

**REGULAR MEETING OF THE BOARD OF DIRECTORS  
KAUA'I ISLAND UTILITY COOPERATIVE**

Held Via Zoom Webinar

On July 28, 2022

**MINUTES**

Called to order at 1:04 p.m.

**1. Roll Call**

- 1.1. Directors present: Allan Smith (Board Chair), Jan TenBruggencate (Vice Chair), Calvin Murashige (Secretary), Peter Yukimura (Treasurer), Dee Crowell, James Mayfield, Teofilo Tacbian, Janet Kass; and David Bissell (CEO). A quorum of directors was present
  
- 1.2. Others present: Karissa Jonas (CFO), Beth Tokioka (Communications Mgr.), Maile Alfiler (Member Services Mgr.), Lisa Ubay (HR Mgr.), Cameron Kruse (Engineering & Technology Mgr.), Corinne Cuaresma (Controller), Shelley Paik (Public Affairs Specialist), John Cox (T&D Mgr.), Chris Yuh (Finance Mgr.), Erin Tsuda (Finance Mgr.), Daurice Arruda (Accounting Mgr.), Shelsey Francisco (Financial Analyst), Laurel Loo (General Counsel), and Teresa Amoy (Executive Administrator); Members of the press (0) and Members of the public (1)

**2. Approval of the Agenda**

- 2.1. The Board of Directors' Agenda of July 28, 2022, was approved as circulated

**3. Approval of Minutes**

- 3.1. Motion to approve the minutes of June 28, 2022 Regular Meeting
  - 3.1.1. [Motion: TenBruggencate] [Second: Murashige]
- 3.2. Discussion: Director Kass stated neither her nor Director Mayfield voted against approving the strategic plan
- 3.3. Motion to defer minutes to the next meeting
  - 3.3.1. [Motion: TenBruggencate] [Second: Kass]  
Motion approved unanimously

**4. President's Report – David Bissell (CEO)**

- 4.1. CEO discussed June's Safety report, KIUC's Availability and Reliability regarding outages, Efficiency regarding Net Plant Heat Rate, and Residential Rates; other update topics include West Kaua'i Energy Project, Rate Case prep work, Endangered Species, U.S. Senate Subcommittee on Energy in Washington, D.C., and KIUC's Annual Meeting held virtually on July 20, 2022 (report attached)

- 4.2. CEO recognized and thanked Maile Alfiler, Member Services Manager, for her 32 years of service at KIUC, Maile will be retiring at the end of August
5. **Financial Report – Karissa Jonas (CFO) - Finance & Accounting Update**
  - 5.1. CFO discussed RUS Reporting and CFC Short-Term Investments
  - 5.2. June 2022 YTD Financial Scorecard discussed by CFO (attached)
6. **NRECA Hawai'i Director Report – Director David Iha**
  - 6.1. NRECA in the past months have been testifying to congress and other regulatory bodies about the issues regarding reliability – especially with the rising temperatures and the increased use of electricity during the summer
  - 6.2. 1200+ students from 28 states participated in Youth Tour this year, although KIUC along with Kansas didn't participate; Youth Tour will continue again next year
  - 6.3. NRECA Financial Position – reduced their operating budget by \$10M; the NRECA Board adopted an increase in membership dues of 9% effective January 1, 2023
  - 6.4. NRECA instituted a voluntary separate advocacy program for cooperatives that are doing broadband
  - 6.5. Regional Conference will be at the end of September in Portland, OR
  - 6.6. The senate introduced their reconciliation bill which included direct pay tax incentives and grants for clean energy systems; RUS refinancing affects KIUC the most; still looking at all the provisions of the bill; noted David Bissell testified on Direct Pay Tax Incentives
7. **Charitable Foundation Board – Director Teofilo Tacbian**
  - 7.1. Board met and took no action at its last meeting
  - 7.2. Golf Tournament at Pua Kea Golf Course on Saturday, November 19, 2022; rates are going up due cost of green fees, menu, etc.; \$120/player, 4-man scramble; discount for registering a 4-man team; more details after next meeting
8. **Public Testimony – Teresa Amoy (Executive Administrator)**
  - 8.1. No written testimony submitted
9. **New Business**
  - 9.1. Motion to approve the Revolving Loan Fund loan – Applicant Napali Brewing Co.
    - [Motion: Yukimura] [Second: Mayfield]
    - IN FAVOR: Smith, TenBruggencate, Murashige, Yukimura  
Crowell, Mayfield, Tacbian, Kass, Iha Total – 9
    - OPPOSED: None Total – 0
    - EXCUSED: None Total – 0
    - Motion carried**

## 10. Calendar

- 10.1. **August 16, 2022** – CFC Quarterly Industry Update Series (7:00am)
- 10.2. **August 16, 2022** – Board Committee Meeting (9:00am, MCR)
- 10.3. **August 19, 2022** – HOLIDAY, Admission Day (KIUC Offices Closed)
- 10.4. **August 20, 2022** – 2022 NTBG Moonlight & Music (6:00pm, South Shore Visitor Meadow)
- 10.5. **August 25, 2022** – Regular Board Meeting (1:00pm, via Zoom)

11. **Executive Session** – At 1:22 p.m. the Board recessed the meeting to enter into an Executive Session closed to the public on matters limited to those specified in Section II. A. 2. of Board Policy No. 16. The items to be discussed in the Executive Session are matters of a proprietary or financial nature, public disclosure of which could affect on-going or potential negotiations or legal or administrative proceedings and human resource issues related to the hiring, evaluating, dismissing or disciplining an officer or employee and a matter requiring legal consultation on issues pertaining to the powers, duties, privileges, immunities and liabilities of the Board of Directors.

11.1. Decision Making – The open session of the Regular meeting was reconvened at 1:38 p.m.

11.2. Motion to ratify the decision made in Executive Session

[Motion: TenBruggencate] [Second: Murashige]

IN FAVOR: Smith, TenBruggencate, Murashige, Yukimura  
Crowell, Mayfield, Tacbian, Iha, Kass

Total – 9

OPPOSED: None

Total – 0

EXCUSED: None

Total – 0

**Motion carried**

## 12. Adjournment

12.1. Meeting adjourned at 1:40 p.m.

*Calvin Murashige*

Calvin Murashige (Aug 26, 2022 15:03 HST)

Calvin Murashige

Board Secretary



# President's Report

## July 28, 2022

David Bissell, President and CEO

## *President's Report*

David Bissell, President and CEO  
July 28, 2022

### **Safety (June)**

	<u>Month</u>	<u>2022 YTD</u>	<u>2021 YTD</u>
Recordable Incidents	0	1	2
Days Away/Restricted	30	128	0

### **Availability and Reliability:**

	<u>Month</u>	<u>2022 YTD</u>	<u>2021 YTD</u>
Reportable Outages	1	10	22
Average Outage Hours Per Customer	0.03	0.38	0.99

### **Efficiency**

	<u>Month</u>	<u>2022 YTD</u>
Net Plant Heat Rate	9,110	9,161
Peak Demand (MW)	73.8	73.8

### **Residential Rates:**

July 2022	\$0.370/kwh down \$0.005 from June
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## Update Items:

- KIUC rates remain lowest in state for third straight month
- West Kauai Energy Project
  - Revised draft EA targeting August 23<sup>rd</sup> for publication
- Rate case preparatory work continues
- Endangered Species
  - Diverter installation continues
- Testified at U.S. Senate Subcommittee on Energy in Washington, D.C.
- KIUC's Annual Meeting held virtually on 7-20 with approximately 100 registrants

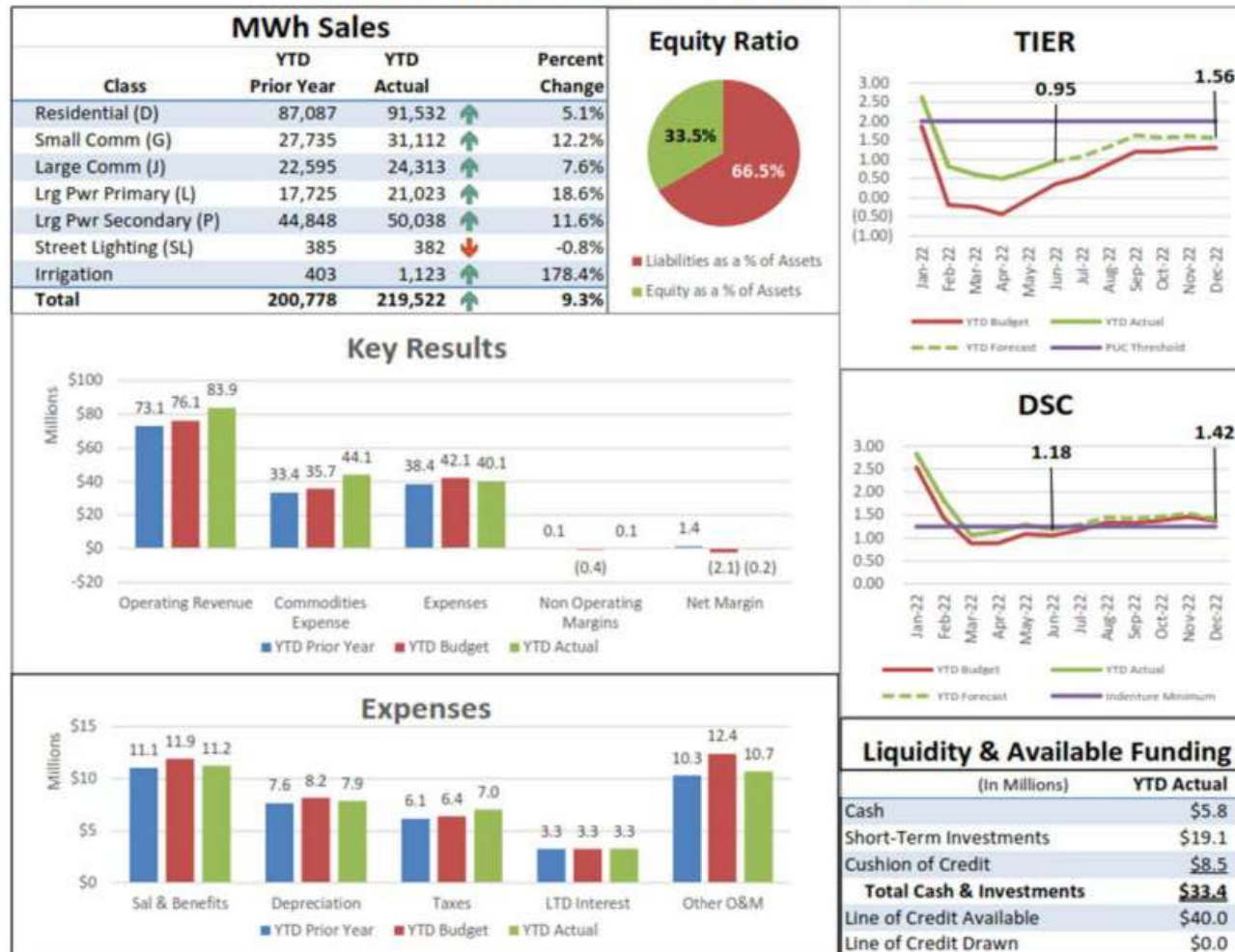


Mahalo!

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# Financial Scorecard - YTD June 2022

Draft for Discussion Only











# 2022 06-28 Reg BoD Mtg Min - APPROVED

Final Audit Report

2022-08-27

Created:	2022-08-26
By:	Teresa Amoy (tamoy@kiuc.coop)
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-  Signer hamcol67@gmail.com entered name at signing as Calvin Murashige  
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