



**HSSA BOARD OF DIRECTORS**  
**Minutes of the May 29, 2013 Meeting**  
**665 N. Riverpoint Boulevard, Spokane, WA**

**Members Present:**

Earl F. “Marty” Martin, Vice Chair; Jeff Collins, Kevin Oldenburg, Gary Pollack, Dave Vachon and Frank Velázquez.

**Members Absent:**

Nancy Isserlis, Jason Thackston and Mike Wilson

**Staff Present:**

Susan Ashe, Acting Executive Director  
Gaylene Lewin, Consulting Accountant

**Guests:**

Dr. Pat Tennican

**1) Call to Order**

Marty Martin welcomed everyone and called the meeting to order at approximately 3 p.m. The meeting was conducted at the McKinstry SIERR Building, 850 E Spokane Falls Boulevard, in the Roundhouse 1 & 2 conference rooms.

**2) Approval of Minutes**

Kevin Oldenburg moved to approve the minutes of the February 6, 2013 board meeting and Gary Pollack seconded the motion, which passed unanimously.

**3) Board Action**

A) Kevin Oldenburg, on behalf the HSSA Grants Committee, moved forward the Committee’s recommendation to fund the following to grants:

1. HSSA RFP #6: “Nanofiber polymer constructs for medical applications produced by electrospinning,” in the amount of \$231,178 by David J. Vachon, Novion Technologies.
2. HSSA RFP #6: “Improved silver therapeutics with lower overall toxicity and improved efficacy for the treatment and prevention of wound infection,” in the amount of \$150,063 by David J. Vachon, Novion Technologies.

The recommendation from the Grants Committee was unanimously approved.

4) **Chair's Report** –Marty Martin, Board Vice Chair

A) **Authorization to Pay Warrants**

Vice Chair Martin said that he just signed Warrant Nos. 1341, 1343 and 1344 dated 5.29.13 that totaled \$5,584.15. He said that Warrant No. 1342 is void.

5) **Executive Director's Report** – Susan Ashe, Executive Director

Ashe provided a report that covered the interim between Board meetings. She reported about the partnership with GSI in which HSSA and GSI are recruiting small bioscience/biotechnology companies to Spokane and noted the three companies who to date have visited Spokane. She discussed several meetings she had attended, as well as presentations she has made about HSSA. She noted that she traveled to Washington, D.C. for the GSI Fly-In and met with members of Congress and key staff.

6) **Board Committee Reports**

A) **Finance Committee** – Gaylene Lewin for Jason Thackston, Chair

In Jason Thackston's absence, Gaylene Lewin provided the following report which had been reviewed and approved by Jason.

- The Committee has reviewed the financials through April 30, 2013 and finds the HSSA to be in good financial shape.
- Total State Tax remittance for the year to date is \$499,106 and an additional \$37,571 from Spokane County Allocated Earning on HSSA funds.
- The County reports that HSSA's ending cash balance as of April 30, 2013 is \$13,072,351 and operating expenses for the year remain below the 10% goal at 7.7%.
- The semi-annual bond debt interest payment of \$138,312.23 will be paid as scheduled on June 1, 2013. We are on track to meet our December 1, 2013 principal and interest payment, as well.

B) **Grants Committee** – Dr. Kevin Oldenburg and Dr. Gary Pollack for Mike Wilson, Chair  
Dr. Pollack provided a brief summary of the meeting May 14, 2013. HSSA Chair Mike Wilson called the meeting to order. Attendees were Wilson, Board Chair Nancy Isserlis, Kevin Oldenburg, Gary Pollack and Dave Vachon. Marty Martin was absent. Executive Director Susan Ashe also attended. He said that the group discussed a more formal partnership with the Life Sciences Discovery Fund (LSDF) and tabled the idea for the time being. It will continue to work with the LSDF as HSSA has been doing. The Committee also discussed the draft payback clause but decided to defer this discussion for a full Board discussion at a later date when the Grants Committee Chair would be available. Dr. Oldenburg spoke about a WSU proposal from which Dr. Pollack had recused himself of all discussion. Dr. Pollack relayed the Committee discussion

about two proposals from Dr. Dave Vachon. Dr. Vachon recused himself from all discussion and ultimately left the meeting entirely after a brief presentation during an Executive Session.

#### **7) Executive Session – Marty Martin**

Dr. Martin said that we need to pick up the recommendation from the Grants Committee that the two proposals from Dr. Vachon be granted. What I hear is that the grant proposals contain confidential information which calls us to go into Executive Session to hear from Dr. Vachon representing Novion Technologies.

The HSSA Board under RCW 42.30.110, may enter into Executive Session to “consider in the case of health sciences and services authority, the substance of grant applications and grant awards when public knowledge regarding the discussion would reasonably be expected to result in private loss to the providers of this information.”

We are going to move into Executive Session and we need to ask the visitors to leave the room at this time, approximately 4:05 p.m. wherein Dr. Vachon provided a review of his two grant proposals.

The Board returned to its public meeting at approximately 4:25 p.m. Dave Vachon was asked to leave the meeting after his presentation in Executive Session.

Dr. Martin said that we received a presentation from Dr. David Vachon on his two proposals and we are now prepared to receive the recommendation from the Grants Committee. That recommendation is to approve both proposals. The recommendation comes from the Committee; it doesn't require a motion or a second. Hearing no further discussion of the two grant proposals, Dr. Martin asked for the vote. The Board unanimously approved funding of both proposals.

The Board heard a presentation from WSU Spokane Chancellor and former Senate Majority Leader Lisa Brown. We are very pleased to have you in this position and to have you with us today.

#### **7) Counsel's Report**

There was no report by Mr. Emacio.

#### **8) Board Member Comments and Announcements**

There were no board member comments or announcements.

Board Vice Chair Martin adjourned the meeting at approximately 5:10 p.m.

The next Board meeting will be held September 4, 2013 at PAML's new national headquarters, 629 N. Erie Street. Board member Dr. Francisco Velázquez will be our host.