

AGRIBUSINESS DEVELOPMENT CORPORATION

Minutes of the Emergency Board of Directors Meeting held Virtually on April 24, 2023
Via Zoom Teleconference and/or In-Person at 235 S. Beretania St., Rm. 204, Honolulu, HI 96813

Pursuant to section 92-8(b), Hawaii Revised Statutes, the Board of Directors of the Agribusiness Development Corporation may hold an emergency meeting if an unanticipated event requires the board to take action on a matter over which it has supervision, control, jurisdiction, or advisory power. The board may hold an emergency meeting with less than six calendar day notice in order to deliberate and decide on how to respond to the unanticipated event.

Pursuant to section 92-3.7, Hawaii Revised Statutes, this meeting will be held using interactive conference technology (ICT). Board members, staff, persons with business before the Board, and the public may participate remotely online using ICT, or may participate via the in-person meeting site which provides ICT

Members Present, virtually:

Warren Watanabe, Member-At-Large (Mr. Watanabe) Vice-Chairperson
Glenn Hong, Member-At-Large (Mr. Hong)
Sharon Hurd, Chair HBOA, Ex-Officio Member (Ms. Hurd)
Kaleo Manuel, DLNR, Ex-Officio Member (Mr. Manuel)
Lyle Tabata, Kauai County Member (Mr. Tabata)
Dane Wicker, Designated Representative, DBEDT, Ex-Officio Member (Mr. Wicker)
Jayson Watts, Maui County Member (Mr. Watts)

Members Excused:

Frederick Lau, Chairperson
Karen Seddon, Member-At-Large
Jason Okuhama, Member-At-Large

Counsel Present, virtually:

Delanie Prescott-Tate, Deputy Attorney General (Ms. Prescott-Tate)

Staff Present, virtually:

Mark Takemoto, Executive Assistant (Mr. Takemoto)
Ken Nakamoto, Project Manager (Mr. Nakamoto)
Lyle Roe, Property Manager (Mr. Roe)
Lynette Marushige, Executive Secretary

Guests Present, virtually:

ADC Guest
AGR-Maeda, Isaac
dnellis
Jasmine Tavui

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Kyle Barber
Trisha Kehaulani Watson
WAM Staff

Guests Present, physical location: None.

A. Call to Order

Pursuant to Article 3, Section 5 of the Bylaws of the Agribusiness Development Corporation, in the absence of the chairperson, the vice-chairperson shall perform the duties of the chairperson. Chair Lau was out of the country and unable to conduct the meeting. Vice-Chair called the virtual meeting to order at 3:34 p.m.

B. Roll Call

Vice-Chair conducted a roll call of the Board. Vice-Chair called the name of each Board member and asked them to identify their presence with a “here” or “present” and to state who if anyone over the age of eighteen was present in the room with them. Vice-Chair stated that the roll call served as the roll call vote, and for each subsequent vote, the Vice-Chair would ask if there were any objections. If there were no objections the motion will be approved on the same basis as the roll call.

Roll call: Mr. Hong, Ms. Hurd, Mr. Manuel, Mr. Tabata, Mr. Watts, Mr. Wicker and Mr. Watanabe acknowledged attendance with no guests present.

Chair Lau, Mr. Okuhama and Ms. Seddon were excused.

Vice-Chair stated that pursuant to section 92-8(b)(2), for purposes of an Emergency Meeting, two-thirds of all members to which the board is entitled must agree that conditions necessary for an emergency meeting exist. Seven members of the Board constitutes two-thirds of the eleven members established by section 163D-3(b), Hawaii Revised Statutes.

There are seven members present, which is two-thirds of the board members.

C. New Business

- 1. Declaration of Emergency:** Pursuant to section 92-8(b), Hawaii Revised Statutes, if an unanticipated event requires a board to take action on a matter over which it has supervision, control, jurisdiction, or advisory power, within less time than is provided for in section 92-7 to notice and convene a meeting of the board (normally six calendar days advance notice), the board may hold an emergency meeting to deliberate and decide whether and how to act in response to the unanticipated event.

Section 92-8(c), Hawaii Revised Statutes, defines an “unanticipated event” as:

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- (1) An event which members of the board did not have sufficient advance knowledge of or reasonably could not have known about from information published by the media or information generally available in the community;
- (2) A deadline established by a legislative body, a court, or a federal, state, or county agency beyond the control of a board; or
- (3) A consequence of an event for which reasonably informed and knowledgeable board members could not have taken all necessary action.

In this matter, HRS section 92-8(c)(1) and (3) apply. The passing of Mr. James Nakatani on Sunday, April 23, 2023 was unexpected and not something the Board reasonably could have anticipated.

Vice-Chair asked for a motion to declare an emergency due to the passing of Mr. James Nakatani, ADC's Executive Director.

Motion: Mr. Wicker; Second: Mr. Watts

Vice-Chair asked if there was anyone from the public who wished to give testimony. There was none.

Vice-Chair asked if there was any board discussion. There was none.

Vice-Chair called for the vote. Hearing no objections the motion was approved: 7-0.

Vice-Chair asked if the deputy attorney general agrees with the Board's finding that the passing of the executive director on April 23, 2023 constitutes an emergency that necessitates holding an emergency meeting in response to this unanticipated event.

Ms. Prescott-Tate responded that yes, she concurs with the Board's finding that an emergency exists. Pursuant to section 92-8(b)(1), the record will reflect that Mr. James Nakatani was the Executive Director of the Agribusiness Development Corporation when he unexpectedly passed away on Sunday, April 23, 2023.

According to Article 6, Section 1 of the Bylaws of the Agribusiness Development Corporation, the executive director shall serve as the chief executive officer of the Corporation and shall be directly responsible for the day-to-day operations of the Corporation, including control of and responsibility for the execution of the policies of the Board of Directors, the supervision of the Corporation's staff, and the administration of the Corporation's programs, projects, and affairs, including approving transactions involving purchasing, property management, budgeting, accounting, travel, insurance claims, and the issuance of manuals of administrative procedure, and shall also perform such other duties as may be delegated from time to time by the Board of Directors.

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As such, the everyday business of the corporation cannot be conducted in the absence of the executive director.

According to Article 6, Section 1, of the Bylaws of the Agribusiness Development Corporation, should the position of the executive director become vacant, the Board of Directors may appoint an acting executive director from among the employees of the Corporation until such vacancy is filled by a permanent appointment.

Ms. Prescott-Tate turned the meeting back to the Vice-Chair for Agenda Item 2.

2. Appointment of Acting Executive Director of the Agribusiness Development Corporation

May I have a Motion to appoint an acting executive director of the Agribusiness Development Corporation?

Mr. Watts moved to nominate Mark Takemoto, executive assistant, to the position of acting executive director. Second: Mr. Hong.

Vice-Chair asked if there was anyone from the public who wished to give testimony. There was none.

Vice-Chair asked if there was any board discussion.

Mr. Wicker asked what the process was moving forward. He appreciated the fast action since they have week-long conference meetings, a lot of legislative policy and budget. Will it be discussed here or at a future meeting. What is the path forward?

Ms. Prescott-Tate responded that they will hopefully appoint an acting executive director today. The acting executive director serves until a permanent person is appointed.

Mr. Wicker asked if that time was determined by the board?

Ms. Prescott-Tate responded correct.

Vice-Chair asked if there was any other board discussion.

Mr. Manuel said he just wanted to add for the record that he supports the recommendation. As being part of the last evaluation committee and hearing directly from the former Executive Director, he definitely supported the leadership skills of Mr. Takemoto and the work that he's been able to accomplish during his short time with ADC. He will support this nomination. And similar to what Mr. Wicker mentioned, he

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thinks they should meet, perhaps on the next agenda, and discuss what that timeline looks like for a replacement of the executive director.

Vice-Chair asked if there was any other board discussion. Hearing no further discussion, Vice-Chair called for the vote. Hearing no objection, the motion was approved: 7-0.

Vice-Chair announced that the term of the Acting Executive Director shall be until the Board permanently appoints a new executive director.

Ms. Prescott-Tate provided a recap of Agenda Item 2. The nomination was for Mr. Takemoto, who is currently the assistant to the executive director. There were no further nominations. The vote was taken, 7-0 in favor of Mr. Takemoto. So the new Acting Executive Director is Mark Takemoto.

3. Request to Delegate Authority to the Acting Executive Director to execute any and all documents to which the Corporation is a party, and to which the former Executive Director had been given specific authority to sign.

Vice-Chair asked for a motion to Delegate Authority to the Acting Executive Director to Execute any and all documents to which the Corporation is a party, and to which the former Executive Director has been given specific authority to sign?

Motion: Mr. Wicker; Second: Mr. Watts.

Chair asked Mr. Roe to give his presentation.

Mr. Roe stated that at the last Board meeting on April 20, 2023, the Executive Director was given authority to sign license agreements for Mahipapa, LLC, and Hanahanapuni Farms; update reopened lease rents for lease agreement S-3940 for Kauai Island Utility Cooperative, and a license agreement for the County of Kauai for two monitoring wells. On April 20, 2022, the Executive Director was previously given authority to finalize the purchase of three deep wells from Dole Food Company, Inc., which will probably be completed in May 2023. The Board has previously authorized the Executive Director to execute right-of-entry documents without prior board approval. The acting Executive Director requires the ability to execute documents in support of the supervisory authority of staff, such as leave of absence forms, and other employment related paperwork. The Acting Executive Director also requires the ability to execute and administer the Corporation's programs, projects, affairs, budget, legislative matters, transactions involving purchasing, property management, budgeting, accounting, travel, insurance and other duties as delegated by the Board including anything previously approved by the board but that has not yet been executed. These are the sorts of things that this particular motion would cover.

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Vice-Chair asked if there was anyone from the public who wished to provide testimony. There was none.

Vice-Chair asked if there was any board discussion. Hearing none, Vice-Chair called for the vote asking if there were any objections to authorizing the Acting Executive Director to execute all documents that the former executive director was previously authorized to execute, and to execute all documents to which the Corporation is a party as authorized under Article 6, section 1 of the Bylaws of the Agribusiness Development Corporation.

Hearing no objection, the motion was approved: 7-0.

D. Adjourn

Chair called for a Motion to Adjourn: Mr. Manuel; Second: Mr. Tabata.

Chair asked if there was any discussion. There was none.

Chair called for the vote. Hearing no objection, the motion was approved: 7-0.

The meeting was adjourned at 3:51 p.m.

Respectfully submitted:

Lynette Marushige
Secretary