## REGULAR MEETING OF THE BOARD OF DIRECTORS KAUAI ISLAND UTILITY COOPERATIVE

Held via Conference Call On May 25, 2021

## **MINUTES**

## Call to order at 1:01 p.m.

### 1. Roll Call

- 1.1 **Directors present:** Directors Allan Smith (Chair), Jan TenBruggencate (Vice Chair,), Dee Crowell, David Iha, Janet Kass, James Mayfield, Calvin Murashige (Secretary), Teofilo Tacbian, and Peter Yukimura (Treasurer); and David Bissell (President and CEO). A quorum of directors were present.
- 1.2 **Others present:** Laurel Loo (General Counsel), Karissa Jonas (CFO), Maile Alfiler (Member Services Mgr.), John Cox (T&D Mgr.), Cameron Kruse (Engineering and Technology Mgr.), Brad Rockwell (COO), Beth Tokioka (Communications Mgr.), Lisa Ubay (HR Mgr.), and Nadine Tipps (Executive Administrator); Members of the press (0) and Members of the public (0).

## 2. **Approval of Minutes**

- 2.1 The 4/29/2021 Regular meeting minutes were approved unanimously. [Motion: Mayfield/Kass]
- 3. **President's Report**. David Bissell, President and CEO
  - 3.1 The current Cooperative statistics was reported by CEO Bissell. (report attached)
  - 3.2 Ouestions were asked and answered.
- 4. **Financial Report:** Karissa Jonas, CFO reported.
  - 4.1 The April 2021 preliminary financials were reviewed. (scorecard attached).
  - 4.2 CoBank
    - 4.2.1 The unsecured line of credit (LOC) was renewed for another 364 days. The new term expiration date is 5/22/22.
  - 4.3 CFC Line of Credit -
    - 4.3.1 On 4/15/21, KIUC filed an application with the PUC requesting approval to enter into the LOC amendment extending the term of the LOC 5 years.

## 5. NRECA Hawaii Director Report – Director David Iha

- 5.1 Director Iha reported that NRECA has been pretty quiet at the National level.
  - 5.1.1 They have decided to have the next NRECA Board meeting in June in Washington D.C. with protocols set up.
  - 5.1.2 NRECA CEO Jim Matheson sent out a note stating that the Regional 7 and 9 Meetings will be in person.
  - 5.1.3 Region 9 location has been changed from Sacramento to Las Vegas. The same dates still hold.

- (a) This has not been finalized, so please do not make any reservations yet.
- 5.1.4 Regions 8 and 10 location has been changed from Albuquerque to Dallas, with different dates.
- 6. **Charitable Foundation (CF) Board** Teofilo Tacbian, President
  - 6.1 Director Tacbian reviewed the attached CF written report and brochure.
- 7. **Public Testimony** None.
- 8. New Business
  - 8.1 Nominating Committee Recommendations
    - 8.1.1 Nominating Committee Chair Crowell moved to approve allowing lengthening out the Nomination process by moving up the deadline for the Nominating Committee nominations from late November to early November, and also to place the affirmation form and non-disclosure agreement (that are currently on the website) into Board Policy No. 18.

      [Motion: Crowell/Kass]
    - 8.1.2 Nominating Committee Chair Crowell stated that the Board election date will be discussed at next month's Committee meeting.
    - 8.1.3 The recommendation carried.

IN FAVOR: Crowell, Iha, Kass, Mayfield, Murashige, Smith,

## 8.2 **Board Policy No. 4, Board Committees**

- 8.2.1 Policy Committee Chair Kass stated that the Policy Committee had a fairly unique discussion, where we should make sure we are following the Board Policies. One of these consisted of every existing Director signing a couple of documents in Policy No. 18. Those items were sent out and all have signed these forms.
- 8.2.2 Another item that was discussed was Board Policy No. 4, which we had revamped last year, and then when we had our Annual Board meeting, we assigned Board officer positions and Committee memberships. The Policy Committee moves to approve removing the CEO as a member of the Executive Committee. [Motion: Kass/Crowell]
- 8.2.3 The recommendation carried.

IN FAVOR: Crowell, Iha, Kass, Mayfield, Murashige, Smith,

## 8.3 **Board Policy No. 15, Strategic Planning**

- 8.3.1 Policy Committee Chair Kass described Board Policy No. 15, and stated that we revised the wording to reflect the way we talk about the Strategic Plan now. The most important thing we changed was to include the Strategic Plan. She discussed the substantive changes.
- 8.3.2 Policy Committee Chair Kass stated that the Policy Committee moves to approve Board Policy No. 15 with the proposed changes. [Motion: Kass/Murashige]
- 8.3.3 Director Crowell stated that while a SWOT Analysis (Strengths, Weaknesses, Opportunities, Threat), which was deleted, is not required, a Strategic Plan should include some analysis of where the Coop is at present. That way when we figure out where we want to be, we will know which direction to go.
- 8.3.4 Director Mayfield stated that given we will be starting the Strategic Plan, he has written in his notes where the coop is now.
- 8.3.5 The recommendation carried.

IN FAVOR: Crowell, Iha, Kass, Mayfield, Murashige, Smith,

## 9. **Calendar:**

- 9.1 **June 11, 2021** HOLIDAY, KIUC Offices Closed
- 9.2 **June 14-16, 2021** CFC Summer Summit (San Antonio, TX)
- 9.3 **June 21, 2021** Board Committee Meetings (1:30pm, via conference call)
- 9.4 **June 30, 2021** Regular Board Meeting (1:00pm., via conference call)
- 10. **Executive Session.** At 1:30 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 proprietary or financial nature, public disclosure of which could affect ongoing 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. **Adjournment**. The meeting was adjourned by consensus at 1:31 p.m.

Calvin Murashige Secretary

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## President's Report May 25, 2021

David Bissell, President and CEO

## President's Report

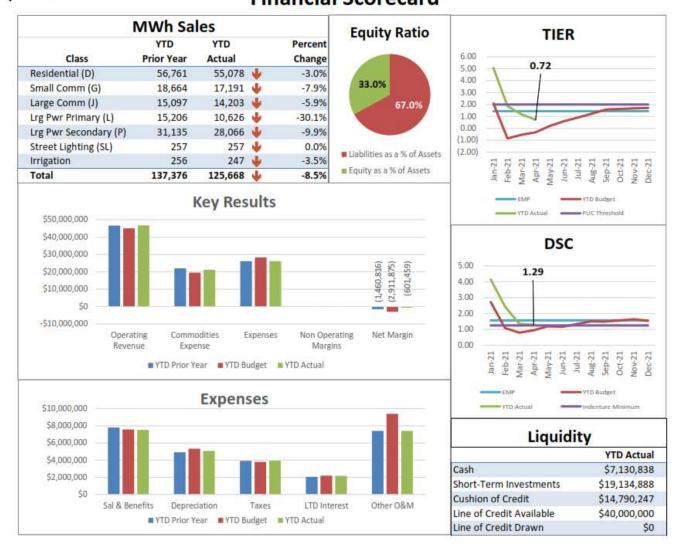
	Month	2021 YTD	2020 YTD
Recordable Incidents	0	1	3
Days Away/Restricted	0	0	117
vailability and Re <mark>l</mark> iabilit	y:		
	Month	2021 YTD	2020 YTD
Reportable Outages	3	19	9
Average Outage Hours			
Per Customer	0.60	0.90	0.32
fficiency			
	Month	2021 YTD	
Net Plant Heat Rate	9,536	9,511	
Peak Demand (MW)	65.5	65.5	
Residential Rates:			

## Update items

- PUC disconnect moratorium ends May 31
- Central Pacific hurricane season begins June 1
- West Kauai Energy Project
  - PUC Docket- Information Request response process ongoing
  - · Environmental Assessment
- FERC Commissioner Chatterjee tour of PMRF PV/Storage project
- Island-wide outage April 29
  - · PUC briefing upcoming



Mahalo!



KIUC Charitable Foundation

Meeting of May 24, 2021

In the month of April our Assistance program administered by KEO assisted 7 people in 2 households in the amount of \$788.00.

In the LIHEAP program, they assisted 2 applicants for \$1,360.00.

The Makana Program added 9 more members for a total of 229, and YTD we have \$803.72.

We approved a contribution of \$1,000 to Kauai Planning and Action Alliance to support the Kekaha Early Literacy Project to promote reading and comprehension among students at Kekaha Elementary School Title 1 program.

The Ohana Readers has extended their program to include Waimea. Their brochure is attached.

Teofilo Phil Tacbian, President

KIUC Charitable Foundation

#### Dear Friends.

Before he passed away, my Daddy told me the Imagination Library was probably the most important thing I had ever done. I can't tell you how much that meant to me because I created the Imagination Library as a tribute to my Daddy. He was the smartest man I have ever known but I know in my heart that his inability to read probably kept him from fulfilling all of his dreams.

Inspiring kids to love to read became my mission. In the beginning, my hope was simply to inspire the children in my home county but here we are today with a worldwide program that gives a book a month to well over 1 million children.

Of course, I have not done this alone. The real heroes of our story are the thousands of local organizations like Friends of the Library of Hawai'i who have embraced my dream and made it their own. They raise millions of dollars each year and wake up every day with a passion to make sure their kids have every opportunity to succeed.

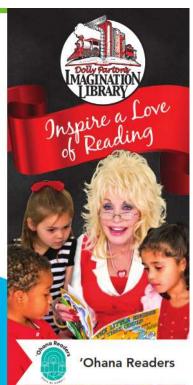
I hope these books inspire you to read with your child. There is nothing quite like snuggling up with a good book - just like when my Momma read to me on her lap in our tiny one-bedroom cabin many years ago.

The first step is always the hardest, but you'll never know unless you try...









## How It Works?

It sounds almost too simple to be true, but by reading regularly with your children during their preschool years, you are giving them the biggest boost toward a successful education they will ever get.

Dolly Parton's Imagination Library can help your child love to read just by having print books at home, reading yourself, and setting aside time daily for your children to read. Every child will have books of their very own, at no cost to you, thanks to Friends of the Library Hawai'i and Dolly

to Friends of the Library Hawai's and Dolly Parton. Each month a new, carefully selected book will be mailed in your child's name directly to your home.

Your child can look forward to new and exciting reading adventures from Dolly Parton's Imagination Library until they turn five years old as long as you live within a covered geographic area.

Dolly Parton's Imagination Library is a free gift to your child! All you have to do is read often to inspire a lifelong love of reading!

## Who Is Eligible?

Children under the age of five in Kekaha (96752) or Waimea (96796).



www.imaginationlibrary.com

#### What Are My Responsibilities?

- Be a resident of Kekaha (96752) or Waimea (96796).
- Submit an official registration form, completely filled out by the authorized adult.
- Notify Friends of the Library Hawai'i any time your address changes. Books are mailed to the address listed on the account. Note: If the child's address changes, you must contact your friends at the address on this brochure in order to continue receiving books.
- 4. Read with your child and have fun!

#### When Will I Receive Books?

Eight to ten weeks after your registration form has been received, books will begin arriving at your home and will continue until your child turns five or you move out of the covered area.

#### How Can I Help?

Do you know a preschool child in *Kekaha* (96752) or *Waimea* (96796) who is not receiving Dolly Parton's Imagination Library? Give their caregiver a registration form and encourage them to fill it out or go online to enroll to or check for online registration. Telling them about this *free-to-the-family* program can make a huge difference for their future. If you know of a business, organization or individual who would like to donate funds to support this program in your local area, donations can be sent to:

Friends of the Library of Hawai'i 501 Sumner Street, Ste. 614 Honolulu, HI 96817 (808) 536-4174 

# Sign up your child today!

imply fill out the above from and mail to. Friends of the Library of Hawaii Ohana Readers Walmea Public Library P.O. Box 397 Walmas, 196796 (808) 338-6888

The real heroes of our story are the local organizations who have embraced my dream and made it their own.



The Dollywood Foundation is a 501(c)(3) public conprofit organization.

#### KAUA'LISLAND UTILITY C OOPERATIVE

## BOARD POLICY NO. 15 (Reviewed 02/27/2020)

#### STRATEGIC PLANNING

#### PURPOSE OF POLICY:

The purpose of tThis policy describes is to establish the authority and responsibility and process for the Cooperative's strategic planning.

#### POLICY CONTENT:

#### I. Commitment to Strategic Planning

It is the policy of this Board-of Directors to guide the direction and conduct of the Cooperative through periodic, fact-based, thoughtful, and collaborative strategic planning. The Cooperative's strategic Strategic pPlan will be updated periodically and may be amended between updates if warranted.

[Guidance: Repeating the entire SWOT strategic planning workshop every year may be unnecessary since strategic goals tend to be long term. Some years it may be sufficient to simply review and affirm the strategic plan. Directors are encouraged to take courses offered by NRECA and attend national conferences featuring current strategic planning discussions and presentations on topics of concern to many/most cooperatives.]

## II. What Is Considered Strategic? Foundation

Strategic issues almost always have a long-term impact on the cooperative. Some decisions required to operate the <u>eCooperative</u> will rise to the level of strategic importance. These strategic issues are typically identifiable by their real or perceived impacts.

- Issues that substantially impact the cost structure of the Geooperative are strategic.
- Issues that have a significant impact on Ceooperative employees as a group are strategic.
- Issues that have a significant real or even perceived impact on members (as a group) are strategic.

[Guidance from other cooperatives suggests that cost savings initiatives; major construction; locating generation, transmission, and distribution assets; member interfaces; almost any ultravires activities; and some financial transactions are all-strategic.]

### III. Outputs of the Strategic Planning Process

The Cooperative's strategic planning shall be based upon careful consideration of its:

Mission: The Cooperative's mission is a statement describing the general purpose for the Cooperative's existence, its responsibility for fulfilling its role as a provider of utility service to its members, and its community service role. <u>KIUC'sThe mission</u> wais developed early in itsthe life of the Cooperative. It is reevaluated periodically, and is revised when warranted.

A.

—Values.÷ \_\_The Cooperative's values are aA statement of the behaviors that the Board of Directors and employees of KIUC are to demonstrate as these individuals fulfill their respective duties and responsibilities.

B.

II. Strategic Plan. The Strategic Plan is a document outlining the Cooperative's goals for the next few years. It is revised from time to time as old goals are accomplished or discarded and new goals are adopted.

C.

III.<u>IV.</u> Strengths, Weaknesses, Opportunities, Threats: An assessment of the internal capabilities and shortcomings, and external market, regulatory and other trends, events and other developments.

#### Objectives

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The Cooperative's strategic planning process shall achieve the following objectives:

- 4.A. To capitalize on the collective knowledge, experience and wisdom of the Directors, CEO and staff, and members.
- 2.B. To affirm or amend the Cooperative's mission-statement.
- 3.C. To affirm or amend the Cooperative's values statements.
- To developapprove a Strategic Plan every few years that sets forth elear-strategic
  goals initiatives identifying the areas of greatest significance to the Cooperative.
  These initiatives will serve as the primary directives to guide the development of
  goals and actions.
- To develop clear goal statements that serve to further define the identification of appropriate actions to accomplish strategic initiatives.
- 5. To identify and prioritize action items which will accomplish strategic initiatives.

D.

[Guidance: Action items will have appropriate specificity, will include resource requirements, and will appear in the appropriate annual budget(s) for consideration and approval of the Board of Directors.]

- To track changes to adopted strategic initiatives, goals, and action items.
- 7.E. And tTo track progress towards the implementation of strategic goalsaction items, goals, and strategic initiatives.

#### IV. Authority

The Board of Director's assumes the authority for ensuring adherence to this policy.

#### IV. RESPONSIBILITIES Responsibilities

The Board is responsible for initially developing the Cooperative's mission and values, and then afterwards for affirming or amending them. The Board is responsible for developing the Strategic Plan, with the advice of the CEO, staff, and members. The CEO is responsible for taking actions and:—requesting funding (in operating and capital expenditure budgets) to accomplish the Cooperative's mission, values, and Strategic Plan and is responsible for; and reporting periodically on the status of the Strategic Plan.

The responsibility for developing and implementing the Cooperative's strategic planning shall be assigned as follows:

- The Board of Directors, with the advice of CEO and staff, has the responsibility for developing, affirming and / or amending the mission statement.
- The Board of Directors, with the advice of CEO and staff, has the responsibility for developing, affirming and / or amending the values statements.
- The Board of Directors, with the advice of CEO and staff, has the responsibility for developing, affirming and / or amending the strategic initiatives and goal statements.
- The identification and prioritization of actions items during the strategic planning process shall be a shared responsibility between the Board of Directors, CEO and staff.
- The development of the detail aspects of each action item and the inclusion of the resources necessary to implement each action item in the Cooperative's annual budget shall be the responsibility of the CEO.
- The identification of strategic issues arising for cooperative operations will be the responsibility of the CEO.

[Guidance: For example, during normal operations of the cooperative, need for new transmission lines or substations may be recognized independent of the periodic SWOT based strategic planning workshop. It is the CEO's responsibility to bring these strategic issues to the Board of Directors in a timely manner for inclusion in the strategic plan.]

Providing periodic status to the Board of Directors on the progress towards implementing strategic actions is the responsibility of the CEO.

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## Adopted on this 27th day of February, 2020.

Calvin Murashige Secretary

Reviewed: 02/27/2020
Reviewed: 03/20/2018
Reviewed: 03/22/2016
Reviewed: 04/29/2014
Reviewed: 10/25/2011
Original Adoption: 10/27/2004
Reviewed: xx/xx/2021
Reviewed: 02/27/2020

Adopted on this xxth day of MONTH, 2021.

Calvin Murashige Secretary Reviewed: 03/20/2018
Reviewed: 03/22/2016
Reviewed: 04/29/2014
Reviewed: 10/25/2011
Original Adoption: 10/27/2004