

**New Mexico Bioscience Authority (BSA) Board of Directors
Regular Meeting
June 18, 2021 11:30 AM – 1:00 PM
317 Commercial St. NE, Suite 311, Albuquerque, NM**

Meeting Minutes

Present: Dale Dekker (Chair), Scott McLaughlin, Tom Kieft, Suzanne Quillen, Jennifer Gifford, Greg Byrnes, Christos Christodoulou, Richard Larson, Ari Vazquez, Immo Hansen,
Absent: Sheryl Arvizu, Myrriah Tomar, Christos Christodolou
Staff Present: Stephanie Tofighi, Ryan Cangiolosi, Sterling Nichols

#	Agenda Items	Board Actions
1.	Call to Order and Confirmation of Quorum	The Chair called the meeting to order at 11:35 am. A Quorum was confirmed, and all board members were present, except Directors Arvizu, Christodolou and Tomar .
2.	Approval of Minutes: May 21, 2021 BOD Meeting	The Chair called a motion to approve the May 21, 2021 minutes, which were motioned by Greg Byrnes and seconded by Richard Larson. A Roll call vote of all board members was called with seven in the affirmative, none in opposition, one in abstention and three absent. The vote was as follows: Arvizu-Absent, Byrnes-Affirm, Christodolou-Absent, Dekker-Affirm, Gifford-Abstain, Hansen-Affirm, Kieft-Affirm, Larson-Affirm, McLaughlin-Affirm, Quillen-Affirm, Tomar-Absent
3.	Chair's Report	Dale Dekker, the newly elected Chair of the New Mexico Bioscience Authority introduced himself to the board and the public and thanked the board for electing him to this position. He noted that this is an exciting time to be part of the NM Bioscience Authority calling attention to how the COVID pandemic and decreasing oil prices have contributed to a renewed focus that we need to diversify the New Mexico economy to not be as

		<p>dependent on oil and gas money and the fact that bioscience and biotech industries could help our state thrive in the future. He identified that this is the goal of the BSA and that we are all working together to help that happen.</p> <p>Chair Dekker then called attention to what the NM BSA was charged to do by Senate Bill 478; “An act Relating to Economic Development: Enacting the Bioscience Development Act; Creating the Bioscience Development Fund”.</p> <p>A brief review of Section 5, Authority Powers and Duties, from Senate bill 478 was presented to the BOD by Chair Dekker for more insight:</p> <ol style="list-style-type: none"> (1) advise the governor, the economic development department, the legislature, and the New Mexico finance authority oversight committee on methods, proposals, programs and initiatives that may stimulate investment in bioscience industries and provide additional employment opportunities for New Mexico residents. (2) make and execute all contracts and other instruments necessary or convenient to the exercise of its powers and duties. (3) create programs to expand economic development opportunities within New Mexico including potential means of providing financial assistance and incentives for bioscience industries and facilities. (4) create avenues of communication between New Mexico and representatives of bioscience
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		<p>industries.</p> <ul style="list-style-type: none"> (5) promote legislation that will further the goals of the authority and development of bioscience industries and facilities. (6) oversee, produce or cause to have produced promotional literature related to explanation and fulfillment of the authority’s goals. (7) identify science and technology trends that are significant to bioscience enterprises and act as a clearinghouse and act as a clearinghouse for bioscience enterprise issues and information. (8) coordinate and expedite the involvement of the state executive branch’s bioscience-related development efforts. (9) perform or cause to be performed environmental, transportation, communication, land use and other technical studies necessary or advisable for bioscience projects or programs. (10) actively recruit industries and establish programs that will result in the location and relocation of new bioscience industries in the state. <p>While reviewing Section 5, Chair Dekker made a point that many actions of the BSA have already contributed to meeting these goals both through internal policies and external action items. He specifically called attention to item 6 and made reference to how the BSA assisted Director Greg Byrnes in publishing a 16-page editorial insert in the July 2020 issue of Site Selection</p>
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		<p>magazine. The insert detailed investment specifics on the New Mexico’s Bioscience industry.</p> <p>When referencing item 7, Chair Dekker alerted the BOD that as a result of the pandemic, there has been a concerted effort nationally in reshoring the bioscience industry and an emphasis in improving supply chain infrastructure. He pointed to two pieces of federal legislation that could be of interest to the BSA in establishing a diverse and inclusive economy following the pandemic. He emphasized that this is a space that New Mexico could play a vital role particularly in medical devices and equipment and how we could advise state legislators and policy makers going forward.</p> <p>Related to item 8, he made note that the state’s strategic economic development plan was being developed and how he hoped given Director Tomar’s position in the Science and Technology Office that bioscience was a key component of that plan and that he hopes the BSA board of directors will have a chance to comment on the document prior to completion.</p> <p>The Community Readiness Program addresses the duties of item 9 and Chair Dekker referred to the Rio Rancho certification application that has been received and will be voted on by the BOD later in the meeting.</p> <p>Chair Dekker completed his overview of Senate Bill 478 by commending the work done by the BSA relative to item 10 to bring Bright Path Labs to New Mexico making note that we are in a position to continue to contribute to the growth of bioscience industry in the state. In conclusion, Dekker informed the BOD that the new Mission Accomplishment Committee, chaired by Director Tom Kieft, will place onus on meeting the duties established by section 5 when developing programs to orient the organization’s scope of work. He stressed the need for a diverse, inclusive economy and that given the resources and intellectual capital we have, there is great potential to do great things throughout the state.</p>
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4.	Presidents Report	<p>President Larson welcomed Dale Dekker as the new Chair of the BSA and new Executive Director Stephanie Tofighi. Larson noted that Director Tofighi comes to the BSA with prior executive level experience working at UNM and has website development expertise which</p>

		<p>Tofighi has utilized to make enhancements to the BSA website.</p> <p>President Larson said that since the new Executive Director of the BSA has already moved forward with current projects; Co-Investment Program and Community Readiness in which the city of Rio Rancho has submitted their application.</p> <p>To conclude the president’s report, Larson informed that he is working with UNM to upgrade the NMBSA’s records management protocol by improving the file storage infrastructure to allow for better back up of all files. Larson and UNM Health Sciences Center Information Management officials will combine efforts to enhance permanent storage capacity.</p>
5.	Executive Director Report	<p>Executive Director Stephanie Tofighi formally introduced herself to the board providing her background in higher education working as a Research Operations Program Manager and Research Development specialist. Tofighi also has experience as an educator with technical expertise in web development and data analytics. She has also trained university faculty in grant writing and proposal development while assisting various faculty within the state writing white papers.</p> <p>With a bachelor’s degree in biology and a vested interest in bioscience, Tofighi said that the sum experience she has incurred will assist in fulfilling the role of executive director.</p> <p>Tofighi provided an update on the projects she has been working on with Strategy and Policy Director Cangioli.</p> <p>Co-Investment program – Updated Co-investment documentation has been drafted which will be reviewed by the BOD during the Finance Committee report.</p> <p>Community Readiness – Had the opportunity to meet</p>

		<p>city of Rio Rancho Deputy City Manager to discuss their application to the 'Community Readiness' certification program and to discuss additional zones that could qualify for the certification. Their application will be reviewed by the BOD and voted on during the Executive Committee Report.</p> <p>NMBSA Website - Tofighi will make enhancements to the website and Community Readiness page for easier access and transparency.</p> <p>Director Tofighi concluded her Executive Director report stating that priority will be given in developing the Community Readiness page as the BSA seeks to encourage participation from other cities in New Mexico.</p>
6.	Committee Chair Elections & Committee Assignments	<p>The Chair introduced the current BSA committee structure was presented via screen share by Strategy and Policy director Cangiolosi who informed that there were modifications.</p> <p>Director Larson added a point of clarification to the Chair that the Election committee assignments were held at the May 21 BOD meeting and that there would only be modifications to the replacements and additions clearly noted on the document being screen shared during the discussion which included replacements to the Finance Committee and the addition of Director Quillen to the Mission Accomplishment Committee.</p> <p>Cangiolosi followed Directors Larson's point stating that the modifications were for the Finance Committee in which two board members resigned. Director Larson added to Cangiolosi's statement saying that the modification would be to approve the addition of himself and Director Sheryl Arvizu to replace the two resignees. Cangiolosi said the newly assigned committees have met since the elections at the last BOD meeting and requested that the chair call for a motion to approve of the updated committee structure including the modifications to the finance committee.</p>

		<p>The Chair called for a motion to approve of the updated committee structure being screen shared with a motion made by Suzanne Quillen and a second made by Greg Byrnes.</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, none in abstention, and three absent. The vote was as follows:</p> <p>Arvizu-Absent, Byrnes-Affirm, Christodolou-Absent, Dekker-Affirm, Gifford-Affirm, Hansen-Affirm, Kieft-Affirm, Larson-Affirm, McLaughlin-Affirm, Quillen-Affirm, Tomar-Absent</p> <p>Following the vote of approval for the Committee structures the chair asked to identify the acting chairs of the committees.</p> <p>Director Cangiolosi identified the committee chairs for 2022: Executive Committee – Dale Dekker Finance Committee – Sheryl Arvizu Mission Accomplishment Committee – Tom Kieft</p> <p>Cangiolosi mentioned that a chair had not been assigned to the Audit and Compliance committee to which Chair Dekker asked if a vote can be made. Cangiolosi confirmed, with Dekker calling for a nomination of the Audit and Compliance committee. Director Jennifer Gifford nominated Director Greg Byrnes as Chair to which Byrnes accepted.</p> <p>Chair Dekker announced the chairs for the committees and called for a motion to accept the results.</p> <p>Director Larson made a motion to approve with a modification to inform that for the position of Chair of the executive committee, a roll call vote is not required in that the BSA Bylaws automatically assigns the position of chair for the Executive committee to be the Chair of the BSA Board of Directors. Larson clarified that his motion to approve the current proposed chairs</p>
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		<p>were to the Finance, Mission Accomplishment and the Audit and Compliance committee.</p> <p>The Chair and the BOD approved the motion and modification by Larson. The chair made another motion to approve of the assigned committee chairs to which Richard Larson motioned and Suzanne Quillen seconded.</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, none in abstention and three absent. The vote was as follows:</p> <p>Arvizu-Absent, Byrnes-Affirm, Christodolou-Absent, Dekker-Affirm, Gifford-Affirm, Hansen-Affirm, Kieft-Affirm, Larson-Affirm, McLaughlin-Affirm, Quillen-Affirm, Tomar-Absent</p>
7.	Bright Path Presentation	<p>Tony Quinones, CEO of Bright Path Labs in Santa Fe, New Mexico spoke to the BOD about how the NMBSA contributed towards their success in the development of their technology platform.</p> <p>Quinones was introduced to the BSA by Strategy and Policy Director Cangliosi. Quinones praised the efforts of the BSA in assisting Bright Path Labs for the ability to operate locally in New Mexico and not from a far-removed remote location.</p> <p>A pivotal moment in Bright Path Labs’ beginning stages of operation were the connections BSA Directors: Dale Dekker, Richard Larson, Ryan Cangiolosi and Greg Byrnes provided which led to Bright Path receiving a \$17 million-dollar economic development package from the state which unfortunately because of the pandemic was not able to reach its fruition and resulted in the company being split between their R&D labs in Santa Fe and their Manufacturing Site in North Carolina. Recently, however, because of the BSA, Bright Path Labs has been contacted by a group that wants to revitalize that project in a way that could result in the company being able to move into a larger facility in New Mexico.</p>

Quinones informed that the company is in Santa Fe containing a synthetic development lab performing fabrications of their technology platforms. As stated before, Quinones affirmed that with the connections provided from the BSA, Bright Path Labs was able to connect with Los Alamos National labs to advance their technology even further.

Last March, Bright Path Labs was invited to the FDA emerging technology program that allows their technology to make small molecules that can go into medicine. Because of the pandemic, they were being contacted from the different agencies to expedite their production which led to the establishment of their current R&D Lab in the Santa Fe Incubator where they have been developing the chemistries since October and have hired local scientists to meet the needs of the numerous business contracts they have received since moving to New Mexico. Quinones said that the BSA as well as New Mexico has been integral towards their success and he is confident his company will continue to grow here.

Chair Dekker thanked Tony Quinones for sharing his story and asked what Tony's goals are in the next five years in terms of employment and manufacturing and how could the BSA help move his company forward. Tony noted that the facility at the Rainforest could help facilitate 15-30 employees that he is confident can be hired in New Mexico given the amazing chemists he's already hired out of UNM and NMSU for their synthetic chemistry team. He went on to convey that the future of the company will be in computational chemistry utilizing the software developed through collaboration with LANL that will help accelerate them being able to determine different synthetic routes to develop the medicine, lower costs, make it more environmentally friendly, and more friendly to the patient. As such, he foresees the next five years resulting in a strong computational chemistry company and staff of data scientists working alongside bench chemists to support the larger manufacturing contracts.

		<p>Quinones concluded by saying that a current Bright Path Labs employee who is an Albuquerque native has been invited to the White House to contribute to the supply chain project which echoed what Chair Dekker had shared in his Chair’s report.</p> <p>Chair Dekker thanked Tony Quinones for sharing his story and suggested that if the BOD could contact companies who have had success or if the BSA has assisted their efforts to contact Executive Director Tofighi to send an invitation to speak to the board. Director Byrnes added that the BSA should invite a representative from Los Alamos National Labs and Sandia to speak to the BOD. Chair Dekker approved of the idea and referenced Tofighi as the point of contact for such occurrences.</p>
8.	Discussion on the Attorney General’s Open Meetings Act Opinion	<p>Ariadna Vazquez from UNM’s Office of Legal Counsel provided an update on the AG’s Open Meeting’s Act opinion. Vazquez stated that after having a discussion with the Executive Committee, she will contact the representative at the AG’s office who prepared the opinion. She summarized some concerns that came up during the Executive Committee meeting regarding how to best mediate this situation given the length of time and changes in board members since the complaint was filed. She reiterated that the board’s actions did not have any employment implications or affect either on the NMBSA or UNM which is why the current plan is to seek additional guidance from the AG to determine the proper path forward.</p> <p>Chair Dekker acknowledged that Vazquez has the authority to proceed with communicating with the Assistant Attorney General. He then shared that as a professional courtesy to the board Vazquez will continue attending all BOD meetings for legal opinion and compliance going forward.</p>

9.	Finance Committee report	<p>Before presentation of the May Financial statement Director Larson mentioned that a quorum was not attained at the June Finance Committee meeting as two committee members were not present. Larson and committee Chair Sheryl Arvizu were able to meet but were not able to make formal recommendations to move items of the report forward but there would be motions for the full board to accept all the items in the report.</p> <ul style="list-style-type: none"> • Monthly Financial Statement Review Director Cangiolosi presented the May financial report and reported that there were no major changes except for the salary of the executive director that is now represented in the budget and encumbered. Cangiolosi stated that there will be a shift in his efforts from 50% to 20% which was approved by the BOD. • Overview of Previous Co-Investment Program Cangiolosi provided the following summary on the previous co-investment candidates. <p>HD3- Michelle Miller signed the MOA however focus shifted from terms in the original agreement to assisting with discovery ‘pitched’ events. HD3 was also sourcing deals. HD3’s intentions were presented to the Finance committee who expressed concern that HD3’s change in focus did not meet the original intentions of the RFP. The Finance committee decided to forego the co-investment as HD3’s requests did not represent the BSA’s overall mission.</p> <p>Arrowhead – Beto Pallares of Arrowhead sought an alternative investment vehicle which was not disclosed in the original RFP as he considered Arrowhead not the ideal entity to partner with. Also, a negotiation of terms was sought which was also not included in the RFP. In the posting of the next RFP Pallares will be invited to respond.</p>
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		<p>investment, meet 2:1 match, willingness to participate in 2:1 match, participate in LLC formation and fund New Mexico Bioscience startups, early-stage companies or companies relocating to New Mexico.</p> <p>3. Investment Narrative (20 Possible points) – Provides company background, prior experience of partners, experience in early-stage bioscience investing with knowledge of bioscience industry in New Mexico and nationally. Disclosure on number of current deals with companies.</p> <p>The scoring on the evaluation criteria is 100 total possible points. The evaluation criteria also covers Residential and Veteran preferences, oral presentation to answer questions from submitted proposals and Basis of Award.</p> <p>Program Description - Describes the co-investment program and what specific qualifications are sought for investors. In the 3rd paragraph a brief description is given of what Bioscience means and lists the five industries recognized by the Department of Labor. Reiterates what activities the BSA engages by direction of the legislature.</p> <p>25 Investment Firms – 25 initial venture capital firms in New Mexico that RFP information will be distributed.</p> <p>Director Larson asked the chair for discussion on the additional 106 firms that could be sent information followed by a motion to accept the consensus of the discussion.</p> <p>Chair Dekker asked Director Byrnes if there were any changes to the list of 25 venture capital firms in New Mexico to which Burns responded that he would review the list for modifications and notify the BOD.</p> <p>Dekker commented that the execution of the co-investment program is part marketing by informing people of the BSA. He suggested that an expansion of</p>
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		<p>the 25-venture capital list would be advantageous to the BSA.</p> <p>Director Byrnes added to Chair Dekker’s point that he receives requests for information from venture capital firms across the country that he could possibly share with the board. Burns also stated that he also receives requests from Family Office investing firms on potential investments and would also distribute to the BOD for review.</p> <p>Chair Dekker agreed to follow-up on Byrnes’ suggestions and advised BOD members to send any information pertaining to potential co-investments to the Director Tofighi.</p> <p>In conclusion of the financial report and related discussion, Director Larson made the motion to</p> <ol style="list-style-type: none"> 1. Accept the monthly financial report, 2. Move forward with the co-investment program as described which includes sending the cover letter, program description, and the RFP to at least the 25 VC firms that are on the list, 3. Authorize Stephanie and Ryan to post the RFP as soon as possible, 4. Give the Executive Committee the authority to decide on any additions that come up during the posting of the RFP or modifications. <p>Director McLaughlin seconded the motion.</p> <p>Director Byrnes then raised the issue in regard to the co-investment program to add the phrase that the NMBSA will collaborate with the New Mexico Biotechnology & Biomedical Association (NMBio) to market the bioscience industry to help recruit firms as well as to work with existing firms to help with their expansion needs to show collaboration between the two bioscience organizations.</p> <p>Director Larson responded to Director Byrnes stating that he supported his suggestion, but he noted that if we do add this language we should include other</p>
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		<p>collaborating groups as well and that it could be accepted as a friendly amendment but with the modification that we'll work with all the NM economic development groups listing some key partners including NMBio and Director Tofighi would be given the authorization to finalize verbiage on the documents. He then asked whether that was an acceptable amendment. Director Byrnes agreed to the language suggested by Director Larson for the friendly amendment. Director Larson stated that he would accept this addition as a friendly amendment to his motion to which Director McLaughlin restated his second.</p> <p>A Roll call vote of all board members was called with seven in the affirmative, none in opposition, one in abstention and three absent. The vote was as follows:</p> <p>Arvizu-Absent, Byrnes-Affirm, Christodolou-Absent, Dekker-Affirm, Gifford-Affirm, Hansen-Abstain, Kieft-Affirm, Larson-Affirm, McLaughlin-Affirm, Quillen-Affirm, Tomar-Absent</p>
10.	<p>Executive Committee Report and Recommended actions</p> <ul style="list-style-type: none"> • Discussion on Reducing the Strategy and Policy Director's Effort back to 20% • Summary of Community Readiness Program • Recommendation for BOD approval of Rio Rancho Community Readiness City Center cite application 	<p>Chair Dekker addressed the recommended actions in the Executive committee report.</p> <ul style="list-style-type: none"> • Discussion on reducing the Strategy and Policy Director's effort back to 20%. <p>Dekker stated that the executive committee reviewed the reduction of efforts to 20% which was approved with the addition of the executive director hire.</p> <ul style="list-style-type: none"> • Summary of the Community Readiness program <p>Rio Rancho entered the program with their first certified site. With Rio Rancho's certification, Dekker states that with the new executive hire, more aggressive outreach can be taken in the pre-certification process which will be detailed on the BSA website as a key reference point in</p>

		<p>the bioscience industry.</p> <ul style="list-style-type: none"> • Recommendation for BOD approval of Rio Rancho Community Readiness City Center Cite application <p>The Rio Rancho certification application was expedited for full approved by the BOD.</p> <p>Director Larson thanked Tofighi and Cangliosi for their efforts to expedite the city of Rio Rancho’s certification process given the short amount of time. Larson also called on BOD members to assist with community readiness pre-certification process in their respective municipalities of Santa Fe, Socorro, and Las Cruces.</p> <p>The Chair called for a motion to approve the Executive Committee Report.</p> <p>A motion was made by Suzanne Quillen with a second made by Scott McLaughlin.</p> <p>Director Larson asked for confirmation that this vote included both the approval of reducing Ryan’s time to 20% and accepting the Rio Rancho community readiness certification application. Chair Dekker confirmed that this was the case.</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, none in abstention, and three absent. The vote was as follows:</p> <p>Arvizu-Absent, Byrnes-Affirm, Christodolou-Absent, Dekker-Affirm, Gifford-Affirm, Hansen-Affirm, Kieft-Affirm, Larson-Affirm, McLaughlin-Affirm, Quillen-Affirm, Tomar-Absent</p>
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11.	Adjourn	<p>Chair Dekker motioned to adjourn the meeting at 12:45pm.</p> <p>Before a vote to adjourn the meeting, Director Larson informed the board that Director Immo Hansen’s term would expire and that he would remain on the BOD until further notice. The BOD thanked Director Hansen for his time and efforts while serving on the board.</p> <p>A motion was made to adjourn the meeting by Greg Byrnes with a second by Richard Larson.</p> <p>A Roll call vote of all board members was called with eight in the affirmative, none in opposition, none in abstention and three absent. The vote was as follows:</p> <p>Arvizu-Absent, Byrnes-Affirm, Christodolou-Absent, Dekker-Affirm, Gifford-Affirm, Hansen-Affirm, Kieft-Affirm, Larson-Affirm, McLaughlin-Affirm, Quillen-Affirm, Tomar-Absent</p>
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Respectfully submitted by Sterling Nichols and Stephanie Tofighi