

**Minutes**  
**Missouri Technology Corporation**

**Thursday, January 17, 2008**  
**2:02 p.m. to 4:47 p.m.**

The Missouri Technology Corporation (the “MTC”) Board of Directors (the “Board”) met in regular session on Thursday, January 17, 2008 beginning at 2:02 p.m. The meeting was held by teleconference.

The following members of the Board were present or absent:

Donn Rubin	Chair	Present
John Park	Vice-Chair	Absent
Jim Baker	Member	Present
Bob Calcaterra	Member	Present
Rep. Wayne Cooper	Member	Absent
David Corwin	Treasurer	Present
Randall Ferguson	Member	Present
Sen. John Griesheimer	Member	Present (joined at 2:45 pm)
Daniel Mehan	Member	Absent
Mike Mills	Member designee-DED	Present
Mike Nichols	Member designee-MU	Present
Stanley Salva	Member	Present
Larry Sexton	Member	Present
Frank Stokes	Member	Present (joined at 2:25 pm)

Honorary (Non-Voting) Members of the Board present or absent:

Bill Alter	Member – honorary member	Present
Nasser Arshadi	Member – honorary member	Present

Outside Legal Counsel and Staff present or absent:

J. Powell Carman	Bryan Cave LLP, MTC Legal Counsel	Present
Brad Wideman	Bryan Cave LLP, MTC Legal Counsel	Present
Rob Monsees	MTC Executive Director	Present
Stacey Hirst	DED staff and MTC support	Present

Guests Present:

Jay Delong	St. Louis RCGA
Jessica Eads	Department of Economic Development
Ben Johnson	Coalition for Plant and Life Sciences

**Call to Order:**

Chair Rubin called the board meeting to order at 2:02 p.m. and established a quorum with nine members present including: Chair Rubin, Dr. Jim Baker, Dr. Bob Calcaterra, Mr. David Corwin, Mr. Randall Ferguson, Mr. Mike Mills, Dr. Mike Nichols, Mr. Stanley Salva, and Mr. Larry Sexton.

### **Approval of Minutes from Prior Meetings:**

Chair Rubin moved to the next order of business on the agenda which was approval of the minutes from the October 29, 2007 meeting. Hearing no corrections to the minutes the following resolution was moved by Mr. Corwin, seconded by Mr. Salva and unanimously approved:

**RESOLVED**, that the minutes from the October 29, 2007 meeting are hereby approved.

### **Approval of the Treasurer's Report:**

The next item on the agenda was for the Board to review and approve the MTC Financial Statements which had been circulated to the Board prior to the meeting. Mr. Corwin summarized the statements as well as highlighted key items for the Board to note. Mr. Corwin noted one correction to the Profit and Loss statement. Director Monsees stated he and Ms. Hirst would work with the accounting firm to make the correction. Chair Rubin noted he would like to document the administrative costs associated with the Life Sciences Research Board activities. The following resolution was moved by Dr. Calcaterra, seconded by Mr. Sexton and unanimously approved:

**RESOLVED**, that the Financial Statement portion of the Treasurer's Report, as presented to the Board, is hereby approved.

### **Additional Staff:**

Mr. Corwin reported on the hiring of additional staff for the MTC which was discussed at the previous MTC Board meeting. A Personnel Committee was established with Mr. Corwin as the Chair, Mr. Stokes, Mr. Mehan and Mr. Mills. The Personnel Committee met on December 18, 2007, at which time Director Monsees described the need for three additional staff members (Deputy Director, Senior Project Manager and Communications Director) and provided a detailed funding plan. After a detailed discussion and review of the job descriptions and funding plan, the Personnel Committee concluded that three additional staff members should be hired. The Personnel Committee authorized Mr. Corwin to recommend to the Board that three additional staff members be hired. Director Monsees provided additional information on the three positions.

After additional discussions, the following resolutions were moved, seconded and unanimously approved:

**RESOLVED**, the Board approves the hiring of three additional staff positions, with such positions being given the following titles: (i) Deputy Director, (ii) Senior Project Manager and (iii) Communications Director; and

**FURTHER RESOLVED** that the Board delegates to Director Monsees the authority to interview and hire the Deputy Director, Senior Project Manager and Communications Director.

### **Withholdings to Offset MTC Administrative Costs**

Director Monsees reported that the MTC incurs expenses in connection with each Lewis and Clark project. In order to offset these costs, Director Monsees noted that MTC should consider withholding funds from each Lewis and Clark project so that the MTC may continue to support these projects and other activities.

Director Monsees further reported that Mr. Dan Berglund from the State Science and Technology Institute (SSTI) researched administrative rates for other states to administer similar programs in order to further validate the 7% rate. Mr. Berglund analyzed six states and the costs of administering technology-

based programs in those states and rates ranged from a low of 6% to a high of 24% (specifically 6%, 15%, 19%, 20% and 24%).

Chair Rubin reminded members of the discussion at the June MTC board meeting in which Rep. Wayne Cooper confirmed the legislature did intend to dedicate a portion of the Lewis and Clark Discovery Initiative appropriation to administrative costs. He further stated as the MTC tracks the actual administrative costs against the 7% rate, the Board may revise this rate at a future time.

After additional discussion, the following resolution was moved by Dr. Baker, seconded by Mr. Stokes and unanimously approved:

**RESOLVED**, that MTC shall withhold up to 7% of the funds appropriated for each Lewis and Clark project for administrative costs and expenses.

### **Governance Issues:**

The next item on the agenda was for the Board to discuss the relationship with the DED regarding the Executive Director and amendments to the MTC bylaws. Chair Rubin asked Mr. Carman to explain the issues and items the board needs to consider. Mr. Carman updated the board members regarding the relationship between the MTC, the DED and the Executive Director.

Following additional discussion, the following resolution was moved by Mr. Salva, seconded by Senator Greshimer and unanimously approved:

**RESOLVED**, that the Board hereby delegates to the Executive Committee authority to negotiate all agreements regarding the relationship between the MTC, the DED and the Executive Director.

In regard to the bylaws, Mr. Carman stated the board is not in a position to approve the bylaws until the relationship with the DED and Executive Director has been formalized. Chair Rubin noted that Bryan Cave has drafted new bylaws and presented those bylaws to the Executive Committee for comment. Chair Rubin asked that Mr. Carman and Mr. Wideman present these changes to the Board.

Mr. Wideman went through the recommended bylaw revisions. It was decided the Executive Committee will finalize revisions to the bylaws based on the outcome of the agreements negotiated with DED and the Executive Director, and that the final version of the bylaws will be presented to the Board for final approval and then submission to the Governor of the State of Missouri.

### **Funding Projects:**

Chair Rubin moved to the next agenda item: the Lewis and Clark Discovery Initiative and a review of the status of the sixteen projects. He noted that on many projects action was delegated to the Executive Committee with a handful coming back to the full MTC board for approval. He then called on Director Monsees and Mr. Carman to lead the discussion.

Director Monsees referred to the LCDI worksheet in the meeting packet.

#### High Tech Small Business Development Incentive Program:

The basic structure of the program has been developed by Bob Calcaterra, Steve Wyatt and Powell Carman. The Phase 0 program will be a grant up to \$5,000 and administered directly by the MoFAST organization. The Phase I/II bridge program will be a loan program up to \$50,000 to applicants approved by the Selection Committee. These documents will be thoroughly negotiated by the Special Committee and approved by the Executive Committee.

Dr. Calcaterra commented they have started to make decisions on whom to recommend as members of the Selection Committee to review the applicants for the bridge loans. He currently has the names of Kevin Sweeney and Patrick Clay from Kansas City and Jake Halliday from Columbia as three of the initial members.

Intellectual Property Management Fund:

Director Monsees received a draft proposal from Washington University to administer the program. This proposal will be sent to the Special Committee for their review and a meeting will be scheduled. Final approval was delegated to the Executive Committee.

Missouri Venture Partners:

Director Monsees stated Bryan Cave provided guidance on how best to move forward with this project. The goal is to have a request for proposal for a fund manager and as part of this to also provide funding for a promoter. The plan currently calls for \$3 million from the MTC to be invested and partnered with outside investments to raise a total minimum investment of \$15 million. A meeting will be scheduled with the Special Committee to review the plan from Bryan Cave and establish a time frame for the RFP. The Committee also needs to review the proposal from Centennial Investors.

Mr. DeLong asked if a plan B had been discussed. Mr. Carman responded the draft proposal accommodates any type of fund such as a single fund or co-investment. Chair Rubin stated once the proposals are received the MTC will need to determine how best to utilize the funds.

Missouri Open Innovation Network:

Director Monsees reported regarding the Innovation Network project the next step is to call a meeting of the Special Committee to take up the recommendations, outline an RFP and determine how best to proceed. The SourceLink side of the project has been moving forward with discussions to determine how best to implement the statewide SourceLink system. There was further discussion relating to the Incubation Factory and how their resources best fit into the process.

High Tech Promotion Fund:

Director Monsees stated two projects were approved and funded by the MTC at the last meeting totaling \$15,000. MoBIO has brought to his attention a number of investment opportunities worthy of consideration by the MTC for investment from this fund to leverage matching funds from outside organizations. Director Monsees stated he would work with Bryan Cave to develop an approval process.

Emerging Firms Mapping Project:

Director Monsees reported the MTC approved moving forward with funding this project at \$35,000 through an agreement with Dr. Nick Kalaitzandonakes at the University of Missouri. The agreement has been finalized and is waiting signatures from the University and will then be sent to the Executive Committee for final approval.

St. Louis Information Technology Initiatives:

Director Monsees stated he is behind schedule in working with UMSL and Innovate St. Louis and he hopes to finalize the details of these agreements very soon. These agreements will be approved by the Executive Committee.

Animal Health Workforce Development Initiative:

Director Monsees stated the final agreement has been approved by Missouri Western State University. It is currently awaiting their signature and will then be brought before the Executive Committee for final approval.

Missouri Power Resource Center:

Director Monsees reported he received a white paper from Eagle Pitcher regarding this project. There have been several meetings with MU's College of Engineering and Missouri University of Science and Technology (f.k.a. UMR) working with Missouri Southern State University to develop a Missouri Center for Advanced Power. The MTC will need to discuss how to best proceed.

Animal Health and Nutrition Center:

Director Monsees stated he has had discussions with Dr. Bill Duncan at the KC Area Life Sciences Institute and with researchers at the MU College of Agriculture. There is a meeting scheduled in Kansas City on February 12<sup>th</sup> to further develop this project.

Medical Device Innovation Program:

Director Monsees reported he has received interest and a white paper from the MU Center for Biodesign with an initial request for \$100,000. He hopes to get into more detail at a future MTC meeting.

Opportunity Fund for Bioenergy Research Center:

Director Monsees stated there have been no new proposals regarding this funding. Director Monsees and Mr. Mills had meetings with Washington University and MU respectively to keep the collaboration intact for future bioenergy projects funded by DOE.

AgBiotech Outreach Program:

Director Monsees stated this is a collaborative project with MoBIO and the St. Louis Science Center but nothing tangible has been developed.

Collaboration and Interdisciplinary Degree Program for Masters and Ph.D. Students:

Director Monsees commented there has been no discussion regarding this program and he is unsure of the need for the project at this time.

AgBiotech Company Recruitment Fund:

Director Monsees stated it would behoove the MTC to start thinking about the review and approval process for this fund as there is one potential opportunity with an international biotech company. Mr. Carman suggested the MTC might want to establish a Special Committee to work with MoBIO to set up meetings at the BIO annual meeting.

**Review Name Change for Kansas City Innovation Center:**

Chair Rubin called on Director Monsees who asked Ms. Hirst to update the MTC members regarding this issue. Ms. Hirst gave an overview of the reason for the name change. Brush Creek Enterprise Center, a Missouri non profit organization, has agreed through a letter of understanding to facilitate an agreement with UMKC to operate the Innovation Center in Kansas City. BCEC will then subcontract with UMKC/KCSourceLink to perform the services. Mr. Mills stated the DED would work with BCEC on language in the contract stipulating that BCEC must subcontract with UMKC/KCSourceLink to provide the innovation center services. After a brief discussion, the following resolution was moved by Dr. Calcaterra, seconded by Senator Greisheimer and unanimously approved, with one abstention from Mr. Ferguson as the chair of BCEC.

**RESOLVED**, that the Board hereby rescinds the Kansas City Innovation Center at the Greater KC Community Foundation and hereby designates the Innovation Center in Kansas City as Brush Creek Enterprise Center.

### **Public Policy Discussion for 2008:**

Chair Rubin commented he wanted the MTC to consider (i) the role of the organization in regards to setting their own public policy agenda to champion for technology-based economic development (TBED), and (ii) to decide the MTC's role in supporting other TBED programs.

Mr. Stokes stated in the past the MTC did not specifically lobby for certain programs, but played a more educational function for members of the General Assembly and other stakeholders.

Several members agreed the MTC should educate legislators and other stakeholders about the importance of TBED, but expressed caution regarding how active the MTC should be in advocating for programs. Several members stated it would be difficult not to advocate for programs or projects in which they know will further TBED. The members did agree they supported the Grow Me State Initiative because it is consistent with the MTC principles to promote TBED, specifically the Angel Tax Credit program and additional operational funding for the MTC. Members also agreed the need to have recurring funding for the High Tech Small Business Development Incentive Program and the Intellectual Property Management Fund. Chair Rubin stated he would re-circulate the MTC document of principles for the members to review in order to adopt a set of principles that can form the basis for current and future public policy positions of the MTC.

Mr. DeLong requested a written statement from either the MTC Chair or Executive Director stating the MTC's support in principle of the Grow Me Initiative and specifically the Angel Tax Credit program and additional operational funding for the MTC.

### **Adjournment:**

The Chair declared the meeting adjourned at 4:47 p.m.