

MINUTES - MEETING NO. 005
HAWAII GREEN INFRASTRUCTURE AUTHORITY
State of Hawaii

August 5, 2015 – 2:00 PM

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

ATTENDANCE

Members Present: Mark Glick, Wesley Machida, Jeff Mikulina, and Luis Salaveria

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

I. ROLL CALL

Chair Salaveria called the meeting of the Hawaii Green Infrastructure Authority (HGIA) to order at 2:00 PM.

Chairperson Salaveria	Present
Vice Chair Glick	Present
Secretary Mikulina	Present
Member Machida	Present

MATERIALS DISTRIBUTED

1. Agenda for August 5, 2015 Meeting
2. Minutes of the Regular Meeting on May 29, 2015
3. Report Of The Acting Executive Director
4. Draft HGIA Bylaws

II. APPROVAL OF MINUTES

Before calling the motion to approve the minutes of the May 29, 2015, meeting, Chair Salaveria made two corrections to address two typos to the draft minutes. One on page 3 - correcting Jeff Mikulina's name - and one on page 6, correcting "Security" to "Secretary" Mikulina. Member Machida moved and Secretary Mikulina seconded the motion. There was no discussion from the members.

Chair Salaveria asked whether there were any comments from the public. There being no comments, Chair Salaveria called for a vote.

Ayes: Members Glick, Machida, Mikulina, and Salaveria
Nays: None

The motion carried unanimously, 4 to 0.

III. REPORT OF THE ACTING EXECUTIVE DIRECTOR

Chair Salaveria introduced Acting Executive Director Cyd Miyashiro to present the status report. Ms. Miyashiro provided the following updates:

1. Administrative Updates

Ms. Miyashiro reported that the Fiscal Year 2016 budget is one million dollars, and will reflect a little over a million dollars due to past encumbrances from the past fiscal year.

2. Reorganization

HGIA is currently in the process of doing a delegated reorganization to officially add the part-time accountant to the organization chart.

3. Personnel Update

Holly Broman will be officially starting with the HGIA as the Administrative Services Coordinator on August 17, 2015.

4. Loan Product Updates

Nonprofit PV Loan Product: As of July 24, 2015, six companies were approved to be installers for the Nonprofit Loan Product for the Green Energy Market Securitization (GEMS) Program. There were 36 applications of which 29 have been pre-qualified and seven are pending review. Of the 29 pre-qualified applicants, five have been visited by installers. GEMS is currently working on evaluating over 1.5 Megawatts of PV project leads for pre-qualified loans.

Consumer PV Loan Product: As of July 31, 2015, GEMS approved three companies to be installers in the soft launch and is targeting a full launch for all installers on August 17, 2015. GEMS received 35 consumer applications of which 14 are conditionally pre-approved, and 13 are pending.

Small Business PV Loan Product: Still in development. GEMS has permission from the PUC and is targeting full rollout on August 15, 2015, for this product. GEMS will be utilizing the same nonprofit approved contractors and using the same marketing strategy as well.

Commercial Energy Efficiency Financing Product: Still in development. GEMS submitted to the PUC the program notification. The notification period officially ends on August 5, 2015. This will allow the Authority to consider financing opportunities for commercial energy efficiency projects. If there are no objections from the PUC, GEMS will be able to start considering offering energy efficiency products.

5. Regulatory Activities

The following are recent regulatory filings made with the PUC in Docket 2015-0135, Application for an Order Approving the Green Infrastructure Loan Program.

07/01/2015 – Program Notification No. 4 was filed to cover miscellaneous administrative matters; fund flow consumer protection; and to show what the direct billing process would look like.

07/15/2015 – Program Notification No. 5 seeks approval to offer commercial energy efficiency financing products.

07/30/2015 – GEMS Program Quarterly Report.

6. Legislative Activities

No legislative proposals are anticipated for the upcoming session.

Chair Salaveria asked the members whether they had any questions regarding the Status Report.

Member Machida asked that Ms. Miyashiro attach the estimated rollout projections under the program in subsequent reports so the members can see what progress is being made against what was anticipated.

Ms. Miyashiro responded that she will include such estimated rollout projections in the next report.

Secretary Mikulina restated that there were currently three installers for the consumer loan product, but asked whether they would be opening it up to all contractors.

Ms. Miyashiro responded that GEMS did a soft launch opening to a handful of installers. GEMS is using this as a beta-test program. GEMS is confident that they have streamlined the process, and anticipate opening it up on August 17, 2015, to everyone. GEMS is relying on the installers to do a lot of the lead generation since the installers know the market best.

Chair Salaveria asked about the eight applicants that were denied; and asked whether they were in communication with the customer.

Ms. Miyashiro replied that they were relying on their vendor partner to carefully monitor the reasons for denial. In addition, letters are sent to the customers at each step of the way, notifying them of pre-approval; pending; and/or denial.

There were no public comments.

IV. DISCUSSION AND/OR DECISION MAKING

A. Approval of Bylaws

Chair Salaveria announced that the purpose of the bylaws is to define the roles and responsibilities of persons and entities acting on behalf of the Hawaii Green Infrastructure Authority. Members were given the opportunity to review the Bylaws and provide comments to the Acting Executive Director. Chair Salaveria asked Ms. Miyashiro to provide a brief summary and note any changes from the original document presented at the meeting in May.

Ms. Miyashiro stated that there was one change from the document presented in May, which was a result of feedback provided by Vice Chair Glick. The change was in Section 6, Lending Authority, which changed the authorization to include the Executive Director and the Chairperson of the HGIA (Luis Salaveria) for items less than \$100,000.

Chair Salaveria asked for a motion for approval of the Bylaws as amended. Secretary Mikulina moved and Member Machida seconded the motion. Chair Salaveria asked whether there were any questions or comments.

Secretary Mikulina pointed out that on the top of page four, the term "GEMS" should be spelled out.

Member Machida asked what happens should the Chair be on travel and whether the approvals would have to wait.

Vice Chair Glick responded that the Chairperson's designee, in this case the Vice Chair, would perform those duties.

Ms. Miyashiro wanted to clarify the amendment. Since it is statutorily described as the Hawaii Green Infrastructure Loan Program, should Section 6 say the Hawaii Green Infrastructure Loan Program as opposed to GEMS?

Chair Salaveria responded that it should read, "Hawaii Green Infrastructure Loan Program [Green Energy Market Securitization (GEMS) Program]."

Deputy AG also clarified that it should also read, "credit approval of loan through the GEMS program."

Chair Salaveria asked whether there were any public comments. There being no further discussion, Chair Salaveria called for a vote to approve the Bylaws as amended.

Ayes: Members Glick, Machida, Mikulina and Salaveria

Nays: None

The motion passed unanimously 4 to 0.

V. UPDATE FROM THE SEARCH COMMITTEE ON THE HIRING OF THE EXECUTIVE DIRECTOR AND DISCUSSION OF INTERVIEW PROCESS

Chair Salaveria stated that the next item on the agenda is the update from the search committee on the hiring of the executive director and discussion of the interview process. The Search Committee is comprised of Wes Machida and Mark Glick. As Vice Chair Glick will be discussing the interview process in detail and there will be personal, confidential information discussed, the board will convene in executive session pursuant to Section 92-5(a)(2) and/or Section 92-5(a)(4) to discuss legal issues pertinent to the Authority's statutory rights and obligations, as well as with regard to certain personnel issues.

Chair Salaveria asked for a motion to enter into executive session. Vice Chair Glick so moved and Member Machida seconded the motion. Chair Salaveria called for a vote.

Ayes: Members Glick, Machida, Mikulina and Salaveria

Nays: None

The motion was approved unanimously, 4 to 0. Chair Salaveria then asked all non-board members to vacate the room with the exception of Deputy Attorney General Gregg Kinkley.

The meeting entered into Executive Meeting at 2:16 PM.

EXECUTIVE MEETING

The meeting was reconvened at 2:52 PM.

At reconvene, Chair Salaveria summed up the Executive Meeting by stating that the members had spoken about the candidates, and had received the report from the search committee. He noted that the next step was for the members to deliberate further at the next scheduled meeting.

VI. ADJOURNMENT

There being no further business, Chair Salaveria entertained a motion to adjourn. Member Machida moved and Secretary Mikulina seconded the motion. Chair Salaveria called for a vote.

Ayes: Members Glick, Machida, Mikulina, and Salaveria.

Nays: None

The motion passed unanimously.

Chair Salaveria adjourned the meeting at 2:53 PM.

Respectfully Submitted By:



Jeff Mikulina