

HAWAII GREEN INFRASTRUCTURE AUTHORITY
State of Hawai'i

Monday, December 19, 2022 – 3:00 p.m.

Conference Room # 436 and Video Conference

Honolulu, Hawai'i 96813

ATTENDANCE

Members Present: Chris Sadayasu, Richard Wallsgrove, Luis Salaveria, Kirsten Turner, Dennis Wong

Staff Present: Gwen Yamamoto Lau, Nhu-An Tran, Jordan Wong, Dante Hirata-Epstein

Others Present: Gregg Kinkley (Deputy Attorney General), John Cole (Deputy Attorney General)

Members of the Public: None

I. ROLL CALL

Chair Sadayasu called the meeting of the Hawaii Green Infrastructure Authority to order at 3:03 pm. Chair Sadayasu called a proper roll call of all members.

Chairperson Sadayasu	Present
Secretary Wallsgrove	Joined at 3:12 pm
Member Salaveria	Present
Member Turner	Present
Member Wong	Joined at 3:08 pm

All members confirmed that no other adults were present in the room with them.

Chair Sadayasu welcomed Dante Hirata-Epstein, an Americorp VISTA who joined the Authority on December 5th as its Climate and Energy Justice Associate.

MATERIALS DISTRIBUTED

1. Agenda for the December 19, 2022 Meeting.
2. Minutes from the November 21, 2022 Special Meeting.
3. HGIA's Loan Fund Audit.
4. GEMS Bond Fund Audit.
5. 2022 Report to the Governor & Legislature.

II. APPROVAL OF MINUTES

1. Chair Sadayasu stated that the first item on the agenda is the approval of the minutes of the November 21, 2022 Special meeting and asked for a motion to approve the minutes.

Member Salaveria moved and Member Turner seconded the motion to approve the November 21, 2022 Special meeting minutes. Chair Sadayasu asked if there was any discussion on the meeting minutes. Hearing none, Chair Sadayasu noted that there were no members from the public present and called for a vote via roll call.

Member Wong joined the meeting at 3:08 pm

Ayes: Sadayasu, Salaveria, Turner (with reservation, as she did not attend the November 21, 2022 meeting), and Wong.

Nays: None.

The motion carried unanimously, 4 to 0.

III. DISCUSSION AND/OR DECISION MAKING

1. Chair Sadayasu stated that with HGIA's former Vice Chair Scott Glenn's transition to the Office of Planning, the next item on the agenda is the election of a new Vice Chair for the Hawaii Green Infrastructure Authority.

Chair Sadayasu stated that Article III, Section 2 of the Bylaws of the Hawaii Green Infrastructure Authority (Appointments and Elections) states that the Vice-Chairperson shall be elected by the Authority from among its members. The officer elected shall take office immediately following the election.

Section 3 (Terms of Office) states that the Vice-Chairperson shall serve until the annual regular elections are held at the beginning of the new fiscal year.

The Vice-Chair of the Hawaii Green Infrastructure Authority will conduct the meetings of the Authority when the Chair is not present.

Chair Sadayasu opened the floor for nominations.

Member Turner nominated Dennis Wong as Vice Chair.

Chair Sadayasu asked for any other nominations for Vice Chair. Hearing none, Chair Sadayasu asked for a motion to elect Dennis Wong as Vice Chair.

Member Salaveria moved and Member Turner seconded the motion to elect Dennis Wong as the Vice Chair of the Hawaii Green Infrastructure Authority. Chair Sadayasu asked if there was any discussion on this motion, hearing none he called for a vote via roll call.

At 3:12 pm secretary Wallsgrove joined the meeting.

Ayes: Sadayasu, Wallsgrove, Salaveria, Turner, and Wong.
Nays: None.

The motion carried unanimously, 5 to 0.

2. Chair Sadayasu stated the next item on the agenda is the acceptance of HGIA's Annual Loan Fund Audit for the fiscal year ended June 30, 2022. Chair Sadayasu asked Gwen Yamamoto Lau to review HGIA's Loan Fund audit.

Yamamoto Lau shared these highlights of the loan fund's audit:

- N&K CPA's completed its audit of the financial statements and opines that said statements are presented fairly in all material respects, in accordance with generally accepted accounting principles.
- While it appears HGIA ended 2022 with a nominal loss of \$1,500, this includes \$4 million in loan repayments being transferred the PUC's special fund and \$946,000 in investment losses due to changes in market value which are paper losses rather than real loses.
- There were no findings or deficiencies in internal controls, compliance, or other matters.

Yamamoto Lau answered questions from board members.

Chair Sadayasu asked if there were any other comments. Hearing none, he called for a motion to accept HGIA's Loan Fund Audit for the fiscal year ended June 30, 2022.

Member Turner moved and Secretary Wallsgrove seconded the motion. Chair Sadayasu called for a vote via roll call.

Ayes: Sadayasu, Wong, Wallsgrove, Salaveria, Turner.
Nays: None.

The motion carried unanimously, 5 to 0.

3. Chair Sadayasu stated that the next item on the agenda is the acceptance of the GEMS Bond Fund Audit for the fiscal year ended June 30, 2022, and asked Gwen Yamamoto Lau to review the GEMS Bond audit.

Yamamoto Lau shared these highlights of the Bond Fund's audit:

- N&K CPA's completed its audit of the financial statements, and opines that said statements are present fairly in all material respects, in accordance with generally accepted accounting principles.
- The Fund's assets, liabilities, and fund balances remain stable year to year.
- The Green Infrastructure Fees collected by HECO aggregated 13.3 million to offset payments to bond holders and other expenses.
- Bond Fund payments remaining as of June 1, 2022 aggregates \$82.1 million in principal and \$10.3 interest.
- There were no findings or deficiencies in internal controls, compliancy, or other matters.

Yamamoto Lau answered questions from board members.

Chair Sadayasu asked if there were any other comments. Hearing none, he called for a motion to accept HGIA's GEMS Bond Audit for the fiscal year ending June 30, 2022.

Vice Chair Wong moved and Secretary Wallsgrove seconded the motion. Chair Sadayasu called for a vote via roll call.

Ayes: Sadayasu, Wong, Wallsgrove, Salaveria, Turner.

Nays: None.

The motion carried unanimously, 5 to 0.

4. Chair Sadayasu stated that the final item on the agenda is the approval of HGIA's 2022 Report to the Governor and Legislature and asked Gwen Yamamoto Lau to present.

Yamamoto Lau shared the following highlights:

- As of September 30, 2022 HGIA transferred \$12.2 million to the PUC to repay the GEMS bond.
- To further expand access and assist more underserved ratepayers in lowering their energy burden, HGIA submitted Program Notification #15 to the PUC in August to request modifications to HGIA's on-bill program.
- HGIA launched the HI-CAP Collateral Support, CDFI Loan Pool and Loans Programs during the summer. These programs are part of the

federal SSBCI program to expand access to capital for small business and nonprofits statewide.

- With the passage of Act 183, SLH 2022, HGIA designed a Commercial Property Assessed Financing Program which would allow property owners to finance qualifying improvements through a voluntary assessment, pari passu to a property tax. We are working with the city and counties on implementing the program.
- HGIA has been working to secure federal funds through the USDA and other Federal agencies.
- For 2023 and beyond, the Authority's priority will be on securing additional loan capital to continue to assist underserved ratepayers in lowering their energy burden.

Yamamoto Lau answered questions from board members.

Chair Sadayasu asked if there were any other comments. Hearing none, he called for a motion to accept HGIA's 2022 Report to the Governor and Legislature.

Member Turner moved and Secretary Wallsgrove seconded the motion. Chair Sadayasu called for a vote via roll call.

Ayes: Sadayasu, Wong, Wallsgrove, Salaveria, Turner.
Nays: None.

The motion carried unanimously, 5 to 0.

VI. ADJOURNMENT

Chair Sadayasu asked if there were any other matters that should be discussed. Hearing none he asked for a motion to adjourn.

Member Salaveria moved, and Member Turner seconded the motion. Chair Sadayasu adjourned the meeting by acclamation at 3:48 p.m.

Respectfully Submitted

By: _____
Richard Wallsgrove
Its: Secretary