

South Dakota Science and Technology Authority Board of Directors
Meeting Minutes
Thursday, December 18, 2014
Lead, South Dakota

The Board of Directors of the South Dakota Science and Technology Authority (SDSTA) convened at 9:01 AM Mountain Time (MT) on Thursday, December 18, 2014 in the 2nd Floor Vault Conference Room at the South Dakota Science and Technology Authority, 630 East Summit Street, Lead, South Dakota.

MEMBERS OF THE BOARD IN ATTENDANCE

Dr. Ani Aprahamian (by telephone)
Mr. Paul Christen
Vice Chairperson Dana Dykhouse (by telephone)
Secretary/Treasurer Patricia Lebrun
Chairperson Casey Peterson
Vice Chairperson Ron Wheeler
Dr. Heather Wilson

MEMBERS OF THE BOARD NOT IN ATTENDANCE

Mr. Thomas Adam

SDSTA STAFF

Ms. Michelle Andresen, Administrative Assistant
Mr. Tim Engel, Legal Counsel
Ms. Nancy Geary, Chief Financial Officer
Mr. Mike Headley, Executive Director
Mr. Jaret Heise, Science Liaison Director
Ms. Mandy Knight, User Support Office Manager
Ms. Leatta Mathis, Contracts Specialist
Mr. Noel A. Schroeder, Environment, Health and Safety (EHS) Director
Mr. Joshua Willhite, Engineering Director

ALSO PRESENT DURING ALL OR PART OF THE MEETING

Dr. Kevin Lesko, Sanford Underground Research Facility Operations Head, LBNL
Mr. Torin Peterson, Baylor University student
Dr. Ben Saylor, Education and Outreach (E&O) Director, BHSU

ITEM 1. – CALL TO ORDER

Chairperson Peterson called the meeting to order at 9:01 AM (MT). Roll call was held. All members were present in person or by telephone except Mr. Adam.

Chairperson Peterson asked audience members to introduce themselves

ITEM 2. – APPROVE AGENDA. Chairperson Peterson proposed an additional item for the agenda: “6A.3 Yates Crusher Brass Bushings.”

Chairperson Peterson asked for a motion to approve the agenda as amended

Motion by Mr. Wheeler and second by Ms. Lebrun to approve the agenda as amended. Motion passed unanimously.

ITEM 3. – APPROVE MINUTES

Chairperson Peterson asked for a motion to approve the Minutes of the September 18, 2014 meeting.

Motion by Mr. Dykhouse and second by Mr. Christen to approve the Minutes of the September 18, 2014 meeting as presented. Motion passed unanimously.

ITEM 4. – AUDIT COMMITTEE REPORT

Audit Committee Chairperson Ms. Lebrun reported that the Audit Committee Report for the Audit for Fiscal Year Ended June 30, 2014 has been finalized. Ms. Lebrun congratulated and thanked SDSTA Chief Financial Officer Ms. Nancy Geary and her staff for another clean audit report with no deficiencies noted. Mr. Christen also thanked Ms. Geary for a job well done on the financials. Chairman Peterson acknowledged Ms. Lebrun and Mr. Christen for their efforts on the Audit Committee. Chairman Peterson requested the minutes reflect receipt of the Audit Committee Report for the Audit for Fiscal Year Ended June 30, 2014 and this item be included on the March 2015 agenda for approval.

ITEM 5. – FINANCIAL REPORT

SDSTA Executive Director Mr. Mike Headley said the SDSTA funding is on track for the year and is also slightly under budget for the year. The federal budget is slightly over, which is expected due to three pay periods in October. Mr. Headley introduced Ms. Geary, who reported the CAPEX spending is on schedule including the Sanford Lab Homestake Visitor Center and Ross Shaft rehabilitation projects spending.

In response to Chairman Peterson's question as to amounts and sources of the contributions and donations, Ms. Geary stated the majority was from the Great Plains Education Foundation, Inc. for \$500,000. The remaining balance was comprised of funds from the Deadwood Historic Preservation Commission, Outside of Deadwood Grant Fund, City of Lead, and City of Spearfish.

Ms. Geary noted that contractual service costs include a variety of costs such as ARUP rehabilitation work, Ainsworth-Benning Construction hazard mitigation work, and Dean Kurtz Construction for the Black Hills State University Underground Campus/Compact Accelerator System Performing Astrophysical Research (BHUC)/CASPAR) underground work; Fermilab reimburses for the Arup contractual costs. Ms. Geary said Black Hills Power utility costs are higher due to a rate increase. Ms. Lebrun questioned the foreign travel costs. Ms. Geary explained the cost was related to the Davis Bahcall intern travel from last July.

Ms. Lebrun asked what the Unallowable/Unbillable Costs line item contained. Ms. Geary said these are costs that cannot be charged directly to federal contracts such as Lewis-Burke Associates advocacy, Neutrino Day, and Mr. Wheeler's consultant contract.

Motion by Mr. Wheeler and second by Mr. Christen to accept the financial report as presented. Motion passed unanimously.

ITEM 6. – REPORT FROM EXECUTIVE DIRECTOR

Mr. Headley discussed the three Declarations of Surplus Property: #6 Winze Wire Rope, JLG T5000 Towable Lift, and Yates Crusher Brass Bushings. SDSTA has no further use for these items.

Mr. Wheeler asked what value triggered a surplus item to require a certain number of bids. SDSTA Legal Counsel Mr. Tim Engel noted that minimum bid requirements no longer pertained after the approved revision to SDSTA Policy 3.30 Surplus Property Disposal in September.

Mr. Headley then discussed the Sanford Laboratory 2014 safety performance. The 2014 goal was six or fewer recordable injuries. The total recordable injuries to-date is four, one of which is an employee's hearing deterioration. New measures undertaken this year, to provide a quieter work environment,

include replacing equipment with lower decibel drills, installing noise curtains and using double hearing protection.

Mr. Headley discussed the implementation of Standard Operating Procedures, Job Hazard Analysis and Work Authorization processes. He advised the board of the annual Safety Perception Survey, which had great results. The November Environmental, Health, and Safety Oversight Committee (EHSOC) meeting focused on visiting with field staff rather than presentations by management, and was well received and resulted in the most successful meeting-to-date. SDSTA is awaiting the final report.

Mr. Headley reported on the following lab activities: Total Underground Trips Per Month, 4850L Current and Projected Laboratories, Yates Shaft-Related Progress, Filling Ross Skip Pockets, Rehabilitating the 2000L Station, and Ross Shaft Refurbishment.

SDSTA Engineering Director Mr. Joshua Willhite was introduced and presented an update on the progress of Sanford Lab Homestake Visitor Center. The Lead Chamber of Commerce board is in the process of searching for a Visitor Center Director. The building construction is scheduled to be completed by May 1, 2015 with exhibits to be installed prior to the June 1, 2015 opening. The SDSTA board members will have an opportunity to review the draft exhibit content when finalized. Mr. Willhite closed his presentation with an update of the BHUC/CASPAR progress.

Mr. Headley introduced SDSTA Science Director Dr. Jaret Heise, who provided Science Integration Highlights. LUX has completed an extensive period of detector testing and performance optimization and MAJORANA DEMONSTRATOR (MJD) has put forth significant characterization effort for detector strings in string-test cryostats. In addition, Dr. Heise provided highlights on the Low-Background Counting experiments as well as seven experiments including research currently being conducted by NASA Astrobiology Institute, which will be part of the next mission to Mars. Dr. Wilson asked if Xilinx has partnered with a university; Dr. Heise said Xilinx has not.

Chairperson Peterson asked for a motion to accept the Executive Director's report.

Motion by Mr. Christen and second by Mr. Wheeler to accept the Executive Director's report. Motion passed unanimously.

ITEM 7. – GILT EDGE AGREEMENT DISCUSSION

Mr. Engel said the Gilt Edge Agreement was not ready for presentation to the board at this time.

ITEM 8. – FEDERAL AGENCIES AND EXPERIMENTS UPDATE

Sanford Underground Research Facility Operations Head Dr. Kevin Lesko reported the Fiscal Year 2015 federal budget for the Department of Energy (DOE) included the full \$15M anticipated for Sanford Lab. Dr. Lesko said the Long-Baseline Neutrino project will incorporate a strong European representation. The universal desire to have the detectors underground as soon as possible is exciting for the Sanford Underground Research Facility. He said the LUX-ZEPLIN collaboration is going well. The DOE and National Science Foundation (NSF) are formulating their long-range plans and will establish the base cost for building the experiment at roughly \$40M. Mr. Wheeler thanked Dr. Lesko for relocating the Oroville Low-Background Counter to Sanford Laboratory.

The board recessed for break at 10:44 AM and reconvened at 10:58 AM.

Mr. Dykhouse departed the meeting at 10:44 AM. Dr. Aprahamian rejoined the meeting at 11:02 AM.

ITEM 9. – EDUCATION AND OUTREACH (E&O) UPDATE

E&O Director Dr. Ben Saylor said the education team is fully staffed, which has extended outreach opportunities. Major projects included the Davis Bachall interns and a recent Black Hills area home school visit of 75 student and parents. The increased level of contact with the public is making an

important impact. Dr. Saylor said impacts are measured using surveys such as that used for the South Dakota teachers attending last summer's workshops. Ms. Lebrun suggested that the E&O Department categorize the interaction with students and teachers by the depth or duration of involvement.

The upcoming spring semester will utilize the new classrooms at Jonas Science Hall at BHSU. Lastly, an educational ThinkTank conference, funded by the NSF, was held in September and included seven experts who generated new ideas for the science education program.

ITEM 10. – REVIEW OF UPDATED AND RETIRED POLICIES

Mr. Headley discussed the updated, revised and retired policy recommendations; all had been reviewed by Mr. Engel.

The following policies were recommended to be approved:

- Manual Contents Page (*updated*)
- Policy 2:1 Anti-Harassment (*updated*)
- Policy 2:2 Equal Opportunity and Affirmative Action Employer (*updated*)
- Policy 2:4 Security and Site Access (*updated*)
- Policy 2:5 Use of SDSTA Owned Electronic Equipment, Systems and Protection of Personal Privacy (updated to combine Policies 2:5, 2:7 and 2:12)
- Policy 2:6 Tobacco-Free Property (*updated*)
- Policy 2:10 Annual Review of Policies (*updated*)
- Policy 2:11 Vehicle Use (*updated*)
- Policy 2:13 Open Door (*updated*)
- Policy 2:14 Workplace Violence (*updated*)
- Policy 2:16 Confidentiality (*updated*)
- Policy 2:17 Infectious Disease/Pandemic (*updated*)
- Policy 2:18 Whistleblower (*updated*)
- Policy 2:19 Americans with Disabilities Act (*updated*)
- Policy 2:20 Electronic and Radio Communication Devices (*updated*)
- Policy 2:21 Continuity of Operations Plan (*new*)
- Policy 2:22 Succession Plan (*new*)
- Policy 4:4:5 Military Active Duty Leave Plan (*new*)

The following policies were recommended to be retired:

- Policy 2:7 No Solicitation/Distribution
- Policy 2:12 Employee Privacy

Chairperson Peterson asked if there were any questions or comments. There were none.

Motion by Mr. Wheeler and second by Mr. Christen to approve the above new, updated and retired policies as presented. Motion passed unanimously.

ITEM 11. – LOBBYIST REGISTRATION

Mr. Tim Engel said the board will need lobbyist designation on behalf of the SDSTA for the 2015 Legislative Session.

Chairman Peterson asked if there were any questions. There were none.

Mr. Wheeler thanked Dr. Wilson for her role in obtaining and fostering continued support from the Board of Regents for SDSTA.

Motion by Ms. Lebrun and second by Mr. Wheeler to designate Mr. Mike Headley, Mr. Ron Wheeler and Mr. Tim Engel as lobbyists for the SDSTA. Motion passed unanimously.

ITEM 12. – SET 2015 MEETING SCHEDULE

Chairperson Peterson asked if there were any concerns with the proposed 2015 board meeting schedule.

Initial suggested dates and times in 2015 were:

- March 19, 9:00 am (MT)
- June 18, 9:00 am (MT)
- September 17, 9:00 am (MT)
- December 17, 9:00 am (MT)

After discussion, the board agreed to change the proposed March 19 meeting date to March 20 and the proposed June 18 meeting date to coincide with the grand opening date of the Sanford Laboratory Homestake Visitor Center on June 1-2.

Dr. Aprahamian stated that her term expires on December 9, 2015. Vice Chairman Wheeler inquired if Dr. Aprahamian was willing to be re-appointed by the Governor. She stated she would gladly accept an additional term.

The revised schedule agreed upon by the board is as follows:

- March 20, 9:00 am (MT)
- June 1-2, 9:00 am (MT) (exact date to be determined based upon Visitor Center opening date)
- September 17, 9:00 am (MT)
- December 17, 9:00 am (MT)

ITEM 13. – EXECUTIVE SESSION

Motion by Ms. Lebrun and second by Mr. Wheeler to enter into executive session to consult with legal counsel concerning legal and contractual matters. Motion passed unanimously.

The board recessed at 11:30 AM for Executive Session and reconvened at 12:24 PM.

Dr. Aprahamian departed the meeting at 12:24 PM.

ITEM 14. – REPORT FROM EXECUTIVE SESSION

Chairperson Peterson reported that the board consulted with legal counsel concerning legal and contractual matters. No action was taken.

Motion by Mr. Wheeler and second by Mr. Christen to approve the executive session report. Motion passed unanimously.

ITEM 15. – BOARD COMMENTS

Dr. Wilson provided an update on the current activities of the South Dakota School of Mines and Technology (SDSM&T) Physics faculty and the Geology Department. She and MJD researcher Cabot-Ann Christofferson discussed how SDSM&T can support the advancement of this project. Dr. Wilson stated that on May 18-20, 2015, there will be a joint-conference including researchers from the western and Midwestern areas of the U.S. to engage more universities to create science collaborations. She also thanked Mr. Headley for being on the SDSM&T Steering Committee.

Ms. Lebrun said she was engaged in conversation on what could be done to enhance economic advancement in the state of South Dakota. She asked the board to promote more support for research and broader PhD programs for students in order to have a robust research environment. Ms. Lebrun said this was a great meeting.

Mr. Christen said this was a good meeting and it reminded him how far the Sanford Laboratory has come. The lab has a positive future and will be in business for long time with the current and new experiments. He said there is one challenge; a disconnect between East and West River. East River does not realize the advantages of the Sanford Lab for the state of South Dakota. He suggested the development of additional educational programs geared towards major corporations so that they may learn more about the Sanford Laboratory.

Vice Chairperson Wheeler said Sanford Laboratory's future is bright and we have the support of the Governor's office, Senators and staff. He thanked Mr. Headley and the Sanford Laboratory staff for their hard work. He wished everyone a Merry Christmas.

Mr. Headley said he is excited for all the scheduled projects in the next calendar year, such as the Sanford Lab Homestake Visitor Center, CASPAR and BHUC projects to come to fruition. He appreciates the board's strong support, leadership, and time involved as a board member. Mr. Headley added that he would like to thank User Support Office Manager Ms. Mandy Knight and Administrative Assistant Michelle Andresen for all their board meeting support as well as Mr. Noel A. Schroeder for his hard work in the Environmental, Health and Safety department. He wished everyone a Happy Holiday.

Chairperson Peterson expressed his appreciation to work with the board and Sanford Laboratory staff as it is a strong learning experience. He is pleased with the lab and asked the board to make sure to show how important the lab's impact truly is statewide; not just West River. He looks forward to the lab's long-term research. In closing, he wished everyone a Merry Christmas and Happy New Year.

ITEM 16. – ADJOURN

Chairperson Peterson asked if anyone had any other questions or comments and then called for a motion to adjourn.

Motion by Mr. Wheeler and second by Mr. Christen to adjourn. Motion passed unanimously.

Meeting adjourned at 12:39 PM.