

New Mexico Bioscience Authority (BSA) Board of Directors

Regular Meeting

February 15, 2019, 10:00 am-11:30 am

800 Bradbury Drive SE, Suite 213

Albuquerque, New Mexico

Present: Richard Larson (Chair), Jeffrey Arterburn, Greg Byrnes, Dale Dekker, Immo Hansen, Alicia Keyes, Thomas Kieft, Ken Prokuski,

Absent:, Christos Christodoulou, Daniel Hicks, Stuart Rose, Wayne Savage, Suzanne Quillen,

Others Present: Catherine Penick, Amy Farnbach Pearson, Ryan Cangiolosi. Bill Woldman

#	Agenda Items	Board Actions
1.	Call to Order and Confirmation of Quorum	The Chair called the meeting to order at 10:03 am in the conference room at 800 Bradbury Dr SE, Suite 213. <i>A quorum was confirmed.</i>
2.	Approval of Previous Minutes	<p>The Chair asked if there were corrections or amendments to the minutes from the previous board meeting of January 18, 2019. Director Byrnes noted that Econsult Solutions is located in Philadelphia rather than Pittsburgh.</p> <p>MOTION by Dale Dekker <i>Move to approve the minutes of the January 18, 2019 meeting with one minor correction – changing the location of Econsult Solutions from Pittsburgh to Philadelphia.</i></p> <p>Seconded and carried with one Abstention (Keyes)</p>
3.	Chair's Administrative/Executive Committee Report:	a. Introductions - Chair Larson welcomed new members Alicia Keyes and Ken Prokuski. Director Keyes fills an Ex-Officio position on the board in her role as Secretary of Economic Development for the State of New Mexico. Director Prokuski is a nominee of the NM Legislative Council.

		<p>Chair Larson asked those attending as guests to introduce themselves. Attending were Mr. Richard Draper, Program Manager for Sandoval Health Collaborative and Mr. Bill Woldman, Field Representative from Senator Tom Udall's Albuquerque office.</p> <p>Chair Larson reviewed the NMBSA's formation history, mission, appointment authorities and funding history for board members. He also clarified the distinction between the New Mexico Bioscience Authority and NMBio:</p> <p><i>The New Mexico Biotechnology and Biomedical Association (NMBio) is a BIO-affiliated trade association for biotechnology, biomedicine, and other bioscience industries. It serves as a catalyst for bioscience industry acceleration in New Mexico. They provide a forum for information exchange, develop initiatives to enhance business success and bioscience education, help establish collaboration and serve as a voice of the industry to state, federal and local governments.</i></p> <p><i>The New Mexico Bioscience Authority (NMBSA) was created in 2017, and is an official state agency. The NMBSA is New Mexico's first public/private partnership. It is a public body corporate, which includes state government, research institutions, national laboratories, and private industry. It has broad authority and ability to catalyze the bioscience industry, as well as form biotech companies and invest in companies. Serving as a Center of Excellence for Bioscience, the NMBSA aims to develop initiatives to stimulate investment in bioscience industries in New Mexico, and provide additional employment opportunities for our state's residents.</i></p> <p><i>The NMBSA represents a new economic model based on similar programs successfully initiated in states throughout the United States that encourages and facilitates private/public partnerships for the advancement of bioscience research and business development. The board of directors includes representation from New Mexico's research universities, the Spaceport Authority, and members appointed by the governor and state legislature.</i></p>
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		<p>Chair Larson will hold an onboarding session for new members to formally bring them up to speed on the mission, activities, policies and procedures of the NMBSA.</p> <p>ACTION ITEM: Send new members and today’s guests a Doodle Poll inviting them to new member onboarding session. (Staff)</p> <p>b. <u>Membership</u> Chair Larson announced that the nominating committee is still in the process of speaking to board members whose terms are expiring to assess their interest in continuing in their board positions for another term. Director Keyes will serve as the formal liaison for Governor appointees in her role as New Mexico’s Secretary for Economic Development.</p> <p>ACTION ITEM: Send Director Keyes details on any governor appointees who are expiring. (Staff)</p>
4.	Approval of Sole Source Policy	<p>Chair Larson stated that, as a public/private partnership created by the State legislature, the NMBSA must follow the procurement laws and must have a Sole Source Policy established in accordance with those laws which would define when the competitive bidding process may be waived in order to execute a sole source procurement transaction. A draft Sole Source Procurement Policy was distributed to the board in advance of the meeting for review. The board discussed the policy and made recommended edits.</p> <p>MOTION by Dale Dekker <i>Move to approve NMBSA Sole Source Procurement Policy with the following changes:</i></p> <ol style="list-style-type: none"> 1. Section PURPOSE, Line 3: Change to read: <ul style="list-style-type: none"> • “Note: This only applies to sole source purchases of \$60,000 or less.” 2. Section POLICY: Add bullet to read:

		<ul style="list-style-type: none"> • “This policy complies with the New Mexico Bioscience Authority Signature Authorization Policy as adopted by the NM Bioscience Authority Board of Directors on March 16, 2018” <p>3. Section POLICY: Add bullet to read:</p> <ul style="list-style-type: none"> • “This policy is consistent with the New Mexico Procurement Code, Sections 13-1-28, et seq., NMSA 1978” <p>Seconded and carried unanimously without dissent.</p>
5.	Angel Tax Credit	John Chavez of the NM Angels has made a request to the legislature to raise the cap to \$ 5M. Right now the fund is limited to in-state and there is concern that this will crowd out New Mexico investors. The NMBSA will resume discussions regarding how to extend to out-of-state investors following the legislative session.
6.	“Community Ready Program” Update	<p>Chair Larson reported that the draft Community Ready Program criteria to City to Albuquerque which marks the completion of Tasks 1 and 2 . Director Dekker provided an overview of the Community Ready program for the benefit of the new members and guests.</p> <p>ACTION ITEM: Contact Cynthia Jaramillo with Albuquerque Economic Development to determine the appropriate working contact for piloting the program with the City of Albuquerque.</p> <p>ACTION ITEM: Send a final copy of the Community Ready Program documents (marked DRAFT) to all board members and today’s meeting guests. (Staff)</p>
7.	Econsult Solutions (ESI) Contract	Chair Larson reviewed the current legislative requests. In addition to the NMBSA’s request for recurring operating funds at 250K year, the NMBSA also requested formation of an endowment fund of \$25-50M invested over a 4-7 year period. The rationale for the endowment fund is that this fund would be 1) a strategic investment in states future, 2) a one-time allocation, 3) consisting of “patient” capital, and, 4) an approach supported by a third-party validation.

		<p>Econsult Solutions (ESI) out of Philadelphia has provided a draft contract to conduct a third party validation for the endowment fund concept. They would conduct the validation for \$10K to determine what type of co-investment would be necessary to be effective in our state. Director Byrnes explained the mission, qualifications and reputation of ESI and stated that they are noted for their economic impact studies. The draft contract was distributed to the board members prior to the meeting for review. The board reviewed the contract and agreed that a validation study is an important investment prior to moving forward with the fund. Following discussion, the board conducted a vote to accept the contract.</p> <p>MOTION by Dale Dekker <i>Move to approve the ESI contract with the following change:</i></p> <ul style="list-style-type: none"> • Page 3, Section Report Production: Change to read “We propose a professional fee for the production and completion of the written report of \$15,000, up to \$5,000 of which could be in the form of 2019 sponsorship credits with New Mexico Biotechnology and Biomedical Association (NMBio).” <p>Seconded and carried unanimously without dissent</p>
8.	Announcements	None
9.	Adjourn	Meeting adjourned at 11:16 am.

Respectfully submitted by Catherine Penick, February 15, 2019.

Approved by New Mexico Bioscience Authority Board of Directors, March 15, 2019.