

MINUTES - MEETING NO. 001
HAWAII GREEN INFRASTRUCTURE AUTHORITY
State of Hawaii

October 23, 2014 – 10:00 a.m.

Department of Business, Economic Development and Tourism
250 S. Hotel Street, 4th Floor, Conference Room 436
Honolulu, Hawaii 96813

ATTENDANCE

Members Present: Mark Glick, Richard Lim, Wesley Machida, Jeff Mikulina,
and Kalbert Young

Staff Present: Gregg Kinkley (Deputy Attorney General), James Bac, Tan
Yan Chen, Cyd Miyashiro, and Jill Sugihara

Guest Present: Dan Purcell

I. ROLL CALL

Chair Lim called the meeting of the Hawaii Green Infrastructure Authority (HGIA) to order at 10:00 AM.

Chairperson Lim	Present
Member Glick	Present
Member Machida	Present
Member Mikulina	Present
Member Young	Present

MATERIALS DISTRIBUTED

1. Agenda for October 23, 2014 Meeting.

Chair Lim proceeded by asking for public comment on the agenda items and advised that public comments would not be requested at any other time during the meeting.

Mr. Purcell indicated his displeasure that public comments would only be taken at the beginning of the meeting and not during each agenda item.

II. ELECTION OF BOARD OFFICERS

Chair Lim stated that the Vice Chair of the Hawaii Green Infrastructure Authority will conduct the meetings of the HGIA when the Chair is not present. He asked for any nominations for the position of Vice Chair. Member Machida nominated Member Glick as the Vice Chair. There being no further nominations, the Chair asked for a motion. Member Machida moved to elect Mark Glick as the Vice Chair of the HGIA and Member Young seconded the motion. There being no discussion, Chair Lim called for a vote.

Ayes: Members Glick, Lim, Machida, Mikulina, and Young.
Nays: None.

The motion carried unanimously.

Chair Lim noted that the Secretary position will be responsible for compiling, publishing, and submitting meeting minutes for board review. He then asked for any nominations for the position of Secretary. Vice Chair Glick nominated Member Mikulina as the Secretary. There being no further nominations, the Chair asked for a motion. Vice Chair Glick moved to elect Member Mikulina as the Secretary of the HGIA and Member Young seconded the motion. There being no discussion, Chair Lim called for a vote.

Ayes: Members Glick, Lim, Machida, Mikulina, and Young.
Nays: None.

The motion carried unanimously.

III. PRESENTATION BY THE HAWAII GREEN INFRASTRUCTURE AUTHORITY COUNSEL ON SUNSHINE LAW

Chair Lim introduced Gregg Kinkley, Deputy Attorney General, to make a presentation on the Sunshine Law. Mr. Kinkley hit upon the following points:

- The public has the right to know about the business that the Authority is conducting and has the right to comment on items on the agenda.
- Boards act officially on agenda public meetings with the agenda being filed six days prior to the meeting with the Lieutenant Governor's Office and posted on the State website.
- Quorum is the majority, in this case three members.
- More than two members cannot meet to discuss Authority business.
- There should not be any emails to all members as that would be considered a virtual meeting.

- The Authority may enter into Executive Session when considering the hiring, evaluation, dismissal, or discipline of an employee, where matters affecting privacy are involved.
- Permitted interaction groups consist of members less than a quorum, in this case, two members. They may meet for the purpose of investigating or researching an issue if the Authority has assigned to the members a specific task that the Authority has approved of. The subcommittee has limited functions and a limited life created for a specific purpose. The subcommittee will need to report back to the Authority at a duly noticed meeting prior to the action voted on.

IV. DISCUSSION AND/OR DECISION MAKING

A. Appointment of a Search Committee for the Hiring of an Executive Director

Chair Lim asked if there were any members of the Authority who would be willing to be on the Search Committee for the hiring of the Executive Director. He noted that the search would be carried out by DBEDT's personnel officer under the direction of the Search Committee and it would be the responsibility of the Search Committee to oversee the search process.

Members Machida and Glick volunteered to sit on the Search Committee.

Chair Lim asked for a motion to appoint Members Machida and Glick to sit on the Search Committee for the hiring of an Executive Director. Member Young moved and Member Mikulina seconded the motion. There being no discussion, Chair Lim called for a vote.

Ayes: Members Glick, Lim, Machida, Mikulina, and Young.
Nays: None.

The motion carried unanimously.

Member Young inquired about the duration of the search committee process through the Department of Human Resources Development (DHRD). Chair Lim clarified that the Executive Director position is an exempt position and did not need to go through the DHRD process. He commented that he was looking at an expedited process that would be in the timeframe of January/February. Consequently, Member Young concluded, that the process to advertise and hire to be about 90 days.

B. Delegation of Executive Director duties to the Authority Chair

Chair Lim requested for discussion purposes, a motion to authorize the delegation to the Chair of the Hawaii Green Infrastructure Authority, until the appointment of an Interim Executive Director becomes effective, to perform the following acts of an Executive Director, including but not limited to the following:

1. Signing Authority for contracts for services of consultants for rendering professional and technical assistance and advice, and any other contract necessary and proper for the implementation of the Green Infrastructure Loan Program, pursuant to Section 196-65 (a)(4).
2. Signing Authority for contracts for the administration of the loan program, pursuant to Section 196-65(a)(5).
3. Signing Authority to certify payrolls, requisitions, invoices, and other documents essential to the proper administration of the Authority.
4. Hiring employees necessary to perform the duties of the Hawaii Green Infrastructure Authority.

Member Mikulina moved and Member Young seconded the motion. Chair Lim asked if there was any discussion. At this point, Chair Lim recused himself from voting on this motion and handed over the meeting to Vice Chair Glick. There being no discussion, Vice Chair Glick called for a vote.

Ayes: Members Glick, Machida, Mikulina and Young.

Nays: None.

Recusal: Chair Lim.

The motion carried 4 to 0 with Chair Lim recusing himself.

C. Appointment of Interim Executive Director until a permanent Executive Director is hired by the Authority.

Chair Lim stated that his term as the DBEDT Director ends on December 1, 2014, and that in order to avoid the timing uncertainty inherent in a change of administration, the Authority may wish to consider the appointment of an Interim Executive Director from December 1, 2014, until a permanent Executive Director is hired.

Vice Chair Glick asked if there were any recommendations for the Interim Executive Director position.

Member Young recommended Richard Lim as the Interim Executive Director until a permanent Executive Director is hired by the Authority.

Vice Chair Glick called for a motion to appoint Richard Lim as the Interim Executive Director with a start date of December 1, 2014, until a permanent Executive Director is hired by the authority. Member Young moved and Member Machida seconded the motion. Vice Chair Glick asked if there was any discussion.

Member Young noted that with the start date of December 1, 2014, it would provide continuity of the program with Chair Lim in the position.

Vice Chair Glick noted that he would abstain from voting on this motion as his position reports to the Department of Business, Economic Development and Tourism (DBEDT) Director.

There being no further discussion, Vice Chair Glick called for a vote.

Ayes: Members Machida, Mikulina and Young.

Nays: None.

Recusal: Chair Lim.

Abstain: Vice Chair Glick.

The motion carried 3 to 0 with Chair Lim recusing himself and Vice Chair Glick abstaining.

Chair Lim commented that he wanted to expedite the hiring of a permanent Executive Director as he was looking at being in the position no more than three months. Vice Chair Glick noted that the program was gearing up to be launched in December while Member Young also commented that since he was preparing for the \$144 million dollar bond sale that he hoped there would be no disruption in the program in the next 30 days.

D. Delegation of duties to the Interim Executive Director.

Vice Chair Glick asked, for discussion purposes, a motion to delegate to the Interim Executive Director authority to perform certain acts, including but not limited to the following:

1. Signing Authority for contracts for services of consultants for rendering professional and technical assistance and advice, and any other contract necessary and proper for the implementation of the Green Infrastructure Loan Program, pursuant to Section 196-65 (a)(4).
2. Signing Authority for contracts for the administration of the loan program, pursuant to Section 196-65(a)(5).
3. Signing Authority to certify payrolls, requisitions, invoices, and other documents essential to the proper administration of the Authority.

4. Hiring employees necessary to perform the duties of the Hawaii Green Infrastructure Authority.

Member Mikulina moved and Member Machida seconded the motion. Vice Chair Glick asked if there was any discussion.

Member Young reiterated the start date should be December 1, 2014.

There being no further discussion, Vice Chair Glick called for a vote.

Ayes: Members Machida, Mikulina and Young.

Nays: None.

Recusal: Chair Lim.

Abstain: Vice Chair Glick.

The motion carried 3 to 0 with Chair Lim recusing himself and Vice Chair Glick abstaining.

At this time, Vice Chair Glick turned the meeting back to Chair Lim.

- E. Approval to Transfer Program Funds from the Special Fund to the Program Custodian Upon Receipt of Bond Proceeds.

Chair Lim introduced Cyd Miyashiro to explain the request to transfer GEMS bond proceeds from the Green Infrastructure Special Fund to the GEMS Program Custodian.

Cyd Miyashiro explained that the purpose of the request was to transfer approximately \$144 million in net proceeds from the Green Infrastructure Special Fund to the GEMS Program Custodian, who is The Bank of New York Mellon. The Bank of New York Mellon will be providing custodial services and acting as the paying agent for the Green Energy Market Securitization (GEMS) Program. Approximately \$144 million transferred from the special fund will allow the Bank of New York Mellon to purchase GEMS loans originated by GEMS capital partners when instructed to do so by the HGIA.

The reason Bank of New York Mellon is acting as GEMS' paying agent for this program is to facilitate the day-to-day operations of deploying GEMS loans. GEMS anticipates making weekly loan purchases and money transfers to a number of GEMS capital partners, a task that would be difficult for the Department of Accounting and General Services (DAGS) to fulfill.

The estimated amount to be deployed as loans is approximately \$144 million, net of bond issuance costs and administrative costs for the operations of the Hawaii Green Infrastructure Authority. The approximately \$144 million held by the Bank of New York Mellon will be in accounts in the name of the State of Hawaii, Hawaii Green Infrastructure Authority.

Chair Lim asked for a motion to approve the transfer of program funds from the Green Infrastructure Special Fund to the GEMS Program Custodian upon receipt of bond proceeds.

Member Young moved and Member Glick seconded the motion. There being no discussion, Chair Lim called for a vote.

Ayes: Members Glick, Lim, Machida, Mikulina and Young.
Nays: None.

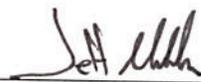
The motion carried unanimously.

V. ADJOURNMENT

There being no further business, Chair Lim entertained a motion to adjourn. Member Machida moved and Member Young seconded the motion. The motion passed unanimously.

Chair Lim adjourned the meeting at 10:30 AM.

Respectfully Submitted by:



Jeff Mikulina