



CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE

April 18, 2005

Julie Meier Wright
President & CEO
San Diego Regional Economic Development Corporation
530 B Street, Seventh Floor
San Diego, CA 92101

Dear Ms. Meier Wright,

Thank you for your letter of April 14, 2005 regarding the selection of a permanent site for the headquarters of the California Institute for Regenerative Medicine (CIRM). As the CIRM staff person coordinating this procurement with the Department of General Services I have been asked to respond to your points and requests.

First, let me congratulate you and your staff for being selected as one of the finalists by the Site Selection Committee of the Independent Citizens' Oversight Committee. In response to your request that we postpone the site visits, I have the following comments:

1. The May 2 and May 6 dates are not "artificial dates". These dates are part of a procurement plan that was approved by the Site Selection Committee at its February 24, 2005 meeting. While some of the interim dates have been revised, the expectation of the Site Selection Committee that it complete its work in order to provide a recommendation to the full ICOC at its May 6, 2005 meeting has not changed.
2. Even more important, the full ICOC is expecting that a recommendation be presented by the Site Selection Committee at the May 6, 2005. While this date has not been formally noticed, this meeting date is part of a schedule that was adopted by the full ICOC committee at its February 3, 2005 meeting.
3. At the most recent meeting of the ICOC on April 7, 2005, several members expressed the opinion that a decision on the headquarters site was a critical element of the recruitment for a permanent President. Your comment that the "location of the job should not matter to the right candidate and that all postings should be viewed as interim" is disputed by Spencer Stuart – the presidential search firm hired by the ICOC. They have told the ICOC that a mid-May decision is needed. For example, a candidate with school-aged children will be able to relocate his or her family without inconvenience that might prevent him or her them from accepting an offer made at a later date.
4. The Presidential Search Committee has adopted a plan of its own to make a decision on a recommendation at a meeting planned to be held on May 18, 2005. A decision

on the headquarters site by May 6, 2005 will allow that Committee to ensure that uncertainty of location will not affect the finalist recommendations for the Presidency of the CIRM.

5. At the April 7, 2005 meeting, the Site Selection Committee members recognized that some of them might not be in attendance at all the site visits but indicated their intent to proceed anyway in order to meet the timeline they had set for themselves. Even before the April 7, 2005 meeting, the Site Committee members knew that they might not all make visits to every site. For instance, at the February 24, 2005 meeting there was discussion about forming into teams of two to visit individual sites. In addition, I should note that one member was absent from the April 7, 2005 meeting, but that did not prevent the Site Selection Committee from making a decision regarding the finalists.
6. At the direction of the Site Selection Committee, we have already noticed the meeting for April 25, 2005 and have proceeded to set up the site visits. In addition, the CIRM Counsel has been requested to provide instructions to Site Selection Committee members who cannot attend on a noticed site visit day to permit them to visit the site separately. This can be done under Bagley-Keene but would require the cooperation of the city. Our hope is that all the finalists recognize the importance of this procurement and will do their best to cooperate.
7. As you are aware, the site visits will not begin within 24 hours after the April 25, 2005 Site Selection Committee meeting. At this meeting the members will decide what criteria they will evaluate during the site visit. I am not expecting that the Site Selection Committee will request anything more than access to the site and the surrounding areas during its visit. To the extent that additional information is requested, I believe that the schedule for the site visits will provide sufficient time for you and the other finalists to provide it. In addition, the Site Selection Committee Chairperson intends to ensure that the CIRM legal counsel is present at the April 25, 2005 meeting to provide advice to the members regarding the site visits.
8. Finally, while you are correct that the bids were to be irrevocable for 75 days from the end of the bid period – March 16, 2005 - that did not change the procurement planning dates set by the Site Selection Committee discussed above. Also, the period was set at 75 days to cover the additional time needed to negotiate a lease and government entity agreement after the winning bidder is selected at the May 6, 2005 ICOC meeting.

Therefore, I cannot approve your request that the site visits be postponed. The April 25, 2005 meeting has already been noticed and the site visits have been scheduled and confirmed with all finalists and will be noticed shortly. This will allow the Site Selection Committee to complete this procurement in accordance with the expectations of the ICOC.

Regarding your concern that State Department of General Services (DGS) has not provided answers to the questions in your March 30, 2005 letter, I have contacted that

agency and requested that they respond early this week before the next meeting of the Site Selection Committee and before the site visits begin. While you noted that some of the questions in that letter were answered, either by the report of the evaluation team to the Site Selection Committee or the decisions made by the Committee at the public meeting on April 13, 2005, I agree that a formal response is needed.

A copy of your March 30, 2005 letter and a copy of an April 12, 2005 letter from you have been posted on the CIRM website and were attached to the agenda for the April 13, 2005 meeting. I believe that the information above responds to both the April 12, 2005 and the April 14, 2005 letter. Please let me know if you feel any questions are still unanswered and I will expedite a response. In addition, I will ensure that this response and the DGS response to your March 30, 2005 letter are posted to the CIRM website on the same day they are sent to you.

Once again, congratulations on being selected as one of the finalists. I look forward to working with you to complete this procurement within the time frame intended and appreciate all the cooperation and creativity demonstrated by you and your staff in putting together a very generous proposal.

If you have any questions, please contact me at (510) 450-2437. You may also e-mail me at wbarnes@cirm.ca.gov.

Sincerely,

Walter Barnes
Chief Administrative Officer and Controller

Cc: Mayor Dick Murphy
P. Lamont Ewell, City Manager
Bob Klein, Chair, ICOC
Members of the Site Selection Committee