



health sciences & services authority of spokane county

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HSSA BOARD OF DIRECTORS
Minutes of the November 4, 2009 Meeting
665 N. Riverpoint Boulevard, Spokane, WA

Members Present:

Nancy Isserlis, Chair; Roger Woodworth, Vice Chair; Patricia Butterfield, Grant Subcommittee Chair; Alethea McCann, Finance Chair; Earl F. “Marty” Martin and Mari Thomas.

Members Absent:

Dr. Jeff Collins; Kelsey Gray and Wendy Schneider.

Staff Present:

Susan Ashe, Consultant/Interim Director.

Providing Legal Counsel:

James Emacio

Guests:

Tony Bonanzino, CEO, ISM; David Condon, U.S. Rep. Cathy McMorris Rodgers.

1) Call to Order

Nancy Isserlis called the meeting to order shortly after 3 PM.

2) Approval of Minutes

Earl Martin moved to approve the minutes of the October 7, 2009, Board meeting, and the motion was seconded by Alethea McCann. The motion was unanimously passed.

3) Board Action

There were no other board actions to report.

4) Chair’s Report

The Chair informed the Board that she had signed warrant numbers 1026-1029 dated November 4, 2009, totaling \$8,302.36. The Chair reported that both she and Tony Bonanzino, representing ISM, had signed the two-year contract for \$675,000 to ISM to increase infrastructure capacity for research. The clock started on the day the contract was signed, October 29, 2009.

The Board deferred a discussion on the Consultant’s contract until the Executive Session scheduled later on the agenda.

The Chair congratulated and thanked the inaugural Board in celebration of the first anniversary of the HSSA. Three Board members’ one-year terms were concluding. She announced that Mari Thomas had indicated her willingness to be reappointed to the Board. She thanked Roger Woodworth, Vice Chair, for his outstanding leadership and service and presented him with a certificate of appreciation. A similar certificate will be sent to Wendy Schneider who is now employed in Wyoming. The Chair commented for the record on key accomplishments of HSSA in its first year, as follows:

- The Washington legislature created the HSSA in 2007 to promote bioscience-based economic development and promote public health.
- Spokane County formed the HSSA in December 2007.
- The County and the Higher Education Coordinating Board entered into a Memorandum of Understanding in May, 2008.
- The County authorized a sales and use tax of 0.02% effective August 1, 2008.
- Subsequently, inaugural Board Members were appointed by the Governor, Spokane County and the City of Spokane.
- The Board began to meet monthly beginning in November of 2008.
- In March, 2008, the Board retained a consultant to serve in the role of Interim Director, and the Board subsequently secured office space, retained a consultant to assist with financial reporting and budgeting, and established a website (<http://www.hssaspokane.org>).
- In addition, the Board secured both General Liability Insurance and Directors and Officers Liability insurance.
- On May 6, 2009, this Board held its first-ever retreat to review and make decisions on a variety of issues to move forward its works on grant competitions, allocations, and process and procedures, as well as hearing about the genesis of the HSSA and about the start-up of the similar but much larger Life Science Discovery Fund.
- The Grant Subcommittee, ably led by Patricia Butterfield, and the Interim Director developed the grant allocation process and procedures. With the Board's approval, we initiated two grant competitions: one, in the amount of \$675,000 to increase infrastructure capacity for bioscience research, and the second in the amount of \$225,000 to increase access to health services for underinsured people in Spokane County.
- The HSSA issued its first infrastructure capacity RFP in June, 2009, followed by its second access to health services RFP in July.
- The Board subsequently awarded its first grant for infrastructure capacity to the Institute of Systems Medicine, and selected Project Access to receive the health services access grant, subject to satisfactory contract negotiations.
- In addition, we are developing two additional grant competitions (health sciences research grant and collaboration challenge grant for health services) pending this Board's approval.
- The HSSA has also initiated discussions with the Empire Health Foundation to discuss ways in which the two organizations may collaborate and leverage funding in the future. Likewise, discussions with the Inland Northwest Foundation will occur in the near-term.
- Then Boar Chair said that "While we have lots to do ahead of us, we should take this moment to acknowledge all that we have done this year to fulfill our responsibilities under the legislation that established the HSSA."

5) Consultant/Interim Director Report

Ms. Ashe reported that the Board position vacancy letters had been sent to the Governor, the Chair of the Board of County Commissioners, and to the Mayor of the City of Spokane. She also reported that she and John Lederer had completed the final report of the Higher Education coordinating (HEC) Board to the Washington State Legislature, and a copy will

be sent to the HSSA. Upon completion of the contract negotiation with Project Access, she reported that HSSA would plan a signing ceremony with appropriate dignitaries.

6) Board Committee Reports

a) **Finance Committee**

Alethea McCann, Finance Committee Chair, reported to the Board that the HSSA's finances were in order as of September 30, 2009. The County reports that \$125,370.93 is the September allocation to HSSA from county-wide sales and use tax. She reminded the Board that HSSA funds are invested in Spokane County's Investment Pool. The County also reports that the HSSA ending balance as of Sept. 30th is \$1,450,057.22. Administrative costs through September are \$54,753.77 or approximately 3.6% of the HSSA total revenue (county-wide sales and use tax at 0.02%) to date. Ms. McCann introduced Gaylene Lewin who provided a copy of a budget reflecting how the grant funds will be separated into three categories – Infrastructure, Research, Health Services –for accounting purposes, but contained within the HSSA overall budget.

b) **Grant Subcommittee**

Dr. Patricia Butterfield reported that Board Member Kelsey Gray and Ms. Ashe met with John Driscoll on Oct. 22nd for the first round of contract negotiations. They concluded a review of the contract language with some edits. Driscoll is preparing a final revised budget that will include the issue of financial sustainability, about which the HSSA Board was most interested. He will include a ¼-position for grant seeking and a strategic communications plan to market and communicate Project Access to medical service providers (such as doctors) and to new patients. Among others, once outcome of the plan will be increased extramural funding. He will also provide a set of milestones against which performance will be judged. This information is expected within a few weeks. The Grant Subcommittee Chair said that there had been no responses from Board members regarding the proposed RFPs #3 (bioscience research) and #4 (challenge/collaboration for health services delivery) grant competitions. It was determined RFP #4 could be finalized for Grant Subcommittee review and announcement, but that RFP #3 needs further review and consideration, and Dr. Butterfield will soon call a meeting of the subcommittee for that purpose.

7) Board Action

Patricia Butterfield moved that RFP #4, the Woodworth Challenge Grant for the delivery of health services for \$100,000 be released. Mari Thomas seconded the motion and the Board unanimously voted to do so.

8) Counsel Report. Jim Emacio reported that County officials would soon meet to discuss the loan matter and that he will report back to the HSSA Board the outcome of those discussions.

9) Executive Session. The HSSA Board went into executive session at approximately 4:45 p.m. during its regular meeting on November 4, 2009, for the purpose of evaluating the qualifications of an applicant for public employment.

- 10) Board Action. The HSSA Board reconvened in open session at 4:50 p.m. At that time Patricia Butterfield moved and Alethea McCann seconded a motion to extend the agreement with Susan Ashe for an additional 6- month time frame with modified tasks, and that 60 days prior to the end of the agreement the HSSA Board would reexamine the administrative needs of the HSSA.

Roger Woodworth made a friendly amendment which was accepted by the maker and the second of the motion that the HSSA extend the contact with Susan under the same terms and conditions for an additional 6-month time frame with new tasks. These tasks included to coordinate administrative functions related to HSSA Board Meetings, represent the public affairs interests before elected officials, and to identify development opportunities to grow and leverage HSSA resources. The motion as amended by the friendly amendment was unanimously approved.

- 11) The meeting was adjourned at approximately 5 p.m.
- 12) **The next meeting of the HSSA Board will be Wed., December 2, 2009, at Sirti, 4th Floor Board Room, 665 N. Riverpoint.**