

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

Held at 4463 Pahe`e Street

Lihu`e, Kaua`i, Hawai`i

On July 25, 2017

MINUTES

Call to order at 1:08 pm.

1. Roll Call

1.1 **Present:** Directors Allan Smith (Chairman), Dee Crowell, Patrick Gegen, James Mayfield, Teofilo Tacbian, Jan TenBruggencate (Vice Chair), and Peter Yukimura (Treasurer); and David Bissell (President and CEO). A quorum of directors was present.

1.2 **In attendance:** Laurel Loo (General Counsel), Karissa Jonas (CFO and Financial VP), Maile Alfiler (Member Services Mgr.), Corinne Cuaresma (Controller). Rick Eckert (Financial Planning & Strategy Mgr.), Carey Koide (T&D Mgr.), Beth Tokioka (Communications Mgr.), Brad Rockwell (Power Supply Mgr.), Shelley Paik (Communications Specialist), Pua Chin (Executive Administrator); Members of the public (1), and Members of the Press (0).

1.3 **Excused:** Directors David Iha and Calvin Murashige (Secretary)

2. Invocation – Chairman Tacbian opened the meeting with prayer.

3. Approval of Agenda - The agenda was approved as circulated.

4. Approval of Minutes

4.1 The 06/27/17 Regular Meeting and Executive Session, 7/6/17 and 7/11/2017 Special Meetings and Executive Session minutes were unanimously approved as circulated. [Motion: Gegen/TenBruggencate]

5. Chairman’s Report. None.

6. President’s Report. David Bissell, CEO.

6.1 The May 2017 Cooperative statistics were reported. In addition, KIUC Load Dispatch and the changes from 2014 to present with the influx of renewables was also reviewed (report attached).

7. Financial Report: CFO Karissa Jonas reported.

7.1 The June 2017 preliminary financial results were reported.

8. **NRECA Hawaii Director Report** – Director David Iha was excused.
9. **Director Travel Reports** - None
10. **Committee Reports**
 - 10.1 **Executive – Committee Chair, Jan TenBruggencate**
 - 10.1.1 The committee met on July 21st and after approval of the minutes moved into an Executive Session to discuss several items that are still under development confidentiality. There was no action taken.
 - 10.2 **Finance & Audit – Committee Chair, Peter Yukimura Reported**
 - 10.2.1 The committee is recommending one action item to be discussed under New Business. CFO Jonas provided information on the repricing of CFC loan and pending action on the Anahola grant.
 - 10.3 **Government Relations/Legislative – Committee Chair, Phil Tachian**
 - 10.3.1 This item was taken out of order before the Charitable Foundation Board report.
 - 10.3.2 The committee met and the following announcements were made:
 - (a) July 25, Mayors Luncheon in Poipu
 - (b) September 20-21, Hawaii Congress of Planning Officials Conference
 - 10.3.3 A brief update on the Habitat Conservation Plan was also provided.
 - 10.4 **International - Committee Chair, David Iha**
 - 10.4.1 The committee did not meet.
 - 10.5 **Member Relations – Committee Chair, Patrick Gegen**
 - 10.5.1 The Energy Services department participated in two community events and provided attendees information on energy savings and gave away free LED light bulbs.
 - 10.5.2 KIUC employees volunteered Saturday, July 22nd at the Habitat for Humanity project in Eleele.
 - 10.5.3 The Annual Membership Meeting is scheduled for Thursday, July 27th at the Kauai War Memorial Convention Hall at 6:00pm.
 - 10.6 **Policy – Committee Chair, Dee Crowell**
 - 10.6.1 The committee did not meet.
 - 10.7 **Strategic Planning – Committee Chair, James Mayfield**
 - 10.7.1 The committee discussed the potential of doing a telecommunications market survey to see if people on Kauai feel they are being provided with adequate broadband services.
 - 10.7.2 There was a general discussion of the advent of members adding energy storage to their homes and businesses.

11. **Charitable Foundation (CF) Board**

- 11.1 CF Board President Phil Tacbian reported the CF Board met and discussed the Directors and Officers Liability insurance and the potential of streamlining the policy to cover the actual duties of the CF Board.
- 11.2 The KEO assistance program that provides CF funds for members who have trouble paying their electric bill has not been able to spend down all of the funds. The CF is proposing to expand the program in partnership with Catholic Charities of Hawaii and Nana’s House.

12. **Public Testimony.** Marj Dente provided oral testimony. (Written testimony is attached to the original of these minutes.)

13. **Unfinished Business.** None

14. **New Business.**

14.1 **2017 Accounts Receivable Write Off (Peter Yukimura, Finance & Audit Committee Chair)**

14.1.1 Corinne Cuaresma, Controller, presented the item. The request is to approve the 2017 accounts receivable write off amount of \$75,464 for accounts disconnected by 12/31/2016. Director Yukimura reported the F&A committee recommended approval.

14.1.2 A motion to approve and accept the write off carried 7-0-2 (Directors Iha and Murashige were excused). [Motion: Yukimura/Gegen]

IN FAVOR:	Crowell, Gegen, Mayfield, Smith Tacbian, TenBruggencate & Yukimura	Total – 7
OPPOSED:	None	Total – 0
EXCUSED:	Iha and Murashige	Total – 2

15. **Calendar:**

- 15.1 **July 27, 2017** – Annual Membership Meeting
- 15.2 **August 17, 2017** - Board Committee Meetings (9:00am)
- 15.3 **August 18, 2017** – HOLIDAY, KIUC Offices Closed
- 15.4 **August 29, 2017** – Regular Board Meeting (1:00pm., KIUC Main Conf Rm)

16. **Executive Session.** Following a brief recess at 1:40pm, the Board entered 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.

17. **Decision Making.**

17.1 The open session of the Meeting was reconvened at 2:29 p.m. and upon the motion of Director TenBruggencate and the second of Director Mayfield, the following decisions made in Executive Session were ratified by all Directors present:

17.1.1 Authorization to enter into licenses regarding the west side pumped storage/hydro project.

18. **Adjournment.** There being no further business the meeting was adjourned at 2:47 p.m.

Kathleen Chin
Recording Secretary

DRAFT



President's Report

July 25, 2017



President's Report

David Bissell, CEO
July 25, 2017

Safety (June)

	Month	2017 YTD	2016 YTD
Recordable Incidents	1	4	8
Days Away/Restricted	4	4	72

STATISTICS

Availability and Reliability:

	Month	2017 YTD	2016 YTD
Reportable Outages	1	14	13
Average Outage Hours Per Customer	0.23	0.88	0.87

Efficiency (June):

	Month	2017 YTD	2016 YTD
Net Plant Heat Rate	9,105	9,178	9,255
Peak Demand (MW)	719		

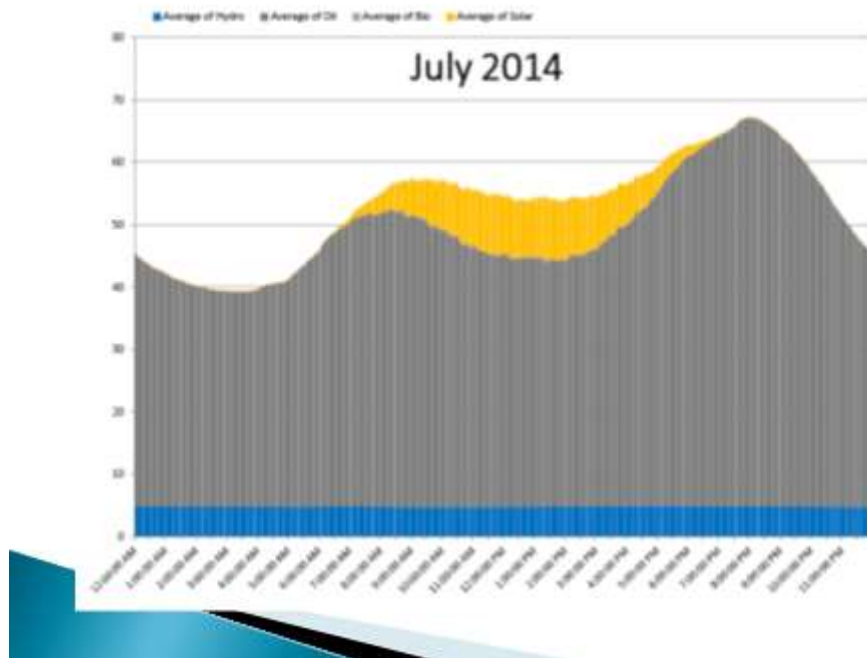
Residential Rates:

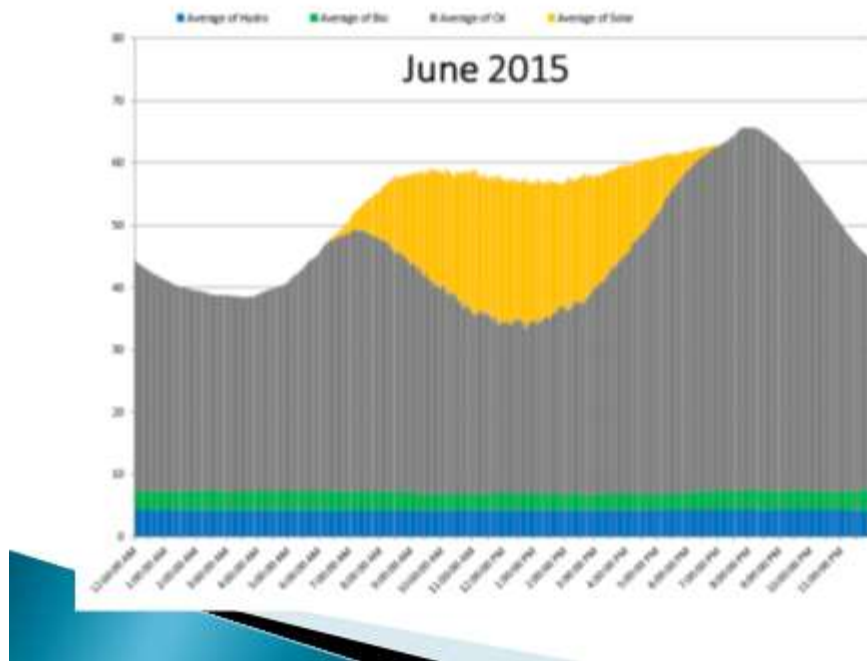
July 2017	\$0.31207/kwh	Down \$0.002 from June
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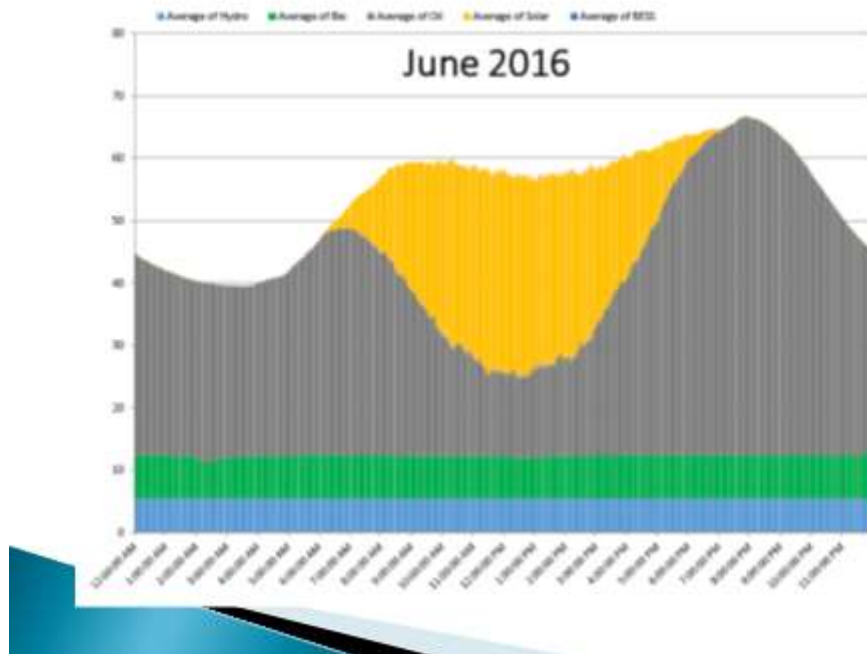
KIUC Dispatch

2014 – 2017

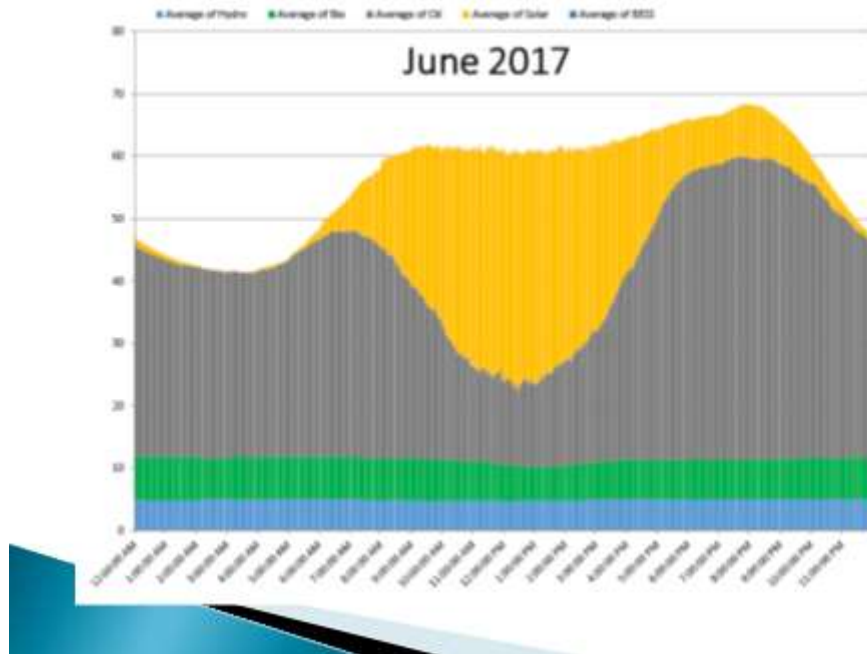




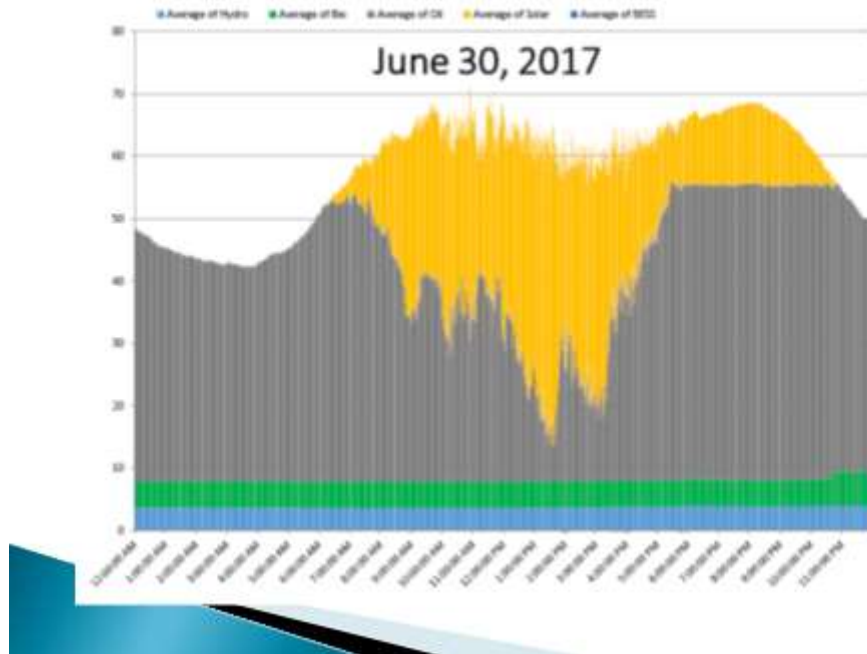
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Mahalo.

