the military sector will maintain a robust level of activity in Florida, approximately 15 to 20 launches in the next decade. The civil launch sector is going through a transition, with NASA developing a new spacecraft and space launch system. While it will not have a robust launch schedule, it is the future of the space exploration program. Space Florida is working with both the Air Force and NASA to build a strong commercial launch capability. Last year there were 23 commercial launches worldwide. DiBello predicts a significant increase in commercial launch activity, as a number of clients are considering putting up constellations – numbering 1,000 or more – of satellites. He also anticipates the emergence of a significant sub-orbital launch market, which can number from 10 to 40 launches per year, and is rapidly growing. The sub-orbital launch market covers a number of markets, including commercial human spaceflight, base and applied research, aerospace technology test and demonstration, education, remote sensing, satellite deployment, point-to-point transportation, and media and public relations.

DiBello reminded the board that Space Florida is in the process of revising their strategic plan, which is updated every five years. The organization's annual business plan is derived from this strategic plan, and the budget, in turn, is derived from the business plan. DiBello expects that they will be presenting their strategic priorities and gathering board feedback in the second quarter of this fiscal year. He would like to have the plan in place by the time the next legislative session begins.

DiBello talked about the key strategy elements that Space Florida is engaged in to support each of its key statutory role areas. With respect to the Spaceport Authority role, Space Florida works to ensure that space is an integral part of the state's transportation planning system; develops statewide policy and standards for the Spaceport territory, Spaceport operations, liability and safety; focuses on integrating State and private sector capital formation to support infrastructure growth; sets priorities for State investment in space infrastructure; and works with all interested partners in the state for establishing an independent Cape Canaveral Spaceport. In the Spaceport Development role, Space Florida is focused on developing both a commercial horizontal capability as well as vertical launch capability, and on securing infrastructure that may have been federal but still has market applicability. In the Economic Development role, the organization has concentrated on developing financing capabilities and tools required to support statewide aerospace economic development efforts. After they have developed these tools, they have focused on building a reliable network of trading partners that can participate with Space Florida in financings. Now they are working to develop proficiency and confidence in use of those tools. DiBello and his team are also working to ensure a consistency of State commitment and funding to support the "viability and credibility" of Space Florida's financing capabilities. In the role of Technology Development/Education/Workforce, Space Florida has not had money its budget to support direct research, so it has focused instead on supporting demonstrations of technology, especially where those demonstrations can lead to a market commitment of some kind (in terms of capital investment). The group has also worked to grow the depth and breadth of the aerospace supply chain, facilitated innovation growth and capital formation, and facilitated advanced space/aerospace curriculum development tools.

DiBello turned the presentation over to Jim Kuzma, who continued the description of Space Florida's Spaceport Authority role and areas of responsibility. The first area Kuzma covered was space and spaceport policy. Space Florida is involved on a state and federal level to support the Commercial Space Launch Act, working with the [federal] Office of Commercial Space Transportation as well as FDOT on infrastructure requirements and standards. Secondly, the statute requires that Space Florida coordinate with federal and state agencies and entities, which they have done in the area of unmanned systems. They have also worked with partners such as the National Oceanographic Association, the FAA, NASA, and the 45th Space Wing to investigate programs that could use the space facilities found in Florida. Kuzma noted that one of their major responsibilities is airspace management. There are three lines of business that require airspace management: vertical launch, horizontal launch, and unmanned systems. Space Florida has to examine these operations and ensure that they do not interfere with passenger traffic. Another Space Florida role is safety, both within the State of Florida and to the public. This involves range safety, working with previously mentioned partners on autonomous flight safety, and state emergency operational protocols. Space Florida is part of the State Emergency Response Commission in support of this role. Another area of responsibility is instrumentation, which includes studying the next generation of ranges (for unmanned systems), and determining what will keep Florida at the leading edge of space and transportation. Lastly, Space Florida is responsible for developing the statewide Spaceport System Plan.

Kuzma then spoke about some of the requirements for the future of a commercial operated spaceport: advance commercial heavy lift, commercial crew and cargo, horizontal launch and landing, statewide space capacity, and new emerging space systems. Florida has two FAA licensed commercial spaceports: Cecil Spaceport and Cape Canaveral Spaceport. Florida has made considerable investments at the Cape to support the space industry over the last 20 – 25 years, totaling over \$516 million, a large portion of which came from the private sector.

Future initiatives include a shuttle landing facility, Shiloh, an upgrade of Launch Complex 36 and Launch Complex 46, and unmanned mobile systems.

Kuzma also informed the board that Senator Nelson has taken an interest in assisting the area to look at how to support the commercial launch industry. A task force has been formed that consists of Space Florida, NASA, the Air Force and the FAA. Kuzma's presentation showed nine key areas of effort for the task force, including a FAA license for public safety for launch/pre-launch operations, state regulations similar to other commercial businesses, improved access to base/range support contracts, and streamlined access to commercial launch facilities.

Kuzma said that in terms of a commercially responsive spaceport, Space Florida's objective is to position itself between the baseline and growth industry projections. Key focus areas and conditions for growth are regulatory

confidence, operational efficiency, schedule assurance, and investment confidence. Also important to the Spaceport are multi-modal connections: air, rail, sea and land. He said they are close to having the foreign trade zone expanded to encompass the entire Cape Canaveral Spaceport.

Kuzma reported that construction of the first building at Exploration Park is set to commence in January 2015. This building will be a multi-tenant office building. He reminded members that CASIS is the Ground Node for ISS. ISS Resupply Mission 3 was the first Space Life Sciences Lab-processed payload to ISS since the retirement of the space shuttle program.

DiBello resumed his report with before and after images of the high and low bays of the Commercial Crew & Cargo Processing Facility (C3PF). He noted that they converted a facility that was used to process the shuttle to a manufacturing, final assembly and integration facility for next generation spacecraft. DiBello also shared photos showing the progress of Project Redline (Embraer) from a greenfield location to buildings in place and the facility on track to be delivered by September 2014. He also shared renderings for Project Magellan (Northrop Grumman), a multi-building campus, which was announced in March 2014 and will be located at the Melbourne International Airport. This facility will be financed, built, owned and operated by Space Florida.

DiBello reminded the board that Space Florida has a responsibility to coordinate with other spaceport entities around the world. To that end, Space Florida has agreements in place with the UK, Israel, and Spain, and is working on agreements with Brazil, Singapore, India and Japan. Several of these agreements have very substantive sharing of best practices, and are even exploring ways to pool liability and insurance instruments. The Florida/Israel R&D Partnership was put in place last year and received its first \$1 million, which was matched by Israel. The partnership has gone through one RFP round, with two teams approved for funding. The second RFP round will happen this fall and DiBello expects a much more robust response.

The space tourism marketing initiative is going very well. He said the program has already resulted in an increase in tourists to the Kennedy Space Center Visitor Center as well as to the state.

The 2014-15 legislative agenda includes renewal of the Qualified Defense and Space Contractor Tax Refund (QDSC) incentive, clarifications on the management of Spaceport Territory and the designation of Spaceport Territory, and an initiative to address liability and risk mitigation. This initiative is not ready for public presentation, but Space Florida is working to assist the existing and planned Spaceports in the state to have the ability to manage the risks associated with activities whether they be space flight or unmanned systems activities. Last on the agenda, Space Florida is looking at a number of ways to improve education, workforce and technology initiatives by establishing a number of events, manufacturing centers, and growing the bio-agricultural activity in the state.

Near Term – Upcoming Events

Upcoming events include a Commercial Space Summit that is being held in Jacksonville, hosted by the Jacksonville Spaceport Authority. Concurrent with this event is a meeting of the Commercial Spaceflight Federation, which is an industry association of all of the major companies that are involved in planning and implementing next generation spaceflight systems. Space Florida is managing the upcoming Innovation Coast Awards. Ten finalists have been selected for presentation, and awards will be given to the best business plans. Finally, the International Symposium for Personal and Commercial Spaceflight is taking place in Las Cruces, NM in October.

Dymond reminded all present that the next Space Florida board meeting will be held September 29, 2014 in Orlando.

Dymond turned the floor over to Michael Stewart to address the board.

Closing Remarks and Adjournment

There being no further business, Dymond adjourned the meeting at 11:06am (EDT).

William Dymond, Jr., Chair

BOARD OF DIRECTORS MEETING

August 20, 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 August 20, 2014, and not subsequently amended or modified.

Frank A. DiBello, President

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME DYMOND WILLIAM T.	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE SPACE FLORIDA
MAILING ADDRESS 215 N. SOLA DR.	NAME OF STATE AGENCY SPACE FLORIDA
CITY ORLANDO	COUNTY ORANGE
DATE ON WHICH VOTE OCCURRED 8-20-14	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE

WHO MUST FILE FORM 8A

This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

As a person holding elective state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, if you vote on such a measure you must complete this form and file the form within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

APPOINTED OFFICERS:

As a person holding appointive state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, you must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, William T. Dymond, Jr., hereby disclose that on August 20, 20 14:

(a) A measure came or will come before my agency which (check one)

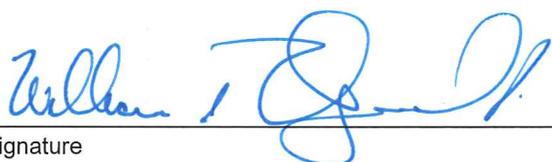
- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, _____;
- inured to the special gain or loss of FLORIDA INSTITUTE OF TECHNOLOGY, by whom ~~I am retained~~ or my firm Lowndes, Drossick, Doster Kanta & Reed, P.A. REPRESENTS, which is the parent organization or subsidiary of a principal which has retained me.

(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Space Florida's agreement with F.I.T., as administrative lead for the Federal Aviation Admin. Center of Excellence for Commercial Space Transportation, to provide \$500,000.00 in appropriated funds.

8-20-14

Date Filed


Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

FORM 8A MEMORANDUM OF VOTING CONFLICT FOR STATE OFFICERS

LAST NAME—FIRST NAME—MIDDLE NAME <i>LAMB BRIAN DARYL</i>	NAME OF BOARD, COUNCIL, COMMISSION, AUTHORITY, OR COMMITTEE <i>Space Florida</i>
MAILING ADDRESS <i>14401 Tom Fazio Ct.</i>	NAME OF STATE AGENCY <i>Space Florida</i>
CITY COUNTY <i>Tampa Hillsborough</i>	MY POSITION IS: <input type="checkbox"/> ELECTIVE <input checked="" type="checkbox"/> APPOINTIVE
DATE ON WHICH VOTE OCCURRED <i>8/20/14</i>	

WHO MUST FILE FORM 8A

This form is for use by any person serving at the State level of government on an appointed or elected board, council, commission, authority, or committee. It applies equally to members of advisory and non-advisory bodies who are presented with a voting conflict of interest under Section 112.3143, Florida Statutes.

Your responsibilities under the law when faced with voting on a measure in which you have a conflict of interest will vary greatly depending on whether you hold an elective or appointive position. For this reason, please pay close attention to the instructions on this form before completing the reverse side and filing the form.

INSTRUCTIONS FOR COMPLIANCE WITH SECTION 112.3143, FLORIDA STATUTES

ELECTED OFFICERS:

As a person holding elective state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, if you vote on such a measure you must complete this form and file the form within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

* * * * *

APPOINTED OFFICERS:

As a person holding appointive state office, you may vote on a measure which inures to your special private gain or loss; to the special gain or loss of a principal by whom you are retained (including the parent organization or subsidiary of a corporate principal by which you are retained); to the special private gain or loss of a relative; or to the special private gain or loss of a business associate. However, you must disclose the nature of the conflict before voting or before making any attempt to influence the decision by oral or written communication, whether made by you or at your direction.

For purposes of this law, a "relative" includes only your father, mother, son, daughter, husband, wife, brother, sister, father-in-law, mother-in-law, son-in-law, and daughter-in-law. A "business associate" means any person or entity engaged in or carrying on a business enterprise with you as a partner, joint venturer, coowner of property, or corporate shareholder (where the shares of the corporation are not listed on any national or regional stock exchange).

IF YOU INTEND TO MAKE ANY ATTEMPT TO INFLUENCE THE DECISION PRIOR TO THE MEETING AT WHICH THE VOTE WILL BE TAKEN:

- You must complete and file this form (before making any attempt to influence the decision) with the person responsible for recording the minutes of the meeting, who will incorporate the form in the minutes.
- A copy of the form must be provided immediately to the other members of the agency.
- The form must be read publicly at the next meeting after the form is filed.

IF YOU MAKE NO ATTEMPT TO INFLUENCE THE DECISION EXCEPT BY DISCUSSION OR VOTE AT THE MEETING:

- You must disclose orally the nature of your conflict in the measure before participating.
- You must complete the form and file it within 15 days after the vote occurs with the person responsible for recording the minutes of the meeting, who must incorporate the form in the minutes. A copy of the form must be provided immediately to the other members of the agency, and the form must be read publicly at the next meeting after the form is filed.

DISCLOSURE OF STATE OFFICER'S INTEREST

I, Brian Lamb, hereby disclose that on August 20, 20 14:

(a) A measure came or will come before my agency which (check one)

- inured to my special private gain or loss;
- inured to the special gain or loss of my business associate, _____;
- inured to the special gain or loss of my relative, _____;
- inured to the special gain or loss of FIT, by whom I am retained; or
- inured to the special gain or loss of _____, which is the parent organization or subsidiary of a principal which has retained me.

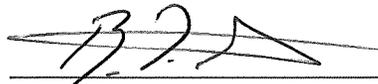
(b) The measure before my agency and the nature of my conflicting interest in the measure is as follows:

Space Florida would enter into an agreement with FIT. This agreement would result in FIT receiving a negotiated fee or compensation

I (Brian Lamb) abstained from this vote/motion because FIT is a client of Fifth Third Bank, my employer

8/20/14

Date Filed


Signature

NOTICE: UNDER PROVISIONS OF FLORIDA STATUTES §112.317, A FAILURE TO MAKE ANY REQUIRED DISCLOSURE CONSTITUTES GROUNDS FOR AND MAY BE PUNISHED BY ONE OR MORE OF THE FOLLOWING: IMPEACHMENT, REMOVAL OR SUSPENSION FROM OFFICE OR EMPLOYMENT, DEMOTION, REDUCTION IN SALARY, REPRIMAND, OR A CIVIL PENALTY NOT TO EXCEED \$10,000.

In Article VI, Purchasing Policies add an "Exception" to read as follows:

**ARTICLE VI
PURCHASING PROCEDURES**

POLICY: The procurement of all supplies, equipment, and services required for operation of Space Florida will be accomplished according to this directive.

PURPOSE: To set forth procedures for the purchasing function within Space Florida

EXCEPTION: If and when the Board of Directors approves an aerospace-business location, relocation, or expansion project in which Space Florida is to purchase equipment or services for the aerospace business, and if (i) the equipment and/or services are to be used only by the aerospace business, not by Space Florida, and (ii) the cost of the purchase is to be paid, directly or indirectly, either by the aerospace business or by a person, agency, corporation, company, or entity other than Space Florida (for example, when Space Florida is acting as a "conduit" to facilitate the business financing), then this directive and these procedures do not apply unless the Board of Directors directs otherwise or the President elects otherwise.



**Space Florida Board of Director Meeting
September 29, 2014
Contracts for Approval**

1. **Project Syros/Orbiter Processing Facility and Processing Control Center (OPF3):** During the August 20, 2014 Space Florida BOD Meeting, the board approved OPF 3 efforts associated with operations and maintenance, utilities, property management and service commodity needs through September 30, 2014. With the recent favorable announcement, time is needed to work with Syros to define specific terms and conditions of our agreement and thus Space Florida requests board approval for management to enter the respective operations, maintenance, utilities, property management and service commodity need agreements associated with the OPF 3 facilities through the earlier of December 31, 2014 or the Sub-Permit Agreement is finalized with Project Syros.

➤ *Space Florida requests board approval for management negotiations associated with the OPF 3 facilities and related contract activities as described above.*

2. **Project Magellan / Northrop Grumman Project:** Northrop Grumman has requested that the nine agencies to the May 7, 2014 “Cooperation Agreement” execute a “First Amendment” to correct numerous errors in the document. All are scrivener errors and none of the changes involves any material terms of the agreement.

Space Florida staff anticipates that, from time to time, corrections to scrivener errors and immaterial amendments may be needed, given the complexity and duration of the project and the numerous leases and agreements that have been approved by all the parties (as exhibits to the Cooperation Agreement), but have yet to be executed. We recommend that the board approve the proposed “First Amendment to the Cooperation Agreement” and further authorize senior staff to execute in the future nonmaterial amendments from time to time such as are now being requested by Northrop Grumman for Project Magellan related efforts.

➤ *Space Florida requests (i) Board approval of the First Amendment to Cooperation Agreement for Project Magellan (Northrop Grumman) and (ii) Board authorization for the President or 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.*

3. **Project Icarus:** With the recent announcement of commercial crew awards business related activities have began to increase throughout the supply chain for spacecraft. Space Florida has been working with two entities; one the builder and operator of spacecraft and the other a supplier of key components. Their joint need is related to the structure and financing of Five Million Dollars (\$5,000,000.00) for Computer Numerical Control Equipment (“CNC Equipment”) associated with the production of the components. Space Florida’s interest is to establish in Florida, the capability of providing key components not only to this specific operator of spacecraft, but to other spacecraft builders and operators. The agreement is expected to include both companies and Space Florida whereby Space Florida invests One Million Dollars (\$1,000,000.00) of the Space Florida Finance Funding as the equity portion and finances the



balance of Four Million Dollars (\$4,000,000.00) from 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.

- *Space Florida requests board approval for management to negotiate and enter all related contracts to complete the above described transactions.*

