

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

Held at 4463 Pahe`e Street

Lihu`e, Kaua`i, Hawai`i

On August 28, 2018

**MINUTES**

**Call to order at 1:01 pm.**

**1. Roll Call**

1.1 **Present:** Directors Allan Smith (Chairman), Dee Crowell, David Iha, Janet Kass, James Mayfield, Calvin Murashige (Secretary), Teofilo Tacbian, Jan TenBruggencate (Vice Chair by phone), and Peter Yukimura (Treasurer); and David Bissell (President and CEO). A quorum of directors were present.

1.2 **In attendance:** Laurel Loo (General Counsel), Karissa Jonas (CFO and Financial VP), Rick Eckert (Financial Planning & Strategy Mgr.), Carey Koide (T&D Mgr.), Brad Rockwell (Power Supply Mgr.), Beth Tokioka (Communications Mgr.), Mike Yamane (COO), Lisa Ubay (Human Resources and Safety Mgr.), Corinne Cuaresma (Controller), and Pua Chin (Executive Administrator); Dawn Huff (Joule Group); Members of the public (5); and Members of the Press (0).

**2. Invocation** – Director Iha opened the meeting with a quote and prayer.

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

**4. Approval of Minutes**

4.1 The 07/31/2018 Regular and Executive Session meeting minutes were approved unanimously. [Motion: Murashige/Kass]

**5. President’s Report.** David Bissell, President and CEO

5.1 The current Cooperative statistics were reported. (Report attached).

**6. Financial Report:** CFO Karissa Jonas reported.

6.1 The July 2018 financials were reviewed.

**7. NRECA Hawaii Director Report – Director David Iha**

7.1 PowerPoint presentation was circulated to Directors on the July NRECA Strategic Update. The strategic goals included influential leadership, operational effectiveness, global commitment, member engagement, and telling our story.

**8. Committee Reports**

8.1 **Executive – Committee Chair, Jan TenBruggencate**

8.1.1 Director Calvin Murashige reported. The committee met August 20<sup>th</sup>. There were no actions taken by the committee for the Board to act on.

- 8.2 **Finance & Audit – Committee Chair, Peter Yukimura**
- 8.2.1 Director Yukimura asked Director Kass to report.
  - 8.2.2 The main thing presented was a request by the new owners of the bankrupt Borders for a reduced patronage capital retirement. The committee will address the issue through the policy on PatCap.
    - (a) General Counsel Loo reported the request will be referred to the Member Services Department for the required forms and she will also have a bankruptcy attorney take a look at it. The item will come back to the committee for a recommendation in October.
    - (b) Director Kass noted other distribution coops have dealt with this before.
  - 8.2.3 The committee reviewed a draft 2019 Board budget and made some recommended changes.
  - 8.2.4 The committee also reviewed the preliminary financial results for July.
- 8.3 **Government Relations/Legislative – Committee Chair, Phil Tacbian**
- 8.3.1 The committee did not meet.
  - 8.3.2 With regard to the KIUC Political Action Committee (PAC), requests are coming in and the PAC is open for donations.
  - 8.3.3 Director Iha noted that with the low voter turnout maybe KIUC should consider a campaign similar to NRECA’s “Co-ops Vote” for Kauai members to get used to voting again.
- 8.4 **International - Committee Chair, David Iha – no report.**
- 8.5 **Member Relations – Committee Chair, Calvin Murashige**
- 8.5.1 The committee received reports from managers of the Member Services and Communications departments. There were no items for Board consideration.
- 8.6 **Policy – Committee Chair, Dee Crowell**
- 8.6.1 The committee met on August 20<sup>th</sup> and reviewed two board policies to be discussed under New Business.
- 8.7 **Strategic Planning – Committee Chair, James Mayfield**
- 8.7.1 The committee met and received reports on broadband for Kauai from Mr. Eckert. After initial review, it was found a 30% market share was not economically feasible. No further action from staff was requested.
  - 8.7.2 The second item was to look at a breakeven point for electric car charging stations. Again, the numbers didn’t make sense at this time but staff would continue to monitor.

Chairman Smith reported updates on the Loan Review Committee and Rural Economic Development Loan & Grant (REDL&G) program would be deferred to the Member Relations Committee.

9. **Charitable Foundation (CF) Board** – President Teofilo Tacbian  
 9.1 The CF Board postponed their regularly scheduled meeting due to the storm.
10. **Public Testimony.** Three testifiers, Bridget Hammerquist, Sharon Goodwin, and Marj Dente, provided oral testimony.
11. **New Business**
- 11.1 **Board Policy No. 18, Board Member Qualifications and Eligibility (Policy Chair Dee Crowell)**
- 11.1.1 There were no substantive changes made to the policy. The committee reviewed and recommended approval.
- 11.1.2 The motion to approve passed unanimously. [Crowell/Mayfield]
- |           |  |           |
|-----------|--|-----------|
| IN FAVOR: | Crowell, Iha, Kass, Mayfield, Murashige, Smith<br>Tacbian, TenBruggencate & Yukimura | Total – 9 |
| OPPOSED:  | None   | Total – 0 |
| EXCUSED:  | None   | Total – 0 |
- 11.2 **Board Policy No. 33, Member Called Special Meetings of KIUC Members (Policy Chair Dee Crowell)**
- 11.2.1 There were no substantive changes made to the policy. The committee reviewed and recommended approval.
- 11.2.2 The motion to approve carried unanimously. [Crowell/Murashige]
- |           |  |           |
|-----------|--|-----------|
| IN FAVOR: | Crowell, Iha, Kass, Mayfield, Murashige, Smith<br>Tacbian, TenBruggencate & Yukimura | Total – 9 |
| OPPOSED:  | None   | Total – 0 |
| EXCUSED:  | None   | Total – 0 |
12. **Calendar:**
- 12.1 **September 3, 2018** – HOLIDAY (Labor Day), KIUC Offices Closed
- 12.2 **September 14, 2018** – Board Committee Meetings (9:00am, MCR)
- 12.3 **September 20, 2018 (Thursday)** – Regular Board Meeting (1:00pm., KIUC Main Conf Rm)
- 12.4 **September 25-27, 2018** – Region 7&9 Meeting, Anchorage, AK

14. **Executive Session.** At 1:30 p.m. on a motion by Director Murashige and second by Director Crowell, 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 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.
15. **Adjournment.** The open session of the Meeting reconvened at 2:25 p.m. There being no further business the meeting was adjourned by unanimous consent.

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Calvin Murashige  
Secretary

# President's Report

## August 28, 2018

David Bissell, President and CEO



2

## President's Report

David Bissell, President and CEO  
August 28, 2018

### Safety (July)

	Month	2018 YTD	2017 YTD
Recordable Incidents	0	1	6
Days Away/Restricted	31	86	203

**STATISTICS**

### Availability and Reliability:

	Month	2018 YTD	2017 YTD
Reportable Outages	0	28	14
Average Outage Hours Per Customer	0.00	0.61	0.88

### Efficiency (July)

	Month	2018 YTD	2017 YTD
Net Plant Heat Rate	9,322	9,266	9,164
Peak Demand (MW)	73.2		

### Residential Rates:

August 2018	\$0.3596/kwh	Up \$0.002 from July
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DRAFT

**KAUA`I ISLAND UTILITY COOPERATIVE  
BOARD POLICY NO. 18  
(~~Revised 11/29/2016~~Reviewed 08/28/2018)**

**BOARD MEMBER QUALIFICATIONS AND ELIGIBILITY**

**PURPOSE OF POLICY:** To Publish the Qualifications for Election or Appointment to, and for Service on, KIUC's Board; and to Establish a Related Procedure and Affirmation Form.

**POLICY CONTENT:**

A. **General.** Certain minimal qualifications are required by Hawaii law and KIUC's bylaws for one to be eligible to be elected or appointed to, and to serve on, the KIUC Board. It is the ultimate legal responsibility of the Board to ensure these requirements are met and complied with. If the Board determines an incumbent, nominee or potential appointee lacks or has lost any of the necessary legal qualifications, it is the duty of the Board to remove such incumbent or to declare such nominee or potential appointee ineligible for election, whichever may be the case. By adopting, publishing and appropriately disseminating this Policy and the related Affirmation Form, a copy of which is attached hereto as Attachment "A", it is the Board's respectful hope that Board member incumbents, nominees or potential appointees will not only be fully apprised of these requirements, but mindful of their importance in deciding whether to continue or commence service on the Board.

B. **Requirements.**

1. **General Legal Requirements.** Hawaii law provides that a person, to be eligible for election or appointment to, and to serve on, KIUC's Board shall, among other things:

- A. adhere to all applicable requirements of law, KIUC's articles and bylaws, and KIUC's duly made decisions;

- B. be loyal to KIUC, acting at all times in good faith for its best interests;
- C. have no continuing and substantial interests that are in conflict with the best interests of KIUC;
- D. be possessed of the minimum knowledge and skills necessary to govern the affairs of KIUC; and
- E. be willing to devote such time and effort to his/her duties as a Board member as may be necessary to govern KIUC's business and affairs.

2. **Bylaw Requirements.** KIUC's bylaws provide that a person, to be eligible for election or appointment to, and to serve on, KIUC's Board, shall:

- A. be an individual member of KIUC (a natural person), or a designated representative of a member of KIUC which member is a partnership, joint venture, corporation, limited liability company, political entity or other legal entity;
- B. not be a paid employee of the Association;
- C. have the reasonable skills, experience and background requirements for being eligible to serve or continuing to serve as a Director established by the Board of Directors.

3. **Board Requirements.** To be eligible for election or appointment to, and to serve on or continue to serve on KIUC's Board, an individual must meet following additional requirements:

- A. Have the capacity to enter into a legally binding contract.



- B. The Membership which the individual has indicated is the basis of his or her candidacy must be an active membership.
- C. Within two (2) years of becoming a Director, unless excused by the Board of Directors for good cause, receive a Credentialed Cooperative Director designation or Director Certificate or similar certification from the National Rural Electric Cooperative Association. Directors are strongly encouraged to continue pursuing educational courses for Cooperative Directors.
- D. Unless excused for good cause by the Board of Directors, attend at least two-thirds of all Board meetings during any twelve (12) month period.
- E. Attend prospective director orientation or have previously been a KIUC Director.
- F. Have not been an employee of KIUC within three (3) years of the date of the individual's prospective election to the Board.
- G. Not be a close relative (spouse, partner in a civil union, domestic partner, reciprocal beneficiary, child [including adoptive and step children], parent [including step parents and/or adoptive parents], sibling [including step siblings and/or adoptive siblings] or an in-law of said child, parent or sibling) of an employee, or have had such a close relative employed at KIUC within three (3) years of the date of the individual's prospective election to the Board.

- H. Not be a contractor, supplier, sub-contractor, or employee thereof, which contractor, supplier or sub-contractor earned more than 40% of its gross revenue from KIUC currently or within any of the three (3) years immediately preceding the individual's prospective election to the Board.
- I. Not be a close relative (as defined in subparagraph F above) of a contractor, supplier, sub-contractor, or employee thereof, which contractor, supplier or sub-contractor earned more than 40% of its gross income from KIUC currently or within any of the three (3) years immediately preceding the individual's prospective election to the Board.
- J. All officials elected to federal, state or county office are prohibited from running for election to the KIUC Board of Directors.
- K. Not having ever been convicted of a felony or any crime involving dishonesty or theft (unless pardoned or granted clemency by the appropriate authority).
- L. The fiduciary duty each KIUC Director and each non-Director member of a KIUC Board Committee owes to KIUC requires that each such Director or individual refrain from disclosing certain non-public, confidential, or proprietary information concerning KIUC to individuals outside of KIUC (those who are not KIUC Employees or Directors) and/or those who otherwise have no need to know of such information. In keeping with such obligation, each individual

elected to or appointed to a KIUC Directorship shall, prior to taking office, be required to execute an appropriate Confidentiality and Nondisclosure Agreement in the form attached hereto as Attachment "B", and each non-Director member of a KIUC Board Committee shall, prior to becoming a member of such Committee, be required to execute an appropriate Confidentiality and Nondisclosure Agreement in the form substantially similar to that attached hereto as Attachment "B".

4. **Procedure for Policy Implementation.** This Policy shall be implemented as follows:

- A. It shall be explained periodically in KIUC's newsletter.
- B. It shall be disseminated and explained to KIUC's Nominating Committee each year, prior to their making nominations, and the Committee will be urged to screen all persons considered for nomination as directors to ensure they are qualified in accordance with the Policy.
- C. Immediately after receipt of any nomination by petition, KIUC shall furnish the nominee with a copy of this Policy to ensure he/she is qualified in accordance with it and agrees to attend or has attended the required orientation.

- D. The Board, in filling any vacancies occurring on the Board, shall ensure that an appointee is first fully apprised of this Policy and is qualified in accordance with it.
- E. All persons actually nominated or being considered for appointment as directors shall, prior to election or appointment, be required to read this Policy and to then execute the Affirmation Form. If a potential appointee or nominee refuses to execute the Affirmation Form or qualifies his execution in any manner that the Board considered to be unfavorable to the best interests of KIUC, the appointment shall be withheld or, as to the nominee, the Board may inform the members of such fact prior to the election or disqualify the nominee, whichever it determines to do in the facts and circumstances existing.
- F. The Board shall not allow voting on any nominee who is determined by the Board to be ineligible under this Policy; and the Board shall cause to be removed from office pursuant to the Bylaws of KIUC any nominee duly elected to the Board or any incumbent who is determined by the Board to have lost or never had eligibility under this Policy.
- G. Every year prior to or at the Annual Meeting of KIUC's Board of Directors as specified in Article III, Section 6, of the KIUC Bylaws (or the Bylaws' successor provision), each incumbent whose office was not up for election at said meeting shall be required to review,

this Policy and to execute or re-execute, as the case may be, the Affirmation Form.

- H. Every year prior to or at the Annual Meeting of KIUC's Board of Directors as specified in Article III, Section 6, of the KIUC Bylaws (or the Bylaws' successor provision), all newly elected Directors, who have not theretofore executed the Confidentiality and Nondisclosure Agreement (“Agreement”) required herein shall execute said Agreement prior to their installation as a Director. Further, any sitting Director shall annually execute such Agreement, and all individuals appointed to fill any KIUC Director vacancy who have not theretofore executed said Agreement shall be required to execute same prior to being installed as a Director.

#### **RESPONSIBILITIES:**

The Board shall be responsible for the enforcement of this Policy.

Adopted on this ~~29<sup>th</sup>-28<sup>th</sup>~~ day of ~~November~~~~August~~, ~~2016~~~~2018~~

~~Teofilo Taebian~~ Calvin Murashige  
Secretary

Reviewed: 08/28/2018

Revised: 11/29/2016

Revised: 11/25/2014

Revised: 05/22/2012

Revised: 05/31/2011

Revised: 04/27/2010

Revised: 02/24/2009

Revised: 11/26/2005

Revised: 08/25/2004

Original Adoption: 2003

**ATTACHMENT "A"**

**AFFIRMATION CERTIFICATE FORM**

Kauai Island Utility Cooperative  
4463 Pahe'e Street  
Lihue, Kauai, Hawaii 96766

**Affirmation of Director Qualification**

I, the undersigned, hereby affirm that I have read the attached KIUC Policy No. 18 on, **KIUC Board Member Qualifications and Eligibility**, and that I am qualified in accordance with the Policy to be nominated and elected or appointed as a KIUC Board member, or as an incumbent to continue serving as such Board member, as the case may be.

I have accordingly signed my name hereto and had the same witnessed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Signed: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone No.: \_\_\_\_\_

**WITNESS**

Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Telephone No.: \_\_\_\_\_

**Attachment "B"**



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**CONFIDENTIALITY AND  
NONDISCLOSURE AGREEMENT  
(Directors and non-Director Board Committee Members)**

In connection with the undersigned individual ("Recipient") agreeing to serve or being elected or appointed as a Director of Kauai Island Utility Cooperative ("KIUC") or being appointed as non-Director member of a KIUC Board Committee (the "Committee"), KIUC or its representatives may provide to Recipient certain non-public, confidential, or proprietary information concerning KIUC, or concerning future transactions involving KIUC (the "Material"). Material may consist of written or oral information provided by KIUC, including, without limitation, any written or electronic documents marked "Confidential", any information conveyed to the Recipient where the individual conveying the information requests that it be held confidential or under circumstances where the confidentiality of the information is obvious, financial statements, projections, cost and expense data, and other business or trade information. Material also includes all analyses, compilations, forecasts, studies or other material prepared by Recipient containing, based on or reflecting any confidential non-public information furnished by KIUC. Material does not include information that (i) the Recipient can show was known to the public, or in the published literature prior to KIUC's disclosure of such Material to the Recipient under the terms of this Agreement; (ii) subsequent to the time of KIUC's disclosure to the Recipient, becomes known to the public or appears in the published literature through no fault of the Recipient; or (iii) is lawfully acquired by the Recipient from a third party (specifically not including any employee or agent of KIUC) who is not in breach of any confidentiality agreement with KIUC.

In consideration of being furnished with the Material, the Recipient agrees that:

1. The Material will be kept confidential and will not, without the prior written consent of an authorized agent of KIUC, be disclosed by the Recipient in any manner whatsoever, in whole or in part, and will not be used by the Recipient directly or indirectly, for any purpose other than in connection with Recipient's service as a Director of KIUC and/or on the Committee.
2. The Recipient will not, without prior written consent of an authorized agent of KIUC, make any statement, any public announcement, any release to trade publications or to the press, or make any statement to any competitor, customer, employee, or other third party, regarding

Material, except as may be necessary, in the opinion of counsel, to comply with the requirements of any law, governmental order, or regulation.

3. The Recipient will keep records of each location where the Material is kept. If the Recipient is no longer a Director of KIUC and/or a member of the Committee, Recipient will, in that case, and at any time upon the request of KIUC, destroy or return all copies of the Material immediately, without retaining any copies and confirm such destruction in writing to KIUC. Any oral information covered by this Agreement will continue to be subject to the terms of the Agreement.

4. In the event that the Recipient is requested or becomes legally compelled (by oral questions, interrogatories, requests for information or documents, subpoena, civil investigative demand, or any similar process) to disclose all or any part of the Material, the Recipient will (i) promptly notify KIUC of the existence, terms and circumstances surrounding such request; (ii) consult with KIUC on the advisability of taking legally available steps to resist or narrow such request; (iii) only disclose the information requested after complying with clauses (i) and (ii); and (iv) exercise reasonable effort (if so requested by KIUC) to obtain, to the extent practicable, a protective order or other reliable assurance that confidential treatment will be accorded to such portion of any disclosed information as the requestor may designate. In the event that a protective order or other remedy is not obtained or that the requestor waives compliance with the provisions of this Agreement, the Recipient will furnish only that portion of the Material that is legally required and will exercise his or her best efforts to obtain reliable assurance that confidential treatment will be accorded the Material.

5. It is understood and agreed that no failure or delay by KIUC in exercising any right, power, or privilege under this Agreement will operate as a waiver. It is further understood that no single or partial waiver of any right, power, or privilege will preclude any other or further exercise of any right, power, or privilege under this Agreement.

6. The Recipient agrees that money damages would not be a sufficient remedy for any breach of this Agreement, and that, in addition to all other remedies, KIUC will be entitled to specific performance of Recipient's obligations relating to this Agreement and to injunctive or other equitable relief as a remedy for any such breach. For purposes of seeking equitable relief, the Recipient stipulates and agrees that any breach of the provisions of this Agreement may subject KIUC to irreparable harm and injury. .

7. This Agreement is the entire agreement between Recipient and KIUC regarding the nondisclosure of Material and supersedes all prior agreements and understanding regarding this subject. This Agreement may be amended only by written agreement executed by both Recipient and KIUC

8. This Agreement is not assignable or transferable by Recipient without the prior written consent of KIUC.



9. This Agreement is governed and will be construed in accordance with the laws of the State of Hawaii. If any terms or provision of this Agreement is found to be invalid or unenforceable, the remaining terms will remain in full force and effect.

IN WITNESS WHEREOF, this Agreement is executed by the Recipient indicated below, intending to be bound by its terms, and is effective as of the date indicated:

**RECIPIENT**

Signature: \_\_\_\_\_ Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_

**KAUA'I ISLAND UTILITY COOPERATIVE ("KIUC")**  
**BOARD POLICY NO. 33**  
**(Revised 10/25/2016 Reviewed 08/28/2018)**

**MEMBER CALLED SPECIAL MEETINGS OF KIUC MEMBERS**

**PURPOSE OF POLICY:**

To set out certain requirements and procedures to be used by KIUC Members to properly notice a Member--called Special Meeting of KIUC Members pursuant to Sections 2 and 3 of Article II of the Seventh Revised and Restated KIUC Bylaws or its successor (the "Bylaws").

**POLICY CONTENT:**

- A. General.** Sections 2 and 3 of Article II of the Bylaws allow active members of KIUC, i.e. members of KIUC who or which have not been transferred to Inactive Status (hereinafter "Active Members" or "Members" or singularly "Member") to submit a Notice of Demand for a Special Meeting of the Members of KIUC for a specific purpose or purposes (a "Notice of Demand") to the Secretary of the KIUC Board of Directors (the "Board"). This Policy sets out the requirements and procedures to be followed to successfully call such a meeting.
- B. Member Requirements.** The following are the requirements of KIUC's Bylaws for the KIUC Members to call a Special Meeting of the KIUC Members for a particular purpose or purposes (a "Member--Called Meeting of Members"):
- 1) The Notice of Demand must state the specific purpose or purposes for which the Member--Called Meeting of Members has been called.
- C. Board Requirements.** Once such a Notice of Demand is received and validated as set out in Paragraph E below:
- 1) The Board shall cause such a Member--Called Meeting of Members to be held within 30 days of the receipt of the validated Notice of Demand.
  - 2) The Member--Called Meeting of Members shall be noticed to all Active Members by the Board in writing at least 15 business days before the date set for said meeting.
  - 3) Notice shall be given by the Board causing a Notice of Meeting to be posted prominently at all KIUC locations where KIUC employees are permanently assigned and the publishing of the Notice of Meeting at least two separate times in a newspaper of general circulation on Kauai. Additional notice of Member-Called meetings may also be given by such other reasonable means (e.g. media advertising and posting on KIUC's website) as the Board may determine is appropriate.
  - 4) The Notice of Meeting shall contain the time and place of the meeting and the purpose or purposes for the meeting specified in the Notice of Demand.

- 5) No other business except the purpose or purposes specified in the Notice of Demand may be conducted at the Member-Called Meeting of Members.

**D. Procedure for Policy Implementation.** This Policy shall be implemented as follows:

- 1) Copies of this Policy and the forms necessary to comply with it shall be available for printing on KIUC's website, www.kiuc.coop and from the KIUC Member Services Department.
- 2) For each Notice of Demand there shall be a sponsor (the "Sponsor") representing all of the signers of the Notice of Demand, who shall be a Member of KIUC and a signer of the Notice of Demand and whose name shall be shown on the Notice of Demand. The Sponsor shall be responsible for circulation of the Notice of Demand for signature by the Members and for assembling and filing the Notice of Demand in proper form.
- 3) Each signature of the Members signing the Notice of Demand must be verified to be the genuine signature of the person it purports to be by the checking of the Member's identification or otherwise by the Sponsor or a Circulator (as hereinafter defined) circulating the copy or copies of the Notice of Demand in question.
- 4) For a Notice of Demand to be accepted for certification it shall:
  - a. Have had all pages of the completed Notice of Demand delivered by the Sponsor to the KIUC Board Chairman or Secretary, or the Chairman's or Secretary's designee, on copies of the form attached to this Policy as Exhibit "A" (for the first page of the Notice of Demand) or Exhibit "B" (Continuation pages of the Notice of Demand) with the information called for on the form substantially completed for each name and signature on the form. In determining such substantiality the information in at least one of the information categories provided for each name and signature on Exhibits "A" and "B", i.e. the Member's Service Address, Telephone Number, or Account Number must match the information for that Member contained in KIUC's data.
  - b. Be submitted under cover of the Notice of Demand Transmittal Letter and Declaration in the form attached to this Policy as Exhibit "C" with all spaces properly filled in.
  - c. If ~~other~~ individuals other than the Sponsor are engaged by the Sponsor to obtain Member signatures on copies of the Notice of Demand ("Circulator[s]"), each set of Notice of Demand pages collected by such Circulator or Circulators shall have attached to such set of Notice of Demand pages at the time of submittal of the Notice of Demand to the KIUC Chairman or Secretary, or their designee, a declaration in the form attached to this Policy as Exhibit "D" (the "Declaration") attesting ~~that~~ each Circulator personally circulated the set of Notice of Demand pages attached to the Declaration; ~~that~~ the set of Notice of Demand pages bears a stated number of signatures; each signature on such Notice of Demand pages was affixed in the Circulator's presence; and each signature is the genuine signature of the person it purports to be.

**E. Procedure After Notice of Demand Submittal.**

- 1) Within seven (7) business days after the submittal of a Petition, KIUC shall determine the sufficiency of the Notice of Demand as to form and the number of valid Member signatures affixed to the Notice of Demand, and certify the Notice of Demand to be either: (1) "Insufficient" so ~~that~~ no further action is required; or (2) Sufficient to qualify the Notice of Demand as "Sufficient" which is defined as a Notice of Demand ~~that~~ sufficient as to form and has at least 250 valid Member signatures affixed on the date of the Notice of Demand's submittal to the KIUC Secretary by the Sponsor.
- 2) As soon as convenient after KIUC has made its determination as to the category of the Notice of Demand it shall certify to the Secretary, KIUC's CEO and the Sponsor the category the Notice of Demand has received, and shall issue a public announcement of such category. If the certification made is "Insufficient", KIUC will provide to the Sponsor the following information with regard to the certification:
  - a) The total number of signatures on the Petition timely received; and
  - b) The total number of signatures received ~~that~~ were determined insufficient; and
  - c) The specific categories for disqualification of all signatures disqualified; and
  - d) The number of disqualified signatures in each category.

**F. Procedure After Certification.**

- 1) If the Notice of Demand was deemed "Insufficient" no further action on KIUC's part is required except the notification of the Sponsor required by Policy Content Paragraph E. 2) above.
- 2) If the Notice of Demand was deemed "Sufficient" the KIUC Board will proceed as set out in Policy Content Paragraph C above.

**RESPONSIBILITIES:**

1. KIUC's President and CEO is responsible for implementing and enforcing the portion of this Policy to be performed by Staff.
2. The Board shall be responsible for the enforcement of this Policy

Adopted on this ~~25<sup>th</sup>~~28<sup>th</sup> day of ~~October~~August, ~~2016~~2018

~~Teofilo Tacbian~~Calvin Murashige  
Secretary

~~Reviewed:~~ 08/28/2018  
Revised: 10/25/2016  
Revised: 08/26/2014  
Original Adoption: 10/25/2011

**EXHIBIT "A" (First Page of Notice of Demand only)**

**KAUA'I ISLAND UTILITY COOPERATIVE ("KIUC")  
NOTICE OF DEMAND FOR  
MEMBER CALLED SPECIAL MEETINGS OF KIUC MEMBERS**

**NOTE:** By signing this Notice of Demand I, one of the undersigned, certify ~~that~~-I am an Active Member of KIUC or the authorized representative of an Active entity Member of KIUC, ~~that and~~ this is the only copy of this Notice of Demand I have or will sign in that capacity; and that the information given as to Name, Service Address, Telephone Number and Account Number will match the information on my Active Account at KIUC. I understand ~~that~~ \_\_\_\_\_, is the Sponsor of this Notice of Demand and as such consent to the said Sponsor being designated as such for this Notice of Demand pursuant to KIUC Board Policy No. 33 to act for me as a signer of the Demand in the manner he or she deems appropriate. I also agree and consent to the disclosure of all information concerning me on this Petition to the general public, thereby waiving any applicable claim to privacy with regard to that information.

**REMINDERS:** Although a Member may have multiple sub-accounts, no matter how many sub-accounts you may have a Member may sign this Notice of Demand only once. KIUC does not allow joint accounts so only the spouse ~~that who~~ is the Member may sign the Notice of Demand.

**PURPOSE OF NOTICE OF DEMAND:** The purpose of this Notice of Demand is to call a Special Meeting of the Members of KIUC for the following purpose or purposes: \_\_\_\_\_

<u>NAME</u> (Please Print)	<u>SIGNATURE</u>	<u>SERVICE ADDRESS</u>	<u>TELEPHONE NUMBER</u>	<u>ACCOUNT NO.</u>
1. (Sponsor)				
2.				
3.				
4.				
5.				
6.				

**EXHIBIT "B"**  
**(Continuation page(s) of Notice of Demand)**

**KAUA'I ISLAND UTILITY COOPERATIVE ("KIUC")**  
**NOTICE OF DEMAND FOR**  
**MEMBER CALLED SPECIAL MEETINGS OF KIUC MEMBERS**

**NOTE:** By signing this Notice of Demand I, one of the undersigned, certify ~~that~~ I am an Active Member of KIUC or the authorized representative of an Active entity Member of KIUC, ~~that and~~ this is the only copy of this Notice of Demand I have or will sign in that capacity; and ~~that~~ the information given as to Name, Service Address, Telephone Number and Account Number will match the information on my Active Account at KIUC. I understand ~~that~~ \_\_\_\_\_, is the Sponsor of this Notice of Demand and as such consent to the said Sponsor being designated as such for this Notice of Demand pursuant to KIUC Board Policy No. 33 to act for me as a signer of the Demand in the manner he or she deems appropriate. I also agree and consent to the disclosure of all information concerning me on this Petition to the general public, thereby waiving any applicable claim to privacy with regard to that information.

**REMINDERS:** Although a Member may have multiple sub-accounts, no matter how many sub-accounts you may have a Member may sign this Notice of Demand only once. KIUC does not allow joint accounts so only the spouse ~~that who~~ is the Member may sign the Notice of Demand.

**PURPOSE OF NOTICE OF DEMAND:** The purpose of this Notice of Demand is to call a Special Meeting of the Members of KIUC for the following purpose or purposes: \_\_\_\_\_

<u>NAME</u> (Print)	<u>SIGNATURE</u>	<u>SERVICE ADDRESS</u>	<u>TELEPHONE</u> <u>NUMBER</u>	<u>ACCOUNT NO.</u>
1.				
2.				
3.				
4.				
5.				
6.				

**EXHIBIT "C"**

**KIUC NOTICE OF DAMAND FOR SPECIAL MEETING OF KIUC MEMBERS  
TRANSMITTAL LETTER AND DECLARATION**

**VIA HAND DELIVERY**

Date: \_\_\_\_\_

To: \_\_\_\_\_, Secretary, KIUC Board

From: \_\_\_\_\_ (Sponsor)

Email.: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (Address)

Telephone: \_\_\_\_\_

Re: Transmittal and Declaration for KIUC Notice of Demand for Special Meeting of KIUC Members

Dear KIUC Secretary:

Attached hereto pursuant to KIUC Board Policy No. 33 ("Policy 33") is the initial page and \_\_\_\_\_ continuation pages of a Notice of Demand for Special Meeting of KIUC Members for the purpose or purposes indicated therein.

The undersigned is the Sponsor responsible for this Notice of Demand under Policy 33. I declare under penalty of perjury ~~that~~I personally circulated the attached set of Notice of Demand pages; ~~that~~the set of Notice of Demand pages attached hereto bear \_\_\_\_\_ signatures; ~~that~~each signature on such Notice of Demand pages was affixed in my presence; and each signature is the genuine signature of the person it purports to be verified in accordance with Policy 33.

\_\_\_\_\_  
Signature

**EXHIBIT "D"**

**CIRCULATOR TRANSMITTAL AND DECLARATION**  
**FOR**  
**MEMBER NOTICE OF DEMAND**

**VIA HAND DELIVERY**

Date: \_\_\_\_\_

To: \_\_\_\_\_, Secretary, KIUC Board

From: \_\_\_\_\_ (Circulator)

Email.: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_ (Address)

Telephone: \_\_\_\_\_

Re: Circulator Transmittal and Declaration for Notice of Demand for Special Meeting of  
KIUC Members

Dear KIUC Secretary:

Attached hereto pursuant to KIUC Board Policy No. 33 ("Policy 33") are \_\_\_\_\_ continuation pages of a Notice of Demand (the "Notice of Demand") calling for the noticing of a Special Meeting of KIUC Members for the purpose or purposes indicated therein.

I, the undersigned, was duly appointed a Circulator of this Notice of Demand under Policy 33 by the Sponsor of the Notice of Demand under Policy 33. I declare under penalty of perjury ~~that~~ I personally circulated the set of Notice of Demand pages attached hereto; ~~that~~ the set of Notice of Demand pages attached hereto bear \_\_\_\_\_ signatures; ~~that~~ each signature on such Notice of Demand pages was affixed in my presence; and each signature is the genuine signature of the person it purports to be verified in accordance with Policy 33.

\_\_\_\_\_  
Signature