

BEFORE THE
CALIFORNIA INSTITUTE FOR REGENERATIVE MEDICINE
SITE SEARCH COMMITTEE OF THE INDEPENDENT CITIZENS'
OVERSIGHT COMMITTEE

REGULAR MEETING

DATE: MONDAY, APRIL 25, 2005
7 A.M.

REPORTER: BETH C. DRAIN, CSR
CSR. NO. 7152

BRS FILE NO.: 72323

LOCATIONS: UNIVERSITY OF CALIFORNIA, SAN FRANCISCO
745 PARNASSUS AVENUE
FACULTY & ALUMNI HOUSE, DINING ROOM
SAN FRANCISCO, CALIFORNIA

CULLODEN HOTEL
BANGOR ROAD
BELFAST, NORTHERN IRELAND

LOCATIONS:
CONTINUED

UNIVERSITY OF CALIFORNIA, LOS ANGELES
10833 LE CONTE AVENUE
17-187 CHS
LOS ANGELES, CALIFORNIA

UC DAVIS MEDICAL CENTER
4150 X STREET
CANCER BREAKOUT ROOM
SACRAMENTO, CALIFORNIA

BURNHAM INSTITUTE
10901 N. TORREY PINES ROAD
ADMINISTRATIVE CONFERENCE ROOM
BLDG. 4
LA JOLLA, CALIFORNIA

OCHO CASADAS
CONCHOS CHINAS
PUERTO VALLARTA, MEXICO

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1 SANTA ANA HEIGHTS, CALIFORNIA; MONDAY, APRIL 25, 2005

2 7 A.M.

3

4 CHAIRMAN KLEIN: ALL RIGHT. WHY DON'T WE
5 BEGIN HERE IF WE CAN. THIS IS BOB KLEIN, CHAIRMAN OF
6 THE SUBCOMMITTEE AND CHAIRMAN OF THE BOARD. I'D LIKE
7 TO WELCOME EVERYONE THIS MORNING. AND MY UNDERSTANDING
8 IS THAT WE HAVE A CONNECTION WITH UC DAVIS, BURNHAM,
9 MEXICO, AND UC SAN FRANCISCO ON-LINE, WHICH IS WHERE I
10 AM SPEAKING FROM. IF WE CAN START WITH THE ROLL CALL.
11 ARE WE WAITING FOR DR. FRIEDMAN?

12 MS. KING: STILL WAITING FOR DR. FRIEDMAN.
13 WAITING FOR DR. REED HERE AT BURNHAM.

14 CHAIRMAN KLEIN: OKAY. WELL, LET'S DO THIS.
15 WE WILL TAKE A ROLL CALL AND GO THROUGH -- WE WILL TAKE
16 A ROLL CALL AND GO THROUGH THE FIRST PUBLIC COMMENTS
17 WHILE WE'RE WAITING FOR BOTH MEMBERS TO ATTEND. AMY
18 DUROSS, WOULD YOU DO THE ROLL CALL, PLEASE.

19 MS. DUROSS: MICHAEL FRIEDMAN. BOB KLEIN.

20 CHAIRMAN KLEIN: HERE.

21 MS. DUROSS: SHERRY LANSING. RICHARD MURPHY.

22 DR. MURPHY: HERE.

23 MS. DUROSS: ED PENHOET.

24 DR. PENHOET: HERE.

25 MS. DUROSS: CLAIRE POMEROY.

1 DR. POMEROY: HERE.

2 MS. DUROSS: PHYLLIS PRECIADO. JOHN REED.

3 JOHN REED.

4 CHAIRMAN KLEIN: HE'S ON HIS WAY.

5 OKAY. WE ARE SHORT OF A QUORUM. WHILE WE'RE

6 WAITING FOR THE OTHER TWO, COUNSEL, CAN I TAKE -- SEE

7 IF THERE'S ANY PUBLIC COMMENT WHILE WE'RE WAITING FOR

8 THE QUORUM?

9 MR. HARRISON: SURE.

10 CHAIRMAN KLEIN: I'M GOING TO GO -- STARTING

11 WITH MEXICO, IS THERE ANY PUBLIC COMMENT IN MEXICO?

12 DR. MURPHY: NO.

13 CHAIRMAN KLEIN: OKAY. IS THERE ANY PUBLIC

14 COMMENT AT BURNHAM?

15 MS. KING: ANYONE RIGHT NOW? NONE NOW.

16 CHAIRMAN KLEIN: ANY PUBLIC COMMENT AT UC

17 DAVIS?

18 DR. POMEROY: NOT AT THE MOMENT.

19 CHAIRMAN KLEIN: AND ANY PUBLIC COMMENT AT UC

20 SAN FRANCISCO? NONE AT THE MOMENT.

21 JUST FOR EVERYONE'S BENEFIT IN PLANNING THEIR

22 PUBLIC COMMENTS, WHILE WE'RE WAITING FOR THE BALANCE OF

23 OUR MEMBERS, I WOULD INDICATE THAT WE'RE GOING TO

24 CHANGE THE AGENDA ORDER TO START WITH ITEM 5, GO TO

25 ITEM 6, THEN GOING TO ITEM 4, AND FINALLY TO ITEM 3.

1 MS. KING: BOB, DR. REED HAS JUST JOINED US
2 AT BURNHAM.

3 CHAIRMAN KLEIN: THANK YOU, DR. REED.

4 DR. REED: MORNING.

5 CHAIRMAN KLEIN: DR. REED, WE'RE JUST WAITING
6 FOR DR. FRIEDMAN, WHO'S GOING TO JOIN US FROM IRELAND.

7 DR. REED: GREAT.

8 CHAIRMAN KLEIN: COUNSEL HAS ADVISED US THAT
9 WITH DR. REED JOINING THAT WE DO HAVE A QUORUM. WE'RE
10 GOING TO START WITH ITEM 6 HERE THIS MORNING.

11 DR. POMEROY: ITEM 5 OR ITEM 6?

12 CHAIRMAN KLEIN: EXCUSE ME. ITEM 5.

13 APPRECIATE THE TEAMWORK HERE ON THIS CALL. ON ITEM 5
14 WE'RE GOING TO DISCUSS THE QUESTION OF CONSIDERATION OF
15 WHETHER THE SEARCH SUBCOMMITTEE MAY RECOMMEND TO THE
16 FULL ICOC ON MAY 6TH A SITE OTHER THAN THE SITE THAT
17 EARNS THE HIGHEST NUMBER OF POINTS DURING EVALUATION.
18 JAMES HARRISON AND WALTER BARNES WILL COMMENT, AND THEN
19 WE WILL HAVE DISCUSSION.

20 MR. HARRISON: THERE'S NOTHING IN THE RFP
21 THAT REQUIRES THE COMMITTEE TO MAKE A RECOMMENDATION
22 BASED ON THE HIGHEST SCORE. HAVING SAID THAT, THE
23 PROCESS THAT YOU ALL HAVE LAID OUT CLEARLY CONTEMPLATED
24 THAT YOU WOULD BASE YOUR RECOMMENDATION ON OBJECTIVE
25 CRITERIA BASED ON THE SCORING. SO WHILE THERE'S NO

1 LEGAL REQUIREMENT THAT BINDS YOU TO RELY ON THAT, IT'S
2 THE METHOD THAT YOU HAVE SELECTED, AND IT DOES AFFORD
3 YOU A BASIS TO DEFEND YOUR ULTIMATE RECOMMENDATION
4 BASED ON OBJECTIVE CRITERIA RATHER THAN ANY SUBJECTIVE
5 INFLUENCES.

6 CHAIRMAN KLEIN: OKAY. WALTER BARNES.

7 MR. BARNES: I WOULD HAVE TO AGREE.

8 CHAIRMAN KLEIN: ALL RIGHT. DISCUSSION FROM
9 THE SUBCOMMITTEE?

10 DR. REED: JOHN REED IN SAN DIEGO. I HAVE A
11 QUESTION. AND THAT IS THE SCORE SHEET THAT WE IS
12 LISTED UNDER ITEM 3 FOR ATTACHMENT H.

13 CHAIRMAN KLEIN: YES, DR. REED. BEFORE YOU
14 GOT THERE, WHAT WE HAD DISCUSSED IS WE'RE GOING TO DO
15 ITEM 5, ITEM 6, THEN ITEM 3 -- EXCUSE ME -- ITEM 4 AND
16 THEN ITEM 3. I UNDERSTAND THERE ARE SOME
17 RECOMMENDATIONS ON ADJUSTMENTS ON THE SCORE SHEETS.

18 DR. REED: I GUESS MY QUESTION IS WITH
19 RESPECT TO WHAT SYSTEM WE'RE GOING TO USE FOR CREATING
20 SCORES. WE DID ADOPT AT THE LAST MEETING A SYSTEM, BUT
21 THEN WE ALSO TALKED ABOUT SUPPLEMENTING THAT WITH THE
22 ISSUE OF ATTACHMENT H. AND WHAT I'M UNCLEAR ABOUT IS
23 HOW WE AGGREGATE THOSE SCORES TO COME UP WITH THE FINAL
24 SCORE.

25 CHAIRMAN KLEIN: THAT'S PART OF THE

1 CONSIDERATION OF ITEM 3, WHICH WILL BE THE LAST ITEM WE
2 DISCUSS. I THINK THE RECOMMENDATION FROM STAFF WAS TO
3 REVERSE THE ORDER SO THAT WHEN WE GOT TO THAT ITEM,
4 SOMEONE COULD SEE THE WHOLE PICTURE AT ONCE.

5 DR. REED: ALL RIGHT. THANK YOU.

6 DR. POMEROY: CLAIRE POMEROY. SO THIS IS
7 REALLY A CONSIDERATION -- CONTINUATION OF SOME OF THE
8 COMMENTS THAT I MADE AT THE PREVIOUS MEETING. I THINK
9 I DEFINITELY AGREE THAT WE AGREED THAT WE WANTED TO
10 HAVE AN OBJECTIVE, QUANTIFIABLE MEASURE. BUT I DON'T
11 THINK WE EVER AGREED ABOUT HOW THE FIRST SET OF SCORES
12 WOULD BE USED OTHER THAN TO DETERMINE THE SEMIFINALIST.

13 AND I HAVE TO SORT OF EXTEND WHAT DR. REED
14 WAS IMPLYING, WHICH IS TO SAY THAT OUR GOAL IS TO FIND
15 THE BEST SITE. AND I WOULD HATE TO BE, YOU KNOW, BOXED
16 IN BY A SCORING SYSTEM THAT WAS DESIGNED TO PICK THE
17 SEMIFINALIST WHEN WE COME TO THE FINALIST.

18 SO WITHOUT -- WELL, I WOULD JUST ALSO ADD
19 THAT WE DID SAY, WHEN WE CAME UP WITH THE FIRST SCORING
20 SYSTEM, THAT THERE WERE OTHER CONSIDERATIONS THAT
21 WEREN'T REFLECTED ON THAT INITIAL SCORING SYSTEM. SO
22 IT'S A LITTLE BIT HARD TO COMMENT ON THIS WITHOUT
23 KNOWING HOW THE, QUOTE, HIGHEST NUMBER OF POINTS DURING
24 THE EVALUATION WILL BE DETERMINED.

25 CHAIRMAN KLEIN: OKAY. ADDITIONAL COMMENTS

1 FROM THE COMMITTEE?

2 DR. MURPHY: RICH MURPHY. YOU KNOW, I THINK
3 WE'RE DOWN THE ROAD ON A PROCESS. AND TO BE ABLE TO GO
4 BACK OR TO DECIDE TO GO BACK TO LOOK AT ALL OF THE
5 APPLICANTS AT THIS POINT, I THINK WE WOULD ESSENTIALLY
6 BE RE-BEGINNING THE PROCESS. I THINK THE PROCESS THAT
7 WE HAVE NOW WITH THE FINAL FOUR CANDIDATES BROUGHT US
8 TO A CERTAIN POINT. HOW WE GO FROM HERE TO THE END
9 POINT IS WE STILL NEED TO MAKE SOME DECISIONS ON. BUT
10 I THINK GOING BACK TO REEVALUATE ALL THE APPLICANTS
11 WOULD JUST NOT BE THE MOST EFFICIENT WAY TO GO. AND I
12 THINK WE WOULD BE OPENING THE DOOR TO A BIT OF AN
13 ENDLESS PROCESS.

14 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
15 I'D LIKE TO AGREE WITH DR. MURPHY. I WAS IN NO WAY
16 ADVOCATING GOING BACK. I THINK WE CAME TO A DECISION
17 OF HOW WE WERE GOING TO GET THE SEMIFINALIST LIST. THE
18 QUESTION NOW IS HOW ARE THE SCORES OF THE SEMIFINALISTS
19 GOING TO BE USED TO DETERMINE THE FINAL RANKING.

20 DR. MURPHY: SORRY, CLAIRE. I MISSED THAT.

21 DR. POMEROY: SO I'M AGREEING WITH YOU.

22 DR. MURPHY: I AGREE WITH YOU AS WELL.

23 CHAIRMAN KLEIN: I THINK THE PORTION OF THAT
24 ARGUMENT THAT IS CRITICAL FOR US TO REMEMBER IS THAT WE
25 LAID OUT VERY CLEARLY IN OUR SUBCOMMITTEE MEETINGS AND

1 IN OUR PROCESS TO DATE THAT THE ITEMS IN THE FIRST PART
2 OF THE SCORING, SUCH AS THE DEPTH OF THE PROFESSIONAL
3 MARKET, THE NUMBER OF YEARS OF SUBSIDY, SUCH AS THE
4 AVAILABILITY OF INTERNATIONAL AND NATIONAL CONFERENCE
5 FACILITIES TO BRING THE BEST AND BRIGHTEST MINDS FROM
6 AROUND THE WORLD AND FROM THE NATION TOGETHER IN
7 CALIFORNIA WITH THE LOWEST POSSIBLE COST, BOTH IN
8 CONFERENCE FACILITIES AND HOTEL COSTS, ALL OF THOSE
9 WERE IMPORTANT TO OUR MISSION. AND THAT THEY WERE SET
10 UP ORIGINALLY TO BE A DOMINANT PART OF THE TOTAL
11 SCORING.

12 WHILE WE HAVE THE ABILITY TO ADJUST THE
13 WEIGHTING AT THE END, LET US NOT FORGET HOW IMPORTANT
14 THOSE KEY FACTORS WERE IN THE OBJECTIVE CRITERIA WE'VE
15 SET AND HOW CLOSELY RELATED THEY ARE TO OUR MISSION.
16 BECAUSE IF WE DON'T HAVE A DEPTH OF PROFESSIONALS TO
17 HIRE FROM, SPENCERSTUART HAS TOLD US, THE INDIVIDUALS
18 AND HEADS OF INSTITUTIONS HAVE TOLD US IT WILL BE A
19 REAL CHALLENGE TO BE ABLE TO DRAW NATIONAL TALENT INTO
20 THIS SITE BECAUSE IF THE JOB DOES NOT WORK OUT FOR THAT
21 NATIONAL TALENT, THEY DON'T WANT TO HAVE TO MOVE BACK
22 ACROSS THE COUNTRY. THEY WANT BE TO BE ABLE TO
23 RELOCATE WITHIN THAT SPECIFIC AREA THEY MOVED TO AND
24 HAVE TO HAVE A BASIC VIABILITY TO THEM.

25 IN ADDITION, THEY'RE LOOKING FOR THE SYNERGY

1 OF TRADING IDEAS WITH A LARGE NUMBER OF THE PEOPLE WITH
2 SPECIALIZATIONS IN THEIR SAME AREA OF FOCUS.

3 ANY OTHER BOARD COMMENTS? HEARING NO OTHER
4 BOARD COMMENTS, I'D LIKE TO GO BY JURISDICTION. ARE
5 THERE COMMENTS FROM UC DAVIS FROM THE PUBLIC?

6 DR. POMEROY: WE HAVE ONE QUESTION FROM THE
7 PUBLIC.

8 CHAIRMAN KLEIN: YES.

9 UNIDENTIFIED SPEAKER: THIS IS (INAUDIBLE).
10 AND MY QUESTION IS WHAT KIND OF PROFESSIONAL ARE YOU
11 CONSIDERING, SCIENTIFIC, ADMINISTRATIVE, OTHER?

12 CHAIRMAN KLEIN: WALTER, COULD YOU EXPLAIN IN
13 THE RFP THE DESCRIPTION OF THE PERSONNEL THAT WAS
14 CONSIDERED WITHIN THE PROFESSIONAL CATEGORY FOR
15 DETERMINING POINTS?

16 MR. BARNES: THE CATEGORY WAS DESCRIBED AS
17 BIOMEDICAL RESEARCH EMPLOYEES.

18 CHAIRMAN KLEIN: OKAY.

19 UNIDENTIFIED SPEAKER: THANK YOU. I
20 APPRECIATE THAT.

21 NOW, THESE BIOMEDICAL RESEARCH EMPLOYEES,
22 THEN, WOULD BE WORKING AS ADMINISTRATIVE PERSONNEL
23 WITHIN THE INSTITUTE?

24 CHAIRMAN KLEIN: NO. THE KEY HERE IS THAT IN
25 CARRYING OUT OUR CORE MISSION, WE NEED A LARGE NUMBER

1 OF INDIVIDUALS THAT ARE PIVOTAL TO OUR ABILITY TO
2 EVALUATE OBJECTIVELY QUALITY ON GRANT APPLICATIONS, TO,
3 FOR EXAMPLE, WORK WITH OUR GRANTS WORKING GROUP AND
4 WORK WITH THE PRESIDENT AND THE BOARD ON
5 RECOMMENDATIONS, TO WORK ON WITH THE BOARD AND THE
6 PRESIDENT AND THE PRESIDENT'S STAFF ON THE STRATEGIC
7 PLAN, TO WORK WITH THE STANDARDS COMMITTEE ON
8 IMPLEMENTATION AND EVALUATION OF STANDARDS IN THE
9 PUBLIC HEARINGS THAT RELATE TO ADOPTION AND
10 MODIFICATION OF STANDARDS, TO WORK WITH THE FACILITIES
11 COMMITTEE ON THE EVALUATION OF THE SCIENTIFIC CAPACITY
12 AND DEMANDS OF THE COMPETING SITES FOR FACILITIES
13 GRANTS OR INFRASTRUCTURE GRANTS.

14 THESE ARE INDIVIDUALS THAT ARE A CORE TO THE
15 PROCESS THAT RELATE TO OUR ABILITY TO REALLY PROPERLY
16 EVALUATE THE SCIENTIFIC MISSION AND THE COMPONENTS OF
17 THE MISSION THAT THIS INITIATIVE IS DESIGNED TO SERVE.

18 UNIDENTIFIED SPEAKER: THANK YOU. SO THESE
19 ARE NOT EMPLOYEES; THEY'RE CONSULTANTS.

20 CHAIRMAN KLEIN: NO. THESE ARE EMPLOYEES OF
21 THE INSTITUTE. WE ARE LOOKING AT THE DEPTH OF THE
22 BIOMEDICAL RESEARCH PROFESSIONAL MARKET AS AN INDEX OF
23 OUR CAPACITY TO ATTRACT EMPLOYEES IN THE SCIENTIFIC
24 RESEARCH -- BIOMEDICAL SCIENTIFIC RESEARCH AREA AND
25 RETAIN THOSE EMPLOYEES OF THE HIGHEST QUALITY.

1 UNIDENTIFIED SPEAKER: THANK YOU.

2 CHAIRMAN KLEIN: THAT'S IT FROM UC DAVIS.

3 CHAIRMAN KLEIN: ALL RIGHT. FROM THE
4 BURNHAM?

5 MS. KING: YES, WE DO HAVE A PUBLIC COMMENT
6 DOWN HERE.

7 MR. PANETTA: THANK YOU, MR. CHAIRMAN. THIS
8 IS JOE PANETTA WITH BIOCUM IN SAN DIEGO. I WANT TO
9 AGREE STRONGLY WITH EVERYTHING THAT THE CHAIRMAN HAS
10 SAID ABOUT THE IMPORTANCE OF THE STRENGTH OF THE
11 BIOMEDICAL AND BIOTECHNOLOGY RESEARCH COMMUNITIES IN
12 CLOSE PROXIMITY TO THE LOCATION OF THIS FACILITY.

13 MY CONCERN IS THAT EVEN WITH THE REGRADING
14 AND THE RESUBMISSION THAT SAN DIEGO HAS MADE, JUSTICE
15 HASN'T BEEN DONE TO THE DEPTH AND THE CLOSENESS OF THE
16 BIOMEDICAL RESEARCH COMMUNITY HERE IN SAN DIEGO, ALL TO
17 THE PURPOSE OF ACCOMPLISHING A GOAL THAT THE CHAIRMAN
18 HAS STATED. SO I WOULD URGE THE COMMITTEE STRONGLY TO
19 TAKE ADVANTAGE OF THE OPPORTUNITY OF THE SITE VISIT TO
20 SEE AND HEAR WHAT WE HAVE HERE IN SAN DIEGO. AND THEN
21 TO MAKE AN OBJECTIVE DECISION BASED UPON THAT SITE
22 VISIT AND, AS DR. POMEROY SAID PREVIOUSLY, TO USE THE
23 FIRST ROUND OF SCORING SIMPLY AS A BASELINE. THANK
24 YOU.

25 CHAIRMAN KLEIN: THANK YOU. JOE PANETTA WAS

1 A VERY, VERY STRONG LEADER IN THE INITIAL CAMPAIGN FOR
2 PROP 71. AND WE THANK YOU, JOE, FOR YOUR CONTINUED
3 COMMITMENT TO THE CAUSE. WE KNOW YOU WILL BE THERE
4 WITH US TOO FOR CENTERS OF EXCELLENCE AND A NUMBER OF
5 THE OTHER STAGES OF THIS, BUT WE GREATLY APPRECIATE THE
6 SUPPORT FROM SAN DIEGO.

7 ADDITIONAL COMMENTS THAT ARE IN ORDER ARE ANY
8 OTHERS FROM BURNHAM?

9 MS. KING: NOT AT THIS TIME.

10 CHAIRMAN KLEIN: OKAY. ANY FROM UC SAN
11 FRANCISCO? OKAY. NONE AT THIS TIME. ANY OTHERS FROM
12 MEXICO?

13 DR. MURPHY: NO.

14 CHAIRMAN KLEIN: AND IS IRELAND ON THE PHONE
15 YET? IRELAND IS HAVING PROBLEMS CALLING IN. OKAY.

16 WE THANK YOU FOR THOSE COMMENTS.

17 SO THE QUESTION FOR THE COMMITTEE IS DO YOU
18 DESIRE TO TAKE AN ACTION ON ITEM 5, CONSIDERATION OF
19 WHETHER THE SITE SEARCH SUBCOMMITTEE MAY RECOMMEND TO
20 THE FULL ICOC ON MAY 6TH A SITE OTHER THAN THE SITE
21 THAT EARNS THE HIGHEST NUMBER OF POINTS DURING
22 EVALUATION? COUNSEL HAS ALREADY TOLD US THAT WE HAVE
23 THAT FLEXIBILITY. AND THE QUESTION IS WHETHER WE WANT
24 TO TAKE A POSITION AT THIS TIME. THIS IS AN ITEM THAT
25 COULD BE RECONSIDERED ON MAY 2D AS WELL.

1 NOT HEARING ANY MOTIONS FROM THE
2 SUBCOMMITTEE, I WOULD SUGGEST THAT WE MOVE ON TO THE
3 NEXT ITEM UNLESS ANY MEMBER OF THE SUBCOMMITTEE DESIRES
4 OTHERWISE.

5 DR. MURPHY: SO, BOB, COULD YOU JUST REFRESH
6 ME WHERE THAT LEAVES US ON THAT ITEM THEN?

7 CHAIRMAN KLEIN: THAT LEAVES US AS RETAINING
8 THE ABILITY TO DECIDE WHETHER OR NOT THE RECOMMENDATION
9 WE WILL MAKE ON MAY 2D WILL BE BASED UPON THE HIGHEST
10 NUMBER OF POINTS DURING EVALUATION. ON MAY 2D,
11 DR. MURPHY, WE COULD MAKE THE DECISION TO MAKE THE
12 RECOMMENDATION BASED ON THE HIGHEST NUMBER OF POINTS,
13 JUST THAT WE DO NOT HAVE A MOTION AT THIS TIME.

14 DR. MURPHY: OKAY. THANK YOU.

15 CHAIRMAN KLEIN: OKAY. ITEM NO. 6,
16 CONSIDERATION OF WHETHER THE FULL ICOC MAY SELECT A
17 SITE OTHER THAN THE SITE THAT EARNS THE HIGHEST NUMBER
18 OF POINTS DURING EVALUATION, HAS ESSENTIALLY BEEN
19 COVERED UNDER ITEM NO. 5.

20 MR. HARRISON: I BELIEVE IT HAS.

21 CHAIRMAN KLEIN: SO WE WILL GO TO ITEM NO. 4,
22 CONSIDERATION OF ADOPTION OF THE POINTS ASSIGNED BY
23 BIDS BY THE DEPARTMENT OF GENERAL SERVICES AND THE
24 INSTITUTE STAFF FOR ADOPTION OF A REVISED POINT
25 ASSIGNMENT BASED ON INPUT FROM THE CITIES, STAFF, AND

1 SUBCOMMITTEE MEMBERS.

2 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
3 BEFORE WE GO ON, COULD I JUST ASK ONE MORE QUESTION
4 ABOUT THE PREVIOUS ITEM?

5 CHAIRMAN KLEIN: ABSOLUTELY.

6 DR. POMEROY: IS IT AN OPTION TO COME BACK TO
7 THE ORIGINAL ITEM 5 AND 6 TODAY? OR DO WE NOW NEED TO
8 WAIT TILL MAY 2D?

9 CHAIRMAN KLEIN: NO. YOU CAN COME BACK TO
10 THOSE ITEMS TODAY.

11 DR. POMEROY: PLEASE PROCEED WITH THE POINT
12 ADOPTION THEN.

13 CHAIRMAN KLEIN: ALL RIGHT. THE NEXT ITEM IS
14 GOING TO BE ITEM NO. 4. AND I'D LIKE THE STAFF TO
15 PROCEED ON THAT ITEM. WALTER BARNES, IF YOU WOULD LEAD
16 US THROUGH THE ANALYSIS THAT THE DEPARTMENT OF GENERAL
17 SERVICES AND THE INSTITUTE STAFF CONDUCTED AND DESCRIBE
18 WHO PARTICIPATED IN THAT PROCESS.

19 MR. BARNES: SURE. AS YOU RECALL, THE
20 COMMITTEE DECIDED TO TABLE A MOTION TO ACCEPT A
21 RECOMMENDATION FROM THE DGS-CIRM EVALUATION TEAM
22 REGARDING THE NUMBER OF POINTS TO BE AWARDED TO EACH OF
23 THE FINALISTS FOR PREFERENCES. THAT TEAM, IF YOU
24 RECALL, WAS MADE UP OF THREE PEOPLE FROM THE DEPARTMENT
25 OF GENERAL SERVICES, SHERAL GATES, REBECCA DONNACHIE,

1 EDDIE CHU, AND THREE PEOPLE FROM CIRM, INCLUDING
2 MYSELF, WALTER BARNES, WHO IS ON LOAN FROM THE STATE
3 CONTROLLER'S OFFICE, AMY DUROSS, AND CHRISTINA OLSSON.

4 SINCE THAT MEETING, WE REQUESTED THAT EACH OF
5 THE FINALISTS PROVIDE INFORMATION ON THE RECOMMENDED
6 PREFERENCE POINTS AND TO CITE THE BASIS FOR ANY CONCERN
7 AND THE RATIONALE FOR MODIFYING THE RECOMMENDATION. IN
8 ADDITION, EACH FINALIST WAS INSTRUCTED TO REFERENCE
9 MATERIAL IN THEIR ORIGINAL BID FOR SUPPORT OF THEIR
10 RECOMMENDATION, KEEPING IN MIND THAT THESE ARE RELATED
11 TO THE PREFERENCE POINTS THAT WERE PART OF THE RFP, AND
12 ADDITIONAL MATERIALS PROVIDING NEW ITEMS WERE NOT
13 SUPPOSED TO BE SUBMITTED.

14 EACH OF THE FINALISTS RESPONDED TO THE
15 REQUEST. THE SAME DGS-CIRM EVALUATION TEAM REVIEWED
16 THEM, AND THE ANALYSIS FOR EACH OF THEM IS PROVIDED IN
17 ATTACHMENT A. THERE ARE FOUR SEPARATE ANALYSES, ONE
18 FOR EACH RESPONSE.

19 BEFORE DISCUSSING THE ANALYSES, I WANT TO
20 EXPRESS OUR THANKS TO THE CITIES FOR THEIR RAPID AND
21 DETAILED RESPONSES. AND ONCE AGAIN, TO THE STAFF OF
22 THE DEPARTMENT OF GENERAL SERVICES FOR ASSISTING US IN
23 THE ANALYSIS OF THESE RESPONSES.

24 AS WAS DONE IN THE ORIGINAL REVIEW OF THE
25 BIDS, THE DGS EVALUATION TEAM DECIDED THE DECISIONS ON

1 THE RESPONSES WOULD BE MADE ON A CONSENSUS BASIS. IN
2 SUMMARY, THE EVALUATION TEAM DECIDED TO AWARD
3 ADDITIONAL POINTS TO EMERYVILLE, SIX ADDITIONAL POINTS,
4 WHICH WOULD TAKE THEM FROM 113 TO 119 POINTS;
5 SACRAMENTO WAS RECOMMENDED TWO ADDITIONAL POINTS TO
6 TAKE THEM FROM 133 TO 135; SAN DIEGO WAS RECOMMENDED TO
7 GET 11 ADDITIONAL POINTS, WHICH WOULD TAKE THEM FROM
8 116 TO 127; AND SAN FRANCISCO WAS RECOMMENDED TO
9 RECEIVE NO ADDITIONAL POINTS, LEAVING THEM AT 158.

10 I SHOULD SAY MOST OF THE CHANGES WERE MINOR,
11 BETWEEN ONE AND TWO POINTS. THE LARGEST CHANGE WAS TO
12 GIVE SAN DIEGO 10 POINTS FOR PREFERENCE 1(A). THIS IS
13 THE ITEM THAT I MENTIONED AT THE LAST MEETING. IT
14 DEALS WITH QUALIFIED PROFESSIONALS THAT RESIDE WITHIN
15 LESS THAN 45 MINUTES OF THE PROPOSED BUILDING. I
16 SHOULD EMPHASIZE IT WAS 45 MINUTES. I ALSO SHOULD NOTE
17 THAT THE GREATEST NUMBER OF REQUESTS FOR MODIFICATION
18 CENTERED ON POINTS ASSIGNED TO THIS PREFERENCE AND TO
19 PREFERENCE 1(B), WHICH ALSO DEALT WITH QUALIFIED
20 PROFESSIONALS RESIDING BETWEEN 45 MINUTES AND 90
21 MINUTES FROM THE PROPOSED BUILDING.

22 THE EVALUATION TEAM DECIDED THAT SAN DIEGO'S
23 CLARIFICATION OF THE INFORMATION PROVIDED BY A MAP THAT
24 WAS ON PAGE 20 OF ITS BID SHOWING THE ADULT POPULATIONS
25 AND DRIVING TIMES SUPPORTED THE DETERMINATION THAT MOST

1 OF THE 38,934 BIOMEDICAL RESEARCH EMPLOYEES RESIDE
2 WITHIN THE COMMUTE TIMES LISTED ON THAT MAP, AND THAT
3 ALMOST ALL WERE WITHIN THE 45-MINUTE REQUIREMENT.

4 NO OTHER BIDDER EXCEPT SACRAMENTO PROVIDED
5 SUFFICIENT DATA IN THEIR BIDS TO ALLOW A SIMILAR
6 DETERMINATION TO BE REACHED.

7 SINCE THE NUMBER OF BIOMEDICAL RESEARCH
8 EMPLOYEES IN SAN DIEGO WAS MORE THAN TWICE THE SIZE OF
9 SACRAMENTO, THE EVALUATION TEAM IS RECOMMENDING THAT
10 THE FULL 10 POINTS FOR THIS PREFERENCE CATEGORY BE
11 AWARDED TO SAN DIEGO, AND THAT SACRAMENTO CONTINUE TO
12 HAVE THE 6 POINTS ORIGINALLY AWARDED.

13 WITH REGARD TO 1(B), ALL OF THE FINALISTS
14 POINTED OUT THAT THE RFP ONLY REQUESTED INFORMATION OF
15 BIOMEDICAL RESEARCH EMPLOYEES RESIDING WITHIN 45
16 MINUTES; AND, THEREFORE, NONE OF THEM PROVIDED SUCH
17 INFORMATION. AND THEY ARE CORRECT, WHICH IS WHY NO
18 BIDDER WAS AWARDED ANY OF THE POSSIBLE 5 POINTS. THE
19 EVALUATION TEAM RECOMMENDS NO CHANGE BE MADE.

20 THERE'S REALLY -- AT THIS POINT IT'S 5
21 POINTS, AND OUR FEELING IS THAT ALL OF THE BIDDERS ARE
22 BEING TREATED EQUALLY IN REGARD TO THIS PARTICULAR
23 ITEM.

24 AS TO THE OTHER MODIFICATIONS REQUESTED IN
25 THE RESPONSES, THE EVALUATION TEAM DETERMINED NOT TO

1 RECOMMEND CHANGES FOR ONE OF SEVERAL REASONS. EITHER
2 THE ISSUE RAISED IN THE RESPONSE HAD ALREADY BEEN TAKEN
3 INTO ACCOUNT DURING THE REVIEW OF THE ORIGINAL BIDS.
4 THAT MEANS THAT IN SOME CASES PEOPLE FELT THAT THEIR,
5 FOR INSTANCE, HOTELS OR CONFERENCE FACILITIES HAD NOT
6 BEEN COUNTED ACCORDING TO THE BID WHEN, IN FACT, THEY
7 HAD BEEN.

8 THE REQUEST -- ANOTHER ISSUE WAS THE REQUEST
9 WAS TO MODIFY THE SCORING METHODOLOGY, WHICH WAS
10 DEVELOPED BEFORE THE REVIEW OF THE ORIGINAL BIDS, AND
11 THE SITE SELECTION COMMITTEE WAS ADVISED NOT TO MAKE
12 CHANGES TO THEM AND DECIDED NOT TO AT THE LAST MEETING.

13 ANOTHER REASON WAS THE REQUEST WAS TO MODIFY
14 SCORING BASED ON COMMUNITY INCENTIVES WHICH WILL BE
15 CONSIDERED BY THE SITE COMMITTEE DURING ITS SITE VISIT.
16 SO IT WAS NOT GOING TO BE EVALUATED DURING THIS
17 PARTICULAR PART OF THE RFP PROCESS.

18 OR THE INFORMATION PROVIDED IN THE RESPONSE
19 WAS NOT INCLUDED IN THE ORIGINAL BID. AS WE SAID, WE
20 WERE NOT ACCEPTING ANY ADDITIONAL NEW INFORMATION
21 BECAUSE THE BIDS WERE SUPPOSED TO BE COMPLETE WHEN
22 SUBMITTED.

23 THE RECOMMENDED -- EXCUSE ME -- THE
24 RECOMMENDATIONS FOR CHANGES ARE INCLUDED IN ATTACHMENT
25 B, TITLED "REVISED FINALIST POINTS MATRIX," AND THE

1 AREAS RECOMMENDED FOR CHANGE ARE HIGHLIGHTED IN YELLOW.

2 BEFORE COMPLETING MY PRESENTATION, I WANTED
3 TO REPEAT SOME INFORMATION THAT WE TALKED ABOUT AT THE
4 LAST MEETING. IT SORT OF GOES BACK TO OUR DISCUSSION
5 BEFORE. THE RFP CLEARLY STATES THE FINAL SCORES ON
6 PREFERENCES ARE TO BE DETERMINED BY THE SITE SELECTION
7 COMMITTEE; THEREFORE, YOU MAY DETERMINE TO CHANGE THE
8 RECOMMENDATIONS CONTAINED IN ATTACHMENT B BASED ON YOUR
9 OWN REVIEW OF THE BIDS, THE RESPONSES FROM THE CITIES,
10 AND/OR OUR ANALYSES. HOWEVER, OUR RECOMMENDATION IS
11 THAT YOU ACCEPT THE REVISED SCORES IN ATTACHMENT B AND
12 THEN DECIDE HOW YOU WANT TO TAKE THESE PARTICULAR
13 SCORES INTO ACCOUNT IN EVALUATING THESE FINALISTS
14 DURING YOUR SITE VISIT.

15 THAT'S THE END OF MY PRESENTATION, AND I'M
16 AVAILABLE FOR QUESTIONS.

17 CHAIRMAN KLEIN: THANK YOU, WALTER BARNES.
18 I'D LIKE TO HAVE THE SUBCOMMITTEE COMMENTS, BEGINNING
19 WITH SACRAMENTO. ANY COMMENTS FROM SACRAMENTO FROM THE
20 COMMITTEE MEMBERS?

21 DR. POMEROY: THIS IS CLAIRE POMEROY. I
22 THINK THAT DGS HAS PUT A LOT OF EFFORT INTO BEING FAIR
23 AND COMPLETE IN THIS EVALUATION. I PERSONALLY AM
24 COMFORTABLE WITH THE REVISED SCORES AND THINK THAT OUR
25 DISCUSSION SHOULD FOCUS ON HOW WE USE THESE SCORES.

1 AND I THINK THAT MY POSITION ON THIS, TO REPEAT IT
2 AGAIN, IS THAT THESE SCORES ARE APPROPRIATE FOR
3 DETERMINING THE SEMIFINALIST, BUT SHOULD NOT
4 NECESSARILY CARRY OVER INTO A DETERMINATION OF WHERE
5 THE BEST SITE IS FOR THE INSTITUTE.

6 DR. REED: JOHN REED HERE IN SAN DIEGO. I'D
7 LIKE TO SUPPORT THOSE COMMENTS OF DR. POMEROY. I THINK
8 THAT'S -- I FEEL THE SAME WAY ABOUT THAT. I FEEL THAT
9 THIS IS APPROPRIATE FOR BEGINNING OUR NEXT ROUND OF OUR
10 EVALUATION PROCESS. THIS MEANING WE'LL HAVE TO DECIDE
11 HOW TO WEIGHT SUCH ITEMS AS THOSE LISTED IN ATTACHMENT
12 H AND HOW TO WEIGHT THE COMMUNITY INCENTIVES THAT HAVE
13 NOT BEEN REALLY INCORPORATED INTO THIS SCORING SYSTEM.

14 CHAIRMAN KLEIN: ALL RIGHT. ANY SUBCOMMITTEE
15 COMMENTS FROM SAN FRANCISCO? NONE. AND ANY COMMENTS
16 FROM THE SUBCOMMITTEE FROM MEXICO?

17 DR. MURPHY: NO.

18 CHAIRMAN KLEIN: ALL RIGHT. THE ISSUE BEFORE
19 US HERE TODAY, WE WILL NOW TURN TO THE AUDIENCE FOR
20 COMMENTS. ANY AUDIENCE PUBLIC COMMENT FROM THE UC
21 DAVIS SITE?

22 DR. POMEROY: IT TURNS OUT AT 7 A.M. PEOPLE
23 ARE LESS TALKATIVE. NO COMMENTS FROM SACRAMENTO.

24 CHAIRMAN KLEIN: THE NEXT POINT IS ANY
25 ADDITIONAL PUBLIC COMMENT ON THIS ITEM FROM SAN DIEGO?

1 AND, REMEMBER, THE DISCUSSION AT THIS POINT IS ONLY ON
2 THE QUESTION OF WHETHER THESE SCORES WOULD BE ADOPTED
3 FOR THIS PORTION OF THE APPLICATION.

4 MR. ROTH: YES. THIS IS DUANE ROTH IN SAN
5 DIEGO WITH UCSD CONNECT. I WOULD JUST LIKE TO SUPPORT
6 THE LAST TWO COMMENTS BY THE COMMITTEE. IT WOULD BE
7 VERY HARD NOW TO TRY TO FIX A PROCESS IN RETROSPECT,
8 AND THAT WE SHOULD REALLY FOCUS, ENCOURAGE THE FOCUS TO
9 BE ON THE SITE SELECTION SO THAT THE COMMITTEE MEMBERS
10 CAN DETERMINE THE BEST LOCATION FOR THIS INSTITUTE AND
11 NOT HAVE TO RELY ON A MATRIX PIECE OF PAPER TO MAKE
12 THAT DECISION.

13 CHAIRMAN KLEIN: ALL RIGHT. DUANE, THANK YOU
14 FOR YOUR COMMENTS. DUANE WAS ONE OF THE FIRST MAJOR
15 LEADERS FOR PROP 71 FROM SAN DIEGO. WE PARTICULARLY
16 APPRECIATE HIS CONTINUED INVOLVEMENT IN THIS PROCESS
17 AND HOPE TO SEE HIM AND I KNOW WE WILL SEE HIM INVOLVED
18 WHEN WE GET TO THE MAJOR COMPETITIONS OVER CENTERS OF
19 EXCELLENCE IN THE OTHER PART OF OUR MISSION.

20 ANY ADDITIONAL COMMENTS FROM SAN DIEGO?

21 MS. KING: NONE AT THIS TIME.

22 CHAIRMAN KLEIN: OKAY. ANY ADDITIONAL PUBLIC
23 COMMENTS FROM SAN FRANCISCO? WE HAVE PUBLIC COMMENTS
24 FROM SAN FRANCISCO. AND IF YOU COULD BRING THE CHAIRS
25 RIGHT UP IN FRONT HERE OF THE SPEAKER SO PEOPLE CAN

1 HEAR YOU WELL, THAT WOULD BE GREAT. THANK YOU VERY
2 MUCH.

3 MR. SEARS: MORNING. I'M JEFF SEARS WITH
4 WAREHAM DEVELOPMENT AND WITH ME --

5 MR. O'KEEFE: PAT O'KEEFE, ECONOMIC
6 DEVELOPMENT DIRECTOR IN CITY OF EMERYVILLE.

7 MR. SEARS: AND WE'RE HERE TO SPEAK OBVIOUSLY
8 ABOUT EMERYVILLE'S PROPOSAL. GOOD MORNING, MR.
9 CHAIRMAN AND SUBCOMMITTEE MEMBERS.

10 WE APPRECIATE THE EFFORT YOU CONTINUE TO PUT
11 INTO THIS AND HIGHLY RESPECT IT. WE DO HAVE TWO THINGS
12 THAT QUITE PERPLEX US. AND I'LL ADDRESS THOSE. THE
13 FIRST IS ABOUT THE NUMBER OF BIOTECH PROFESSIONALS THAT
14 RESIDE WITHIN A 45-MINUTE RADIUS. NOW, WE CLEARLY ALL
15 KNOW MANY DO LIVE WITHIN A 45-MINUTE RADIUS OF
16 EMERYVILLE; BUT MORE IMPORTANTLY, WE'RE CONFIDENT WE
17 ANSWERED THAT QUESTION. AND I JUST WANTED TO POINT OUT
18 MAYBE JUST ONE OR TWO THINGS.

19 IN OUR RESPONSE LETTER OF LAST WEEK THAT
20 REFERRED TO THE ORIGINAL RFP, IN OUR RESPONSE LETTER WE
21 POINTED OUT THAT WE HAD MADE THE STATEMENT THAT ALL OF
22 THE MAJOR RESIDENTIAL AREAS IN THE BAY AREA ARE WITHIN
23 A 45-MINUTE DRIVE OF EMERYVILLE. AND AS A RESULT, THE
24 PEOPLE WHO WORKED WITHIN THAT RADIUS ALSO LIVE WITHIN
25 THIS RADIUS. AND WE REFERRED TO BOTH SOME ECONOMIC

1 STUDIES WE HAD ATTACHED AND A MAP OF KEY BIOTECH
2 COMPANIES AND INSTITUTIONS, WHICH I HAVE A COPY OF
3 HERE, WHICH SHOWS ALL THE DRIVE TIMES AS BEING WITHIN
4 THAT 45-MINUTE RADIUS. SO WE -- THIS WAS IN OUR
5 ORIGINAL PROPOSAL. WE REFERENCED IT AGAIN IN OUR MOST
6 RECENT LETTER AS THE EVIDENCE TO SUPPORT OUR STATEMENT
7 IN THE RFP THAT THAT'S THE CASE. AND SO WE JUST ARE
8 PERPLEXED STILL TO NOT RECEIVE ANY POINTS FOR THAT
9 CATEGORY BECAUSE WE DO BELIEVE WE ANSWERED THAT
10 QUESTION.

11 THE SECOND AND PERHAPS MORE PERPLEXING ONE
12 GOES TO THE FREE RENT CREDIT AND THE FACT THAT WE'VE
13 BEEN SCORED 16 OUT OF A POSSIBLE 40. WE, AGAIN,
14 OFFERED IN OUR RESPONSE LETTER OF LAST WEEK THAT OUR
15 OFFER CLEARLY INCLUDED THE CAPABILITY OF TEN YEARS OF
16 FREE RENT. THE RFP HAD NOT MADE ANY STATEMENT ABOUT A
17 PROHIBITION FOR A TERM LONGER THAN FOUR YEARS, THAT THE
18 CIRM WAS NOT ABLE TO COMMIT LONGER THAN THAT. WE
19 COULDN'T FIND ANY PROHIBITION THERE, AND OUR RESPONSE
20 LETTER ACTUALLY HOPEFULLY CLARIFIED FOR YOU THAT OUR
21 ACTUAL EXPERIENCE WITH THE STATE IS THAT LONGER
22 COMMITMENTS THAN FOUR YEARS ARE POSSIBLE, HAVING
23 COMPLETED ONE RECENTLY. SO WE DIDN'T SEE A PROHIBITION
24 IN THE RFP. OUR ACTUAL EXPERIENCE IS TO THE CONTRARY.
25 AND THAT WAS THE BASIS OF OUR PROPOSAL BECAUSE WE

1 BELIEVE THAT YOU COULD MAKE SUCH A COMMITMENT.

2 NOW, IN THE RESPONSE LETTER WE SAID IF YOU'RE
3 ADVISING US NOW THAT YOU CAN'T, WE APPRECIATE THAT. SO
4 WE ALTERED OUR PROPOSAL TO FIT THE PROGRAM YOU'VE GOT
5 WHERE IT'S A FIRM TERM FOR FOUR YEARS AND MONTH TO
6 MONTH THEREAFTER. AND WE BELIEVE YOU SHOULDN'T
7 INTERPRET THAT AS A CHANGE, BUT A CLARIFICATION OF YOUR
8 RESTRICTIONS TO US, WHICH WE DID NOT FIND CLEAR TO US,
9 HONESTLY, IN THE BEGINNING. SO THOSE ARE THE TWO
10 CLARIFICATIONS I WISH TO MAKE.

11 WE REMAIN VERY COMMITTED TO YOUR TASK
12 GENERALLY AND THE EFFORTS IN THE SITE SELECTION TO GET
13 THE MOST BANG FOR THE CIRM'S BUCK OR THE PUBLIC'S BUCK,
14 I GUESS, IN THIS CASE. THANK YOU.

15 MR. O'KEEFE: I JUST WANTED TO ADD THAT I
16 APPRECIATE THE COMMITTEE -- I WANTED TO ADD THAT WE
17 APPRECIATE THE COMMITTEE TAKING A LOOK AT THE
18 ADDITIONAL CLARIFICATION INFORMATION THAT WE PROVIDED
19 AND THE ADJUSTMENT IN THE SCORE. I DON'T HAVE ANYTHING
20 MORE TO ADD TO JEFF'S INFORMATION. I THINK HE
21 SUMMARIZED THE TWO KEYS POINTS FOR ME.

22 MR. SEARS: I WOULD SAY THE FREE RENT ISSUE
23 IS IMPORTANT BECAUSE THAT ISSUE ALONE, IF WE WERE
24 SCORED LIKE THE OTHER THREE PARTICIPANTS, FINALISTS, WE
25 WOULD BE IN SECOND POSITION, NOT LAST. IF YOU SAW FIT

1 TO AWARD US THE SAME 10 POINTS FOR RESIDENCES THAT YOU
2 GAVE SAN DIEGO, WE'D BE 3 POINTS BEHIND SAN FRANCISCO.
3 SO THEY'RE VERY IMPORTANT ISSUES FOR US BECAUSE WE
4 THINK THAT INFORMATION AND OFFER WAS THERE, AND WE'D
5 LIKE YOU JUST TO CONSIDER IT. WE BELIEVE YOU WILL.
6 THANK YOU.

7 CHAIRMAN KLEIN: THANK YOU VERY MUCH. JEFF,
8 I'D LIKE YOU TO KNOW THAT, FIRST OF ALL, WE'LL HEAR
9 FROM WALTER TO FIND OUT THE THINKING BEHIND THIS.
10 SINCE I DIDN'T PARTICIPATE IN THOSE DISCUSSIONS OF THE
11 EVALUATION, I DON'T KNOW ALL THE THINKING, BUT THE
12 COMMITTEE GENERALLY IS CONSTRAINED BY TRYING TO KEEP
13 EVERYONE ON THE SAME PLAYING FIELD. AND YOU MAY KNOW,
14 IN FACT, MORE ABOUT EXCEPTIONS TO HAVING LONGER THAN A
15 FOUR-YEAR TERM THAN THE SUBCOMMITTEE OR THE STAFF
16 BECAUSE YOU HAVE A HISTORY OF DEALING WITH THE STATE ON
17 REAL ESTATE MATTERS.

18 I THINK THAT THE FUNDAMENTAL PROBLEM AROSE
19 THAT IN THE SUBCOMMITTEE MEETING IMMEDIATELY BEFORE THE
20 RFP'S, THERE WAS A SPECIFIC QUESTION OF WHETHER WE
21 COULD PROVIDE A FIRM COMMITMENT OF MORE THAN FOUR
22 YEARS. THE DGS INDIVIDUAL THAT WAS PRESENT
23 REPRESENTING THEM, WHO'S, MY UNDERSTANDING, FAIRLY HIGH
24 IN THE ORGANIZATION, MADE A SPECIFIC STATEMENT ON THE
25 PUBLIC RECORD TO THIS COMMITTEE AS TO WHAT WE WOULD BE

1 BOUND BY. AND THE STATEMENT WAS THAT WE COULD NOT HAVE
2 MORE THAN A FOUR-YEAR COMMITMENT WITHOUT GETTING A
3 LEGISLATIVE AUTHORIZATION THAT WOULD BE FIRM. SO
4 THAT'S WHY THE -- IT HAS PROCEEDED TO DATE BASED UPON
5 THE REQUIREMENT THAT WE COULDN'T HAVE MORE THAN FOUR
6 YEARS FIRM.

7 WHILE THERE MAY BE EXCEPTIONS TO THAT THE
8 COMMITTEE WAS UNAWARE OF, IT WOULD BE SOMEWHAT
9 DIFFICULT FOR THE STAFF OR THE ATTORNEYS TO DEAL WITH
10 THOSE EXCEPTIONS GIVEN THE PUBLIC RECORD THAT WAS
11 CREATED THAT WAS THE BASIS FOR EVERYONE COMPETING. SO
12 IT'S A CONSTRAINT ON A SYSTEM.

13 CERTAINLY WE HAVE LEARNED THROUGH THIS
14 COMPETITIVE PROCESS. AND WHEN WE GET TO FACILITIES
15 GRANTS OR CENTERS OF EXCELLENCE, THAT MAY BE \$100
16 MILLION COMPETITIONS, RATHER THAN COMPETITIONS FOR THE
17 50-PERSON HEADQUARTERS SITE, WE WILL BE ABLE TO IMPROVE
18 OUR PROCESS HERE AND TRY AND ANTICIPATE THOSE KINDS OF
19 CONSTRAINTS AND HOW WE MIGHT ACCOMMODATE THEM. BUT
20 CURRENTLY IN OUR RFP PROCESS, IT'S DIFFICULT BECAUSE WE
21 HAVE TO LIVE WITHIN THE LETTER OF THE PROCESS TO BE
22 ABLE TO BE FAIR TO EVERYONE.

23 AND I REALIZE I'M SAYING THIS WITH SOMEONE
24 WHO HAS BEEN ONE OF THE PRINCIPALS IN THE FACILITY IN
25 WHICH WE ARE NOW GETTING FREE RENT, AND WHICH IS THE

1 EMERYVILLE STATION, WHICH IS A TREMENDOUS FACILITY, AND
2 WE'RE VERY GRATEFUL FOR THAT FACILITY, BUT I'M TRYING
3 TO LAY OUT FOR YOU THE CONSTRAINTS WE'RE WORKING UNDER
4 TO TRY AND CREATE A SYSTEM THAT'S FAIR AND PREDICTABLE
5 FOR EVERYONE.

6 WITH THAT STATEMENT, WALTER, COULD YOU
7 RESPOND TO BOTH OF THESE POINTS, PLEASE?

8 MR. BARNES: WELL, I THINK YOUR COMMENTS ARE
9 ON POINT WITH REGARD TO THE FOUR-YEAR FIRM TERM. AND
10 WE TALKED ABOUT IT A LITTLE BIT AT THE LAST MEETING, IF
11 YOU RECALL. THERE WAS SOMETHING ON THE RECORD IN TERMS
12 OF OUR DESIRE TO HAVE A FOUR-YEAR FIRM TERM. AND THAT
13 WAS WHAT WAS SPECIFICALLY LAID OUT IN THE RFP. AND AS
14 WE SAID BEFORE, THE SUBMITTALS HAD TO BE COMPLETE ON
15 THEIR FACE WHEN THEY WERE SUBMITTED. AND SO A SECOND
16 SUBMITTAL AFTER THIS JUST CAN'T BE ACCEPTED AT THIS
17 TIME.

18 WITH REGARD TO THE COMMENTS ON THE RESIDING,
19 OUR REVIEW OF THE RFP BID THAT YOU SUBMITTED CLEARLY
20 INDICATED THAT YOU HAD A LARGE POPULATION OF EMPLOYEES
21 EMPLOYED IN THE REGION. THERE WAS A REFERENCE, AS YOU
22 SAY, TO MAJOR RESIDENTIAL AREAS WITHIN THE SAN
23 FRANCISCO AREA LOCATED WITHIN 45 MINUTES OF EMERYVILLE;
24 BUT OTHER THAN THAT STATEMENT, WE COULDN'T FIND
25 ANYTHING SPECIFIC IN THE BID THAT WOULD SUPPORT THAT

1 CONCLUSION. AND SO WE HAD NO BASIS FOR DETERMINING
2 WHETHER OR NOT A REASONABLE NUMBER OF THOSE EMPLOYEES
3 COULD HAVE RESIDED WITHIN THAT PARTICULAR AREA.

4 CHAIRMAN KLEIN: WALTER, HOW DO YOU RESPOND
5 TO THE SUGGESTION THAT THERE WAS A REFERENCE TO THE MAP
6 THAT WAS INCLUDED AND THAT WITH THE RADIUSSES DRAWN
7 REFLECTING THE AREAS, AND WAS THERE A CORRESPONDING
8 STUDY THAT THAT MAP RELATED TO THAT SHOWED THE
9 POPULATIONS WITHIN THOSE RADIUSSES?

10 MR. BARNES: NOT THAT WE COULD TELL. THIS
11 WAS A MAP THAT SHOWED THE NUMBER OF UNIVERSITIES AND
12 RESEARCH FACILITIES THAT WERE LOCATED WITHIN 45
13 MINUTES. AND THIS MAP WAS USED AS A BASIS FOR GIVING
14 THEM POINTS UNDER 1(D), WHICH HAD TO DO WITH
15 UNIVERSITIES AND RESEARCH FACILITIES.

16 THERE WAS ANOTHER MAP THAT TALKED ABOUT
17 EMPLOYMENT IN TOTAL IN THE BIOMEDICAL OR LIFE SCIENCES
18 AREA; BUT IN THAT PARTICULAR ONE, IT DIDN'T REALLY HAVE
19 ANY INFORMATION THAT CITED RESIDENTIAL INFORMATION,
20 THAT KIND OF THING. SO THIS CERTAINLY WAS A RESPONSE
21 TO 1(D), WHICH HAD TO DO WITH UNIVERSITIES, RESEARCH
22 FACILITIES, BUT WE COULD NOT USE IT AS A BASIS FOR A
23 DECISION ON 1(A).

24 CHAIRMAN KLEIN: YOUR POINT IS THAT THERE WAS
25 NO CROSS-REFERENCE BETWEEN THIS MAP AND ANY TABLE THAT

1 SHOWED JOBS WITHIN THESE RADIUSSES.

2 MR. BARNES: RIGHT.

3 CHAIRMAN KLEIN: YOU REFERENCED ANOTHER
4 STUDY.

5 MR. BARNES: WELL, HE REFERENCED, I ASSUME,
6 THE A. T. KINNEY STUDY, WHICH TALKED ABOUT THE BAY AREA
7 ECONOMIC FORUM, WHICH, WELL, ALL OF THE BIDDERS CITED
8 ONE STUDY OR ANOTHER AS THEIR BASIS FOR THE NUMBER OF
9 PEOPLE THAT WERE EMPLOYED IN THE PARTICULAR AREA OF THE
10 BUILDING. AND SO ALL OF THOSE STUDIES WERE ACCEPTED AS
11 THE BASIS FOR GRANTING POINTS IN THE CATEGORY OF 1(C),
12 WHICH HAD TO DO WITH EMPLOYMENT, BUT ONLY SACRAMENTO,
13 AND THROUGH THE CLARIFYING INFORMATION WE GOT FROM SAN
14 DIEGO, SAN DIEGO MANAGED TO TRANSLATE THAT CLOSELY TO
15 THE POPULATION AND RESIDING, WHICH IS WHY WE GAVE THAT.

16 CHAIRMAN KLEIN: ALL RIGHT. THANK YOU VERY
17 MUCH.

18 MS. KING: BOB.

19 DR. PENHOET: I JUST WANTED A CLARIFICATION
20 ALSO FROM WALTER. IT LOOKED TO ME LIKE THEIR ORIGINAL
21 OFFER OF FREE SPACE FOR TEN YEARS WAS AN IRREVOCABLE
22 COMMITMENT ON THEIR PART SUBJECT ONLY TO THE ACTION OF
23 THE CIRM. SO IT SEEMS TO ME I WAS CONFUSED WHY
24 THEIR -- ALTHOUGH THE COMMITMENT WAS SUBJECT TO AN
25 ACTION OF A THIRD PARTY; I.E., US, IT LOOKED TO ME LIKE

1 THEIR COMMITMENT WAS AN IRREVOCABLE COMMITMENT ON THEIR
2 PART TO PROVIDE THE 10-YEAR FREE RENT. I WAS CONFUSED
3 MYSELF BY THE INTERPRETATION, THAT IT WASN'T THEY
4 DIDN'T COMMIT FOR TEN YEARS SUBJECT TO AN ACTION OF
5 OURS. IT LOOKED TO ME LIKE --

6 MR. BARNES: ACTUALLY THE FACT WAS THAT WE
7 FELT THAT THE INFORMATION THAT EMERYVILLE PUT IN WITH
8 REGARD TO THE BUILDING WAS, IN EFFECT, A COUNTEROFFER
9 TO OUR REQUIREMENT OF FOUR-YEAR FIRM TERM -- A 10-YEAR
10 LEASE WITH FOUR-YEAR FIRM TERM.

11 IN ADDITION, ALL OF THE OTHERS BASICALLY
12 OFFERED GROSS TOTAL MONTHLY RENT, INCLUDING OPERATING
13 EXPENSES, TAXES, INSURANCE, MAINTENANCE, UTILITIES,
14 THAT KIND OF THING. BUT BASICALLY ACCORDING TO THE
15 EMERYVILLE PROPOSAL, BASICALLY THE STATE WOULD PAY ZERO
16 RENT FOR THE FIRST FOUR YEARS, BUT THEN STARTING AT
17 MONTH 49 AND THROUGH THE END OF 120, THE STATE WOULD
18 PAY RENTABLE SQUARE FOOT COSTS FOR OPERATING EXPENSES,
19 TAXES, INSURANCE, AND WOULD ALSO, IF IT LEFT BEFORE THE
20 TENTH YEAR, WOULD HAVE TO PAY A PERCENTAGE OF -- EXCUSE
21 ME -- A PERCENTAGE -- NOT PERCENTAGE OF THE FAIR
22 MARKET, PERCENTAGE OF THE UNUSED VALUE OF AN ACCOUNT
23 THAT WAS AVAILABLE FOR RENOVATIONS AND THINGS.

24 SO, ANYWAY, WHAT WE FELT WAS THAT THE ONLY
25 WAY WE COULD AVOID ANY OF THESE COSTS WAS TO ENTER INTO

1 A FULL 10-YEAR FIRM TERM, WHICH WE WERE PREVENTED FROM
2 DOING, WHICH MEANT THAT IF DURING THE MONTH 5 THROUGH
3 10 WE SHOULD LEAVE, FOR WHATEVER REASON, THEN WE WOULD
4 HAVE TO PAY THOSE COSTS. AND OUR FEELING WAS THAT
5 INDICATED THAT WE DID NOT HAVE ANYTHING MORE THAN A
6 COMMITMENT FOR FOUR YEARS OF FREE RENT.

7 CHAIRMAN KLEIN: I THINK YOU MEAN YEAR FIVE
8 THROUGH TEN.

9 MR. BARNES: YEAR FIVE THROUGH TEN, YES.

10 MR. SEARS: COULD I RESPOND? GETTING BACK TO
11 THIS MAP, I HEAR YOU AND I APPRECIATE THAT. IT DOES
12 SEEM TO ME, AND I HAVEN'T LOOKED AT IT CLOSELY, BUT IT
13 DOES SEEM TO ME THAT SAN DIEGO HAS BEEN AWARDED THEIR
14 NEW 10 POINTS BASED ON A DRIVE-TIME MAP THAT LOOKS VERY
15 SIMILAR TO THIS, EXCEPT THAT OURS ALSO INCLUDES THE
16 LOCATIONS OF THE INSTITUTIONS.

17 AND SECOND, OBVIOUSLY THE COMMITTEE IS
18 DECIDING HOW TO HANDLE POINTS AND WHETHER THEY ADOPT
19 THESE OR THEY ADJUST THEM AND WHETHER THEY USE THEM IN
20 THE FUTURE. YOU'RE GOING TO MAKE A SITE VISIT. WE
21 HAVE OFFERED, AND I THINK MR. PENHOET SAID IT CLEARLY,
22 WE BELIEVE WE OFFERED AND WE KNOW WE OFFERED YOU TEN
23 YEARS FREE RENT. WE WILL ADJUST IT TO FIT THIS
24 RESTRICTION THAT WE WEREN'T AWARE OF, BUT CLEARLY,
25 APPARENTLY EXISTED, BUT WE CAN -- WE ASK YOU TO

1 CONSIDER THAT BECAUSE IF YOU PICK US, THAT WOULD BE
2 YOURS TO HAVE, AND WE'D LIKE YOU TO ALSO CONSIDER THAT
3 PEOPLE DO LIVE IN THIS AREA AND YOU WILL SEE THAT.

4 CHAIRMAN KLEIN: THANK YOU. WALTER'S POINT
5 WAS ALSO, THOUGH, THAT UNDER YOUR PROPOSAL, THERE WOULD
6 BE TAXES AND INSURANCE CHARGED TO THE STATE AFTER YEAR
7 FOUR. IS THAT A CORRECT INTERPRETATION?

8 MR. SEARS: WE WERE LOOKING FOR YOU TO MAKE
9 THE 10-YEAR COMMITMENT TO US, AND WE MADE IT
10 IRREVOCABLY TO YOU, HOPING YOU WOULD ACCEPT IT. SO IF
11 YOU CAME AND STAYED FOR THE TEN YEARS, IT WOULD BE
12 TOTALLY FREE FOR THE ENTIRETY OF THAT TERM. AND WE'VE
13 ADJUSTED THAT BASED ON NOW OUR UNDERSTANDING OF THIS
14 FOUR-YEAR DEADLINE OR RESTRICTION TO BE EFFECTIVELY THE
15 MONTH-TO-MONTH SITUATION AFTER THE FOUR YEARS THAT I
16 THINK YOU WERE SAYING IS A REQUIREMENT.

17 CHAIRMAN KLEIN: OKAY. THANK YOU VERY MUCH.
18 I DO BELIEVE OUR PROBLEM HERE IS THAT WE DO HAVE A VERY
19 FIRM RULE ON THIS ISSUE OF SUBMISSIONS.

20 MS. KING: BOB, WE HAVE AN ADDITIONAL PUBLIC
21 COMMENT HERE AT BURNHAM.

22 CHAIRMAN KLEIN: LET US FINISH THE ADDITIONAL
23 PUBLIC COMMENTS AT SAN FRANCISCO. WE'LL GO BACK TO
24 BURNHAM.

25 MR. REED: I'M DON REED FROM CALIFORNIANS FOR

1 CURES. WHILE I UNDERSTAND THE NEED FOR FLEXIBILITY.
2 WHEN IT COMES DOWN TO A CLOSE RACE FOR THE FINAL TWO
3 CITIES, I WOULD THINK WE WOULD BE UNWISE TO DEVIATE TOO
4 FAR FROM THE ORIGINAL MATRIX, WHICH WAS CAREFULLY
5 WORKED OUT WITH EVERY POSSIBLE CONSIDERATION THAT COULD
6 BE FORETHOUGHT. I THINK, IN PARTICULAR, ABOUT THE
7 CITIES THAT ARE NO LONGER WITH US IN THIS CONSIDERATION
8 NOW. WE REMEMBER THE TREMENDOUS PRESENTATION BY THE
9 VICE MAYOR OF SAN JOSE, WHICH WAS VERY MOVING. ALSO
10 LOS ANGELES DID A TREMENDOUS JOB.

11 WHAT WE HAVE HERE IS A SITUATION OF THE BEST
12 OF THE BEST. IF WE GO AND MAKE THE FINAL DECISION TOO
13 MUCH OF A WOW CARD SITUATION, I THINK IT'S GOING TO
14 BREED BAD FEELINGS.

15 AND THE WAY I SEE THIS. THIS IS A SHINING
16 THING FOR THE WORLD, SECONDARILY, FOR CALIFORNIA, AND
17 ONLY THIRD, A SOURCE OF QUIET PRIDE FOR THE CITY WHICH
18 IS CHOSEN. THIS IS A MARVELOUS THING.

19 I'D LIKE US TO END WITH ALL CHAMPIONS JOINED
20 TOGETHER AND NOT WITH ANY CITY FEELING, GEE, WE GOT
21 SHAFTED. THIS IS SOMETHING WONDERFUL AND SHOULD BE
22 THAT ALL THE WAY AND SO PERCEIVED. THANK YOU.

23 CHAIRMAN KLEIN: THANK YOU. YES, FROM THE
24 BURNHAM.

25 MR. PANETTA: THANK YOU, CHAIRMAN KLEIN.

1 THIS IS JOE PANETTA WITH BIOCUM. I'D LIKE TO BE
2 SOMEWHAT SPECIFIC ON THIS, BUT REVERT TO MY GENERAL
3 COMMENT ABOUT USING THE ENTIRE SCORING PROCESS AS A
4 BASELINE. OUR CONCERN IS, IN ADDITION TO THE FACT THAT
5 WE BELIEVE THAT CERTAIN POINTS THAT SAN DIEGO SHOULD
6 HAVE BEEN AWARDED IN THE RESCORING WERE NOT AWARDED,
7 THAT AT THE SAME TIME POINTS THAT WERE AWARDED
8 PREVIOUSLY THAT PROBABLY SHOULD NOT HAVE BEEN ON THE
9 BASIS OF THE REQUIREMENTS OF THE RFP WERE NOT CHANGED,
10 AND THAT, AGAIN, GOES BACK TO MY POINT THAT THIS SHOULD
11 BE USED AS A BASELINE.

12 I'LL USE AS AN EXAMPLE THE FACT THAT SAN
13 FRANCISCO RECEIVED THE HIGHEST NUMBER OF POINTS IN THE
14 HOTEL FACILITY CATEGORY. THAT PRESUMING, THEN, TO SAY
15 THAT SAN FRANCISCO HAD A PERFECT RESPONSE TO THE RFP.
16 AND OTHER LOCATIONS WERE COMPARED THEN AGAINST THAT
17 PERFECT SCORE THAT SAN FRANCISCO RECEIVED.

18 BUT WHEN WE WENT BACK AND REEVALUATED
19 OURSELVES THE RESPONSE MADE BY SAN FRANCISCO, IT
20 APPEARED THAT CERTAIN THINGS, SUCH AS FREE AND
21 DISCOUNTED HOTEL SPACE, HAD CONTINGENCIES ATTACHED.
22 THEREFORE, THAT WOULD NOT PRESENT A PERFECT SCORE. I'M
23 NOT SAYING THAT SO MUCH TO ASK YOU TO TAKE POINTS AWAY
24 FROM SAN FRANCISCO, BUT MORE TO MAKE THE POINT THAT,
25 WHILE I AGREE THAT THIS PROCESS SHOULD LOCATE THE MOST

1 APPROPRIATE AND THE BEST FACILITY, THAT IT'S SO
2 IMPORTANT TO CONSIDER ON A SITE VISIT WHAT WE TRULY
3 HAVE TO OFFER AND NOT SIMPLY GO BY THIS MATRIX. THANK
4 YOU.

5 CHAIRMAN KLEIN: THANK YOU VERY MUCH. ALL
6 RIGHT. IS THERE ADDITIONAL PUBLIC COMMENT FROM ANY
7 SITE? HEARING NO ADDITIONAL PUBLIC COMMENT, WOULD THE
8 BOARD LIKE TO MAKE A MOTION RELATED TO ITEM 4 THAT
9 WE'RE CONSIDERING, SPECIFICALLY CONSIDERATION OF
10 ADOPTION OF THE POINTS ASSIGNED TO BIDS BY DGS, THE
11 DEPARTMENT OF GENERAL SERVICES, AND STAFF WITH THE
12 REVISION SUGGESTED BY STAFF?

13 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
14 I'D LIKE TO MOVE THAT WE ACCEPT THE REVISED SCORES IN
15 THE INTEREST OF GETTING TO THE IMPORTANT PART OF WHERE
16 WE'RE GOING FROM HERE.

17 CHAIRMAN KLEIN: IS THERE A SECOND?

18 DR. PENHOET: SECOND.

19 CHAIRMAN KLEIN: ALL RIGHT. THERE'S BEEN
20 BOARD AND PUBLIC DISCUSSION. ANY OTHER BOARD COMMENTS?
21 I'D LIKE TO DO A ROLL CALL THEN. AMY DUROSS.

22 MS. DUROSS: BOB KLEIN.

23 CHAIRMAN KLEIN: YES.

24 MS. DUROSS: RICHARD MURPHY.

25 DR. MURPHY: YES.

1 MS. DUROSS: ED PENHOET.
2 DR. PENHOET: YES.
3 MS. DUROSS: CLAIRE POMEROY.
4 DR. POMEROY: YES.
5 MS. DUROSS: JOHN REED.
6 DR. REED: YES.
7 CHAIRMAN KLEIN: MOTION PASSES. WE'LL GO TO
8 THE NEXT ITEM.
9 ITEM 3, CONSIDERATION OF CHANGES TO
10 ATTACHMENT H, THE SCORE SHEET AS POSTED FOR THE 4/13
11 MEETING OF THE SUBCOMMITTEE.
12 WHAT I WOULD LIKE TO DO IS PRIOR TO GOING
13 THROUGH THIS, TO GIVE US THE CONTEXT FOR THE EVALUATION
14 UNDER THIS SHEET. I'D LIKE AMY DUROSS TO DESCRIBE THE
15 SITE VISIT PROCESS, IF YOU CAN. IF WE COULD PASS THE
16 MIC, THAT WOULD BE GREAT. AMY, IF YOU COULD DISCUSS
17 THE SITE VISIT PROCESS AS WORKED OUT WITH THE CITIES
18 BETWEEN THE MEETINGS.
19 MS. DUROSS: CAN EVERYBODY HEAR ME? AS YOU
20 KNOW, WE BEGIN OUR SITE TOURS FOR THE FOUR FINALISTS ON
21 FRIDAY. I'M JUST GOING TO BRIEFLY REVIEW THE PROTOCOL
22 FOR THE CITIES DURING THESE TOURS AS WELL AS FOR THE
23 COMMITTEE MEMBERS.
24 NO. 1, IF A CITY WANTS MEMBERS TO VIEW
25 LOCATIONS OTHER THAN THE PRINCIPAL SITE, THEY MUST

1 PROVIDE, ONE, AN ITINERARY; B, TRANSPORTATION FOR
2 MEMBERS, SUBCOMMITTEE MEMBERS, PUBLIC, AND THE MEDIA.
3 AND ALL MEMBERS MUST BE RETURNED TO THE ORIGINAL
4 MEETING SITE ONE-HALF HOUR BEFORE SCHEDULED
5 ADJOURNMENT.

6 NEXT RULE IS NO GIFTS OR FOODS OR BEVERAGES
7 OTHER THAN WATER OR COFFEE MAY BE PROVIDED.

8 NO. 3, NO NEW MATERIALS OFFERINGS MAY BE
9 SUBMITTED BY THE CITY FOR MEMBERS' REVIEW.

10 NO. 4, THE SITE MUST BE PREPARED FOR MEDIA
11 PARTICIPATION.

12 AND FINALLY, THE SUBCOMMITTEE SUGGESTS A
13 FOCUS ON THE ITEMS LISTED ON ATTACHMENT H.

14 AS FOR THE SUBCOMMITTEE MEMBERS, THERE WILL
15 BE NO PRIVATE CONVERSATIONS OR QUESTIONS WHILE IN
16 SESSION ALLOWED BETWEEN OR AMONG THE SUBCOMMITTEE
17 MEMBERS. AND THERE SHOULD ALSO BE, AGAIN, A SUGGESTED
18 FOCUS ON THE ITEMS LISTED IN ATTACHMENT H.

19 CHAIRMAN KLEIN: COULD YOU TALK ABOUT THE
20 ISSUE ABOUT DISCUSSION BETWEEN SUBCOMMITTEE MEMBERS?

21 MS. DUROSS: ALL CONVERSATIONS DEALING WITH,
22 AGAIN, ITEMS LISTED ON ATTACHMENT H OR OTHER ITEMS MUST
23 BE HELD IN PUBLIC SESSION AND CANNOT BE DISCUSSED
24 PRIVATELY. THAT'S ABOUT IT.

25 CHAIRMAN KLEIN: OKAY. WELL, I WOULD LIKE TO

1 EMPHASIZE THAT IF THE CITY NOTICES THAT A SUBCOMMITTEE
2 MEMBER IS IN NEED OF WATER, IT IS ACCEPTED. STAFF, I'M
3 NOT SURE ABOUT THE WATER. ALL RIGHT.

4 DR. FRIEDMAN: MR. CHAIRMAN, IT'S BOB
5 FRIEDMAN. I'M CALLING IN.

6 CHAIRMAN KLEIN: GREAT. THANK YOU VERY MUCH.
7 THANK YOU VERY MUCH FROM IRELAND. DR. FRIEDMAN, DID
8 YOU -- WERE YOU PRESENT DURING EITHER OF THE OTHER TWO
9 ITEMS?

10 DR. FRIEDMAN: I WAS NOT. I'M SORRY.

11 CHAIRMAN KLEIN: THAT'S FINE. JUST LIKE TO
12 REVIEW VERY QUICKLY. BASICALLY WE STARTED IN AN ORDER
13 DIFFERENT THAN LISTED IN THE AGENDA. WE STARTED WITH
14 ITEM 5 AND THEN TO ITEM 6, BUT WE DID NOT TAKE ACTION
15 AT THIS TIME ON WHETHER OR NOT THE RECOMMENDATION TO
16 THE ICOC WOULD BE MADE ON THE HIGHEST NUMBER OF POINTS.
17 WE ESSENTIALLY HAVE THAT OPTION ON THE MAY 2D MEETING,
18 BUT THAT DECISION HAS NOT BEEN MADE.

19 AND AS TO ITEM 4, WHICH WAS THEN CONSIDERED
20 THE POINTS AS RECOMMENDED BY STAFF WITH THE ADJUSTMENTS
21 RECOMMENDED BY STAFF WERE ADOPTED.

22 DR. FRIEDMAN: OKAY.

23 CHAIRMAN KLEIN: ON ITEM 3, WHICH IS
24 ATTACHMENT H, THE SCORE SHEET. AND AMY DUROSS HAS JUST
25 REVIEWED THE SITE VISIT PROTOCOL. WERE YOU PRESENT?

1 DR. FRIEDMAN: YES. I HEARD, AND I'M NOT
2 DRINKING ANY WATER.

3 CHAIRMAN KLEIN: WATER IS ONE OF THOSE THINGS
4 THAT IS PERMITTED.

5 DR. FRIEDMAN: I UNDERSTAND.

6 CHAIRMAN KLEIN: GOING TO THIS ITEM, I'D LIKE
7 TO BEGIN WITH STAFF BY THE -- BY COMMENTS BY THE
8 SUBCOMMITTEE MEMBERS. IF WE COULD START WITH DAVIS,
9 ANY COMMENTS BY THE SUBCOMMITTEE?

10 DR. POMEROY: YES, THIS IS CLAIRE POMEROY. I
11 THINK THAT WE HAVE DONE THE RIGHT THING BY STICKING
12 WITH OUR MATRIX FOR DETERMINING THE SEMIFINALISTS;
13 HOWEVER, WE NOW HAVE THE OPPORTUNITY TO SORT OF KEEP
14 OUR EYES ON THE PRIZE HERE, WHICH IS TO GET THE BEST
15 SITE FOR THE HEADQUARTERS.

16 SO I WOULD PROPOSE THAT WE CREATE A NEW ITEM
17 H THAT INCORPORATES ALL OF THE MAJOR CONSIDERATIONS,
18 THOSE THAT WERE THOUGHT UP FOR DETERMINING THE
19 SEMIFINALISTS, SUCH AS THE FINANCIAL ARRANGEMENTS, THE
20 HOTELS AND CONFERENCE INCENTIVES, ETC., AND FOLD THOSE
21 INTO A NEW SCORING SYSTEM.

22 I HAVE JUST FOR MYSELF GONE THROUGH THE LIST
23 AND CAN COME UP WITH 12 ITEMS WHICH I THINK WOULD BE
24 IMPORTANT. AND I'LL JUST READ THEM OFF QUICKLY. THE
25 FIRST IS THE BUILDING LAYOUT AND I.T. FACILITIES. THE

1 SECOND IS THE FINANCIAL ARRANGEMENTS FOR THE BUILDING.
2 THE THIRD IS THE ABILITY TO RECRUIT STAFF, WHICH WOULD
3 BE THE NUMBER OF PROFESSIONALS IN THE AREA AND THE COST
4 OF LIVING. THE FOURTH WOULD BE THE CITY DEVELOPER
5 INCENTIVES. THE FIFTH, COMMUNITY INCENTIVES. SIXTH
6 WOULD BE LOCATION, PROXIMITY TO UNIVERSITIES, RESEARCH
7 INSTITUTIONS. SEVEN, LOCATION, PROXIMITY TO AIRPORTS.
8 EIGHT, LOCATION, PROXIMITY TO THE STATE CAPITAL. NINE
9 COULD BE CONFERENCE FACILITIES. TEN, COMMUNITY
10 SUPPORT. ELEVEN, QUALITY OF WORK LIFE SETTING. AND 12
11 TO BE OTHER CONSIDERATIONS SINCE I DON'T KNOW THAT THE
12 COMMITTEE CAN CONSIDER EVERYTHING IN ADVANCE.

13 THAT WOULD EQUAL A TOTAL OF 120 POINTS, AND
14 WE COULD THEN LOSE UP TO 10 POINTS FOR BURDEN. THIS IS
15 JUST A COUNTERPROPOSAL FOR THE ITEMS THAT I THINK ARE
16 REALLY IMPORTANT IN COMING UP WITH THE BEST PLACE IN
17 THE END.

18 I WOULD ALSO LIKE TO JUST RESPOND TO ONE OF
19 THE CRITERIA FOR THE SITE VISIT THAT WAS MENTIONED.
20 CERTAINLY, WE HAVE TO DO THINGS WITHIN THE LAW, BUT THE
21 REQUIREMENT THAT THERE BE NO NEW MATERIALS PRESENTED
22 SEEMS SOMEWHAT PARADOXICAL BECAUSE ONE OF THE ITEMS IS
23 COMMUNITY INCENTIVES. THAT WAS SPECIFICALLY NOT PART
24 OF THE ORIGINAL RFP FROM MY RECOLLECTION. SO HOW ARE
25 WE SUPPOSED TO EVALUATE COMMUNITY INCENTIVES IF PEOPLE

1 DON'T HAVE AN OPPORTUNITY TO PRESENT THEM?

2 I THINK THE GOAL HERE IS TO GET THE BEST
3 PLACE; AND, THEREFORE, THAT WE SHOULD HAVE A SCORING
4 SYSTEM THAT ENCOMPASSES ALL THE CONSIDERATIONS, AND
5 THAT WE SHOULD MAKE SURE WE HAVE ALL OF THE INFORMATION
6 AND MATERIAL THAT WE CAN POSSIBLY GET. THANK YOU.

7 CHAIRMAN KLEIN: THANK YOU VERY MUCH.
8 CLAIRE, IN THE SUBCOMMITTEE MEETING PRIOR TO THE RFP'S,
9 THERE WAS A VERY SPECIFIC QUESTION ABOUT WHETHER
10 ADDITIONAL MATERIALS WOULD BE PERMITTED AT ANY POINT IN
11 THE PROCESS. AND THE ANSWER WAS VERY SPECIFICALLY
12 THERE WOULD NOT BE ANY ADDITIONAL MATERIALS PERMITTED
13 AT ANY POINT IN THE PROCESS ON THE PUBLIC RECORD WITH
14 EVERYONE PARTICIPATING. AND THERE ARE COMMUNITY
15 INCENTIVES THAT WERE SUBMITTED BY CITIES.

16 SAN DIEGO SUBMITTED THEM, I KNOW SAN
17 FRANCISCO, I THINK SACRAMENTO, IN FACT, SUBMITTED THEM,
18 BUT I'D HAVE TO LOOK AT THOSE SINCE I WASN'T INVOLVED
19 IN THE ACTUAL EVALUATION PROCESS. I HAVE NOT GONE BACK
20 OBVIOUSLY AND CHECKED TO SEE WHETHER COMMUNITY
21 INCENTIVES WERE PROVIDED BY SACRAMENTO. BUT CLEARLY,
22 WE DID DISCUSS COMMUNITY INCENTIVES IN THE PUBLIC
23 COMMENTS AND THE PUBLIC HEARINGS OF THE SUBCOMMITTEE
24 AND ASKED THAT ALL THE SUBMISSIONS BE MADE AT THE TIME
25 OF THE INITIAL RFP. SO THAT IS ON THE PUBLIC RECORD.

1 BUT WE CAN GO TO COUNSEL TO ASK IF THAT WERE TO BE
2 RECONSIDERED.

3 DR. POMEROY: THAT WOULD BE USEFUL. MY
4 RECOLLECTION WAS THAT THE SITE VISIT WOULD PROVIDE
5 ADDITIONAL INFORMATION, THAT WE HAD A PLAN FOR A SITE
6 VISIT. AND IF WE CAN'T GET ADDITIONAL INFORMATION FROM
7 THE SITE VISIT, I DON'T KNOW EXACTLY WHY WE'RE DOING
8 IT. SO THAT'S JUST MY OPINION.

9 CHAIRMAN KLEIN: THE DISCUSSION AT THE TIME
10 WAS THE SITE VISIT WOULD REVIEW WHAT WAS ACTUALLY
11 PROPOSED AND THAT WE COULD REEVALUATE THE POINTS BASED
12 UPON THE PHYSICAL EVIDENCE TO SEE WHETHER IT CONFORMED
13 TO THE SUBMISSION AND TO THE STAFF'S ANALYSIS
14 UNDERSTANDING OF WHAT HAD BEEN SUBMITTED. SO, FOR
15 EXAMPLE, IF THEY HAD BEEN PENALIZED FOR SOMETHING WHICH
16 CLEARLY WHEN THEY SAW THE SITE, THEY REALIZED THAT, IN
17 FACT, THEY SHOULDN'T HAVE BEEN PENALIZED FOR, IT WOULD
18 BE NOT THAT WE'RE SUBMITTING NEW INFORMATION, BUT THE
19 UNDERSTANDING OF WHAT HAD BEEN SUBMITTED HAD BEEN
20 CLARIFIED BY THE PHYSICAL EVIDENCE.

21 BUT LET'S -- THIS IS ALL SUBJECT TO REVIEW BY
22 THE SUBCOMMITTEE. I'M JUST EXPLAINING WHAT MY
23 UNDERSTANDING IS OF THE INTERPRETATION OF THE PROCESS
24 TO DATE, AS I UNDERSTOOD IT AND IT'S BEEN EXPLAINED TO
25 ME BY THE STAFF AND COUNSEL.

1 OTHER SUBCOMMITTEE MEMBERS' COMMENTS FROM SAN
2 FRANCISCO -- FROM I GUESS LET'S DO SAN FRANCISCO, AND
3 THEN WE'LL DO SAN DIEGO.

4 DR. PENHOET: I DO THINK, CLAIRE, IF YOU LOOK
5 AT ITEMS IN ATTACHMENT H, MOST OF THEM ARE DISCERNABLE
6 ONLY IF YOU'RE AT THE SITE ITSELF. THE BURDEN, THE
7 LAYOUT, THE LOCATION, AND THE QUALITY OF THE WORK
8 SETTING ARE ALL THINGS THAT ARE REALLY ONLY POSSIBLE TO
9 SEE IF YOU'RE THERE ON THE ACTUAL SITE. SO I DO THINK
10 IT IS IN THE SENSE THAT DUE DILIGENCE ON THE SPECIFIC
11 SITE THAT WE'RE CONTEMPLATING ADDING TO THE MORE
12 GENERAL CHARACTERISTICS BEFORE. WHETHER THEY GET
13 INCORPORATED IN THE WAY YOU JUST ARTICULATED OR WHETHER
14 THEY'RE, IN FACT, INCORPORATED SEPARATELY, I THINK WE
15 END UP WITH PRETTY MUCH THE SAME LIST OF FACTORS.

16 I THINK IT WOULD BE VERY HARD TO ALLOW ANY
17 CITIES AT THIS POINT TO BRING NEW EITHER -- WELL,
18 INFORMATION IS WHAT WE'RE SEEKING, CLARIFICATION, ETC.,
19 BUT I DON'T THINK WE CAN ACCEPT ANY FURTHER OFFERS OF
20 ANYTHING BEYOND WHAT'S IN THE ORIGINAL PROPOSAL.
21 THAT'S BEEN THE GROUND RULES FROM THE VERY BEGINNING.

22 CHAIRMAN KLEIN: SAN DIEGO.

23 DR. REED: JOHN REED HERE. I AGREE WITH
24 CLAIRE'S CONCEPT THAT THIS ATTACHMENT H COULD UNDERGO
25 SOME MODIFICATION IN ORDER TO MAKE SURE WE CAPTURE THE

1 ELEMENTS THAT WE THINK ARE GOING TO GENERATE THE BEST
2 PROPOSAL -- THE BEST SELECT SITE FOR THE CIRM
3 HEADQUARTERS. MECHANICALLY HOW WE DO THAT COULD BE
4 APPROACHED A COUPLE WAYS, BUT I THINK THE APPROACH THAT
5 CLAIRE OUTLINED WAS GENERALLY ON THE SAME PATH THAT I
6 WOULD HAVE ENVISIONED. ONE COULD DO THAT BY ADDING
7 ADDITIONAL CATEGORIES, AS SHE SUGGESTED, OR BY TAKING
8 THE CATEGORIES WE ALREADY HAVE 1 THROUGH 6 AND
9 EXPANDING THEM A BIT IN TERMS OF WHAT ALL WOULD BE
10 CONSIDERED UNDER THOSE CATEGORY AREAS.

11 SO, FOR EXAMPLE, JUST TO GIVE YOU A TANGIBLE
12 EXAMPLE, NO. 6, QUALITY OF WORK SETTING. THIS IS
13 CERTAINLY AN AREA WHERE THE ISSUE OF HOW EASY IS IT
14 GOING TO BE TO RECRUIT STAFF TO THIS SITE COULD BE
15 FACTORED IN, AND IN THAT CATEGORY ONE CAN INCLUDE A
16 NUMBER OF VARIABLES THAT WOULD ADDRESS THAT ISSUE AND
17 HELP US TO MAKE SURE THAT WHEREVER WE SELECT FOR THIS
18 SITE, THAT WE'RE GOING TO HAVE THE BEST CHANCE POSSIBLE
19 TO BRING THE BEST PEOPLE IN THE WORLD TO WORK AT THAT
20 CENTER.

21 CHAIRMAN KLEIN: SO, JOHN, WHAT YOU'RE SAYING
22 IS THAT IN THE PRELIMINARY STAGE OF THIS SUBMISSION
23 PROCESS, THE NUMBER OF PROFESSIONALS AND WHERE THEY
24 RESIDE, THAT WAS SET UP TO LOOK AT THE ABILITY TO
25 RECRUIT. AND THE ITEM 6, QUALITY OF WORK SETTING, GOES

1 TO QUALITATIVE FACTORS BEYOND STATISTICAL FACTORS AS TO
2 ABILITY TO RECRUIT. WOULD YOU CHANGE THE NUMBER OF
3 POINTS FOR ITEM 6? WHAT ARE YOU SUGGESTING ONE WOULD
4 DO?

5 DR. REED: WELL, JUST TO COME BACK TO THE
6 SPECIFIC EXAMPLE, SO RECRUITING, DEPENDING ON THE
7 POSITION YOU'RE LOOKING FOR, COULD BE NOT NECESSARILY
8 RECRUITING LOCALLY. IF YOU TAKE A LOOK AT, FOR
9 EXAMPLE, THE PRESIDENT, PERMANENT PRESIDENT OF THE
10 CIRM, WE HAD -- THAT'S A NATIONAL SEARCH ONGOING.
11 THERE MAY BE OTHER POSITIONS WITHIN THE CIRM WHERE
12 WE'RE GOING TO WANT TO THINK NATIONALLY AND NOT JUST
13 LOCALLY ABOUT THE TYPE OF LEADERSHIP THAT WE WANT FOR
14 THIS CENTER.

15 AND SO WHEN I THINK OF THE ISSUES THAT GO
16 INTO MAKING THIS A SUCCESSFUL ENTERPRISE, LIKE ALL
17 ORGANIZATIONS, IT'S ONLY AS GOOD AS ITS PEOPLE. AND SO
18 I THINK THAT THE ABILITY TO RECRUIT TO THE HEADQUARTERS
19 IS AN IMPORTANT ISSUE AND ONE THAT OUGHT TO BE CAPTURED
20 SOMEHOW IN THIS SCORING MATRIX THAT WE'RE ATTEMPTING TO
21 DEVELOP UNDER ATTACHMENT H.

22 CHAIRMAN KLEIN: AND UNDER ATTACHMENT H, WHAT
23 IS YOUR CONCEPT ON THE FINANCIAL? HOW WOULD YOU BRING
24 BACK THE TEN YEARS OR FOUR YEARS WORTH OF FREE RENT AS
25 APPLICABLE INTO THIS ATTACHMENT?

1 DR. REED: I MIGHT ACTUALLY ASK CLAIRE TO
2 ANSWER THAT QUESTION RATHER THAN ME BECAUSE SHE DID PUT
3 THAT ON HER LIST OF ISSUES.

4 CHAIRMAN KLEIN: CLAIRE.

5 DR. POMEROY: MY PROPOSAL WOULD BE THAT THOSE
6 ITEMS ACTUALLY BE REINTRODUCED INTO ITEM H SO THAT WE
7 WERE CONSIDERING ALL OF THOSE ITEMS IN A FINAL SCORE,
8 STARTING FROM THE NEW BASELINE CONCEPT, BUT THAT WE
9 DIDN'T LOSE THOSE IMPORTANT ITEMS THAT WE HAD
10 IDENTIFIED PREVIOUSLY, LIKE THE FINANCES, ETC.

11 CHAIRMAN KLEIN: ALL RIGHT.

12 DR. PENHOET: I'M TRYING TO UNDERSTAND. THIS
13 IS COUPLED TO YOUR PREVIOUS SUGGESTION THAT WE ABANDON
14 THE SCORES THAT HAVE EMERGED FROM THE FIRST ROUND OF
15 ANALYSIS?

16 DR. POMEROY: I'M NOT SURE I WOULD USE THE
17 SAME TERM OF ABANDONING THEM. WE USED THOSE SCORES TO
18 DETERMINE THE SEMIFINALISTS, WHICH IS WHAT WE AGREED TO
19 LAST TIME.

20 DR. PENHOET: IF I UNDERSTOOD YOU EARLIER,
21 YOU'RE PROPOSING NOT TO USE THOSE IN THE FINAL
22 SELECTION PROCESS BEYOND WHAT THEY HAVE BEEN USED FOR
23 SO FAR. AND SO YOU'RE SAYING WE SHOULD CREATE A NEW
24 MATRIX FOR THE NEXT PHASE OF THIS, WHICH WOULD EXTRACT
25 SOME INFORMATION FROM THE FIRST ANALYSIS WHICH WAS DONE

1 AND COMBINE THAT WITH THE SITE VISIT ANALYSIS. IS THAT
2 THE TOTALITY OF YOUR PROPOSAL?

3 DR. POMEROY: YES.

4 CHAIRMAN KLEIN: AND, FOR EXAMPLE, THERE'S A
5 CATEGORY THEY HAVE HERE FOR COMMUNITY INCENTIVES, WHICH
6 WAS ITEM 3, WHICH WAS INTENDED TO BE COMMUNITY
7 INCENTIVES THAT WERE NOT CAPTURED IN THE FINANCIAL
8 INCENTIVES OR THE CONFERENCE FACILITIES, BUT ADDITIONAL
9 COMMUNITY INCENTIVES, LIKE POTENTIALLY SERVICES AND
10 OTHER THINGS OFFERED BY SAN DIEGO OR SCIENTIFIC LABS
11 OFFERED BY SAN FRANCISCO. HOW DO YOU -- ARE YOU GOING
12 TO PUT THOSE AND THE CONFERENCE FACILITIES IN THE SAME
13 CATEGORY, OR WOULD THERE BE TWO SEPARATE CATEGORIES?

14 DR. POMEROY: IN THAT DRAFT LIST THAT I READ
15 OFF, I ACTUALLY HAD SEPARATED COMMUNITY INCENTIVES AS
16 DIFFERENT THAN THE CONFERENCE FACILITIES. THE REASON I
17 DID THAT WAS BECAUSE THE CONFERENCE FACILITIES WERE
18 EXPLICITLY CALLED FOR IN THE FIRST RFP; WHEREAS, THE
19 COMMUNITY INCENTIVES WERE NOT SPECIFICALLY LISTED AS
20 PART OF THE RFP, AS I READ IT. THOSE WERE THINGS THAT
21 PEOPLE ADDED KIND OF ON THEIR OWN.

22 CHAIRMAN KLEIN: I THINK THE COMMUNITY
23 INCENTIVES CAME OUT OF THE SUBCOMMITTEE CALL WHERE WE
24 DISCUSSED THE FACT THAT WE WERE LOOKING FOR COMMUNITY
25 INCENTIVES BEYOND WHAT WOULD NECESSARILY BE IN THE RFP.

1 WE'RE LOOKING FOR CITIES TO BE CREATIVE AND PROVIDE
2 ADDITIONAL INCENTIVES, SO IT CAME SPECIFICALLY OUT OF
3 THE PUBLIC HEARING.

4 DR. POMEROY: MY CONCERN ABOUT SAYING THAT,
5 JUST AS AN ASIDE, IS THAT SOME OF US ARE TAUGHT TO ONLY
6 ANSWER SPECIFICALLY WHAT'S IN THE RFP. THAT'S THE WAY
7 YOU RESPOND TO AN RFP. AND OTHERS OF US ARE TAUGHT TO
8 BE MORE CREATIVE. I'M NOT SURE THAT THAT WAS CLEAR TO
9 EVERYBODY THAT RESPONDED.

10 DR. FRIEDMAN: MR. CHAIRMAN, THIS IS MIKE
11 FRIEDMAN. MAY I JUST OFFER A COMMENT, IF I COULD,
12 PLEASE. I WONDER IF THERE ISN'T A WAY TO SATISFY BOTH
13 THE DESIRE TO KEEP THE PROCESS DISCIPLINED AND PURE AND
14 THE OPPORTUNITY TO GATHER MORE INFORMATION IN ORDER TO
15 MAKE A MORE INFORMED DECISION. I WONDER IF, RATHER
16 THAN ALLOWING THE INDIVIDUAL CITIES TO RESPOND WITH
17 WHATEVER MATERIALS THEY WOULD LIKE, WE SET A SET OF
18 VERY SPECIFIC QUESTIONS THAT THEY ALL HAVE THE
19 OPPORTUNITY TO RESPOND TO, AND WE ASK, NOT FOR PROSE,
20 BUT FOR NUMBERS OR QUANTITATIVE FACTS WHEREVER THAT'S
21 POSSIBLE.

22 SO THAT BY DEFINING -- JUST TO TAKE CLAIRE'S
23 EXAMPLE, BY DEFINING HOW MANY SCIENTISTS ARE WITHIN A
24 CERTAIN AREA OR WHAT IS YOUR RECRUITMENT METRICS OR
25 HOWEVER YOU WANT TO TRY AND STRUCTURE THIS OR GIVE US A

1 LIST OF THE ADDITIONAL FACTORS THAT YOU CAN OFFER, THAT
2 WE GIVE EVERYONE A LEVEL PLAYING FIELD IN WHICH TO
3 RESPOND. THE QUESTIONS ARE CLEARLY STATED. AND THEN
4 WE HAVE THE OPPORTUNITY TO USE THAT ADDITIONAL
5 INFORMATION TO HELP REFINE THE DECISION, BUT EVERYBODY
6 OPERATES FROM AN EQUAL POINT OF VIEW. IN THAT WAY
7 WE'RE NOT DISADVANTAGING ANYBODY OR GIVING AN UNFAIR
8 ADVANTAGE TO ANYONE. THAT'S JUST MY SUGGESTION, MR.
9 CHAIRMAN.

10 CHAIRMAN KLEIN: YES, DR. FRIEDMAN. AND
11 COMING FROM IRELAND, I THINK THAT'S GREATLY
12 APPRECIATED. WE APPRECIATE THE EFFORT YOU'RE MAKING
13 THERE.

14 THE CHALLENGE BEFORE US HERE IS WE HAVE 40
15 MINUTES, AND ARE WE ABLE TO CRAFT A GROUP OF QUESTIONS
16 ON A CONFERENCE CALL THAT IN THAT TIME THAT REMAINS AND
17 CREATE A NEW MATRIX, OR ON A PRAGMATIC BASIS IS OUR
18 OPTION MORE LIMITED IN TERMS OF JUST BY FEASIBILITY AND
19 TIME TO WORKING WITH THIS SET OF SIX ITEMS IN TRYING TO
20 POTENTIALLY REPHRASE THE POINT SYSTEM WITH A SEPARATE
21 ISSUE BEING DECIDED AT THIS MEETING OR MAY 2D, WHICH IS
22 THE ALLOCATION OF POINTS BETWEEN THE CATEGORY H AND THE
23 PRIOR SCORING MATRIX.

24 WHAT DOES THE SUBCOMMITTEE BELIEVE IS
25 FEASIBLE HERE?

1 DR. PENHOET: THIS IS ED PENHOET SPEAKING. I
2 THINK IF YOU BEGIN TO EXTRACT ONLY A SUBSET OF THE
3 ITEMS FROM THE FIRST SCORING SYSTEM, THE NET EFFECT OF
4 THAT IS TO CHANGE THE FIRST SCORING SYSTEM BECAUSE YOU
5 SAY WE DECIDED NOW SOME OF THESE THINGS SHOULD BE
6 INCLUDED IN OUR FINAL DELIBERATIONS AND OTHER THINGS
7 SHOULD NOT BE INCLUDED. THE NET EFFECT OF THAT IS
8 YOU'VE FUNDAMENTALLY CHANGED THE ORIGINAL SCORING
9 SYSTEM. SO I THINK WE'VE ALREADY SAID THAT WE HAVE
10 APPROVED THE ORIGINAL SCORING SYSTEM, AND A LOT OF
11 THOUGHT AND EFFORT WENT INTO THAT.

12 I DO THINK WE COULD DEAL WITH SOME OF THESE
13 ISSUES BY CHANGING THE ALLOCATION OF POSSIBLE POINTS IN
14 ATTACHMENT H; FOR EXAMPLE, IN RESPONSE TO JOHN REED'S
15 COMMENT, NO. 6, THE QUALITY OF THE WORK SETTING,
16 PERSONALLY I THINK IS AN EXTREMELY IMPORTANT ISSUE. WE
17 MIGHT DECIDE TO GIVE IT 20 POINTS OR 30 POINTS OR SOME
18 NUMBER LIKE THAT TO ADDRESS SOME OF THESE OTHER ISSUES
19 THAT HAVE BEEN RAISED. BUT I THINK IF WE BEGIN TO GO
20 BACK TO THE ORIGINAL SYSTEM AND EFFECTIVELY CHANGE THE
21 ORIGINAL SYSTEM BY CHOOSING TO EXTRACT ONLY SOME ITEMS
22 AND NOT OTHERS FROM THE ORIGINAL SYSTEM, THAT WE
23 DISTORTED THE POINT ALLOCATION SYSTEM THAT WE SO
24 CAREFULLY PUT INTO PLACE THAT GOT US WHERE WE ARE
25 TODAY.

1 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
2 ANOTHER COMMENT ABOUT THAT IS THAT ONE OF THE PROBLEMS
3 I HAVE WITH ITEM H IS THAT WE'VE SORT OF DONE THAT.
4 YOU KNOW, I THINK THAT WE TOOK INTO ACCOUNT THE, FOR
5 EXAMPLE, LAYOUT OF THE BUILDING BECAUSE WE HAD RULES
6 ABOUT IT HAVING TO BE ON ADJACENT FLOORS AND THAT SORT
7 OF THING. AND WE CERTAINLY GAVE POINTS ON THE FIRST
8 LOCATION IN TERMS OF PROXIMITY TO UNIVERSITIES,
9 HOSPITALS, AND RESEARCH CENTERS. I JUST THINK THAT
10 THERE'S WORK THAT NEEDS TO BE DONE FOR CONSISTENCY ON
11 ITEM H.

12 CHAIRMAN KLEIN: I WOULD AGREE WITH THAT,
13 CLAIRE. THIS IS BOB KLEIN. I THINK LAYOUT BEYOND WHAT
14 WE'VE ALREADY CONSIDERED WOULD BE DIFFICULT. CERTAINLY
15 IF WE FIND THE LAYOUT IS DIFFERENT THAN REPRESENTED, WE
16 CAN ADJUST THE PRIOR POINTS, BUT LAYOUT HAS BEEN
17 PREVIOUSLY DISCUSSED AND SO HAS LOCATION REFERENCE
18 UNIVERSITIES, HOSPITALS, RESEARCH CENTERS BEEN
19 PREVIOUSLY DISCUSSED. SO WE DO NEED WORK ON IT.

20 SINCE IT'S OBVIOUSLY GOING TO TAKE A FEW
21 MINUTES OF DISCUSSION, I THINK WHAT WE SHOULD DO HERE
22 IS LET'S TAKE ABOUT A FIVE-MINUTE BREAK SO THAT PEOPLE
23 CAN GET WATER OR WHATEVER THEY NEED TO DO, AND GIVE
24 OURSELVES THE ABILITY TO CONCENTRATE ON THE REST OF OUR
25 TASK. SO WE'RE GOING TO JUST RECESS FOR FIVE MINUTES

1 AND CONTINUE THE DISCUSSION.

2 (A RECESS WAS TAKEN.)

3 CHAIRMAN KLEIN: ALL RIGHT. HOW ARE WE DOING
4 HERE AT UC DAVIS? ARE WE READY TO RECONVENE?

5 DR. POMEROY: WE'RE READY AT UC DAVIS, AND
6 THE PUBLIC IS FORMULATING THEIR COMMENTS FOR LATER.

7 CHAIRMAN KLEIN: OKAY. AND BURNHAM, ARE WE
8 READY?

9 DR. REED: JOHN REED. READY HERE.

10 CHAIRMAN KLEIN: OKAY. AND IN MEXICO?

11 DR. MURPHY: YES, ALL SET.

12 CHAIRMAN KLEIN: AND IN IRELAND?

13 DR. FRIEDMAN: YES.

14 CHAIRMAN KLEIN: AND WE'RE READY HERE AT UC
15 SAN FRANCISCO. THE INTERNATIONAL CONFERENCE OF THE
16 INSTITUTE FOR REGENERATIVE MEDICINE IS PROCEEDING.

17 WELL, LET ME SUGGEST THAT THERE ARE TWO PARTS
18 TO EXHIBIT H. ONE PART OF EXHIBIT H ADDRESSES WHAT THE
19 ITEMS ARE. ANOTHER PART OF EXHIBIT H ADDRESSES HOW
20 MANY POINTS FOR EACH ITEM. THERE'S A SEPARATE QUESTION
21 IS HOW TO WEIGHT THESE POINTS VERSUS THE POINTS FROM
22 THE FIRST PART OF THE APPLICATION.

23 IT WOULD SEEM THAT THE SEPARATE QUESTION OF
24 HOW TO WEIGHT THESE POINTS APPEARS TO BE HEADED FOR A
25 DISCUSSION ON MAY 2D, AND WE WILL LEAVE OURSELVES OPEN

1 TO THE COMMITTEE SUGGESTIONS. BUT AS TO THE POINTS
2 AWARDED FOR EACH OF THE CATEGORIES THAT ENDS UP HERE
3 DURING THIS FIRST PART OF THE PROCESS, COUNSEL
4 PERMITTED US TO HAVE ONE PERSON FROM EACH REGION
5 COMMENT ON POTENTIAL POINTS. AND THEN THAT CONSENSUS
6 WAS THEN SUBMITTED TO DGS, THAT DID SOME MODIFICATIONS
7 TO THOSE POINTS.

8 IF IT WERE ACCEPTABLE TO THE SUBCOMMITTEE, WE
9 COULD, AFTER THIS MEETING, REPEAT THAT SAME PROCESS AS
10 TO THE POINTS FOR EACH OF THESE SUBCATEGORIES IN H WITH
11 ONE PERSON FROM EACH REGION COMMENTING ON THEM AND
12 SEEING IF WE CAN CREATE A CONSENSUS, OR WE CAN TRY AND
13 WORK OUT THE CONSENSUS FOR THE POINTS FOR EACH OF THESE
14 ITEMS IN THIS PUBLIC SESSION. IF WE FOLLOW THE PROCESS
15 OF ONE PERSON FROM EACH REGION COMMENTING ON THOSE
16 POINTS, WE WOULD THEN HAVE TO AFFIRM THOSE POINTS IN
17 THE PUBLIC HEARING ON MAY 2D. BUT --

18 MR. HARRISON: YOU'RE BETTER OFF DOING IT
19 HERE IN THIS PUBLIC MEETING IF YOU CAN.

20 CHAIRMAN KLEIN: COUNSEL IS IN A VERY, VERY
21 EXCITED MANNER INDICATING THAT IT WOULD BE BETTER OFF
22 WORKING OUT THOSE POINTS IN THIS SESSION. I'D LIKE TO
23 MAKE CERTAIN WE HAVE ALL THE OPTIONS ON THE TABLE TO
24 PROVIDE THIS VERY CREATIVE COMMITTEE WITH AS MUCH
25 DISCRETION AS IS FEASIBLE.

1 ALL RIGHT. WE HAVE ADDITIONAL, I THINK,
2 COMMENTS FROM THE BOARD WE WERE IN THE MIDDLE OF AS TO
3 EXHIBIT H AND WHAT ITEMS SHOULD BE ON EXHIBIT H.

4 CLAIRE, ANY ADDITIONAL COMMENTS WHERE YOU LEFT OFF?

5 DR. POMEROY: NO, THANK YOU.

6 CHAIRMAN KLEIN: OKAY. IS THERE ANY
7 ADDITIONAL COMMENTS FROM MEXICO?

8 DR. MURPHY: YEAH, BOB. I THINK CLAIRE'S
9 SUGGESTION AS MODIFIED BY ED IS THE APPROPRIATE
10 APPROACH. I THINK THAT TO -- I KNOW CLAIRE WASN'T
11 SUGGESTING THIS -- TO ABANDON MATRIX ONE WOULD NOT BE
12 APPROPRIATE.

13 NO. 2, THE SITE VISIT TEAM, MY RECOLLECTION
14 IS IT'S NOT GOING TO BE THE WHOLE SUBCOMMITTEE. AND
15 I'D LIKE, IF YOU COULD RESPOND TO THAT, BOB, HOW MANY
16 OF THE SUBCOMMITTEE WILL BE PARTICIPATING IN THE SITE
17 VISITS?

18 CHAIRMAN KLEIN: LET ME ASK AMY DUROSS IF SHE
19 KNOWS.

20 MS. DUROSS: I ACTUALLY UNFORTUNATELY DON'T
21 HAVE THE LIST IN FRONT OF ME RIGHT NOW. JENNIFER
22 ROSAIA, ARE YOU ON THE LINE? LET ME WORK ON GETTING
23 YOU THAT LIST RIGHT NOW.

24 DR. PENHOET: SIX OF THE EIGHT.

25 MS. DUROSS: BUT THERE ARE FOUR DIFFERENT

1 VISITS, SO I THINK IT'S VARIABLE FOR EACH VISIT.

2 DR. MURPHY: IT WOULD SEEM TO ME THAT SINCE
3 THERE'S ONLY GOING TO BE A PORTION OF THE TEAM THERE,
4 TO HAVE THE TEAM GO BACK AND EVALUATE ALL THE FACTORS,
5 I THINK, IS IMPRACTICAL AND PROBABLY WOULD RESULT IN
6 BEING INACCURATE. SO I THINK THE IDEA OF LOOKING
7 CAREFULLY AT SCHEDULE H, MAKING THE EVALUATIONS ON THIS
8 PROBABLY IN A DIFFERENT WAY, PERHAPS INCREASING THE
9 POINT TOTALS ON THE WHOLE PROCESS MAKES SENSE, BUT WITH
10 THE BACKGROUND OF MATRIX ONE STILL IN PLACE.

11 CHAIRMAN KLEIN: OKAY. AND FROM IRELAND,
12 DR. FRIEDMAN.

13 DR. FRIEDMAN: NO ADDITIONAL COMMENTS. THANK
14 YOU.

15 CHAIRMAN KLEIN: FROM SAN DIEGO, DR. REED?

16 DR. REED: YES, BOB, THANK YOU. I WOULD --
17 ONE OTHER THING I WAS GOING TO RECOMMEND FOR US TO
18 CONSIDER IS A WAY TO CAPTURE SOME OF THE EXCELLENT
19 POINTS THAT DR. POMEROY MADE WOULD BE TO PERHAPS ADD TO
20 ATTACHMENT H ANOTHER CATEGORY CALLED "OVERALL
21 IMPRESSIONS OR OTHER" THAT WOULD CONTAIN A FAIR NUMBER
22 OF POINTS THAT WOULD ALLOW US THEN TO LOOK AT THE
23 SPECIAL FEATURES OF EACH SITE AND TO WEIGH THE SCORES
24 THAT WE GIVE IN ATTACHMENT H TO WHAT WE ACTUALLY SEE
25 WHEN WE GET THERE.

1 THE WHOLE PURPOSE OF A SITE VISIT IS IT'S A
2 DUE DILIGENCE EXERCISE IN A LARGE WAY, AND WE NEED TO
3 GO THERE, WE NEED TO BE ABLE TO SEE WHAT WE'RE REALLY
4 LOOKING AT, WE NEED TO LOOK AT THE CONTEXT OF WHAT THE
5 OVERALL SET OF ISSUES ARE THAT ARE GOING TO CREATE A
6 SUCCESSFUL HEADQUARTERS FOR CIRM.

7 I MIGHT PROPOSE THAT THAT WOULD BE ONE WAY TO
8 STRENGTHEN THIS ITEM WE'RE CALLING ATTACHMENT H AND
9 MIGHT PROPOSE SOMETHING LIKE ON THE ORDER, IT'S JUST
10 OFF THE TOP OF MY HEAD, THAT WE HAVE AN ADDITIONAL
11 CATEGORY CALLED "OVERALL IMPRESSIONS/OTHER," AND MIGHT
12 BE WEIGHTED AT 25 OR 30 POINTS.

13 THE OTHER POINT I WOULD MAKE IS THAT I THINK
14 THAT UNTIL THE SITE VISITS HAVE BEEN PERFORMED, THAT WE
15 OUGHT TO TABLE THE ISSUE OF EXACTLY HOW DO WE TAKE ALL
16 THIS INFORMATION AND COME UP WITH OUR FINAL
17 RECOMMENDATIONS. I FROM THE BEGINNING HAVE FELT
18 UNCOMFORTABLE WITH THE SCORING MATRIX THAT WAS USED IN
19 PHASE I, AT LEAST INASMUCH AS USING IT AS THE ONLY
20 CRITERION OR A MAJOR DRIVING CRITERION BY WHICH WE
21 SELECT SITES BECAUSE I THINK, LIKE ANY SCORING SYSTEM,
22 AND I DON'T MEAN THIS TO THE DETRIMENT OF ANYONE
23 INVOLVED, BUT THERE ARE GOING TO BE IMPERFECTIONS WITH
24 IT IN TERMS OF THE RELATIVE WEIGHT TO GIVE IN THE
25 CATEGORIES AND TO HOW WELL ONE CAN ACTUALLY EVEN

1 ACCURATELY GET DATA INTO THE MATRIX.

2 AND SO I THINK THAT WHILE IT'S USEFUL TO
3 PROVIDE GUIDANCE, THE FIRST SCORING MATRIX THAT WE
4 PREVIOUSLY ADOPTED, I THINK IN MY OWN PERSONAL
5 ESTIMATION, SHOULD BE USED TO HELP US MAKE A FINAL
6 DECISION, BUT IT SHOULD NOT NECESSARILY BE USED AS THE
7 MAJOR DRIVING FORCE AT THIS POINT. I DON'T THINK WE
8 KNOW WHAT RELATIVE WEIGHT TO GIVE TO THE ORIGINAL
9 MATRIX THAT WAS PREVIOUSLY APPROVED AND THIS ATTACHMENT
10 H UNTIL WE'VE BEEN THROUGH THAT PROCESS. AND THEN WE
11 CAN RECONVENE AS A SUBCOMMITTEE AND THEN WITH ALL THE
12 BENEFIT OF ALL THE INFORMATION CAN BEGIN TO COME UP
13 WITH WHAT WE THINK WOULD BE THE BEST WAY TO APPROACH
14 THIS.

15 CHAIRMAN KLEIN: THANK YOU, DR. REED. NOW,
16 DR. REED, GIVEN THE PRIOR COMMENTS ABOUT LAYOUT AND
17 LOCATION THAT DR. POMEROY MADE, WOULD YOU ELIMINATE
18 THOSE TWO CATEGORIES AND TAKE THOSE 20 POINTS AND THROW
19 THEM INTO THE POINTS OF OVERALL IMPRESSIONS?

20 DR. REED: NO. I LIKE THE SIX CATEGORIES
21 THAT WE HAVE HERE. I THINK THEY ARE IMPORTANT. I'M
22 NOT SUGGESTING THAT WE WOULD ABANDON THE SIX CATEGORIES
23 THAT ARE ALREADY IN ATTACHMENT H, BUT I THINK THAT WE
24 OUGHT TO HAVE AN ABILITY TO INCORPORATE INTO THE FINAL
25 SYSTEM THAT WE USE A WAY TO CAPTURE A WHOLE VARIETY OF

1 ISSUES THAT MAY NOT SO EASILY BE -- THAT WE MAY NOT BE
2 ABLE TO EASILY ANTICIPATE OR TO APPRECIATE UNTIL WE'VE
3 ACTUALLY BEEN THERE TO SEE THE SITES AND HAVE A CHANCE
4 TO REGROUP AND TALK ABOUT WHAT WE SAW.

5 AS I SAY, I MIGHT JUST PROPOSE AS A SOLUTION
6 TO THIS THAT WE JUST SIMPLY ADD ONTO ATTACHMENT H A
7 SEVENTH CATEGORY THAT'S CALLED "OVERALL IMPRESSIONS"
8 AND GIVE IT 25 OR 30 POINTS AND ALLOW THAT TO COVER ALL
9 KINDS OF ISSUES RELATED TO RECRUITABILITY, TO THE
10 PROXIMITY TO RESEARCHERS, TO FACILITIES, ETC., THE
11 QUALITY OF LIFE FOR THE PEOPLE THAT WOULD BE RECRUITED
12 TO THIS CENTER, A WHOLE VARIETY OF ISSUES THAT WOULD
13 HELP TO DETERMINE WHICH OF THESE FOUR SITES IS GOING TO
14 BE THE ONE THAT HAS THE GREATEST CHANCE OF BEING
15 SUCCESSFUL.

16 CHAIRMAN KLEIN: OKAY. WE'VE HAD DISCUSSION
17 HERE BY THE BOARD MEMBERS. I THINK THAT, UNLESS OTHER
18 BOARD MEMBER COMMENTS ARE DESIRED AT THIS POINT, WE
19 COULD GO TO THE PUBLIC COMMENT. DR. REED, IS THAT
20 ACCEPTABLE TO YOU FROM YOUR LOCATION?

21 DR. REED: ACCEPTABLE TO ME, YES.

22 CHAIRMAN KLEIN: OKAY. WHY DON'T WE REVERSE
23 THE ORDER AND START IN SAN DIEGO.

24 DR. REED: WE DO HAVE PUBLIC COMMENTS HERE.

25 MS. SIGNAIGO-COX: THIS IS JANE SIGNAIGO-COX.

1 I'M WITH THE SAN DIEGO REGIONAL ECONOMIC DEVELOPMENT
2 CORPORATION. AND FIRST, I WANT TO INDICATE THAT WE
3 TRULY ARE HONORED THAT WE ARE ONE OF THE FOUR
4 FINALISTS. OUR SAN DIEGO TEAM IS VERY EXCITED ABOUT
5 HOSTING YOU IN THE SAN DIEGO AREA.

6 WE BELIEVE SAN DIEGO HAS THE BEST ABILITY TO
7 MEET EVERYTHING THAT THE CIRM NEEDS FOR ITS FACILITY,
8 ALL THIS WITHIN THE CORE OF A THRIVING BIOTECH AND STEM
9 CELL RESEARCH CENTER. WE HAVE TRIED TO CONVEY THIS
10 WITH OUR SUBSTANTIVE RESPONSE BY BEING AS PROACTIVE AND
11 CREATIVE AS POSSIBLE TO TRY TO ANTICIPATE WHAT WILL
12 MAKE CIRM SUCCESSFUL.

13 WE HAVE GONE BEYOND WHAT YOU HAVE ASKED FOR.
14 WE OFFER A DAY ONE READINESS BY HELPING ALL OF YOUR
15 STAFF GET UP AND RUNNING QUICKLY AND EFFECTIVELY WHILE
16 ENSURING THAT CIRM WILL BE ABLE TO MEET ALL OF ITS
17 OBJECTIVES OF ADVANCING SCIENCE.

18 AS YOU ARE AWARE, WE BELIEVE THAT THE SCORING
19 MATRIX (INAUDIBLE) WITH THE RFP AND EVEN WITH OUR
20 22-PAGE RESPONSE TO IT, WE ONLY RECEIVED 11 OF THE 60
21 POINTS WE REQUESTED. WE ARE CONFIDENT THAT THE SITE
22 VISIT IS THE PLACE WHERE YOU WILL FIND OUT WHAT YOU
23 NEED TO KNOW ABOUT THE AREA THAT'S NOT BEEN CAPTURED IN
24 WHAT HAS BEEN EVALUATED SO FAR BY STAFF.

25 WE URGE YOU TO MAKE THE SITE VISIT THE DRIVE

1 FOR THE FINAL DECISION. WE URGE YOU TO MAKE THE SITE
2 SEARCH SUBCOMMITTEE TAKE OVER THIS PROCESS. WE URGE
3 YOU THAT THE SITE VISIT BE THE MAJORITY OF THE WEIGHT
4 IN SITE DECISION GIVEN THE MAJOR FLAWS IN THE SCORING
5 PROCESS. AND WE URGE YOU THAT THE FOCUS OF THE SITE
6 VISIT SHOULD BE AN IN-PERSON VALIDATION OF THE
7 PROPOSAL, AND THAT YOU INCREASE THE WEIGHT OF THE
8 DIFFERENT CATEGORIES FOR THE SITE VISIT SCORING.

9 WE ALSO THINK IT SHOULD INCLUDE SOME
10 HARD-HITTING QUESTIONS SO THAT YOU CAPTURE WHAT A SITE
11 HAS TO OFFER. FOR EXAMPLE, IS THE FACILITY WHAT YOU
12 EXPECTED? WORLD CLASS? REGIONAL? AND CAN IT BE UP
13 AND RUNNING IN TIME? WERE YOU ABLE TO CONFIRM THAT YOU
14 ARE IN A HUB OF BIOMEDICAL RESEARCH, A REAL CENTER OF
15 EXCELLENCE? ARE THE CONFERENCE FACILITIES CONVENIENTLY
16 LOCATED? ARE THEY SUITABLE FOR A WORLD CLASS RESEARCH
17 INSTITUTE? IS THE COMMUNITY SUPPORT REAL? IN HOW MANY
18 WAYS IS IT MANIFESTED? ARE THE COMMUNITY LEADERS READY
19 TO DELIVER?

20 AND FINALLY, AS AN OVERALL IMPRESSION, IS
21 THIS A PLACE WHERE THE CALIFORNIA INSTITUTE FOR
22 REGENERATIVE MEDICINE CAN SUCCEED AND WHY? DOES
23 EVERYTHING YOU HAVE SEEN BRING THE HIGHEST OVERALL
24 VALUE TO THE CIRM?

25 IN CONCLUSION, WE ARE EXCITED ABOUT MEETING

1 WITH YOU ON MAY 1ST, AND I'D LIKE TO TURN IT OVER TO
2 DUANE ROTH WHO ALSO HAS SOME COMMENTS.

3 CHAIRMAN KLEIN: DUANE, BEFORE YOU BEGIN, I'D
4 LIKE TO SAVE THE LAST QUESTION. FIRST OF ALL, IT'S AN
5 EXCELLENT LIST OF QUESTIONS. AND THE LAST QUESTION
6 RAISED MIGHT BE A VERY GOOD QUESTION TO ASK TO GET TO
7 OVERALL IMPRESSIONS THAT DR. REED WAS REFERENCING.

8 MR. BARNES: CORRECT. I THINK THAT WOULD BE
9 A GREAT QUESTION.

10 CHAIRMAN KLEIN: DUANE ROTH.

11 MR. ROTH: JUST A COUPLE OF COMMENTS. I
12 THINK, IN ADDITION TO WHAT JANE HAS JUST LAID OUT, THAT
13 THE SITE SELECTION COMMITTEE REALLY HAS A DUTY TO
14 PERFORM DUE DILIGENCE IN THESE FOUR SITE VISITS AND TO
15 REALLY DOCUMENT WHAT WE SAID IN OUR PROPOSALS IS, IN
16 FACT, THE IMPRESSION THAT YOU GET WHEN YOU VISIT THE
17 SITES. SO WHETHER IT BE THE FACILITIES LAYOUT, ANY OF
18 THOSE KINDS OF ISSUES, DUE DILIGENCE SHOULD DETERMINE
19 WHETHER THEY, IN FACT, MET WHAT WAS ASKED FOR IN THE
20 RFP.

21 AND FINALLY, I WOULD ENCOURAGE YOU NOT TO
22 FORGET SOME OF THE THINGS THAT WERE IN YOUR OVERALL
23 RFP, THE BIG PICTURE OF ITEMS. FACILITIES WE'VE HIT.
24 PROFESSIONALS SEEMS TO BE A MAJOR, MAJOR PART OF WHAT
25 YOU ALL ARE FOCUSING ON, SO THAT HAS TO BE LOOKED AT.

1 I DIDN'T SEE CONFERENCE FACILITIES IN THIS ATTACHMENT
2 H. MAYBE YOU SHOULD THINK ABOUT THAT, CONFERENCE
3 FACILITIES AND HOTELS. TRANSPORTATION, COMMUNITY
4 SUPPORT, AND OVERALL IMPRESSION, I THINK, ARE ALL IN
5 THERE, BUT THE WEIGHTING OF THOSE SHOULD REALLY BE
6 DETERMINED BY ALL OF YOU BASED ON WHAT YOU THINK THE
7 KEY CRITERIA ARE. THANK YOU.

8 MS. KING: ONE MORE COMMENT HERE AT BURNHAM.

9 MR. PANETTA: THANK YOU, MR. CHAIRMAN. THIS
10 IS JOE PANETTA. JUST ADDING ON TO WHAT DUANE ROTH
11 SAID, A COUPLE OF MORE TECHNICAL COMMENTS I HAVE ON THE
12 GRADING UNDER ATTACHMENT H. AND I THINK WHAT THIS GOES
13 TO IS THE FACT THAT CERTAIN ELEMENTS HAVE RECEIVED A
14 FAIR AMOUNT OF CONSIDERATION ALREADY IN THE RFP AND
15 SOME NEED GREATER CONSIDERATION ON THE VISIT HERE.

16 AND I WOULD SAY IN PARTICULAR THE TWO THAT
17 NEED GREATER WEIGHTING ARE THE LOCATION OF THE FACILITY
18 RELATIVE TO UNIVERSITIES AND HOSPITALS, ITEM 4, AND THE
19 QUALITY OF THE WORK SETTING, ITEM 6. AND, MR.
20 CHAIRMAN, THIS GOES BACK TO YOUR ORIGINAL STATEMENT
21 TODAY RELATIVE TO THE ABILITY TO DRAW THE BEST AND THE
22 BRIGHTEST TO THE SITE.

23 I'D ALSO SUGGEST THAT YOU ADD THIS CATEGORY
24 THAT DR. REED HAS SUGGESTED OF OVERALL IMPRESSION,
25 GIVING THIS OVERALL SCORING SYSTEM 70 POINTS; BUT FOR

1 ITEM NO. 1, BURDEN, I WOULD ASK YOU TO CONSIDER THAT
2 BURDENS ARE TO BE CONSIDERED AS A NEGATIVE, TO TAKE
3 AWAY FROM THE OVERALL SCORING, AND THAT YOU ADD, AFTER
4 YOU'VE TOTALED EVERYTHING, YOU ADD THIS CATEGORY AS A
5 POTENTIAL TO REMOVE UP TO 10 POINTS BASED ON ANY
6 BURDENS. THANK YOU.

7 CHAIRMAN KLEIN: I THINK THAT THE POINT ON
8 NO. 1 IS A VERY GOOD POINT. IT REALLY SHOULD HAVE BEEN
9 ADVANTAGES/BURDENS, SO IT'S A POSITIVE OR A NEGATIVE,
10 SO IT'S UP TO 10 POINTS POSITIVE OR 10 POINTS NEGATIVE.
11 BECAUSE THE POINTS -- THE POINT THAT OVERALL
12 IMPRESSIONS AS BEING POTENTIALLY ADDED MAY TAKE CARE OF
13 ADVANTAGES, WHICH WOULD MEAN THAT THIS CATEGORY WOULD
14 SIMPLY BE BURDENS AND UP TO A MINUS 10 POINTS, WHICH IS
15 PERHAPS A WAY TO RESOLVE THAT AND CAPTURE DR. REED'S
16 IDEA.

17 THE ISSUE THAT I WOULD GO BACK TO AMONG THE
18 COMMENTS THAT HAVE BEEN MADE IS THAT LAYOUT, WITH DUE
19 RESPECT FOR THE COMMITTEE MEMBERS, I DON'T UNDERSTAND
20 THE TECHNICAL ABILITY TO FIGURE OUT WHETHER THE LAYOUT
21 WORKS FOR BATHROOMS AND CONFERENCE ROOMS BEYOND THE
22 PRIOR SUBMISSIONS BECAUSE IT'S A TECHNICAL EVALUATION.
23 BUT I WOULD SUGGEST THAT DUANE ROTH HAS COMMENTED THAT
24 WE DON'T SPECIFICALLY TAKE INTO ACCOUNT CONFERENCE
25 FACILITIES AND HOTELS. QUALITY IS AN ITEM THAT WAS NOT

1 PICKED UP IN THE PRIOR RFP CATEGORY BECAUSE WE, OF
2 COURSE, COULDN'T SEE THE FACILITIES.

3 AND UNDER ITEM 2, INSTEAD OF LAYOUT, IT WOULD
4 SEEM MORE DIRECTLY FOCUSED ON THE MISSION OF BRINGING
5 THE BEST AND BRIGHTEST MINDS FROM AROUND THE WORLD AND
6 AROUND THE NATION IF WE WERE TO EVALUATE THE QUALITY OF
7 WHAT IS BEING GIVEN TO US AND OUR EFFECTIVE ACCESS TO
8 THAT QUALITY UNDER ITEM 2 INSTEAD OF LAYOUT. BUT
9 THAT'S JUST ONE INDIVIDUAL'S POINT OF VIEW.

10 ANY OTHER COMMITTEE MEMBERS' COMMENTS? OR
11 ANY PUBLIC COMMENTS AT DAVIS?

12 DR. POMEROY: YES. FIRST PERSON, TOM.

13 MR. ZEIDNER: GOOD MORNING, MEMBERS OF THE
14 COMMITTEE. I'M TOM ZEIDNER WITH THE CITY OF SACRAMENTO
15 ECONOMIC DEVELOPMENT DEPARTMENT. AND I AGREE WITH THE
16 PROPOSAL THAT I'VE HEARD ON A COUPLE OF OCCASIONS NOW,
17 THAT THE SITE VISIT WILL HAVE DOUBLE THE NUMBER OF
18 POINTS. IT WILL BE SO MUCH MORE TELLING TO SEE THESE
19 SITES AND COMMUNITIES IN PERSON. AND ALSO WITH RESPECT
20 TO OTHER INFORMATION THAT WAS NOT ASKED FOR IN THE RFP,
21 AND IT ALSO HAS BEEN DIFFICULT TO CONVEY THAT, I REALLY
22 HOPE THAT THE, ESPECIALLY WITH RESPECT TO COMMUNITY
23 SUPPORT, THAT THE COMMITTEE WOULD CONSIDER OTHER
24 INFORMATION THAT IS PRESENTED AT THE SITE DURING THE
25 SITE VISIT PHASE.

1 LASTLY, I'LL SAY THAT CONSIDERATION OF COST
2 OF LIVING AND COST OF HOUSING APPEARS TO BE ABSENT IN
3 THIS PROCESS THUS FAR. I WORRY THAT THIS IS AN
4 OMISSION THAT WILL ADVERSELY AFFECT THE INSTITUTE AND
5 ITS ABILITY TO CARRY OUT ITS MISSION AND ALSO TO
6 ATTRACT AND RETAIN EMPLOYEES. THANK YOU.

7 CHAIRMAN KLEIN: ANY OTHER PUBLIC COMMENTS
8 FROM DAVIS?

9 DR. POMEROY: YES, WE DO.

10 MR. CONRAD: GOOD MORNING. MY NAME IS DENNY
11 CONRAD. I WORK FOR A HEALTHCARE COMPANY THAT'S AROUND
12 NORTHERN CALIFORNIA. AND I ACTUALLY HAD A COUPLE OF
13 QUESTIONS, AND MAYBE THEY'RE RHETORICAL QUESTIONS, AND
14 SOME COMMENTS AS WELL. I SAT THROUGH THE LAST MEETING,
15 AND I FOUND IT VERY INFORMATIVE AND AM HAPPY TO BE HERE
16 THIS MORNING.

17 ONE OF THE QUESTIONS THAT I HAD WAS -- I'M A
18 BUSINESSMAN. I DEVELOP BUSINESS PLANS FOR BOTH
19 RESEARCH INSTITUTES, HEALTHCARE, ALL KINDS OF THINGS,
20 BUILDING HOSPITALS, ETC. ONE OF THE THINGS THAT WE DO
21 IS DEVELOP A PRO FORMA BUDGET. WHAT THAT ALLOWS US TO
22 DO IS UNDERSTAND WHAT THE TOTAL COST OF DOING BUSINESS
23 IS GOING TO BE. INVARIABLY, THERE'S A BIG PIECE OF
24 THAT BUDGET THAT SURROUNDS SALARIES AND BENEFITS.
25 THAT'S ONE OF THE CRITICAL PIECES OF THE COST OF DOING

1 BUSINESS IN ANY KIND OF ENDEAVOR.

2 WHEN I LOOK THROUGH THE NOTES, OUR FRIENDS
3 FROM EMERYVILLE PROVIDED A KIND OF A SCALE OF COST OF
4 LIVING, AND THERE'S ABOUT 100-PERCENT DIFFERENCE
5 BETWEEN THE LOWEST AND THE HIGHEST COST OF DOING
6 BUSINESS.

7 MANY OF THE CATEGORIES THAT WE'VE LOOKED AT
8 AND ARE ON THIS H SHEET, AS WELL AS THE PREVIOUS ONE,
9 THOSE ARE THE THINGS THAT MAKE IT NICE TO BE THERE.
10 ULTIMATELY, THOUGH, WE HAVE TO BE ABLE TO FIND OUT
11 WHETHER OR NOT WE CAN DO THE BUSINESS AND THAT WE CAN
12 MAXIMIZE THE VALUE OF THE INSTITUTE. AS A TAXPAYER AND
13 AS A BUSINESSMAN, I THINK THAT WE NEED TO ABSOLUTELY
14 UNDERSTAND THAT.

15 IT SEEMS -- I'LL SAY THIS AND I'LL PROBABLY
16 NOT BE ASKED TO COME BACK. IT'S SEEMS SILLY TO ME THAT
17 WE'RE WEIGHTING, YOU KNOW, HOW THE BATHROOMS ARE IN A
18 BUILDING COMPARED TO WHAT THE COST OF DOING BUSINESS IS
19 GOING TO BE. IF WE'RE GOING TO MAXIMIZE THE VALUE TO
20 OUR TAXPAYERS AND I THINK ULTIMATELY OPTIMIZE THE
21 OUTCOMES OF THE PROJECT, WE HAVE TO UNDERSTAND THE COST
22 OF DOING BUSINESS OVER THE NEXT TEN YEARS. ALL THESE
23 PLACES, SAN DIEGO IS GREAT, SAN FRANCISCO IS GREAT,
24 I'VE NEVER BEEN TO EMERYVILLE, MAYBE I'LL GO VISIT
25 THERE SOMEDAY, BUT THE COST OF LIVING IN SACRAMENTO

1 WILL EFFECTIVELY ALLOW US TO HAVE BETWEEN A 30- AND
2 100-PERCENT RETURN ON OUR VALUE OVER THE NEXT THREE OR
3 FOUR YEARS. WE CAN'T UNDERESTIMATE THAT IMPACT. THANK
4 YOU.

5 CHAIRMAN KLEIN: FOR THE BENEFIT OF THE
6 PUBLIC, I WOULD TELL YOU THAT SPENCERSTUART, WHO IS THE
7 EXPERT FIRM IN EMPLOYMENT OF SCIENTIFIC PROFESSIONALS
8 THAT WE'RE LOOKING TO AND HAVE HIRED AS THE BOARD FOR
9 FINDING THE PERMANENT PRESIDENT, HAS INDICATED TO US
10 THAT THE DOMINANT CHARACTERISTIC HERE IS THE DEPTH OF
11 THE PROFESSIONAL BIOMEDICAL SCIENTIFIC JOB MARKET. AND
12 THAT IT IS NOT THE COST OF LIVING THAT DRIVES THOSE
13 DECISIONS, BUT INDEED THE ABILITY TO BE LOCATED IN A
14 DOMINANT BIOMEDICAL JOB MARKET AS THE CONSIDERATION TO
15 GET THE BEST AND THE BRIGHTEST SCIENTIFIC STAFF. AND,
16 IN FACT, OUR CORE MISSION IS TO MAKE CERTAIN THAT WE'VE
17 MADE THE BEST SCIENTIFIC JUDGMENTS ON GRANTS, ON
18 STANDARDS, ON FACILITIES.

19 SO IT IS THE SPECIFIC TYPE OF INDIVIDUAL
20 WE'RE SEEKING AND THEIR CRITERIA FOR RELOCATING AND
21 SELECTION OF A JOB. WE'RE LOOKING TO EXPERT FIRMS TO
22 ADVISE US ON WHAT IS THE DOMINANT CHARACTERISTIC. COST
23 OF LIVING WAS NOT THE DOMINANT CHARACTERISTIC,
24 ACCORDING TO THE EXPERT FIRMS ADVISING US.

25 LET'S GO TO ADDITIONAL PUBLIC COMMENT IN SAN

1 FRANCISCO.

2 MR. BLOUT: MORNING, COMMITTEE MEMBERS.
3 JESSE BLOUT, DIRECTOR OF THE MAYOR'S OFFICE OF ECONOMIC
4 DEVELOPMENT HERE IN SAN FRANCISCO.

5 FIRST, I WOULD JUST LIKE TO EXTEND MY
6 APPRECIATION TO THE COMMITTEE MEMBERS AS WELL AS THE
7 DGS-CIRM TEAM FOR THEIR THOUGHTFUL PROCESS TO DATE. I
8 THINK IT'S BEEN OBVIOUSLY A CHALLENGING PROCESS, BUT
9 THE AMOUNT OF RIGOR AND THOUGHTFULNESS IN TERMS OF THE
10 DISCUSSION AND THE DELIBERATION TO DATE, I THINK, IS
11 APPROPRIATE AND WE APPRECIATE IT.

12 I'D JUST LIKE TO URGE THE COMMITTEE TO STICK
13 AS CLOSELY AS POSSIBLE TO THE ORIGINAL SCORING SYSTEM
14 AS OUTLINED AT THE INITIAL MEETING SUBSEQUENT TO THE
15 RECEIPT OF THE PROPOSALS. I THINK AT THAT TIME THERE
16 WAS SOME DISCUSSION ABOUT EVALUATING THE PRELIMINARY
17 POINTS ALLOCATION AND ADVICE GIVEN TO THE COMMITTEE,
18 THAT SINCE PROPOSALS HAD BEEN OPENED, THAT YOU DON'T
19 WANT TO REALLY DEVIATE TOO FAR FROM THE SCORING SYSTEM
20 AS DETERMINED -- AS DEVELOPED BEFORE THE PROPOSALS WERE
21 OPENED SUCH THAT YOU COULD POTENTIALLY CONTAMINATE THE
22 EVALUATION BY JIGGERING THE ALLOCATION OF POINTS.

23 I THINK I WOULD ARGUE THAT THE SAME HOLDS
24 TRUE HERE PARTICULARLY AS IT RELATES TO THE OVERALL
25 INTENT OF THE SCORING SYSTEM WITH THE INITIAL

1 EVALUATION AND THE SUBSEQUENT SITE VISIT EVALUATION.

2 AND I WANT TO GO TO, I THINK, A COMMENT THAT
3 ONE OF THE SAN DIEGO REPRESENTATIVES, PUBLIC MEMBERS
4 MADE IN DESCRIBING THE INTENT OF THE SITE VISIT, WHICH
5 WAS, QUOTE, BE AN IN-PERSON EVALUATION OF THE
6 PROPOSALS. I THINK THAT'S AN APPROPRIATE DESCRIPTOR
7 FOR THIS STEP IN THE PROCESS.

8 I THINK THE INITIAL EVALUATION OF THE POINTS
9 WAS REALLY A QUANTITATIVE ASSESSMENT OF LOOKING AT EACH
10 AND EVERY ASPECT OF THE PROPOSAL AND REALLY READING THE
11 LETTER OF THE PROPOSAL AND MATCHING IT UP WITH THE
12 POINT MATRIX. I THINK THIS JUNCTURE IN THE PROCESS IS
13 REALLY TO TAKE INTO CONSIDERATION THOSE QUALITATIVE
14 ISSUES THAT COULDN'T BE GARNERED FROM READING A
15 PROPOSAL, PAPER PROPOSAL. AND SO TO THAT EXTENT, I
16 THINK, YOU KNOW, OBVIOUSLY THE BULK OF THE WEIGHTING
17 SHOULD BE GIVEN TO THE QUANTITATIVE ASPECT, AND THE
18 QUALITATIVE ASPECT SHOULD BE ADDITIVE. AND I THINK YOU
19 HAVE A NICE ROAD MAP IN THE FORM OF THE EXISTING POINT
20 ALLOCATION SPREADSHEET, THE 60-POINT ALLOCATION
21 SPREADSHEET.

22 I HOPE THAT IN RELATION TO THAT, THE
23 QUALITATIVE ASSESSMENT FACTORS, SUCH AS WHAT WAS GIVEN
24 AS ADVICE FROM SPENCERSTUART, NEEDS TO BE CONSIDERED
25 VIS-A-VIS THE ATTRACTIVENESS OF A PARTICULAR LOCATION

1 FROM THE STANDPOINT OF RECRUITMENT. WHILE WE GOT
2 DINGED FOR NOT HAVING THE WORDS "RESIDE" IN OUR
3 PROPOSAL AS IT RELATES TO THE ASSESSMENT OF THE
4 BIOMEDICAL EMPLOYMENT BASE IN SAN FRANCISCO, I THINK,
5 HOPEFULLY, IT'S PART OF THE SITE VISIT. THOSE KINDS OF
6 FACTORS CAN BE TAKEN INTO CONSIDERATION CERTAINLY. SAN
7 FRANCISCO HAS THE HUB OF THE LARGEST BIOMEDICAL CLUSTER
8 PERHAPS IN THE WORLD AND CERTAINLY IN THE STATE, I
9 THINK, UNDERSCORES THE ATTRACTIVENESS FROM THE
10 STANDPOINT OF RECRUITMENT.

11 SO WITH THAT, I WOULD JUST URGE, IN KEEPING
12 WITH THE ORIGINAL INTENT OF THE SCORING SYSTEM, THAT
13 YOU STICK AS CLOSELY AS POSSIBLE TO THE SYSTEM.

14 CHAIRMAN KLEIN: THANK YOU.

15 MR. SULLIVAN: I THINK JESSE STATED --
16 CHARLES SULLIVAN IN SAN FRANCISCO CITY ATTORNEY'S
17 OFFICE. I JUST WANTED TO CONCUR. I THINK JESSE BLOUT,
18 I THINK, ELOQUENTLY STATED OUR POSITION. BUT I JUST
19 WANTED TO ADD, YOU KNOW, I SAT THROUGH A COUPLE OF
20 ROUNDS NOW, BOTH WRITTEN AND ORAL, WHERE THIS COMMITTEE
21 MADE VERY CLEAR THAT IT DID NOT WANT TO CHANGE THE
22 POINT SCORING SYSTEM BECAUSE OF THE APPEARANCE OF BIAS
23 OR POTENTIAL UNFAIRNESS OF CHANGING THE SYSTEM AFTER
24 HAVING REVIEWED THE PROPOSALS. I'M SORT OF AT A LOSS
25 TO UNDERSTAND WHY THAT'S CHANGED NOW IN THE CONTEXT OF

1 THIS DISCUSSION.

2 SO I JUST URGE YOU TO KEEP WITH THE GENERAL
3 OUTLINED METHODOLOGY THAT YOU SET UP BEFORE YOU
4 REVIEWED ALL THE PROPOSALS. THANK YOU.

5 CHAIRMAN KLEIN: THANK YOU. ADDITIONAL
6 PUBLIC COMMENTS FROM SAN FRANCISCO? NO ADDITIONAL
7 PUBLIC COMMENTS FROM SAN FRANCISCO. ANY ADDITIONAL
8 PUBLIC COMMENTS FROM ANY LOCATION? HEARING NO
9 ADDITIONAL PUBLIC COMMENTS FROM ANY LOCATION, IS THERE
10 A MOTION BY THE SUBCOMMITTEE?

11 DR. REED: MR. CHAIRMAN, JOHN REED, SAN
12 DIEGO. I WOULD LIKE TO PROPOSE THE FOLLOWING MOTION.
13 I MOVE THAT WE ACCEPT A MODIFIED VERSION OF ATTACHMENT
14 H AS THE GUIDELINES FOR LAUNCHING THE SITE VISITS IN
15 WHICH A TOTAL OF A HUNDRED POINTS WILL BE ASSIGNED, AND
16 IN WHICH CATEGORY 4 WILL BE SEPARATED INTO TWO SEPARATE
17 CATEGORIES, ONE FOR ADDRESSING THE PROXIMITY TO
18 PROFESSIONAL INSTITUTIONS, THE OTHER FOR THE QUALITY
19 AND PROXIMITY TO HOTELS, CONFERENCE FACILITIES, AND
20 RELATED FACILITIES, AND IN WHICH THERE WILL APPEAR AN
21 ADDITIONAL SEPARATE CATEGORY CALLED "OVERALL
22 IMPRESSIONS," WHICH WILL BE AWARDED 30 POINTS.

23 SO TO REITERATE, WE'LL HAVE THE CURRENT
24 ATTACHMENT H AS PRESENTED EXCEPT THAT THE ITEM NO. 4,
25 LOCATION, WILL BE SPLIT INTO TWO CATEGORIES TO REFLECT

1 THE DIFFERENT TYPES OF FACILITIES, PROFESSIONAL VERSUS
2 CONFERENCE/HOTEL, AWARDING EACH OF THOSE TEN, AND THEN
3 WE'LL HAVE THIS OTHER CATEGORY FOR 30, SO THAT WILL ADD
4 UP TO A TOTAL OF A HUNDRED POINTS.

5 CHAIRMAN KLEIN: WHICH IS THE CATEGORY FOR
6 30?

7 DR. REED: THAT WOULD BE OTHER, OVERALL
8 IMPRESSIONS.

9 CHAIRMAN KLEIN: OKAY. IS YOUR MOTION TO
10 RETAIN LAYOUT?

11 DR. REED: YES. I WOULD KEEP ALL THE OTHERS.
12 IN LOOKING AT THOSE, WE CAN ON AN AD HOC BASIS,
13 OBVIOUSLY, THINK ABOUT WHETHER THERE ARE ISSUES TO THAT
14 MAYBE ARE NOT SPECIFICALLY WRITTEN HERE THAT WOULD BE
15 RELEVANT. I KNOW CLAIRE POMEROY, FOR EXAMPLE,
16 MENTIONED THE I.T. INFRASTRUCTURE AS PART OF THE
17 LAYOUT. THOSE ARE THE TYPES OF THINGS I DON'T THINK WE
18 NECESSARILY HAVE TO TWEAK WORD FOR WORD HERE, BUT THAT
19 I WOULD RETAIN ALL THE OTHER CATEGORIES MENTIONED.

20 CHAIRMAN KLEIN: OKAY. IS THERE A SECOND TO
21 THAT MOTION?

22 DR. FRIEDMAN: I SECOND.

23 CHAIRMAN KLEIN: OKAY. MOTION IS MADE AND
24 SECONDED. DISCUSSION?

25 DR. MURPHY: CAN I ASK A QUESTION. ON THE

1 OTHER, IS THAT GOING TO BE AN ITEMIZED CATEGORY, OR IS
2 IT SIMPLY AN INDIVIDUAL OVERALL IMPRESSION OF THE
3 ENTIRE PACKAGE?

4 DR. REED: MY VIEW OF THAT IS THAT IT COULD
5 BE A DEVICE TO CAPTURE A WHOLE VARIETY OF ISSUES THAT
6 INDIVIDUAL COMMITTEE MEMBERS MAY WANT TO INCORPORATE
7 INTO THEIR DECISION-MAKING. I THINK THE KEY THING IS
8 IT DOES GIVE US SOME OPPORTUNITY FOR FLEXIBILITY AS WE
9 GO TO SITES, ACTUALLY SEE WHAT'S THERE, AND WE CAN --
10 WE BEGIN TO FORMULATE EACH MEMBER OF THE COMMITTEE
11 IMPRESSIONS AS TO WHAT ARE THE KEY ELEMENTS TO MAKE
12 THIS ULTIMATELY AN OVERALL SUCCESSFUL UNDERTAKING.

13 DR. MURPHY: THANK YOU.

14 CHAIRMAN KLEIN: OKAY. ADDITIONAL
15 DISCUSSION? IS THERE ANY ADDITIONAL DISCUSSION FROM
16 MEXICO?

17 DR. MURPHY: NO.

18 CHAIRMAN KLEIN: FROM IRELAND?

19 DR. FRIEDMAN: MR. CHAIRMAN, ONLY ONE
20 QUESTION, WHICH IS IS THERE ANY CONCERN ON THE PART OF
21 OUR COUNSEL THAT THE MODIFICATION SUGGESTED BY DR. REED
22 WOULD JEOPARDIZE THE PROCESS? I THINK DR. REED HAS
23 MADE SOME VERY GOOD SUGGESTIONS, BUT I WANT TO MAINTAIN
24 THE INTEGRITY OF THE PROCESS. SO I WOULD JUST ASK IF
25 THERE'S ANY COMMENTS FROM COUNSEL?

1 MR. HARRISON: NO. I DON'T THINK -- THE
2 COMMITTEE HAS NOT PREVIOUSLY CONSIDERED THE NUMBER OF
3 POINTS TO AWARD PURSUANT TO ATTACHMENT H. AND THE
4 COMMITTEE INDICATED EARLY ON THAT IT WANTED TO RETAIN
5 SOME DISCRETION IN DETERMINING BOTH HOW TO SCORE AND
6 HOW TO COME TO A FINAL CONCLUSION ABOUT WHAT TO
7 RECOMMEND TO THE FULL BOARD.

8 DR. FRIEDMAN: THANK YOU. THAT'S VERY
9 HELPFUL.

10 CHAIRMAN KLEIN: WALTER BARNES WOULD LIKE TO
11 MAKE A COMMENT.

12 MR. BARNES: THE ONLY COMMENT, IT WAS MOSTLY
13 A CLARIFICATION. THERE HAD BEEN SOME DISCUSSION ABOUT
14 BURDEN, WHETHER THAT SHOULD BE A POSITIVE 10 POINTS OR
15 A NEGATIVE 10 POINTS. THE WAY YOU'VE DEVELOPED YOUR
16 MOTION, IT WOULD BE A POSITIVE 10 POINTS. IS THAT WHAT
17 YOU WANTED?

18 CHAIRMAN KLEIN: I THINK WALTER IS SUGGESTING
19 THAT REALLY WHAT WE'RE TALKING ABOUT IS A 90-POINT
20 POSITIVE SCALE AND A 10-POINT NEGATIVE SCALE THAT COULD
21 REDUCE THE 90-POINT POSITIVE SCALE. SO IT'S A
22 100-POINT VARIATION POTENTIAL, BUT IT'S A 90-POINT
23 POSITIVE SCALE AND A 10-POINT NEGATIVE SCALE; IS THAT
24 CORRECT, DR. REED?

25 DR. REED: THAT SOUNDS REASONABLE TO ME.

1 CHAIRMAN KLEIN: OKAY. ADDITIONAL COMMENTS?

2 DR. POMEROY: I GUESS I'M -- IT'S ALWAYS
3 CHALLENGING TO TWEAK SOMETHING IN A LARGE GROUP LIKE
4 THIS. I THINK WE'RE HEADED IN THE RIGHT DIRECTION.
5 BUT I REALLY DO HAVE TO COME BACK TO NO. 2, WHICH IS
6 LAYOUT, WHICH I ACTUALLY LIKE YOUR SUGGESTION, THAT THE
7 QUALITY OF THE PHYSICAL PLANT MIGHT BE MORE APPROPRIATE
8 THERE.

9 AND I GUESS I'M NOT CLEAR WHY WE'RE
10 REINTRODUCING LOCATION. AND I GUESS THIS COMES TO THE
11 LARGER ISSUE OF WITHIN THIS PROPOSAL HOW H WOULD BE
12 USED RELATIVE TO THE EXISTING SCORE BECAUSE IF WE'RE
13 TALKING ABOUT THIS BEING ADDITIVE, THEN I'M NOT SURE
14 WHY WE'RE RE-ADDING POINTS FOR THINGS WE'VE ALREADY
15 SCORED UNDER LOCATION AND LAYOUT.

16 CHAIRMAN KLEIN: WELL, DR. POMEROY, I HAVE
17 THE SAME QUESTION THAT YOU DO. AND WHAT WE HAVEN'T
18 SCORED PREVIOUSLY IS THE QUALITY OF THE SITE AND THE
19 QUALITY AND HOW OPTIMAL OUR CONFERENCE FACILITIES ARE
20 FOR US. WE HAVE IDENTIFIED THAT THEY'RE AVAILABLE, BUT
21 WE HAVEN'T IDENTIFIED EITHER THEIR QUALITY OR WHETHER
22 THEY'RE OPTIMAL FOR OUR MISSION OR NOT.

23 I THINK THAT, FOR EXAMPLE, WE HAVE IDENTIFIED
24 WHETHER THEY'RE AVAILABLE FOR MORE THAN 150 PERSONS,
25 BUT WE HAVEN'T IDENTIFIED WHETHER THEY'RE AVAILABLE FOR

1 A THOUSAND VERSUS 175 PERSONS. IF WE HAVE AVAILABILITY
2 OF CONFERENCE FACILITIES FOR A THOUSAND, THEY WOULD BE
3 MORE OPTIMAL TO MEET OUR INTERNATIONAL CONFERENCE AND
4 NATIONAL CONFERENCE OBJECTIVES THAN IF THEY'RE FOR 175
5 PERSONS.

6 SO THE QUESTION OF PHYSICAL INSPECTION AND
7 FINDING OUT THE QUALITY AND HOW OPTIMALLY THEY SERVE
8 OUR MISSION IS SOMETHING THAT WE CAN, AS ANTICIPATED BY
9 OUR PRIOR PUBLIC HEARING WHEN WE DISCUSSED THIS, ONLY
10 EVALUATE BY MAKING A PHYSICAL INSPECTION. BUT LOCATION
11 WAS IN THE ORIGINAL POINT MATRIX AS WAS LAYOUT, SO I
12 DON'T UNDERSTAND REVISITING THOSE CATEGORIES, AS CLAIRE
13 POMEROY SAYS.

14 DR. PENHOET: IF I MIGHT, THIS IS ED PENHOET.
15 I BELIEVE THE SAN FRANCISCO PROPOSAL, FOR EXAMPLE,
16 WOULD HAVE BEEN THE SAME IF THE OFFICE BUILDING HAD
17 BEEN IN THE TENDERLOIN AS IF IT'S WHERE IT'S CURRENTLY
18 IN THE PROPOSAL. SO YOU COULD ONLY TELL THAT BY GOING
19 THERE TO SEE WHAT KIND OF PEOPLE ARE WALKING AROUND
20 THERE, WHAT'S WITHIN WALKING DISTANCE, HOW FAR YOU HAVE
21 TO GO TO BUY A SANDWICH, ALL OF THESE FACTORS THAT ARE
22 PRECISELY ABOUT LOCATION.

23 CHAIRMAN KLEIN: THAT'S UNDER QUALITY OF THE
24 WORK SETTING AS VERSUS THEY'RE TALKING ABOUT THE
25 BUILDING LOCATION REFERENCE THE UNIVERSITIES,

1 HOSPITALS, AND RESEARCH CENTERS, WHICH WAS IN THE
2 ORIGINAL APPLICATION. BUT QUALITY OF WORK SETTING IS
3 WHAT I THINK YOU ARE REFERRING TO.

4 DR. REED: JOHN REED IN SAN DIEGO. IF I
5 COULD CLARIFY AT LEAST MY OWN VIEW AS TO WHY I THOUGHT
6 IT WAS APPROPRIATE TO INCLUDE SUCH CATEGORIES AND THE
7 NEED TO EXPAND SOME. AGAIN, I SEE REALLY CATEGORY H AS
8 PART OF THE WAY TO CAPTURE IN A DUE DILIGENCE WAY WHAT
9 EXISTS IN REALITY AND WHAT THE REALITY OF THE LAYOUT
10 AND THE LOCATION IS VERSUS WHAT IT LOOKS LIKE ON PAPER.
11 AND THAT'S REALLY WHAT I SEE THIS WHOLE ATTACHMENT H
12 ABOUT.

13 WE ALREADY HAD THIS OTHER MATRIX THAT WAS A
14 200-POINT SCORING SYSTEM THAT WAS ESSENTIALLY TRYING TO
15 CAPTURE WHAT ONE CAN PUT ON PAPER. THIS ATTACHMENT H I
16 SEE AS A WAY OF CAPTURING WHAT THE REALITY IS AND TO
17 FACTOR IN ISSUES SUCH AS THE QUALITY OF THE FACILITIES,
18 SUCH AS THE CONVENIENCE OF ACCESSING THEM, AND OTHER
19 ISSUES IN TERMS OF REALLY HOW PRACTICAL IS IT TO TAKE
20 ADVANTAGE OF WHAT THE COMMUNITY HAS TO OFFER.

21 SO I WOULD MOVE THAT WE KEEP THESE, EVEN
22 THOUGH THERE IS THE RISK OF SOME REDUNDANCY WITH WHAT
23 IS IN THE PREVIOUS SCORING MATRIX THAT WAS MADE BY THE
24 200-POINT SYSTEM BECAUSE I REALLY SEE THIS AS THE
25 OPPORTUNITY TO TRY TO CAPTURE MORE OF THE ESSENCE OF

1 WHAT REALLY EXISTS AT THE SITES BY VIRTUE OF SEEING IT
2 IN PERSON AND EXPERIENCING IN PERSON WHAT THE REALITY
3 WILL BE LIKE FOR CIRM STAFF --

4 (INTERRUPTION IN PROCEEDINGS.)

5 CHAIRMAN KLEIN: DR. REED, WOULD YOU MIND
6 REPEATING? WE HAD A TELEPHONE GENIE INTERVENE HERE.

7 DR. REED: I THINK -- WE HAVE A BAD
8 CONNECTION.

9 (INTERRUPTION IN PROCEEDINGS.)

10 CHAIRMAN KLEIN: LET US TRY AND REACCESS THIS
11 LINE. IF THIS DOESN'T WORK, EVERYONE WILL HAVE TO
12 RECALL IN TO REESTABLISH THIS LINK. APPRECIATE
13 EVERYONE'S PATIENCE. DR. REED, I ASSURE YOU IT'S NOT
14 WHAT YOU'RE SAYING.

15 THE CONNECTION IS WORKING. LET'S STAY ON.
16 IS MEXICO ON?

17 DR. MURPHY: YES.

18 CHAIRMAN KLEIN: IS IRELAND ON?

19 DR. FRIEDMAN: YES.

20 CHAIRMAN KLEIN: PLEASE STAY ON. LOOKS LIKE
21 WE GOT RID OF THE ECHO. WE'RE WAITING FOR BURNHAM TO
22 RECONNECT.

23 (A BRIEF PAUSE IN PROCEEDINGS.)

24 CHAIRMAN KLEIN: IS BURNHAM BACK?

25 MS. KING: BURNHAM IS BACK.

1 CHAIRMAN KLEIN: DR. REED, YOU'RE ON.

2 DR. REED: THANK YOU. I'LL ENDEAVOR TO BE
3 BRIEF SINCE I HOPE THAT MANY OF THE COMMENTS WERE HEARD
4 PRIOR TO TECHNICAL DIFFICULTIES. THE ESSENTIAL POINT I
5 WAS MAKING IS THAT I PROPOSE THAT WE RETAIN THE
6 CATEGORIES ALREADY LISTED IN ATTACHMENT H EVEN THOUGH
7 THERE IS SOME RISK FOR REDUNDANCY WITH THE MATRIX USED
8 PREVIOUSLY THAT RESULTED IN THE 200-POINT SCORING
9 SYSTEM BECAUSE I REALLY VIEW WHAT WE'RE TRYING TO DO IN
10 ATTACHMENT H AS A WAY TO GO BEYOND CAPTURING WHAT'S ON
11 PAPER, WHICH IS WHAT THE FIRST SCORING MATRIX WAS ALL
12 ABOUT, AND TO NOW LOOK AT THE REALITIES OF THESE SITES
13 AND TO TRY TO CAPTURE SUCH ISSUES AS THE QUALITY OF
14 WHAT'S THERE WITH RESPECT TO ALL THESE DIFFERENT ISSUES
15 LISTED HERE AND THE CONVENIENCE OF REALLY ASSESSING OR
16 ACCESSING THESE DIFFERENT ATTRIBUTES THAT EACH SITE
17 BRINGS TO THE TABLE.

18 SO I FEEL THAT IT'S IMPORTANT TO KEEP
19 CATEGORIES SUCH AS LAYOUT AND SUCH AS LOCATION BECAUSE
20 IT GIVES US A CHANCE TO REALLY GO BEYOND SIMPLY
21 ASSESSING WHAT'S ON PAPER, AND THROUGH VISITING THE
22 SITE IN PERSON, BEING ABLE TO ALSO HAVE A METRIC THAT
23 ALLOWS TO US TO CAPTURE REALLY THE QUALITY, THE
24 PRACTICALITY, ETC. OF WHAT HAS BEEN OFFERED BY EACH OF
25 THE SITES.

1 CHAIRMAN KLEIN: AND LET ME ASK THIS
2 QUESTION. ON POINT 4, SUB B ON HOTELS, YOU HAVE BOTH
3 QUALITY AND PROXIMITY. AND HOW DO YOU DIVIDE THE
4 POINTS BETWEEN QUALITY AND PROXIMITY UNDER YOUR SYSTEM?
5 YOU PROVIDE FIVE -- IF THERE'S 10 POINTS TOTAL, 5 IS
6 ADDRESSED TO 4B, AND IS TWO AND A HALF OF 4B PROXIMITY
7 AND TWO AND A HALF QUALITY? HOW ARE YOU DIVIDING IT
8 UP?

9 DR. REED: I WAS SUGGESTING THAT NO. 4 BE
10 DIVIDED IN TWO SEPARATE CATEGORIES, EACH WITH 10
11 POINTS. ONE WOULD BE TO ADDRESS THE ISSUE OF PROXIMITY
12 TO UNIVERSITIES, HOSPITALS, RESEARCH CENTERS, 10 POINTS
13 FOR THAT. AND THEN ANOTHER WOULD BE THE PROXIMITY TO
14 HOTEL, CONFERENCE FACILITIES, OTHER AMENITIES, AND FOR
15 ANOTHER 10 POINTS ON THAT.

16 CHAIRMAN KLEIN: BUT DIDN'T YOU ALSO SAY THAT
17 QUALITY WOULD BE CONSIDERED UNDER THAT SUBSET?

18 DR. REED: I THINK THAT'S TRUE ALL OF THESE
19 REALLY, THOUGH, IS WHAT I'M GETTING AT, WHETHER THAT'S
20 NO. 2, NO. 4. I THINK WE'RE LOOKING AT THE OPPORTUNITY
21 TO BRING INTO OUR ANALYSIS THE QUALITY AND THE
22 CONVENIENCE OF ACCESSING WHAT THE COMMUNITIES HAVE TO
23 OFFER.

24 CHAIRMAN KLEIN: WELL, UNDER 4B THE ISSUE IS
25 IF YOU'RE EVALUATING BOTH QUALITY AND PROXIMITY, HOW

1 ARE YOU SPLITTING THE 10 POINTS? IS IT 5 POINTS FOR
2 QUALITY AND 5 POINTS FOR PROXIMITY?

3 DR. REED: THAT WOULD BE FINE WITH ME.

4 CHAIRMAN KLEIN: OKAY. AND THE -- I'M
5 ACTUALLY OPPOSED TO LAYOUT BEING IN HERE. IT DOESN'T
6 MAKE ANY SENSE TO ME. AND I.T. WAS PREVIOUSLY
7 EVALUATED AS WELL AS LAYOUT ON A TECHNICAL BASIS.

8 I WOULD SUGGEST THAT DUANE ROTH'S COMMENT
9 ABOUT CONFERENCE FACILITIES AND HOTELS, THE ISSUE OF
10 HOW WE'RE MEETING THOSE REQUIREMENTS, WHETHER WE CAN
11 REALLY MEET THE REQUIREMENTS FOR INTERNATIONAL
12 CONFERENCES, THE OPTIMALITY IN TERMS OF THE SCALE OF
13 THE CONFERENCE AND THE QUALITY WE CAN ACCOMMODATE FOR
14 NATIONAL AND INTERNATIONAL CONFERENCE HAS A LOT TO DO
15 WITH OUR ABILITY TO FUNCTIONALLY BRING THE BEST AND
16 BRIGHTEST MINDS FROM AROUND THE WORLD, AROUND THE
17 NATION TO THE SITE. AND THAT I WOULD THINK THAT RATHER
18 THAN HAVING THE HOTELS AS A SEPARATE PART OF LOCATION,
19 WE'VE ALREADY DEFINED CONFERENCE FACILITIES AND HOTELS
20 AS HAVING TO BE WITHIN A CERTAIN NUMBER OF MINUTES OF
21 THE SITE ITSELF, SO WE KNOW THEY'RE CLOSE.

22 AND THE QUESTION ON HOTELS AND CONFERENCE
23 FACILITIES IS SCALE, WHETHER WE CAN REALLY ACCOMMODATE
24 WITHOUT COST THE SCALE OF THE MISSION THAT WE HAVE
25 UNDERTAKEN. SO I WOULD PROPOSE AN AMENDMENT TO YOUR

1 MOTION THAT WOULD SUBSTITUTE THE QUALITY AND OPTIMALITY
2 OF THE CONFERENCE FACILITIES AND HOTELS FOR THE MISSION
3 OF THE INSTITUTE AS A SUBSTITUTE FOR ITEM 2, LAYOUT.

4 AND THE QUESTION IS IS THERE A SECOND TO THAT
5 AMENDMENT?

6 DR. POMEROY: I'M SORRY, BOB. I'M NOT SURE
7 WHAT WE'RE VOTING ON. YOU'RE CHANGING NO. 2 TO QUALITY
8 OF THE LAYOUT?

9 CHAIRMAN KLEIN: NO. I'M CHANGING -- INSTEAD
10 OF HAVING 4B BE HOTEL QUALITY AND PROXIMITY -- WELL,
11 HOTEL AND CONFERENCE QUALITY AND PROXIMITY, I'M
12 SUGGESTING THAT WE REMOVE LAYOUT BECAUSE TECHNICALLY
13 WE'RE NOT GOING TO BE ABLE TO EVALUATE AS NON-REAL
14 ESTATE PROFESSIONALS LAYOUT ANY MORE THAN PREVIOUSLY
15 EVALUATED IN THE PRIOR PROPOSAL.

16 SO I'M SUGGESTING AS YOU HAD REFERENCED,
17 CLAIRE, DELETING NO. 2, LAYOUT, AND INSTEAD OF LAYOUT,
18 TRANSFERRING WHAT WOULD HAVE BEEN 4B, THE CONFERENCE
19 FACILITIES AND HOTELS, IN SUBSTITUTE FOR 2 AND MAKING
20 IT DEAL WITH THE QUALITY AND DEGREE OF THE OPTIMALITY
21 OF THOSE FACILITIES TO MEET THE MISSION OF THE
22 INSTITUTE. OPTIMALITY MEANING, FOR EXAMPLE, THAT IF
23 IT'S PROPOSED FACILITIES THAT CAN ACCOMMODATE A
24 THOUSAND PEOPLE, THAT'S BETTER FOR OUR MISSION THAN
25 BEING ABLE TO ACCOMMODATE 200.

1 DR. POMEROY: WHAT ARE YOU DOING WITH 4?

2 CHAIRMAN KLEIN: FOUR, I'M LEAVING IT AS 4A,
3 WHICH IS THE QUALITY OF THE LOCATION AND PROXIMITY AS
4 REFERENCED BY DR. REED.

5 DR. REED: JOHN REED HERE FROM SAN DIEGO.
6 THE ONLY ISSUE WITH THAT PROPOSAL TO MAKE THAT FURTHER
7 MODIFICATION IS THAT UNDER 2, LAYOUT, I GUESS I SAW
8 THAT AS A CHANCE TO CAPTURE SOME INPUT FOR WHAT THE
9 BUILDING AND ITS AESTHETICS AND ITS FUNCTIONALITY IS
10 REALLY LIKE WHEN YOU VISIT IT IN PERSON.

11 AGAIN, I THINK THAT THE ROLE OF ATTACHMENT H
12 IS TO BE ABLE TO BRING INTO THIS WHOLE SYSTEM SOMETHING
13 BEYOND WHAT SIMPLY CAN BE EXPRESSED ON A PIECE OF PAPER
14 AND TO BE ABLE TO BRING IN ADDITIONAL INPUT WHEN YOU
15 ACTUALLY HAVE BEEN THERE, SEEN IT, AND YOU HAVE A SENSE
16 FROM WALKING THE SPACE, ETC., AS TO WHETHER THIS IS
17 REALLY SUITABLE FOR OUR NEEDS, WHETHER IT HAS THE
18 FUNCTIONALITY, OTHER ATTRIBUTES OF THE SPACE THAT MAKE
19 IT ATTRACTIVE, AND TO LOOK AT THAT IN A COMPETITIVE
20 SENSE ACROSS THE FOUR SITES, AND EACH COMMITTEE MEMBER
21 THEN ASSIGN THEIR SCORE BASED ON THAT PROCESS.

22 CHAIRMAN KLEIN: DR. REED, I'M VERY RECEPTIVE
23 TO THAT EVALUATION, BUT I TOOK THAT AS COMING UNDER
24 YOUR OVERALL IMPRESSIONS. AND THAT'S WHY I'M
25 SUPPORTIVE OF THE ADDITION OF THAT ADDITIONAL CATEGORY,

1 BUT TO LOOK IN THE TERMS OF THE DEPTH OR WIDTH OF THE
2 LAYOUT OF THE FLOOR PLAN DOESN'T SEEM TO CAPTURE THAT
3 THOUGHT.

4 DR. REED: I WOULD AGREE. AS I SAID, WHAT I
5 THINK -- THE SPECIFIC TEXT THAT'S ASSOCIATED WITH EACH
6 OF THESE CATEGORIES THAT WE CALL BURDEN, LAYOUT,
7 INCENTIVE, LOCATION, ETC., I THINK COULD USE A LOT OF
8 TWEAKING IF WE REALLY WANTED TO FLESH THOSE OUT AND TO
9 HAVE THEM BE MORE REPRESENTATIVE OF WHAT I THINK A SITE
10 VISIT SHOULD ALL BE ABOUT. AND IN SOME CATEGORIES I
11 WOULD PROBABLY SCRAP THEM ALTOGETHER.

12 WHAT I WAS GOING TO SUGGEST IS THAT RATHER
13 THAN THROUGH AN ARDUOUS PROCESS SUCH AS THAT, THAT WE
14 UNDERSTAND THAT DURING THE SITE VISITS THAT UNDER BROAD
15 CATEGORIES LIKE LAYOUT, ONE WILL BE ABLE TO TAKE INTO
16 CONSIDERATION A WHOLE VARIETY OF ISSUES THAT HAVE TO DO
17 WITH THE FUNCTIONALITY AND THE AESTHETICS OF THE
18 BUILDING. AND EACH COMMITTEE MEMBER CAN THEN DECIDE
19 HOW TO WEIGH THOSE DIFFERENT ELEMENTS IN HIS OR HER OWN
20 OPINION IN GIVING THIS FINAL SCORE OF A TOTAL 10
21 POSSIBLE POINTS.

22 DR. MURPHY: I THINK I AGREE WITH JOHN. I
23 THINK THE LAYOUT GIVES US A LITTLE BIT MORE OF A
24 PRECISE WAY OF JUDGING FOR THE WHOLE COMMITTEE WHETHER
25 THE FACILITY, WHEREVER IT IS, IS SUITABLE AS IS OR

1 WHETHER IT WILL NEED SOME STRUCTURAL MODIFICATIONS,
2 WHICH FOR AN OFFICE FACILITY ARE GENERALLY MOVING --
3 PRETTY EASILY MOVED WALLS. I THINK IT GIVES US A
4 LITTLE BIT OF AN INCREASED ABILITY TO BE PRECISE IN
5 SAYING THAT THIS THING IS READY TO GO, OR IT'S A GREAT
6 FACILITY, BUT IT'S GOING TO NEED SOME MINOR
7 MODIFICATIONS PROBABLY TO FILL THE NEEDS OF THE CIRM.
8 SO I MUST SAY I SUPPORT JOHN ON THAT IDEA.

9 CHAIRMAN KLEIN: I THINK WE'VE CREATED A VERY
10 CLEAR STANDARD THAT WE NEED TO KNOW WHETHER IT CAN BE
11 MODIFIED AND WHETHER OCCUPANCY CAN BE WITHIN 90 TO 120
12 DAYS, OR THEY WERE TO SPECIFY OTHERWISE IF IT WOULD
13 REQUIRE LONGER. BUT BASICALLY I HAVE NO PROBLEM IF YOU
14 WANTED TO HAVE A SEPARATE CATEGORY THAT SAYS, YOU KNOW,
15 THE FUNCTIONAL EFFECTIVENESS OF THE BUILDING, DR. REED,
16 FOR OUR TASK AND THE SPECIFIC IMPRESSIONS THAT THE
17 BUILDING PROVIDES TO MEET THE NEEDS AND IMAGE OF THE
18 INSTITUTE. BECAUSE THAT SOUNDS LIKE WHAT YOU ARE
19 TRYING TO GET TO.

20 DR. MURPHY: I THINK THAT LANGUAGE IS FINE
21 WITH ME.

22 DR. REED: YES.

23 CHAIRMAN KLEIN: THEN I WOULD MODIFY MY
24 AMENDMENT TO YOUR MOTION TO CHANGE THE LAYOUT CATEGORY
25 AS I JUST DESCRIBED FOR EVALUATION OF HOW FUNCTIONALLY

1 OPTIMAL THE BUILDING IS TO MEET OUR MISSION, BUT ADD A
2 CATEGORY THAT DEALS WITH THE QUALITY AND THE DEGREE OF
3 OPTIMALITY OF THE CONFERENCE FACILITIES AND HOTELS IN
4 MEETING THE MISSION OF THE INSTITUTE; AND, THEREFORE, I
5 WOULD PUT 10 POINTS IN THAT NEW CATEGORY AND HAVE THE
6 OVERALL IMPRESSIONS BE 20 POINTS INSTEAD OF 30, STILL
7 ARRIVING AT THE SAME TOTAL NUMBER OF POINTS, BUT JUST
8 SPECIFICALLY CALLING OUT THAT CHARACTERISTIC OF
9 CONFERENCE FACILITIES AND HOTELS THAT WE HAVE NOT
10 EVALUATED BECAUSE IT'S A QUALITY AND OPTIMALITY
11 STANDARD; WHEREAS, PREVIOUSLY WE LOOKED AT IT
12 STATISTICALLY.

13 DR. REED: MR. CHAIRMAN, I DIDN'T SEE WHERE
14 THAT GOT US TO A HUNDRED POINTS STILL. MAYBE I
15 MISUNDERSTOOD. I THOUGHT YOU WERE SUGGESTING THAT NO.
16 2, LAYOUT, WE WOULD BASICALLY CHANGE THE WORDING ON
17 THAT, AND THAT WOULD STILL BE WORTH 10 POINTS.

18 CHAIRMAN KLEIN: THAT'S A CORRECT STATEMENT,
19 BUT WE WOULD TAKE 10 POINTS OFF OF 4B BECAUSE IT'S
20 NOT -- WE'VE ALREADY JUDGED UNDER THE PROXIMITY ISSUE
21 FOR HOTELS AND CONFERENCE CENTERS. WE REQUIRED IN THE
22 PRIOR EVALUATION THAT THEY BE WITHIN SO MANY MINUTES OF
23 THE SITE SPECIFICALLY. SO WE'VE ALREADY JUDGED THAT
24 ISSUE AS TO HOTELS AND THE CONFERENCE FACILITIES.

25 WHAT WE HAVEN'T JUDGED AS TO CONFERENCE

1 FACILITIES AND HOTELS IS HOW OPTIMAL THOSE FACILITIES
2 THAT ARE BEING OFFERED ARE FOR OUR MISSION AND THE
3 QUALITY OF THOSE FACILITIES.

4 DR. REED: THAT'S WHY I THOUGHT WE SHOULD
5 HAVE A SEPARATE WAY TO CAPTURE THAT IN THIS ATTACHMENT
6 H WHERE THE ISSUES OF THE PRACTICALITY OF ACCESSING AND
7 THE QUALITY OF THE OTHER AMENITIES COULD BE CAPTURED.

8 CHAIRMAN KLEIN: IF YOU WOULD LIKE IT TO BE
9 CAPTURED UNDER 4B, BUT NOT ADDRESS PROXIMITY FOR HOTELS
10 AND CONFERENCE FACILITIES.

11 DR. REED: OH, YES. THAT'S FINE WITH ME. I
12 GUESS PROXIMITY TO ME ALSO MEANS, AT LEAST FOR PURPOSES
13 OF ATTACHMENT H AGAIN, I REALLY SEE ATTACHMENT H AS A
14 PLACE THAT WE CAN INTRODUCE QUALITATIVE ASPECTS OF WHAT
15 THE REALITIES OF THE SITE ARE LIKE. TO ME PROXIMITY
16 HAS TO DO WITH CAN YOU WALK TO IT VERSUS YOU HAVE TO
17 TAKE A 15-MINUTE CAB RIDE THROUGH DENSE TRAFFIC. ON
18 PAPER THOSE MAY LOOK THE SAME, BUT IN REALITY WE KNOW
19 THAT IT'S A SIGNIFICANT IMPACT ON THE FUNCTION OF THE
20 CIRM AND ITS ABILITY TO CONDUCT MEETINGS WHERE WE'VE
21 GOT PEOPLE FROM SITE VISIT TEAMS COMING IN AND OUT TO
22 DO REVIEWS AND THINGS LIKE THIS. SO THIS IS WHERE I
23 THINK YOU CAN CAPTURE THESE QUALITATIVE ASPECTS THAT
24 WEREN'T CAPTURED IN THE QUANTITATIVE METRIC THAT WAS
25 USED PREVIOUSLY.

1 CHAIRMAN KLEIN: UNDER 4B I'M HAPPY TO
2 WITHDRAW MY MOTION, HAVE THAT BE QUALITATIVE AND THE
3 OPTIMALITY OF THESE FACILITIES TO MEET OUR MISSION,
4 UNDERSTANDING THAT UNDER QUALITY THERE IS GOING TO BE
5 SOME SUBJECTIVITY AMONG THE MEMBERS AS TO EXACTLY
6 FOLLOW THE CHARACTERISTICS UNDER QUALITY. OPTIMALITY
7 WOULD SEEM TO BE A MORE OBJECTIVE PORTION OF THAT
8 SUBPOINT.

9 DR. REED: I WOULD AGREE. I THINK OPTIMALITY
10 IS MAYBE PERHAPS A BETTER WORD TO USE.

11 IF I COULD ITERATE, THE WAY I VIEW THIS IS I
12 VIEW THE FIRST SCORING SYSTEM THAT ADDED UP TO 200
13 POINTS AS SOMETHING THAT WAS AN ATTEMPT TO BE EXTREMELY
14 QUANTITATIVE BASED ON WHAT'S ON PAPER. I VIEW THIS
15 OPPORTUNITY WITH ATTACHMENT H AND THE SITE VISITS AS A
16 WAY TO INTRODUCE A QUANTITATIVE IMPRESSION OF THE
17 SITES, USING THE SCORING SYSTEM I'VE PROPOSED AS
18 GUIDELINES, BUT RECOGNIZING IN EACH CATEGORY THERE WILL
19 BE SOME SUBJECTIVITY TO THAT, AND THAT IS THEN FOR THE
20 DISCRETION OF EACH MEMBER OF THE SUBCOMMITTEE IN THEIR
21 BEST JUDGMENT AND CONSCIENCE TO TRY TO WORK WITHIN
22 THOSE PARAMETERS.

23 CHAIRMAN KLEIN: ALL RIGHT. WELL, THEN, WE
24 HAVE A MOTION. I'VE WITHDRAWN MY SUGGESTION TO AMEND
25 THE MOTION BECAUSE WE HAVE CLARIFIED IT. POINT 2 IS

1 THE FUNCTIONAL -- IS THE FUNCTIONAL EXCELLENCE OR
2 OPTIMALITY OF THE BUILDING TO MEET THE NEEDS OF THE
3 MISSION. AND POINT 4B IS CONFERENCE FACILITIES AND
4 HOTELS, THEIR FUNCTIONAL OPTIMALITY TO MEET THE
5 INSTITUTE'S MISSION. AND I BELIEVE WE HAVE 90 POSITIVE
6 POINTS AND A NEGATIVE 10 POINTS UNDER THE SCALE THAT'S
7 BEING PROPOSED.

8 IS THERE ADDITIONAL DISCUSSION?

9 DR. MURPHY: BOB, JUST CLARIFICATION. SO 4,
10 LOCATION, IS GOING TO BE WORTH 10 OR 20?

11 CHAIRMAN KLEIN: THERE'S A SUBPOINT 4A, WHICH
12 IS TEN AND A SUBPOINT 4B, WHICH IS TEN.

13 DR. MURPHY: THE OVERALL IMPRESSIONS YOU HAVE
14 MODIFIED FROM 20 TO 30. WHAT IS THAT GOING TO BE?

15 DR. POMEROY: THIRTY.

16 CHAIRMAN KLEIN: IT IS STILL 30 POINTS
17 BECAUSE WE DID NOT ADD A SEPARATE CATEGORY, SO IT IS
18 STILL 30 POINTS.

19 DR. MURPHY: OKAY. THANK YOU.

20 DR. POMEROY: BOB, CAN YOU CLARIFY WHAT 4A IS
21 NOW, WHAT THE WORDING OF 4A IS?

22 CHAIRMAN KLEIN: DR. REED?

23 DR. REED: THE WORDING WOULD BE SOMETHING
24 ALONG THE LINES OF THE BUILDING OPTIMALITY IN REFERENCE
25 TO UNIVERSITIES, HOSPITALS, AND RESEARCH CENTERS WOULD

1 BE 4A, AND FOR 4B IT WOULD BE THE SITE LOCATION WITH
2 RESPECT -- WITH OPTIMALITY TO ACCESS TO HOTEL,
3 CONFERENCE, AND OTHER SORTS OF SUPPORTING FACILITIES.

4 CHAIRMAN KLEIN: WELL, DR. REED, I THOUGHT WE
5 WERE DISCUSSING 4B IN THE CONTEXT OF OPTIMALITY FOR
6 QUALITY AND THE FUNCTIONAL OPTIMALITY AND ABILITY TO
7 MEET NATIONAL AND INTERNATIONAL CONFERENCE OBJECTIVES.

8 DR. REED: I THINK THAT CONFERENCE FACILITIES
9 HAVE MANY, MANY PURPOSES, AND I WOULDN'T WANT TO BE
10 THAT SPECIFIC WITH THE LANGUAGE. SO I THINK WHAT I
11 SUGGESTED WOULD BE SUFFICIENT BECAUSE THEN WE CAN LOOK
12 AT A VARIETY OF ISSUES WITH RESPECT TO OPTIMALITY OF
13 HOTEL AND CONFERENCE FACILITIES AND OTHER SORTS OF
14 SUPPORTING FACILITIES.

15 CHAIRMAN KLEIN: WELL, THE PURPOSE OF THE
16 CONFERENCE FACILITIES IS TO MEET STATE, NATIONAL, AND
17 INTERNATIONAL CONFERENCE REQUIREMENTS. AND THE
18 OPTIMALITY OF THOSE FACILITIES TO MEET THOSE CONDITIONS
19 WOULD BE WHY I WOULD BE SUPPORTIVE OF 4B.

20 IS THERE ANY OTHER DISCUSSION ON 4B?

21 DR. REED: AGAIN, I THINK MY IDEA WAS TO TRY
22 TO CAPTURE WITH SOME DEGREE OF FLEXIBILITY THE ACCESS
23 TO, THE QUALITY OF THE HOTEL AND CONFERENCE FACILITIES
24 AND OTHER SORTS OF SUPPORTING FACILITIES THAT THE SITE
25 COULD OFFER. CERTAINLY AN ELEMENT OF THAT IS TO WHAT

1 EXTENT CAN FACILITIES WITHIN SOME RADIUS, I GUESS 45
2 MINUTES SEEMS TO BE THE BELLWETHER THAT'S BEEN SET
3 THROUGHOUT THE RFP, COULD ACCOMMODATE VERY LARGE
4 INTERNATIONAL MEETINGS. AND THAT CAN CERTAINLY BE AN
5 ELEMENT UNDER THERE, BUT I DON'T SEE A NEED TO
6 SPECIFICALLY ARTICULATE AT THAT KIND OF LEVEL OF DETAIL
7 WHAT IS MEANT BY THE OPTIMALITY OF HOTEL, CONFERENCE,
8 AND OTHER SORTS OF SUPPORTING FACILITIES.

9 DR. POMEROY: CAN I SUGGEST THAT MY PIECE OF
10 PAPER HERE IS PRETTY TORN UP. SO I WONDER IF WE NEED
11 TO GET ANOTHER VERSION OF THIS THAT INCORPORATES SOME
12 OF THESE COMMENTS. IF WE DID THAT, I WOULD BE IN FAVOR
13 OF SORT OF OPEN-ENDED DESCRIPTIONS OF THESE QUALITATIVE
14 SCORES SO THAT PEOPLE CAN DECIDE WHAT IS MORE
15 IMPORTANT. IS QUALITY MORE IMPORTANT OR PROXIMITY?
16 OPTIMALITY IS -- I'M NOT SURE IT'S A WORD, BUT IT
17 CERTAINLY ENCOMPASSES WHAT WE'RE TRYING TO DO HERE.

18 FOR INSTANCE, FOR 4A, I THINK BUILDING
19 OPTIMALITY IN TERMS OF ITS LOCATION, FOR EXAMPLE, IS IN
20 RELATION TO UNIVERSITIES, HOSPITALS, BUT WE COULD ALSO
21 THROW THE AIRPORT AND THE STATE CAPITAL AND STUFF. AND
22 15 MINUTES IS BETTER THAN 45, THOSE KINDS OF THINGS.

23 SO I WOULD LIKE SOME WIGGLE ROOM IN THERE FOR
24 QUALITATIVE INTERPRETATION.

25 DR. REED: I AGREE. I WOULD JUST, FOR

1 EXAMPLE, OF WHY I THINK THAT IT WOULD BE ILL-ADVISED TO
2 GET TOO SPECIFIC ABOUT THE WORDING ON THIS FOR THE
3 PURPOSE OF THE SITE VISIT, IT WAS JUST BROUGHT TO MY
4 ATTENTION, FOR EXAMPLE, THAT IN THE ACTUAL RFP, THAT IT
5 STATES, QUOTE, THE CONFERENCE FACILITY -- THIS IS
6 REFERRING TO ACCESS TO CONFERENCE FACILITIES -- MUST BE
7 ABLE TO ACCOMMODATE 150 OR MORE PERSONS FOR NATIONAL OR
8 INTERNATIONAL CONFERENCES TO SUPPORT THE FUTURE GOALS
9 OF SCIENTIFIC, MEDICAL, AND TECHNICAL RESEARCH FUNDED
10 BY CIRM. SO BY THE LETTER OF THE RFP, ONE WOULD ONLY
11 HAVE TO BE ABLE TO ACCOMMODATE 150 PEOPLE IN ORDER TO
12 MEET THE LETTER OF THAT. WE'D LIKE TO HAVE, OBVIOUSLY,
13 THE FLEXIBILITY TO LOOK AT WHAT'S THERE AND TO FACTOR
14 IN IF WE SEE SOMETHING THAT GOES BEYOND THE LETTER OF
15 THE RFP AND USE THAT IN ASSESSING OUR FINAL SCORE FOR
16 ATTACHMENT H.

17 CHAIRMAN KLEIN: I AGREE TOTALLY. THAT'S THE
18 POINT IS THAT, AS WELL, IF SOMEONE SUBMITTED CONFERENCE
19 FACILITIES TO ONLY MEET 175 PEOPLE, THAT'S NOT GOING TO
20 WORK AS WELL AS A THOUSAND PEOPLE MEETING THE NATIONAL
21 OR INTERNATIONAL CONFERENCE.

22 IF WE ARE TO MAINTAIN OUR SCHEDULE AND IF
23 WE'RE TO CONCLUDE THIS MEETING HERE, I THINK WE NEED TO
24 MAKE A DECISION ABOUT WHETHER WE CAN LIVE WITH THIS
25 FORM AS AMENDED WITH THE BENEFIT OF THE PUBLIC COMMENT

1 ON THE RECORD THAT WE'VE HAD, OR WHETHER WE NEED TO
2 ABANDON OUR SITE MEETING. I REMIND EVERYONE THAT WE'RE
3 ON THIS TIMETABLE BECAUSE WE'RE TRYING TO IDENTIFY A
4 SITE FOR PURPOSES OF SELECTING OUR PRESIDENT, FOR
5 PURPOSES OF OUR SCIENTIFIC STAFF, WHICH ARE CRITICAL TO
6 OUR OPERATIONS, AND ALL OF THOSE TIMETABLES ARE
7 DEPENDENT UPON HAVING A SITE, WHICH IS WHAT'S DRIVING
8 THIS TIMETABLE.

9 BUT THE SUBCOMMITTEE'S WILL IS WHAT NEEDS TO
10 PREVAIL HERE. WHAT IS THE DESIRE OF THE SUBCOMMITTEE?

11 DR. MURPHY: I THINK WHAT WE'RE TALKING ABOUT
12 HERE IS MINOR CHANGES TO H, THAT I THINK SHOULD NOT
13 DERAIL THE PROCESS. I THINK IT WOULD BE A MISTAKE TO
14 GET OFF SCHEDULE. I THINK BY SOME MECHANISM WE SHOULD
15 RESOLVE THE WHAT I CONSIDER MINOR DIFFERENCES BETWEEN
16 WHAT YOU AND JOHN ARE SAYING.

17 DR. REED: JUST A POINT OF ORDER. A MOTION
18 WAS MADE AND SECONDED. I BELIEVE, IF I UNDERSTOOD THE
19 GIST OF WHERE WE CAME OUT ON THE CONVERSATION, THAT THE
20 ONLY AMENDMENT THAT REALLY, I THINK, NEEDS TO BE MADE,
21 BUT YOU'LL HAVE TO CORRECT ME, IS UNDER POINT 2 UNDER
22 LAYOUT, THAT WE BROADENED THAT DISCUSSION OF THAT TO
23 INCLUDE THE FUNCTIONALITY, THE QUALITY, AND OTHER SORTS
24 OF ATTRIBUTES OF THE CENTER. WITH THAT ONE
25 MODIFICATION, I THINK THEN THAT MY MOTION STILL STANDS.

1 AND IF ANYBODY ON THE COMMITTEE WOULD BE WILLING TO
2 CALL THE QUESTION, THEN I THINK WE CAN MOVE IT TO A
3 VOTE.

4 CHAIRMAN KLEIN: DR. REED, THE PROBLEM IS
5 CLAIRE POMEROY SAID THAT SHE DOESN'T COMPLETELY
6 UNDERSTAND THE MOTION, SO WE CAN'T HAVE A VOTE ON A
7 MOTION UNTIL WE HAVE CLARITY ON THAT.

8 AS TO 4B, I HAVE MODIFIED THAT TO MAKE
9 CERTAIN THAT WE'RE TALKING ABOUT QUALITY AND HOW
10 WHETHER OR NOT THOSE CONFERENCE FACILITIES OPTIMALLY
11 MET OUR NEEDS FOR NATIONAL AND INTERNATIONAL
12 CONFERENCES.

13 DR. REED: UNDERSTOOD.

14 CHAIRMAN KLEIN: THAT'S CRITICAL TO MY
15 UNDERSTANDING OF 4B.

16 DR. PENHOET: IF WE COULD JUST DELETE THAT
17 PARENTHESIS WHICH SAYS ZERO TO TEN BE CLOSEST PROXIMITY
18 TO ITEMS ABOVE. I DON'T THINK WE WANT TO GET A
19 MEASURING TAPE OUT. THAT WOULD ALLOW YOU TO
20 ESSENTIALLY DESCRIBE WHAT I THINK YOU'RE TRYING TO GET
21 TO, BOB, WHICH IS PROXIMITY IN THE BROADER SENSE OF
22 THAT WORD.

23 CHAIRMAN KLEIN: WELL, I'M TRYING TO GET TO
24 OPTIMALITY AND SCOPE OF THE FACILITIES AND THEIR
25 QUALITY TO MEET OUR CORE MISSION. DR. REED, IF 4B IS

1 ACCEPTABLE TO YOU WITH MY DESCRIPTION, THEN I'M FINE
2 WITH YOUR SCALE.

3 DR. REED: IT IS.

4 CHAIRMAN KLEIN: ALL RIGHT. WELL, GIVEN
5 THAT --

6 DR. FRIEDMAN: I CALL THE QUESTION.

7 CHAIRMAN KLEIN: CALL THE QUESTION. WE NEED
8 TO DO A ROLL CALL VOTE.

9 MS. DUROSS: MICHAEL FRIEDMAN.

10 DR. FRIEDMAN: YES.

11 MS. DUROSS: BOB KLEIN.

12 CHAIRMAN KLEIN: YES.

13 MS. DUROSS: RICHARD MURPHY.

14 DR. MURPHY: YES.

15 MS. DUROSS: ED PENHOET.

16 DR. PENHOET: YES.

17 MS. DUROSS: CLAIRE POMEROY.

18 DR. POMEROY: NO.

19 MS. DUROSS: JOHN REED.

20 DR. REED: YES.

21 CHAIRMAN KLEIN: ALL RIGHT. THE MOTION
22 PASSES.

23 AT THIS POINT WE HAVE COVERED THE AGENDA.
24 CLAIRE, YOU ASKED WHETHER WE COULD RETURN TO FIVE OR
25 SIX. WHAT IS YOUR DESIRE?

1 DR. POMEROY: BOB, I HAVE ONE QUESTION ON THE
2 MOTION WE JUST PASSED. IS THE BURDEN A NEGATIVE OR A
3 POSITIVE?

4 CHAIRMAN KLEIN: NEGATIVE.

5 DR. POMEROY: SO THERE ARE A TOTAL OF --

6 CHAIRMAN KLEIN: NINETY POSITIVE AND UP TO
7 TEN NEGATIVE.

8 DR. POMEROY: THANK YOU.

9 CHAIRMAN KLEIN: IS THE COMMITTEE'S DESIRE TO
10 DEAL WITH THE ALLOCATION OF POINTS BETWEEN H AND THE
11 ORIGINAL EVALUATION TO BE CONSIDERED AT THE NEXT
12 MEETING?

13 DR. REED: YES.

14 CHAIRMAN KLEIN: IRELAND, HOW DO YOU FEEL
15 ABOUT IT?

16 DR. FRIEDMAN: YES.

17 CHAIRMAN KLEIN: OKAY. AND FROM MEXICO?

18 DR. MURPHY: YES.

19 CHAIRMAN KLEIN: OKAY. FROM UC DAVIS?

20 DR. POMEROY: I GUESS, YOU KNOW, IT'S EASIEST
21 TO WANT TO PUT IT OFF, BUT I DO HAVE SOME CONCERNS
22 ABOUT NOT BEING TRANSPARENT ABOUT IT AHEAD OF THE SITE
23 VISIT. IT GIVES ME A LITTLE BIT OF DISCOMFORT TO NOT
24 HAVE OUR SCORING SYSTEM EXPLICIT BEFORE WE GO INTO THE
25 SITE VISITS.

1 CHAIRMAN KLEIN: DR. POMEROY, I WOULD AGREE
2 WITH YOU, BUT I'M PREPARED TO LIVE WITH WHATEVER THE
3 COMMITTEE'S DIRECTION IS. DR. PENHOET.

4 DR. PENHOET: YES.

5 CHAIRMAN KLEIN: SO IT SOUNDS AS THOUGH,
6 CLAIRE, THAT THE REST OF THE COMMITTEE WOULD LIKE TO
7 DEFER THAT DECISION.

8 DR. POMEROY: WE'RE DEFERRING THE DECISION
9 ABOUT THE RELATIVE WEIGHT OF THE 90 POINTS IN H VERSUS
10 THE POTENTIAL 200 POINTS, THE SCORES THAT WE ALREADY
11 APPROVED, BUT THE RELATIVE WEIGHTING OF THOSE.

12 CHAIRMAN KLEIN: THAT IS -- THAT IS WHAT I'M
13 HEARING, DR. POMEROY.

14 DR. MURPHY: BOB, WHEN WOULD THAT DECISION BE
15 MADE, THEN, IN TERMS OF OUR CURRENT SCHEDULE?

16 CHAIRMAN KLEIN: WELL, IT WOULD HAVE TO BE
17 MADE AT THE MAY 2D MEETING.

18 DR. PENHOET: IT IS BETTER PRACTICE TO DEFINE
19 THEM UP FRONT.

20 CHAIRMAN KLEIN: IT IS BETTER PRACTICE. I
21 COMPLETELY AGREE WITH CLAIRE'S POSITION.

22 DR. FRIEDMAN: THIS IS MIKE FRIEDMAN. I HAVE
23 THOUGHT ABOUT THIS A BIT MORE, AND I THINK IT WOULD BE
24 BETTER TO DEFINE THAT BEFORE THE --

25 DR. MURPHY: RICH MURPHY. LET ME JUST BEGIN

1 THE CONVERSATION THEN, IF I MIGHT. AM I IN ORDER HERE?

2 CHAIRMAN KLEIN: YOU'RE IN ORDER.

3 DR. MURPHY: IT WOULD SEEM TO ME THAT, GIVEN
4 THE FACT THAT WE'VE GOT A 200-POINT SYSTEM AND A
5 90-POINT SYSTEM ON WHAT WE TALKED ABOUT FOR ATTACHMENT
6 H, THAT IT WOULD BE APPROPRIATE FOR US TO PROBABLY HAVE
7 AN ADDITIVE SYSTEM; OR ALTERNATIVELY, WHEN WE MAKE OUR
8 RECOMMENDATION TO THE FULL ICOC, TO INDICATE PRECISELY
9 HOW THE SCORING ON BOTH THE ORIGINAL MATRIX CAME OUT
10 AND, SECONDLY, ON THE ATTACHMENT H CAME OUT.

11 I THINK IT'S A WAY TO INFORM OUR COLLEAGUES
12 ON THE ICOC AS EXACTLY WHAT THE PROCESS WAS AND ALSO TO
13 DETERMINE THE WEIGHT OF EACH COMPONENT.

14 I GUESS -- I HOPE I'M NOT OUT OF ORDER HERE,
15 BUT I GUESS THE OTHER QUESTION THAT I'M NOT SURE ABOUT
16 AND WHETHER WE'RE TAKING IT UP OR NOT IS WHAT WILL THE
17 PROCESS BE AT THE ICOC MEETING? AND IS IT WORTH
18 CONSIDERING THE POSSIBILITY THAT THE TWO FINALISTS
19 WOULD HAVE AN OPPORTUNITY TO MAKE A PRESENTATION TO THE
20 FULL ICOC?

21 IF I WERE AN ICOC MEMBER NOT ON THE
22 COMMITTEE, I MIGHT WELCOME THE OPPORTUNITY OF GETTING
23 SOME FIRSTHAND INFORMATION FROM THE TWO FINALISTS TO
24 HELP ME MAKE MY JUDGMENT.

25 CHAIRMAN KLEIN: I THINK IT'S QUITE

1 APPROPRIATE THAT THE FINALISTS MAKE A PRESENTATION.
2 AND, FRANKLY, IT WOULD BE IN ORDER UNDER PUBLIC
3 COMMENTS FOR INDIVIDUALS -- FOR CITIES THAT ARE NOT
4 FINALISTS TO MAKE A PRESENTATION AS WELL, AS LONG AS
5 PRESENTATIONS ARE CONSISTENT WITH TIME FRAMES WE SET UP
6 TO PROVIDE FAIRNESS AMONG THE PARTIES.

7 DR. POMEROY: BOB, THIS IS CLAIRE POMEROY.
8 IN A WAY THIS BRINGS US BACK TO THE ORIGINAL AGENDA
9 ITEMS NO. 5 AND 6 THAT WE STARTED OUT WITH. AND SORT
10 OF THE DECISION ON 5 AND 6 PROBABLY IMPACTS AND VICE
11 VERSA ON THE DECISION ABOUT THE RELATIVE WEIGHT BETWEEN
12 THE ORIGINAL SCORE AND ITEM H.

13 SO DO WE NEED TO PUSH THROUGH AND MAKE
14 DECISIONS ABOUT 5 AND 6?

15 CHAIRMAN KLEIN: WELL, I THINK THAT THE
16 ANSWER IS YES IF WE ARE GOING TO MAKE A DECISION.
17 FIRST OF ALL, AS A MATTER OF LAW, I BELIEVE I'D LIKE TO
18 ASK COUNSEL, BUT I BELIEVE THE FULL ICOC MAY SELECT A
19 SITE OTHER THAN THE SITE THAT EARNS THE HIGHEST NUMBER
20 OF POINTS DURING EVALUATION BECAUSE FINAL AUTHORITY IS
21 RETAINED BY THE ICOC. SO REGARDLESS OF WHAT WE DECIDE,
22 I BELIEVE THAT THE ANSWER IS THAT THEY CAN; IS THAT
23 CORRECT, COUNSEL?

24 MR. HARRISON: THAT'S CORRECT. THE ICOC
25 DELEGATED TO THIS COMMITTEE THE RESPONSIBILITY TO

1 RECOMMEND A SITE AND A RUNNER-UP. THE ICOC COULD MAKE
2 THE DECISION THAT IT PREFERS ONE OR THE OTHER OR IT
3 DOESN'T LIKE EITHER OPTION.

4 DR. POMEROY: SO THIS IS A MOOT POINT.

5 CHAIRMAN KLEIN: THAT IS A MOOT POINT. NOW,
6 IN TERMS OF HAVING TRANSPARENCY, I THINK THE POINT MADE
7 EARLIER IS VERY IMPORTANT. WE SHOULD DEFINITELY, I
8 THINK, REPORT THE SCORES ON THE FIRST PORTION OF THE
9 EVALUATION AND THE SECOND POINT, AND WE WILL HAVE
10 PRESENTATIONS BY THE PARTIES AT THE FINAL MEETING FOR
11 THE FINAL DECISION SO THAT THE FULL BOARD CAN BE IN AN
12 INFORMED POSITION, ALTHOUGH THOSE WILL BE LIMITED IN
13 TIME SINCE WE HAVE THE BENEFIT OF EXTENSIVE STAFF WORK.
14 AND THE POINT HAS BEEN MADE AT THE LAST BOARD MEMBER
15 MEETING THAT WE HAVE TO FUNCTION AS AN ORGANIZATION
16 WITH THE FULL BOARD MEETING FOR LIMITED PERIODS OF TIME
17 WITH VERY HIGHLY QUALIFIED EXPERT KNOWLEDGE TO DEPEND
18 IN PART ON THE SUBCOMMITTEE PROCESS.

19 SO WE CAN REPORT TO THEM AND HAVE LIMITED
20 TIME PERIOD PRESENTATIONS BEING CONSISTENT WITH THAT
21 FEELING EXPRESSED AT THE LAST BOARD MEETING.

22 SO THE QUESTION IS ON NO. 5 DO WE WANT TO
23 CONSIDER WHETHER THE SITE SUBCOMMITTEE MAY RECOMMEND TO
24 THE FULL ICOC A SITE OTHER THAN THE SITE THAT EARNS THE
25 HIGHEST NUMBER OF POINTS DURING EVALUATION. THAT WOULD

1 BE THE PENDING QUESTION THAT WOULD BE RELEVANT HERE.

2 IS THERE A MOTION RELATED TO THAT QUESTION?

3 DR. POMEROY: BOB, I'LL MAKE A MOTION TO GET

4 THE DISCUSSION STARTED. I WOULD MOVE THAT WE GIVE --

5 THE SITE SEARCH COMMITTEE FORWARD THE SCORES ON THE

6 ORIGINAL MATRIX ON THE ATTACHMENT H MATRIX AND THAT WE

7 MAY FORWARD A RECOMMENDATION FOR FINALISTS AND

8 SEMIFINALISTS THAT DOES NOT DIRECTLY REFLECT THE PEOPLE

9 THAT EARNED THE HIGHEST NUMBER OF POINTS BASED ON OUR

10 DISCUSSION AT OUR MAY 2D MEETING.

11 CHAIRMAN KLEIN: OKAY. SO THE OPERATIVE WORD

12 THERE IS MAY?

13 DR. POMEROY: CORRECT.

14 CHAIRMAN KLEIN: IS THERE A SECOND TO THAT

15 MOTION? THERE'S NO SECOND TO THAT MOTION. SO DOES

16 SOMEONE MAKE THE ALTERNATIVE MOTION, THAT WE WILL

17 FORWARD THE ENTITIES AS THE FIRST AND SECOND SITE WITH

18 THE HIGHEST POINTS?

19 DR. FRIEDMAN: I WILL MAKE THAT MOTION, MR.

20 CHAIRMAN.

21 CHAIRMAN KLEIN: IS THERE A SECOND TO THAT?

22 DR. PENHOET: SECOND.

23 CHAIRMAN KLEIN: MOTION IS MADE AND SECONDED.

24 IS THERE A DISCUSSION BY THE MEMBERS ON THAT MOTION?

25 MS. KING: I JUST WANTED TO LET EVERYBODY

1 KNOW, WHILE IT DOES NOT AFFECT OUR QUORUM, DR. REED DID
2 HAVE TO LEAVE THE MEETING.

3 CHAIRMAN KLEIN: OKAY. THANK YOU.

4 DR. FRIEDMAN: I WILL HAVE TO LEAVE IN
5 ANOTHER 15 MINUTES OR SO.

6 CHAIRMAN KLEIN: WE'RE GOING TO TRY AND MOVE
7 THIS ALONG VERY QUICKLY. IS THERE ADDITIONAL PUBLIC
8 COMMENT ON THE MOTION? HEARING NO PUBLIC COMMENT, I'D
9 LIKE TO CALL THE QUESTION.

10 MS. KING: SORRY, BOB. WE DO HAVE ONE PUBLIC
11 COMMENT HERE AT BURNHAM.

12 MR. ROTH: BOB, IT'S DUANE ROTH. COULD YOU
13 JUST REPEAT THE MOTION, PLEASE?

14 CHAIRMAN KLEIN: YES. THE MOTION IS THAT WE
15 WILL FORWARD TO THE ICOC AS PRIMARY AND A SECONDARY
16 RECOMMENDATION BASED UPON THE HIGHEST POINTS RECEIVED,
17 INCLUDING THE PROCESS OF PHASE I EVALUATION AND PHASE
18 II BEING THE SITE VISIT, AND REMIND YOU THAT IT HAS
19 PREVIOUSLY BEEN STATED IT'S NOT BINDING ON THE ICOC THE
20 ORDER OF RANKING IN OUR RECOMMENDATION. THEY MAY
21 DECIDE ON ANY SITE.

22 DR. POMEROY: POINT OF CLARIFICATION, THEN,
23 ABOUT THE MOTION. THE IMPLICATION OF THAT IS THAT THE
24 HIGHEST NUMBER OF POINTS IS ADDITIVE BETWEEN THE FIRST
25 MATRIX AND ATTACHMENT H.

1 CHAIRMAN KLEIN: THAT IS CORRECT.

2 MR. ROTH: THIS IS DUANE ROTH. I DO HAVE A
3 PUBLIC COMMENT. I THINK THAT'S COMPLETELY
4 INAPPROPRIATE BECAUSE IF YOU DO THE MATH, IT'S
5 VIRTUALLY IMPOSSIBLE FOR THE SITE VISITS AND THE
6 DETERMINATION OF ATTACHMENT H TO OUTWEIGH THE ORIGINAL.
7 AND I THINK THAT'S INAPPROPRIATE AND UNFAIR.

8 CHAIRMAN KLEIN: I THINK, DUANE, THE INTENT
9 IN PICKING UP SOME OF THE RECOMMENDATIONS TODAY AND
10 INCREASING THE POINTS WAS TO AFFECT THAT OUTCOME AND
11 ALLOW OVERALL IMPRESSIONS AND OTHER CRITERIA TO WEIGH
12 MORE HEAVILY. BUT, AGAIN, REMEMBER, THE RECOMMENDATION
13 IS NOT BINDING ON THE ICOC AS A WHOLE ALTHOUGH THEY MAY
14 DECIDE TO FOLLOW IT.

15 ADDITIONAL PUBLIC COMMENT? ALL RIGHT. IS
16 THERE A CALL THE QUESTION?

17 DR. FRIEDMAN: YES.

18 CHAIRMAN KLEIN: OKAY. ROLL CALL.

19 MS. DUROSS: MICHAEL FRIEDMAN.

20 DR. FRIEDMAN: YES.

21 MS. DUROSS: BOB KLEIN.

22 CHAIRMAN KLEIN: YES.

23 MS. DUROSS: RICHARD MURPHY.

24 DR. MURPHY: YES.

25 MS. DUROSS: ED PENHOET.

1 DR. PENHOET: YES.

2 MS. DUROSS: CLAIRE POMEROY.

3 DR. POMEROY: NO.

4 MS. DUROSS: JOHN REED.

5 CHAIRMAN KLEIN: THE MOTION PASSES.

6 ALL RIGHT. I THINK WE HAVE ACCOMPLISHED WHAT

7 WE CAN TODAY.

8 DR. FRIEDMAN: MR. CHAIRMAN, MAY JUST ASK A

9 QUESTION FOR CLARIFICATION?

10 CHAIRMAN KLEIN: ABSOLUTELY.

11 DR. FRIEDMAN: WILL SCORES OF ALL FOUR

12 FINALISTS BE PRESENTED TO THE ICOC FOR INFORMATION, AND

13 THE RECOMMENDATION FOR ONE AND TWO FROM THE SITE

14 VISITS?

15 CHAIRMAN KLEIN: I THINK THAT THAT IS AN

16 EXCELLENT SUGGESTION ALONG WITH THE POINT MATRIX

17 SUMMARIES FROM BOTH PHASES BECAUSE THE ICOC IS REALLY

18 THE FINAL DECISION BODY HERE, AND THIS IS AN IMPORTANT

19 DECISION.

20 DR. FRIEDMAN: THAT'S WHY I'D LIKE TO DO

21 THAT. I DO UNDERSTAND CLAIRE'S CONCERN. THE REASON

22 I'M SUGGESTING A FORMAL ADHERENCE TO THE NUMBERS IS IN

23 ORDER TO MAKE SURE THAT THERE IS NO ACCUSATION OF

24 PREJUDICE THAT WE AS THE SUBCOMMITTEE ARE INTRODUCING.

25 WE DO ALLOW THE ENTIRE BOARD TO COMMENT.

1 CHAIRMAN KLEIN: RIGHT. ABSOLUTELY. OKAY.
2 THANK YOU VERY MUCH. THANKS TO THE PUBLIC. ANY OTHER
3 COMMENTS?

4 DR. POMEROY: CAN WE JUST CLARIFY WHAT WE'RE
5 DOING BECAUSE I THINK THE FINAL RECOMMENDATION THAT WE
6 TALKED ABOUT WAS A LITTLE DIFFERENT THAN THE MOTION WE
7 PASSED. SO WE'RE PASSING ALL THE SCORES ON?

8 CHAIRMAN KLEIN: YES. UNLESS THERE'S A BOARD
9 MEMBER THAT FEELS WE SHOULDN'T PASS THE REST OF THE
10 SCORES ON.

11 DR. POMEROY: WE'RE PASSING ON BOTH THE
12 SCORES FOR THE ORIGINAL MATRIX AND H AND ADDITIVE SCORE
13 OR JUST ADDITIVE SCORES?

14 CHAIRMAN KLEIN: WE'RE PASSING ON BOTH
15 COMPONENTS AND THE ADDITIVE TOTAL.

16 DR. POMEROY: AND THEN OUT OF THAT -- WELL,
17 WE DON'T HAVE TO MAKE A RECOMMENDATION BECAUSE WE'RE
18 DOING IT ON THE BASIS OF POINTS OF WHAT THE TOP TWO
19 WOULD BE.

20 CHAIRMAN KLEIN: WE'LL FORMALIZE THAT AT THE
21 MAY 2D -- AT THE MAY 2D MEETING. AND, AGAIN, THE FULL
22 BOARD HAS THE LEGAL CAPACITY TO MAKE A DECISION
23 DIFFERENT THAN OUR RECOMMENDATION.

24 DR. POMEROY: GOT IT. THANK YOU.

25 CHAIRMAN KLEIN: OKAY.

1 DR. FRIEDMAN: I HOPE THAT APPEARS FAIR TO
2 EVERYBODY.

3 CHAIRMAN KLEIN: OKAY. WE THANK YOU ALL.
4 MEETING IS ADJOURNED.

5 (THE MEETING WAS THEN ADJOURNED AT 09:46
6 A.M.)

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