

**AGRIBUSINESS DEVELOPMENT CORPORATION**

Minutes of the Special Board of Directors Meeting held Virtually on August 1, 2024

Via Zoom Teleconference and/or In-Person at 235 S. Beretania St., Suite 205, Honolulu, HI 96813

*Pursuant to section 92-3.7, Hawaii Revised Statutes (HRS), this meeting was held remotely with Board members, Staff, Applicants, and the Public participating via Zoom meeting venue, and an In-Person meeting location available for public participation at the State of Hawai‘i, Leiopapa A Kamehameha, State Office Tower Building, 235 S. Beretania St., Suite 205, Honolulu, HI 96813.*

**Members Present, virtually:**

Lyle Tabata, Kauai County Member, Chair (Chair)  
Jesse Cooke, City and County of Honolulu Member (Mr. Cooke)  
Glenn Hong, Member-At-Large (Mr. Hong)  
Sharon Hurd, Designee for HBOA, Ex-Officio Member (Ms. Hurd)  
Dean Okimoto, Member-At-Large (Mr. Okimoto)  
Jason Okuhama, Member-At-Large, Vice-Chair (Vice-Chair)  
Karen Seddon, Member-At-Large (Ms. Seddon)  
Nathan Trump, Hawaii County Member (Mr. Trump)  
Dane Wicker, Designee for DBEDT, Ex-Officio Member James Tokioka (Mr. Wicker)

**Members Excused:**

Ryan Kanaka‘ole, Designee for DLNR, Ex-Officio Member Ms. Dawn Chang  
Jayson Watts, Maui County Member

**Counsel Present, virtually:**

Jennifer Waihee-Polk, Deputy Attorney General  
Delanie Prescott-Tate, Deputy Attorney General

**Staff Present, virtually:**

Wendy L. Gady, Executive Director  
Mark Takemoto, Sr. Executive Assistant  
Roger Clemente, Property Manager  
Frankie Empeno  
Ingrid Hisatake, Executive Secretary

**Guests Present, virtually:**

Aldric Ulep  
Alex Sou  
Craig Inouye  
Craig Wagnild  
David Kerr  
Elizabeth Tatofi  
Frank Rogozienski  
Heath Williams  
Mac Blanchard  
Mark Ladao  
Office of Sen. DeCoite

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**Guests Present, physical location:**

Kawai Warren, Na Kia'i Kai (Mr. Warren)

**A. Call to Order**

Vice-Chair called the meeting to order at 9:14 A.M.

Vice-Chair conducted a roll call of the Board. Vice-Chair called the name of each Board member and asked them to acknowledge their presence and 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 a roll call vote, and for each subsequent vote, he would ask if there were any objections or abstentions. If there were no objections or abstentions the motion would be approved on the same basis as the roll call.

Roll call: Chair, Mr. Cooke, Mr. Hong, Ms. Hurd, Mr. Okimoto, Vice-Chair, Ms. Seddon, Mr. Trump, and Mr. Wicker acknowledged their presence with no guests present.

**B. Action Items**

1. **Request to consent to the assignment of Lease Agreement Nos. S-8001, S-8002, S-8005, S-8008, S-8012, S-8013, S-8017, and S-8020, currently assigned to Sunrise Capital, Inc., to Aloun Farms, Inc. for 145.65 gross acres, more or less, at Kekaha Agricultural Park, Kekaha, County of Kauai, State of Hawaii, Tax Map Key Nos. (4) 1-2-016:001; :002; :005; :006; :007; :008; :009; :010; :011; :012; :013; :014; :015; :016; :017; :018; :019; deferred from July 18, 2024 Meeting**

Chair moved this item to the end of the agenda to be heard in executive session.

2. **Presentation of the draft annual performance review of the Executive Director by the permitted interaction group established on March 21, 2024 for the purpose of conducting the annual performance review of the executive director, continued from May 16, 2024 and deferred from June 20, 2024 and July 18, 2024.**

Chair asked if Ms. Seddon, Ms. Hurd or Mr. Wicker were ready to present their report to the Board.

Ms. Seddon remarked that the permitted interaction group was still waiting for some information and would like to defer this agenda item.

Chair deferred the agenda item until the next meeting.

3. **Request for approval to dissolve and reappoint members to the Land Application permitted interaction group and the Capital Improvement Project Priorities permitted interaction group that were appointed on July 18, 2024**

Chair called for a motion to approve.

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Motion to approve: Mr. Wicker; Second: Mr. Okimoto.

Chair asked if there was any presentation by staff?

Mr. Takemoto stated that pursuant to Chapter 92 of the *Hawaii Revised Statutes*, entitled the Sunshine Law, to add new members to an already established permitted interaction group, the group must be dissolved and reformed. Pursuant to Article 4, Section 3 of the ADC By-Laws and section 92-2.5 of the *Hawaii Revised Statutes*, the Board must authorize the Chair to establish and appoint members to a permitted interaction group, which the by-laws refer to as an ad hoc committee. Chair would like to increase the membership of the Land Application Permitted Interaction Group and the Capital Improvement Project Permitted Interaction Group from three to five members. The current members of the Land Application group are Chair, Mr. Trump, and Mr. Cooke. The current members of the Capital Improvement Project group are : Chair, Mr. Hong, and Ms. Seddon. Staff recommends that the Board approve the dissolving of the current land application group and capital improvement project group and authorize the Chair to reform new committees with five members. The land application group shall be tasked with the responsibility of evaluating the applications for vacant land, rate and rank the applicants, and make recommendations to the full Board. In forming the recommendations, the permitted interaction group should interview the applicants, visit applicant farming operations, and may be permitted to review any written materials from the former Administration Committee. The capital improvement project priorities group shall rank the projects and make recommendations to the full Board.

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

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

Chair called for the vote.

Mr. Wicker asked Chair to identify the group members.

Chair responded that the Land Application permitted interaction group members were Chair, Mr. Trump, Mr. Cooke, Vice-Chair, and Mr. Okimoto. The Capital Improvement Project permitted interaction group members were Chair, Mr. Hong, Ms. Seddon, Mr. Wicker, and Mr. Watts.

Chair called for the vote. Hearing no objections or abstentions the motion was approved: 9-0.

**4. Chair appointment and removal of members to the standing Administration Committee and the Marketing and Communications Committee**

Article 4, Section 1 of the ADC By-Laws establishes three standing committees to facilitate consideration of policies and other significant matters that require approval of the Board of Directors. The standing committees are: 1) Administration Committee; 2) Technical Assistance Committee; and 3) Marketing & Communications Committee.

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Pursuant to Article 4, Section 2 of the ADC By-Laws, the members of each standing committee shall be appointed by the Chair and shall serve for one year or until the appointment of their successors. The Chair may serve as an ex officio, voting member of any standing committee. On July 18, 2024, Chair appointed members to the three standing committees. After the committees were established several members asked to join other committees. Five is the maximum number of members that can be on any committee. The committees were established with five members so someone would have to be removed from the committee to allow for new members to join their preferred standing committee. The membership of the Administration Committee and the Marketing and Communications Committee will be rearranged. According to Article 4, Section 1 of the ADC By-Laws, the Administration Committee was assigned to:

- a. Review and make recommendations regarding all financial matters requiring approval of the Board of Directors, including, but not limited to, contractual matters and the annual budget of the corporation;
- b. Review and make recommendations regarding all personnel matters requiring approval of the Board of Directors; and
- c. Review and make recommendations regarding any other matter referred by the chairperson of the Board of Directors.

Chair appointed the following members to the Administration Committee:

1. Chair (reappoint)
2. Vice Chair (reappoint)
3. Mr. Hong (reappoint)
4. Mr. Cooke (reappoint)
5. Mr. Watts (new replacing Mr. Trump)

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

Chair asked if there was any Board Discussion? There was none.

Chair stated that according to Article 4, Section 1, the Marketing & Communications Committee shall:

- a. Review and make recommendations regarding all marketing-related projects requiring approval of the Board of Directors; and
- b. Review and make recommendations regarding any other matter referred by the chairperson of the Board of Directors.

Chair appointed the following members to the Marketing/Communications Committee:

1. Chair (reappoint)
2. Mr. Watts (reappoint)
3. Mr. Cooke (reappoint)

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4. Mr. Wicker (reappoint)
5. Mr. Okimoto (new replacing Karen Seddon)

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

Chair asked if there was any Board Discussion? There was none.

Chair reminded the Board that the authority to act on all matters was reserved to the Board of Directors, and the functions of each committee shall be to consider and make recommendations to the Board of Directors.

**Recalling Action Item 1 that will be further discussed in an executive meeting closed to the public pursuant to HRS section 92-4 to allow the Board to consult with the Board's attorney on questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities pursuant to HRS section 92-5(a)(4).**

Chair stated that pursuant to HRS section 92-4, the Board will be discussing Action Item 1 in executive session to allow the Board to confer with its attorney pursuant to HRS section 92-5(a)(4).

Chair called for a motion to go into Executive Session.

Motion to approve: Mr. Trump; Second: Vice-Chair.

Chair asked if there was any public testimony on Action Item 1.

Mr. Warren identified himself as the representative of Na Kia'i Kai. He is from Kekaha and is a native Hawaiian fisherman that has been trying to protect nearshore fisheries and water. His testimony is in reference to the sale, as well as the present operation. His concern is with a drainage ditch all around the pond that is unlined. These ponds, or a moat that surrounds this huge fish pond is unlined and the effluence from the fish pond goes into the near shore waters of the fisheries we are trying to protect to feed our families. He wants some treatment, like wastewater treatment. It's so close to the ocean and no wastewater management, it percolates into the ocean as well as the groundwater. I support taking care of the local employees but have concerns about the next owner. We're not sure what species are going to do, worldwide there's a lot of shrimp disease. The company is using pristine water from 500 feet below ground and doing testing on shrimp. My concern is this acquisition, because it's a public land trust. Should an EA [Environmental Assessment] be generated? Should a public meeting be held in Kekaha? Should the lease just be handed over? This is about my grandkids tomorrow. We want to keep Kauai's water pristine and keep our nearshore fisheries abundant with fish. We already had two fish kills in the past five years due to algae blooms, the high nutrient levels from byproducts of raising shrimp. I'm not a scientist but more research needs to be done on how to manage and protect the environment.

Chair thanked Mr. Warren and asked if there was any further questions or testimony. There was none.

Chair conducted a roll call vote:

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	<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Chair:	X		
Mr. Cooke:	X		
Mr. Hong:	X		
Ms. Hurd:	X		
Mr. Okimoto	X		
Vice Chair:	X		
Ms. Seddon:	X		
Mr. Trump:	X		
Mr. Wicker:	X		

Motion approved: 9-0.

Chair announced that the public meeting was in recess, subject to reconvening at the conclusion of the Executive Session.

Exited the public meeting at 9:41 A.M.

Public session began at 10:27 A.M.

Chair stated we are back on the public record. Pursuant to HRS section 92-4(b) (2023), the following action was taken by the Board in executive session: the Board discussed Action Item 1 with the Board’s attorney and deferred the matter until the next meeting, which will be an in-person meeting held on Kauai.

**G. Adjourn**

Having no further business before the Board, Chair called for a motion to adjourn.

Motion to adjourn: Mr. Wicker; Second Mr. Trump.

Chair called for the vote. Hearing no objections or abstentions the motion was approved: 9-0.

The meeting was adjourned at 10:28 A.M.

**Date of Next Meeting:** The next meeting will be held in-person on August 15, 2024, at 9 A.M.