

ALABAMA SPACE SCIENCE EXHIBIT COMMISSION
EXECUTIVE COMMITTEE MEETING
March 20, 2019 – 3:30 P.M.



A joint meeting of the Business and Executive Committees, Alabama Space Science Exhibit Commission (ASSEC), was held Wednesday, March 20, 2019, at 3:34 p.m. in the Board Room of the U.S. Space & Rocket Center (USSRC) Huntsville, Alabama.

COMMITTEE MEMBERS PRESENT:

Mr. Homer Hickam, ASSEC and Executive Chair
Mr. John Nerger, Vice Chair
Mr. Tony Zana, Secretary
Col. Roosevelt Lewis, Jr., Space & Rocket Center Chair
Dr. Suzy Young, Education Chair
Dr. Waymon Burke, Acting Development Chair
Col. Craig Naudain, Vision & Plans Chair & FY18 Chair

COMMITTEE MEMBERS ABSENT:

Ms. Lisa Williams, Business Chair

STAFF PRESENT:

Dr. Deborah Bamhart
Mr. Louis Ramirez
Ms. Brenda Carr
Ms. Vickie Henderson
Dr. Kay Taylor
Ms. Holly Ralston
Ms. Margie Phillips
Ms. Katie Anderson
Ms. Brenda Perez
Mr. Tom White
Ms. Rosalie Holcombe
Ms. Monika Havron

STAFF ABSENT:

Ms. Kim McCain
Ms. Tara Sweeney
Mr. Joe Vallely
Ms. Michelle Gudgen

OTHERS PRESENT:

Mr. Wes Lyons

WELCOME

The meeting was called to order for the Executive Committee by Mr. Homer Hickam, Chair of the Executive Committee of the Alabama Space Science Exhibit Commission. Ms. Monika Havron was present to record the minutes of the meeting.

APPROVAL OF MINUTES

Mr. Hickam asked for questions, comments, and corrections to the minutes of the ASSEC Executive Committee meeting held on Wednesday, January 16, 2019. Dr. Waymon Burke made the motion to approve the minutes. Mr. Tony Zana seconded the motion. The motion was unanimously approved.

CEO REPORT

Dr. Bamhart provided the CEO Report to the Business and Executive committees. The presentation slides are included with the public file. Additional information and pertinent conversation not included in the presentation are as follows:



- The U.S. Space & Rocket Center will host Vice President Pence and the National Space Council Tuesday, March 26, 2019. The User Advisory Group (“UAG”) will also meet at the Center Tuesday morning, at which Vice President Pence will speak with them prior to the Council meeting. Mr. Hickam and Governor Kay Ivey are both members of the UAG. The staff is working with Secret Service and may be required to close the Center from Sunday through Tuesday. The White House will invite 200 to 300 people to attend the National Space Council meeting, to include a list from the Space & Rocket Center for ASSEC members and the Alabama Space Authority members.
- Dr. Barnhart then reported on the test rocket launch which took place on March 1, 2019 when rockets were launched to practice for the Guinness World Record event on July 16th. The test went very well and was fun. There were only two or three rockets that did not launch.
- The Planetarium is a wonderful crown jewel for the Space & Rocket Center. The Center was lucky to hire such a young, inspiring Planetarium Director, Albert David Weigel. Our staff is currently in discussions to our programming if feasible with an off-Broadway show called “1969: The Second Man” about Buzz Aldrin. Also, working with the Von Braun Astronomical Society to build the relationship. The first Friday night event at the Planetarium, “Cocktails and Cosmos”, was sold out, it was phenomenal.
- The Center hosted a Bicentennial VIP Reception on Friday, February 22, 2019 in the Davidson Center and approximately 80 Legislators attended the event.
On February 8, 2019 the documemary film premiere for “Searching for Skylab ” was held at the Center. The film was extremely well done, and it was an excellent event. Skylab astronauts, Colonel Jack Lousma and Dr. Ed Gibson, were present to serve on the Skylab Panel, as well as Richard Garriott, Owen Garriott, and Jerry Carr via Skype.
- The 2019 Honeywell Leadership Challenge Academy took place over two weeks, starting February 23, 2019 and concluding on March 8, 2019. Approximately 300 participated in the Academy from 41 countries and 27 states. We were honored to have Senator Doug Jones as keynote speaker at the first graduation on February 28, 2019.
- “Apollo: When We Went to the Moon” exhibit has received great reviews and is booked through 2021. We are pleased with the exhibit and will continue to make improvements while it is in house.
- The Center partnered with \$1055 Furnace to create an exciting activity for its annual Valentine’s Day event, Pour Your Heart Out.
- The first Biergarten of 2019 took place on March 14, 2019. The charity was North Alabama Veterans & Fraternal Organizations Coalition and there were approximately 450 in attendance on the cold, rainy Thursday.
- Rover Challenge is coming up on April 11-13, 2019 and is celebrating its 25th anniversary. There are quite a few teams coming from around the world and an increase in the number of teams registered than last year.
- Dr. Bamhart shared another NY Times article written by Sebastian Modak entitled In Praise of Pioneer Women and Rocket Scientists featuring Brooks Moore which was published two days ago.
- Dr. Bamhart reported that the Saturn V is being painted faster than expected. Ms. Brenda Carr then discussed the online “Revive the Saturn V” campaign which has included people posting selfies and telling their Saturn V story. The average donation is about \$73 per donor. The overall



campaign has raised over \$400K to-date, not including in-kind donations. The campaign on Facebook has yielded younger donors and alumni. She then reported on the Apollo Homecoming dinner being sold out, as well as the income from the sponsorships and ticket sales. There are only two sponsorships left Blast Off for \$11K and a music sponsorship for \$20K. Mr. Hickam shared that he is working and rehearsing with the Huntsville Brass Band on an original Von Braun piece that will be played at the Apollo Homecoming dinner. There are some expenses against the donations and sponsorships for the dinner, but the Center is committed to limiting expenses in order to benefit Rocket Restoration. A promotion video for “Brush with Greatness” with Mr. Zana being featured was shown to the committees. The “Brush with Greatness” event will take place on April 5th & 6th with a donation of \$1000 or more being received by April 3rd. The goal is for 50 people to donate and participate by painting a finishing coat on the lower stage of the Saturn V. Dr. Barnhart shared that the City of Huntsville has pledged \$100K for each of two years for the Saturn V restoration.

- Dr. Barnhart presented metrics for museum which reflected that attendance is up, daily groups are up, bus tours are up, doing well in the museum, and the Planetarium will likely catch up. Merchandise is tremendous and camp pre-pays are in the beginning of their first full year.
- Mr. Tom White reported on camp sales and revenue. He shared that most of dates in June and July are full and pushing into August.
- Dr. Barnhart reviewed the Apollo events with the Committees to include the Rockets on Parade competition on April 26th at Panoply. Our thanks to SAIC for sponsoring Rockets on Parade. The Guinness World Record rocket launch on July 16th, as well as the Global Rocket Launch Challenge. Also, there are Pass the Torch events and panels taking place frequently, the next one is set for tomorrow, Thursday, March 21st.
- Dr. Barnhart shared news that Mr. Ed Buckbee had a stroke recently and was in ICU, then to rehab for a few weeks.
- A recent storm caused damage to the Davidson Center with a lightning strike damaging \$15K to \$20K of equipment. Luckily, Coca-Cola has pledged \$60K in capital and expense funding for the Saturn V Hall. This will allow the Center to replace the equipment and they will be named sponsor of the live reenactment.

FINANCE REPORT

Mr. Louis Ramirez reported on the February FY19 financials:

- Operating Budget
 - Operating income is positive \$700K
 - Museum admissions, merchandise and food service sales are ahead of plan.
 - Budget is almost exactly on plan with expenses under budget.
 - Accruing cost of Saturn V preservation which have not yet been billed.
 - Camp is under plan, but income is only recognized when trainees complete the program. As camp heads into the busy season, plan should be exceeded or corrected.
- Non-operating
 - Lodging taxes on budget.



- 0 Capital contribution budgeted for the new building is behind plan \$168K which was to be used for architectural drawings. The new plan is to bid architectural work in FY19 and award in FY20.
- 0 Apollo Touring exhibit costs were capitalized in the amount of \$681 K. These costs will be offset by touring revenue over the next five years.
- o The \$175K income budget for the Space Camp South Korea license has not yet occurred. There has been no update from licensee.

· Cash Management

- o \$3.8M in cash, with another \$2.9M in the Education Foundation to move in the next few months.
- o Foundation cash is for planned expenditures for the Planetarium, scholarships and rocket restoration.

Mr. Joe Newberry inquired about cost of goods sold for line items such as merchandise and food services. Mr. Ramirez discussed that with higher admission there are higher labor costs. Col. Naudain asked how the costs of the Saturn V restoration will be reconciled due to contributions being lower than budgeted. Mr. Ramirez stated that the Center will postpone some repair and maintenance items, as well as capital projects such as the Shuttle and Saturn IB to FY20. Also, \$300K was budgeted for repairs on the Saturn V, but this will likely be recognized as a savings because no repairs have been needed.

Mr. Ramirez provided the Committees with a detailed breakdown of other income and expenses as requested at last month's meeting.

STATUS REPORT – CONTRACTS

Habitat] Roof Replacement

Mr. Ramirez introduced Ms. Kristin Luke, Director of Procurement, and asked that she share about the state bid process. Ms. Luke explained the sealed bid process steps which start with collecting specs of job/project, scope, requirements, forms, and E-verify then the sealed bid is sent out to a specific list of vendors. A Pre-bid meeting is scheduled on-site to show the vendors the project. They can then submit questions based on the pre-bid meeting. The procurement office then distributes the answers within a few days and the bid return deadline is set for about one week out. A public bid reading is then held where each bid is opened, and prices read aloud to the vendors, so they know how they stack up in comparison. The bid packets are then reviewed in the procurement office to ensure they are complete. The bid is then awarded after board approval is received with a formal agreement/purchase order. A winning bid is based on the lowest price and that they can provide a license, meet the requirements, and references are reviewed by procurement. The State of Alabama Disclosure form is required and identifies stakeholder in any company, along with other disclosures. Team Craft Roofing vendor had the lowest bid in the amount of \$238,500. Mr. Ramirez recommended approval from the Committees.

Mr. Hickam asked for a motion to award Team Craft Roofing with the roof replacement job. Mr. Rey Almodovar made the motion to approve. Dr. Suzy Young seconded the motion. The motion was approved unanimously.



NEW BUSINESS

Huntsville City Schools MOU - Culinary

Dr. Bamhart provided an overview of the discussions with Huntsville City Schools regarding the CTE program(s) that was shared with the committees a few months ago. Madison City and Madison County Schools were approached to join or assist in the partnership before the Center was approached, but neither were interested. Their request was for the Center to house Culinary and Construction Arts; however, this has evolved to include only three classes of 27 culinary students, (hand-selected 11th & 12th graders), for the near future. The classes will only occur during the school year and will not affect our busy season. Huntsville City Schools will incur all costs, provide transportation, portable classrooms which will be located behind the Davidson Center, teachers, be responsible for the students while they are on our campus and everything they would in a typical setting. Committee members voiced concern about security, parking, protocol and other potential issues. The Center will only be responsible for providing the location, kitchen for use, subject matter experts and some special projects. Dr. Barnhart stated that we owe these children the same kinds of motivation that we provide to our STEM students. The MOU will be for a period of less than five years, the terms and conditions are amenable to both parties, and as both parties are State, insurance is not an issue. If for any reason either party does not fulfill the terms of the agreement, the MOU is easily terminated. This agreement will be beneficial for the Center because it is difficult to hire entry level food service help, and this will give us a pool of talent to hire from.

In the future, the hope is to have a similar agreement for Construction Arts. Ideally, this would be housed in a brand-new facility that would also rehouse our technical staff who currently need space and improved working areas. In the event of a new facility, the agreement would somewhat resemble the agreement we have with NASA for the ETF. Huntsville City Schools would like to take the MOU to their Board next Tuesday night. As the term is less than five years, the agreement does not require approval from ASSEC, but at the request of Mr. Hickam, Dr. Bamhart agreed to provide it to the committees via email for review.

OLD BUSINESS

Mr. Hickam wanted to give the committees an opportunity to review and ask any further questions concerning the 2018 Audit which was approved at the February Business Committee Meeting. Mr. Zana asked if there were two or three ratios that were especially important. Mr. Ramirez said that the ratios in the audit report are not very useful tools, for our unique business.

Mr. Newberry discussed that the Center's financial performance is excellent now, but in the event of a downturn would like to have guidelines in place for the committees to be notified before the bank reaches out. He asked for notifications to be provided at set financial levels. Ms. Brenda Perez and Mr. Ramirez stated that they would pull the covenants to examine what is currently mandated. Mr. Ramirez shared that during review of historical records from the challenging days when cash flow was poor, **stande** operating procedures should have been followed. The bank threatened to seize \$15M in assets from the Center, but as commission of the State, how could they seize the assets? In the past, a \$6M line of credit was negotiated in order to establish stability and begin correcting the financial issues.



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Mr. Ramirez and Ms. Brenda Perez shared that the Center has been working with the Alabama Department of Archives to establish a Records Disposal Agreement. The agreement is in the final stages for their Board approval in April. We have helped to write a 30-page document setting out what records are permanent, as well as identifying all our records. This has been a slow-moving process that all State agencies are working through. To note, in 2013 State Examiners found we were delinquent; however, this was the case for many agencies. Once the Agreement is approved by the Alabama Department of Archives, we can ship our permanent files to their archives and shred massive amounts of non-permanent records. Vital records such as ASSEC meeting minutes, HIPPA and financial records will be kept on-site. The Center will need to establish controls, adopt a policy and potentially hire a records retention employee to maintain and dispose of records.

ANNOUNCEMENT OF NEXT MEETING

Mr. Hickam announced that next Executive Committee Meeting is scheduled for Wednesday, April 17, 2019 at 3:30 p.m.

MARSHALL SPACE FLIGHT CENTER (MSFC), TEAM REDSTONE & TENNESSEE VALLEY AUTHORITY (TVA) UPDATES

Updates were not provided by MSFC, Team Redstone or TVA.

ADJOURNMENT

There was no other business to come before the Executive Committee. Mr. Hickam adjourned the meeting at 4:45 p.m.

MR. TONY ZANA, SECRETARY
ALABAMA SPACE SCIENCE EXHIBIT
COMMISSION

MR. HOMER HICKAM, CHAIR
ALABAMA SPACE SCIENCE EXHIBIT
COMMISSION