

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023

In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

HRS section 92-4 allows the board to hold an executive meeting closed to the public. The board will be further discussing New Business Items 1 (Interview Two Top Executive Director Candidates), 2 (Discuss Executive Director Salary and Candidate Selection), and 3 (Method of Public Notification). This meeting was closed to the public pursuant to HRS section 92-5(a)(2) to allow discussion of a hiring decision where consideration of matters affecting privacy will be involved.

Members Present, in person:

Warren Watanabe, Member-At-Large (Chair)
Glenn Hong, Member-At-Large (Mr. Hong)
Sharon Hurd, HBOA, Ex-Officio Member (Ms. Hurd) (arrived at 9:50 A.M.)
Jason Okuhama, Member-At-Large (Mr. Okuhama)
Lyle Tabata, Kauai County Member, Vice-Chair (Mr. Tabata) (left at 12:30 P.M.)
Jayson Watts, Maui County Member (Mr. Watts)
Dane Wicker, DBEDT Designated Representative for Ex-Officio Member James Tokioka (Mr. Wicker) (left at 12:30 P.M.)

Members Excused:

Kaleo Manuel, DLNR Designated Representative for Ex-Officio Member Dawn Chang
Karen Seddon, Member-At-Large (Ms. Seddon)

Counsel Present, in person:

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

Staff Present, in person: Ken Nakamoto, Project Manager, operated recording device (Mr. Nakamoto)

Guests Present, in person: None.

A. Call to Order

Chair called the Executive Session to order at 9:20 a.m.

Chair announced that the interviewing process would proceed by going around the table with each board member asking questions unless anyone had other ideas how to proceed.

Hearing no other suggestions Chair asked that Fred Lau (Candidate One) be called into the meeting.

Candidate One entered the room at approximately 9:30 a.m., took a seat and introduced himself.

Chair called on Mr. Wicker for the first question.

Mr. Wicker asked Candidate One to give the Board some history on your understanding and background with the legislative process and maybe give details on what your plan is for the next four months leading into the session should you be offered and accept this position.

Candidate One responded that up to this point he has basically been following what the prior Executive Director (ED) has lined up so putting together the proposals of what he wanted ADC to accomplish, then

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

going to the legislature and requesting funding for those projects and then to follow up with that when funds needed to be released from the executive branch that going in and actually speaking with Governor Ige and now Governor Green to help try and get those funds released. That's pretty much been what we've been doing. Most of the writing and request for appropriations were done by staff and the prior ED to those venues versus my involvement.

Mr. Tabata asked the next question. We all understand the charge of ADC has been altered through the legislative process. We are not bound to only leasing lands and infrastructure anymore; there's a whole economic direction that this agency needs to head towards. Having that in mind and seeking an increase in coverage by adding aquaculture as another segment, can you take us through kind of a journey of how you would begin the process of taking over the agency and then guiding the transition under [Department of Business, Economic Development, and Tourism] (DBEDT), which to me is pretty significantly different than Department of Agriculture (HDOA); same but different.

Candidate One said yes and no because you know we've been working on this for a long, long time. When I look back at my notes, I was pretty surprised that the first time we went to the University of Arkansas to talk about the Whitmore Food Hub, that's what it was called then, my notes go back to 2014, which kind of surprised me. I think it was mentioned that it might have been as early as 2013. We've been talking about this for a decade of time that we put into this and I think Mr. Wicker you were there at that meeting with Professor Matlock and Senator Dela Cruz in Arkansas.

Mr. Wicker acknowledged being on that trip.

Candidate One continued that's a long time to be putting into this direction that Senator Dela Cruz actually had some vision and it has evolved; it has actually grown, and that direction is now right at that pivotal point where we can get this done. All these building blocks have been taking place over ten years. It wasn't just about leasing and licensing out the land. It wasn't just about the investigative committee and trying to solve all the issues they had with ADC that we sort of prioritized over the last two years. We've answered a lot of their questions. I think there's still more work to be done we haven't done it all but at least we started down that direction and now we need to move it in the direction of finishing the business that we started. I went to Governor Ige and asked for \$28,000,000 to be released and it was released two days after our meeting to build the infrastructure for the Whitmore Food Hub. That's just infrastructure. This year Senator Dela Cruz put in another \$5,000,000 to complete that infrastructure. That's the very beginning. If we don't move logically and move forward with this project we're going to have \$33,000,000 on a road to nowhere, literally. We need to do this and get it done and that's why all of these things have been put in place. We were working on a feed mill project out in Campbell industrial park for fish feed basically so even with that appropriation we're ready to start this thing; we need to kick it into high gear. It's time you know. That is the beginning of aquaculture program. One of the biggest problem with aquaculture, besides energy, that we were experimenting with at Mililani was feed. That was one of the biggest problems when we visited Arkansas, Alabama to look at aquaculture. They laughed when they heard that I was paying .50 cents a pound for feed. They laughed. They're paying pennies on their pound. They shoot the feed out with one-ton trucks blowing the feed into the ponds. But over here we're throwing handfuls because we got to watch every granular that goes into the pond. We needed to move that forward so our goal was to take fish waste, waste protein and turn it into food. That is one of the things, one of the ways that ADC will help aquaculture. That by the way we started five years ago. We started talking about it longer than that, but we started five years ago. The appropriation

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

came in three years ago, sorry I don't have exact dates because it's been a long time working at this stuff. The board approved the proposal, so the funding is there; we just need to again kick it into gear. All of this stuff is there. One of the things I really feel is that ADC should work with HDOA because ADC shouldn't be doing aquaculture. ADC should be helping HDOA do aquaculture that's my feeling. I know that we're talking about ADC picking up more of that, but we have a staff of four. We need help or we need to work with a bigger department, we need to work with HDOA, and we need DBEDT to help move it forward. When we moved to DBEDT it made sense. It took a while to convince me that we should split from HDOA but as you look at what we're doing; if you look at the food hub; if you look at the Wahiawa Value-Added Product Development Center; if you look at the Ag Innovation centers that we're looking at, the way these next few years, all of it is economic development. But all of it centers back to agriculture. So, you know. Stop me if you want because I can go on and on and on.

Mr. Tabata said this is great because he's a new board member. This is my second year and to have the background of where this agency has come, the depth, and then moving forward to follow through on these projects that were initiated. It makes them real, and we can become productive.

Candidate One stated, exactly and there's so much more. I think Mr. Wicker is very aware of it but many of the other board members are not because a lot of it wasn't shared completely. The prior ED should have shared much, much more of this with the Board, with the blessing of our AG of course, so you know we should have done a better job of disseminating information amongst the board because there are several other projects, I mean we're looking at doing a small animal slaughterhouse out at Campbell industrial park that's one of the things that we're working on. We got an appropriation this year. I wanted a small animal slaughterhouse on every island so that we can move product between islands. That's still in the works but we have the appropriation, the beginnings of one on Oahu right now for this year. We have so many projects lined up for this year. I sometimes tell Senator Dela Cruz you know we need to complete these and then move forward, but it comes when it comes. For example when the Wahiawa Irrigation project came up it's not like we can put it off for five more legislative sessions. The appropriation is now. We are going to buy the dam and the land under Lake Wilson and ADC will, I hope, be in control of the water. These are major projects where I think personally we have people like you on the board who could be very helpful in looking at how we move that water and because the system is archaic, but all of the water goes all the way down to Waialua and Mokuleia. That water is necessary for a lot of farmers along the way. These are all valid projects that need to be done and we cannot just say ok we want to finish all this first we need to take on this project too. Thank goodness ADC is not the lead agency on it, [Department of Land and Natural Resources] (DLNR) and HDOA are the lead agencies. I think ADC is too small for such a big project.

Mr. Tabata thanked Candidate One and said he didn't want his questions to monopolize the conversation.

Candidate One said it was a big question; and an important question.

Mr. Tabata went on to remark that the acting executive director's reports (Mr. Takemoto) at the last meeting was the first time he'd heard these things so he wanted to confirm that Candidate One was involved and you confirmed my hunch.

Candidate One said keep in mind, I've only been on the ABC board for two years, but I've been involved in the background for a decade. So I know what's going on. In fact some of it was at my prodding you know I wanted a cooperative. I wanted to have an area where we could process, distribute, and create you

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

know a place where farmers could utilize cold storage, dry storage because it's so expensive for small farmers. All of that stuff is coming to fruition at the Whitmore Food Hub. I was told not to call it Whitmore, but that's where I started.

Chair called on Mr. Watts for the next question.

Mr. Watts wanted to ask a couple questions on the audit. The audit was very critical on the board members and almost making accusation that the board had advocated it's role, essentially saying that the board hasn't done what it's required to do. But it's a governing board. What are your thoughts on how the relationship between the board and the ED should look like for ADC going forward?

Candidate One responded the board is the boss. The board should be the driving force and the ED does what the board is telling him to do. That wasn't always the case. But to me, going a little further, there should be cooperation between the board and the ED. It can't be one or the other and I lost my train of thought but a lot of it is sharing that information and preparing the board for it and in the past it wasn't totally transparent about what we were doing. One of the first things I told the prior ED was I'm not here to rubber stamp licenses. I want to tackle the bigger problems. I want to tackle the Wahiawa wastewater treatment plant irrigation system. I think that's a valid project that we need to do. I want to get water to our farmers. We can't farm without water. But you need to tell the board what you're doing and why and explain it in more detail than it was explained before. That's my feeling.

Mr. Watts asked you bring up the water and an ex-officio member of the board, Mr. Manual is a person who approves water and is on the ADC board. Would you support an update of the board's by-laws to create a subcommittee or committee on water?

Candidate One clarified, for our projects? For our farmers?

Mr. Watts responded for ADC projects.

Candidate One stated it has to be done. Water is costing our farmers in Wahiawa a tremendous amount of money whereas in Kekaha we have too much water, or we will have too much water should the KIUC project go forward. Right now it looks as if AES wants ADC to take 11,000,000 gallons per day (GPD), right? We can barely use 3,000,000 GPD on the Mana Plain. What are you going to do with all that water? They're saying you guys take care of it. Well the only way we could take care of it is to pump it into the ocean and we aren't going to do that. I'm telling them they take care of it.

Mr. Watts asked a follow up question on the audit. They did identify some concerns about ADC not going to HDOA for approval and other legal requirements. The Board Chair of HDOA is sitting on the board of ADC. Doesn't that constitute HDOA approval of certain projects. Do you have any thoughts on how we work more closely together with HDOA?

Candidate One responded that HDOA board approval is no longer required so we no longer need the HDOA to approve.

Chair called on Mr. Hong for the next question.

Mr. Hong said that he wanted to tag along onto what Mr. Watts was talking about because I think you understand some of my concerns. In the past this board has been almost like an advisory board, not a governing board and I agree that we spend too much time on approving leases and things like that. I'd

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

like for the board to authorize the ED and staff, under parameters, to manage routine stuff. And really have the board be more involved with the strategic issues. How can the board be helpful in promulgating those key projects out there publicly and with better public relations (PR). You've been working for years even before you're on the board here with the prior ED and I think some of the frustrations that the board members had is the lack of information and the obfuscation that we run into regularly in terms of asking questions and not getting answers. As ED how do you envision working with the board in terms of providing that information to us on a regular basis so that we can deal with strategic issues and matters of major importance to the ag development of the state?

Candidate One said that's a good question. I would be the exact opposite because I think full transparency is important. Full transparency in an open board meeting with the public present. It is difficult. I really like these [Permitted Interaction Group] (PIG) committees where we tap expertise, so you know if we're looking at development, I'll bring Ms. Seddon in. Or if we're looking at shipping inter-island, I'm going to bring you in. Shipping inter-island is critical but we have you here on the board and if we need to form a committee to delve more deeply into these issues, then the PIG comes back with a report to the full board. That's how I see it because I don't think you can get in these monthly meetings and go for up to three hours long. I think the way to do it is form these PIGs, really dive into the issue, and then bring it back to the board and share it with the board. That's my thought because it's not being done. I thought about it you know how would we do this?

Mr. Hong said that's really a question of previously, the way I characterize it is the board has been a pretty passive board in terms of what we've been asked to do, versus becoming more active. My frustration has been with getting information about the organization from the prior ED. I appreciate the desire to be more communicative with the board on the strategic issues. Frankly I think we do waste a lot of time on pretty minor stuff. One question is, up to this point, I'm going to throw an unfair critique at ADC, is that ADC has been Whitmore-centric. Let's call it the central food hub. What about the neighbor islands, especially development of Kekaha further? We touch on Kekaha at our board meetings and we get reports from [Kekaha Agriculture Association] (KAA) and things like that so, how do we develop the neighbor island's because there's still a tremendous amount of potential food production on the neighbor islands and that's tied into the logistics of shipping and things that you just mentioned but you got lots of lands on the neighbor islands and you got the labor there, and you got the water there in many of those areas, which are potentially less costly to develop than here on Oahu. The good thing about Oahu is that is where the population is. So how do we look at some of those things for ADC?

Candidate One answered that's the thing. I spoke with Senator Kouchi about that and at first he thought it was a little cuckoo but you know Kekaha is 12,000 acres we have more water there than we need; we have mauka lands in Kekaha that are extremely productive, right Mr. Tabata?

Mr. Tabata responded, it's the best; that's the breadbasket. But let me correct some of the things about water. We have a lot of water but it doesn't go to the right places economically. So that has to be worked on. There's tremendous opportunity on the Ewa plains. The farmers been losing land, so they've been coming to Kauai and they see the opportunity on Kauai so the challenge will be placing the water where it needs to go.

Candidate One stated, so while I have been incapacitated as to ADC, I've been talking to KIUC, AES, and their attorneys and I brought this up at the meeting with them you know I tell them I have nothing to do with this right but they're asking me, where can this water be used and how can you know if AES is going

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

to create all of this water how can we help, right, so if we would agree to take this water that they should agree to pay to transport it elsewhere to help with the irrigation system and the piping to get it off into wherever. I don't know enough about the area about Kekaha but to get it distributed to where it needs to be would be a tremendous opportunity.

Mr. Tabata responded that the East side (Kauai) just so the board members knows I brought this up before the land was transferred to ADC that the [executive order] (EO) did not include a water source. So much more opportunity there too on the east side.

Candidate One remarked if we can get that water up to the mauka lands...oh my God. Ok, where was I?

Mr. Tabata said talking about outer island opportunities, so I guess it's only Kauai mostly right now.

Candidate One responded no, no, no, so again, this year appropriation for \$500,000 for planning for an Ag Innovation Center on every island. That's why you know I told Governor Green, I met with Governor two weeks ago and I told him, Senator Dela Cruz is not only Wahiawa centric, he is probably the biggest proponent of agriculture in the state, in the legislature. He will work with Senator Kouchi to get appropriations over there but Senator Kouchi has to come up with the appropriation and make it work. I think the Ag Innovation center at the Beck's facility. This is why I never wanted to give up the Beck's facility to the Hawaii Department of Education (HDOE). I thought that was stupid. We should have kept it for ADC. Anyway that was the politics of it all. But we should use the Beck's facility for the Ag Innovation Center, right?

Mr. Tabata stated so I saw that line item in last month's acting executive director's report and I snipped it out and sent it to the Kauai County's economic director and to the [Kauai Economic Development Board] (KEDB) ED because we are all doing these projects and having these meetings, strategic planning and I go wait a minute, our agencies need to get together on the same page because we all going in different paths. ADC can pull agencies together and say hey we all doing parallel paths wasting energy in our own direction when we should be in the same direction.

Candidate One responded that is our board's job.

Mr. Tabata said but the transparency that Mr. Hong talked about I never knew that this is what everyone was trying to get after.

Candidate One said if I was there, you would know, because we cannot do this with just four staff.

Mr. Wicker added that's what's critical about the ED report. The ED should be on that and then point it back to the board.

Candidate One said exactly. So, you got \$500,000 for planning and then you got \$500,000 for design and then after that each island is on their own. Each island got to figure out how to spend it. I think that ADC has this ability, we can do it, we can do public private partnerships, we can do a lot of things. One of the things Governor brought up was in Maui, can we do it within Mahi Pono. We get you guys to participate in and build you know in this Ag Innovation Center maybe even on Mahi Pono land.

Mr. Watts said you know that kind of goes back to the transparency thing. When the acting ED gave an update last board meeting, some of the status updates kind of seemed like they already had a conversation with Maui, and the Chair himself resides on Maui but nobody's told the board who they are talking to.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Candidate One responded no, no, no they cannot be having conversations because this just happen.

Mr. Watts believed they already contacted the companies.

Candidate One said yeah because the University of Hawaii Community Design Center (UHCDC) just got the contract so...I don't know if they even got a contract.

Mr. Watts stated this goes back to the transparency part about these conversations that are happening in different parts of the state where the board members are from.

Candidate One responded we are just starting. I know Senator went to Molokai and Maui, but this was only a couple of weeks ago, right? I don't know I've kind of been trying to stay out of it.

Mr. Tabata remarked, I guess the gist of this is until last month's meeting many of us on the board were in the dark on this project. And I saw the money and I go I got to let someone on Kauai know about that. We're getting all these questions so that e-mail came to us asking about the workforce development and stuff like that we already working on stuff like that on Kauai.

Candidate One stated another thing that I talked to governor about was he has this emergency proclamation for affordable housing, and we are dying for workforce housing so I was asking, and I don't know if it's completely solidified in his mind but you know how do we apply this affordable housing emergency proclamation to worker housing for agriculture in our areas where ADC has lands but also where Mahi Pono has lands you know.

Mr. Watts stated you know interestingly in Mr. Okuhama, Ms. Seddon, and my confirmation hearing, Ms. Seddon was questioned by Senator DeCoite about ADC identifying land that may otherwise not be so good for farming but good for Ag workforce housing, nearby so you can farm and work.

Candidate One said right so that's why I'm saying this is an opportunity, you know you've got the WAM Chair that is 100% supportive of Ag.

Mr. Tabata said, but the county process of land use zoning for upzoning is a nightmare even for Ag and you got to get the Department of Health involved too because of the wastewater infrastructure and drinking water. Kauai is so limited in the waste water resource.

Candidate One continued, so again, I don't know enough, you guys probably know way more but, I tried to ask the Governor how we can use this emergency proclamation to move faster for workforce housing because from what I understand it shortens the approval process. It actually goes around the County.

Mr. Tabata added I did some projects like that when I worked for the County, and we did a project that should have taken a year and a half in six months so yeah it does shorten the process.

Candidate One added I found that in state time six months is like 24 hours. That's really fast for the State.

Mr. Hong said let's go back to my line of questioning, into another line that is basically what Mr. Tabata was saying, hypothetically would you as ED support holding ADC board meetings on the neighbor islands where, and I going to give you an example, we have a meeting in Kekaha or somewhere in that area and invite City Council personnel or county agencies to talk about what would it take to move forward with ADC and put them kind of on the line and ask how can they partner with ADC. Not that

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

we're going to add fifty more staff members but we're going to have a few more that can help coordinate these things and not have to duplicate efforts.

Candidate One stated he's actually asked that question many times but if we were to do this if the whole board were to go over to Kauai does it have to be a public meeting?

Ms. Prescott-Tate answered that it will always have to be a public meeting.

Candidate One asked so the public will have to tag along on this hearing?

Ms. Prescott-Tate answered if the full board attends, yes. If you want a PIG to do an investigation, no. They've done that before.

Mr. Tabata added just for infrastructure.

Mr. Hong added and HDOA used to do that. You make it available to the public because you're going to have public here and you're going to have people there.

Ms. Prescott-Tate stated it provides an opportunity for those people from Kauai who don't regularly have the option of having an in-person meeting.

Ms. Hurd joined the meeting at 9:50 a.m.

Mr. Wicker continued on Mr. Hong's point that's where ADC needs to go. The Land Use Commission goes to the neighbor islands to hold their meetings

Candidate One responded I think it's super important.

Mr. Wicker remarked that ADC has done it before in Whitmore and that ADC should do at least once a quarter get off Honolulu and go to where it has assets. The Board just needs to budget for travel.

Candidate One agreed, stating we have to budget but it's my understanding it takes a toll on the staff planning these things. I don't know for example how many of you have seen the ADC lands in Wahiawa, Whitmore. If you go out there you look at 600 acres of head cabbage, we saw tomatoes and I know that's not huge on a mainland scale, but for Oahu that's big. It's something that you should see and understand that farming is happening on our lands and if you guys don't even take the time to go look at it then how can you be so critical of what ADC is doing. You don't understand the difficulty of managing small farmers. It's good because at Whitmore we have small farms, and we have big farms right so you can see the difference. You can see the difference in the care of the land. If you don't take the time to do this why are you being critical? I was told that we cannot bring the legislature out, like the people that I wanted to bring out without doing a full public thing. It's hard to go out and see 1,200 acres of land with the entire public you know.

Mr. Tabata remarked that when he was with the county, the Senate and legislators would come visit the Mayor and we never posted nothing. We did the dog and pony show we took them all over the place.

Ms. Prescott-Tate said it was probably referenced on the individual legislator's calendars. Since everything ADC does is done with taxpayer money the public has a right to be involved in the process.

Candidate One said, interesting but I don't know logistically how you would put it all together. But I really wanted to do that.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Hong stated that for neighbor islands in particular I don't think you're going to have too many people. You'll have some people coming out, but I think you can manage that. For Oahu, it's important just for the PR value of it. You don't have to do that every quarter for Oahu you might plan an annual event.

Candidate One agreed saying I think it would be good to see what happens on the acres that we licensed out because you know how much of it is now being used.

Mr. Tabata said the best PR is to see acres in cultivation.

Candidate One remarked I always said that.

Mr. Hong said ADC could sponsor a day event for example where we have a board outing, and we go out and we actually see 1 or 2 major producers and the people can go oh wow didn't know this was here and they drive pass it everyday.

Mr. Wicker continued that Whitmore makes a good case study because right across the street you have lands that are owned by Office of Hawaiian Affairs (OHA) that acquired their land the same time as ADC in 2013 and you just look at what's going on that Galbraith triangle compared to across the street. It shows you how fast ADC moved.

Candidate One said that's one of the things that was brought up with the committee. I was hired as a consultant for OHA on that Kukaniloko property and you know they're not doing anything with it. The homeless down around Lake Wilson I mean there must have been 200 homeless camps down below. The OHA property, the trees are just overgrowing the property and yet they don't get any flack and yet ADC gets flack left and right for the properties getting overgrown. If you take a look from the rise that looks over our small farmers properties, you can see across the street and you can see how overgrown the property is. That's the difference. We have been putting in the time. You're right if we could show people that. I stood there with Mr. Hong, and I told him, "look across the street this is what's going to happen if ADC wasn't doing this."

Mr. Watts asked to follow up on Mr. Hong's question you know I would support that having board meetings on neighbor islands and I think on places like Maui, you're going to have a significant amount of people show up. That being said you know one thing that concerns me is ADC's lack of open engagement with the public. You know I work at Mahi Pono it's my first private sector job, most of my life has been in government, but I can tell you that any kind of Ag discussion with ADC or HDOA or anybody and potential land sales at Mahi Pono would be very problematic and I had to publicly disclose conflict right so I think having these open discussions on different islands helps alleviate that too and allow the public some discourse directly with the board and to talk about cost saving issues too. That helps to educate and connect the board members who reside on different islands like for Mr. Watanabe and myself with the Maui community who have those concerns. We can be a voice for ADC and help to be that kind of connection with the community.

Candidate One remarked, yeah I think it's important and like the Ag Innovation centers that you're looking at. This is something where you guys got to do the outreach to the people that might be the entrepreneurs who come into these Ag Innovation centers and utilize your product or somebody else on the other farmers product to create these value added products at these centers but that's where it's starting right, with you guys so every island. I agree I think we should go to every island.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Chair called on Mr. Okuhama for the next question.

Mr. Okuhama said I think you covered a whole lot, but I have a basic question that was mentioned earlier. We are greatly understaffed. We have nine positions and so far we have three or four positions are filled. I think we have applicants for a couple of positions. I don't know what's transpired but that's one thing I think is critical. To do these projects without bodies, you have the limited staff really hustling. It's been really challenging to get bodies into positions at ADC. That's pretty critical. But you were board chair and the board was asking about the financial systems and programs and when are we getting these reports; when are we going to start seeing these things that we need to see as any board normally gets.

Candidate One stated I don't know. Every time I had breakfast with the prior ED I would ask him what's with the land inventory program. What's happening? I mean we had that purchase a year ago?

Mr. Nakamoto interjected that it's been implemented. We're inputting everything. We've hired an accountant. We've got the accounting consultant on board. We're getting there.

Candidate One stated I've been out of it for a while so in my last meeting with Mr. Wicker and Mr. Nakamoto, we talked with Senator Dela Cruz; we talked about filling those positions you know we had two accountants and an asset manager position that we were hoping to fill quickly and then we had a fourth position for an [administrative services officer] (ASO).

Mr. Wicker said that position has been redescribed. We talked about that and thank you for the foresight. If it wasn't for you who hit pause on it and said what do we really need? It's out of our hands. The challenge is now with Human Resources (HR) because they got to go through this whole process posting civil service; non-civil service little quicker. But the redescribe and everything when you were there we met with our HR and we did what we could to expedite the process.

Candidate One stated so we're moving. We're getting somebody. I agree that not having an accountant for all of these years has taking a toll on this department. This is cuckoo.

Mr. Hong went on saying that there are really two issues, one is filling existing vacancies; the other one is staffing up and adding positions to be able to undertake the things that you need because the staff even if you're fully staffed is still going to be stretch very thin to be able to accomplish the things that we've been talking about. So what would the process be to get approval of further staff? Is it just a board issue does it have to go through the legislature to get approval for additional staff?

Candidate One answered well we need the appropriation first which we've been getting but we just can't fill the positions through the state procedures. It's frustrating for me but you know you've been in private business right now I'm having a hard time. We could double our production right now, but we don't have people and they're not even out there to hire. You know the Senator gave us I think a good amount of money for an accountant and I'm saying Senator but you're actually in the legislature and we still haven't got that person on board. I think we should be able to get somebody for that amount of money. I don't know the answer.

Mr. Hong said that's the first challenge but like you said the second challenge is we want to accomplish what we've been talking about we need to have additional resources, staff resources.

Candidate One responded, I agree. I used to tell the prior ED that Representative Amy Perruso wants us to babysit small farmers. Then we need to create an ag park for these small farmers because they cannot

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

do it on their own. I told them that we have HDOA; HDOA has ag parks; if anything HDOA should build more ag parks and ADC should be 100% behind HDOA and support those ag parks. That's what's critical. When we went out for the land applications for the licenses, we had 35 farmers apply. All of them except for maybe five we're small farmers that only wanted seven to ten acres. That's ag park people. ADC doesn't have the staff to manage that, so I told the prior ED, eh, they want us to do that, let's just create a department then. Give us twenty people and we can do an ag park, but it's redundant. It's not necessary. So I don't know how to answer those two questions, sorry.

Mr. Okuhama stated when you think about it you bring up all these projects and it gets worrisome. How are you going to handle these projects without the staff? You take on more but you don't have the bodies.

Candidate One stated yeah, like the Ag Innovation centers we're the lead agency on that but we have UH CDC working on the outreach. We'll have design and planning done by engineers so basically that's shoving paperwork and yes, it's still staff time. But something like managing the water from Lake Wilson that's going to take staff. That's physical like Waiahole Ditch water. We're going to have to be there managing that ditch, which is 100 years old, taking water down into Waialua.

Mr. Watts asked would you be open to some kind of model like the county's use where in a lot of situations, counties you know they're different governing structures than the state. Even like the department of planning in many cases they'll identify projects that there is some kind of responsibility sharing between [University of Hawaii College of Tropical Agriculture and Human Resources] (CTAHR) or whatever and you actually detail an employee to the agency until they can staff it properly. On Maui, sustainable coastline issues, there are tons of CTAHR employees in the Department of Planning on Maui. We could use a similar model to fill some of the vacancies.

Candidate One stated I think we've been open to it for years and you know we shared some people with HDOA and ADC. The other thing we're looking at is privatizing some of this stuff like actually contracting people to do it and that part is going to take money and you know we have to go for appropriation or approval not sure how that's going to work but privatizing some of that even privatizing the accounting services you know.

Mr. Watts said that's an interesting concept because ADC is a quasi-public entity so we should have some external...

Candidate One continued, I know, so staff is really good by the way, they are really good at a lot of these things so they know a lot more about it than I do, but privatization of some of this if we can't find an accountant let's just hire a firm but get somebody in there.

Mr. Watts stated I don't disagree. I think with the qualifications of staff, but I think I do agree with Mr. Hong that even with the current vacancy that's not enough to manage a land management company. Like even at Mahi Pono for instance we have all the same jobs that a large corporation would have, and ADC is essentially doing the same thing as Mahi Pono is doing taking former sugar lands and creating a diversified model. You can't do that with one project manager and one land manager you need a whole slew of them.

Candidate One said but I've never been told what does it take. Does it take one more asset manager? Does it take five more? Nobody has told me what exactly it takes because if you were in private business you would look at it and go OK if I take on ten more properties I need one more manager or whatever that

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

number is. I don't know what it is with ADC. We have eighty properties that's all from what I'm told. I don't know what it takes to manage that, but we got the property manager running Oahu and Kauai. I think that's crazy I mean we need another guy at least but how many do we really need? I've not been told.

Ms. Hurd apologized for being late and took the last question. Ms. Hurd noted that all this is very relevant to what we're all going through in the public sector. You know the hiring and finding the right people and in our area we do have episodic things like a pipe breaks and on and on so rather than have the staff, we go to what they call professional services. That works as well but not on regular things. HDOA is more pipe breaks, or something happens then we call on that. My question has to do and perhaps it's been covered already, but there seems to be a transparency criticism of ADC that's been going on for quite some time that it's a little bit you know cloak and dagger type stuff so if you become the ED, how would you go about addressing that?

Candidate One answered I think you missed a lot of the discussion. It was partially focused on that. So again you know I mean transparency, I run everything by our AG first before I speak normally but Mr. Hong was asking this and I think that how it should be done because sometimes being transparent in a public meeting is very difficult and it could take a lot of time if you're discussing an issue like how to take care of the water from Lake Wilson. That's a big topic. What I told the board is I've thought about how we might approach this, and I think the way to do it is to form committees, a PIG committee, have them really dive into it learn all of what they can about how we're going to deal with it and then come back and share it with the board. I don't know if that's the right way to do it. I'm just saying that this is one of my suggestions on how we can become more transparent. But I also don't believe that staff should be responsible for all of this. I think that if we make a wrong decision we should all get sued, not just me. That was actually a joke. I think we should all be involved. Sometimes people think they're really serious but I'm joking. We should all be involved as decisionmakers.

Ms. Hurd said I think the [Board of Land and Natural Resources] (BLNR) meetings and the HDOA board meetings, the dialogue is a lot more robust than it is for the ADC meetings. I'd like the board meetings for ADC to be that robust I'm sorry sometimes BLNR meetings run till 8-9 o'clock at night because so much of the public is given a chance to say their piece, which is important at least they feel they've said their piece you know some of the issues that have come up and I applaud Chair Chang for putting it on the agenda because you know it's controversial before you even put it on the agenda but the public wants to have it on the agenda they want their say so I'm just saying the board should maybe in this case rely less on committees because that's part of the problem. Just open it up and say here's what we're going to do what do you think?

Candidate One responded, you know sometimes I think that could be productive a lot of times and I also think a lot of it is not productive. I'm not trying to say that maybe we shouldn't try it but some of those people are crazy.

Ms. Hurd remarked, they are, but they have their day in court.

Mr. Wicker said that is why the neighbor island meetings are needed. Because, what Chair Hurd is saying, if there's an issue, would you want to hear from the public. If it's a Kekaha issue, the meeting should be held in Kekaha. If it's a Whitmore issue, the meeting should be held in Whitmore. As of right now for ADC, our assets are just limited to two islands. Eventually with the food and product information network

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

ADC will have a presence on all 4 counties and I would hope to see aggressively ADC over the years start to acquire more agricultural assets.

Candidate One asked didn't we go to 5 islands with the Ag Innovation?

Mr. Wicker replied, well Molokai, yeah.

Mr. Watts stated I think you would be able to strike a balance with what Chair Hurd is asking because the PIG would have to report publicly to the full board anyways.

Candidate One acknowledged that was correct.

Mr. Watts continued, so that would be agendaized and people could show up to discuss and debate the findings of the committee.

Candidate One agreed.

Mr. Hong stated I think a lot of the public criticism of ADC, not only the audit but generally, is that the way ADC was managed very closely held by the previous ED invited a lot of that criticism.

Candidate One agreed.

Mr. Watts said I think the change in openness what Chair Hurd is alluding to will create a culture people might want to come and work here versus not knowing in the dark you know whatever is going on. Because I tell you, even for me when the Governor asked if I wanted to join this board you know I worked the capitol for sixteen years it was stressful, the confirmation process, because I didn't know how to get information when people who I have worked with a long time are asking me questions what about this what about that. Honestly I don't know. It was a very stressful process, but you know you sent me a bunch of stuff and I appreciate that.

Candidate One said that was the tip of the iceberg and you know I think the rest of it needs to be shared with the board. Everything that we're working on as long as our AG says its ok. I keep saying that because believe it or not there are things that cannot be shared.

Ms. Prescott-Tate stated but when we're using public money the public has a right to know.

Candidate One said, yeah but it should be said correctly so I should change that so yeah I think transparency it has to change.

Mr. Watts stated that because even the Lake Wilson project, if the public had known the scope of that project and what it was going to do I cannot see why anybody would oppose that, why the environmental people I think should support that you know.

Candidate One stated the recreation on the lake? This is a major project.

Ms. Hurd said water for farming.

Candidate One stated yes, this is critical too. But it needs to be brought out and discussed so that would be something you know I agree should be discussed even further.

Ms. Hurd responded that for the public the fishing question for instance when they wanted to limit the fishing that hearing went on really long almost to 9:00 o'clock at night. I was really impressed with all

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

the people that came forward, all ages, all genders talking about how important it was and I thought wow, at least they were heard, and that doesn't happen with ADC, at least not in my seven months on the board.

Candidate One remarked that our problems have been a little different though.

Mr. Hong said wait till we have a hearing on Lake Wilson.

Candidate One remarked, yeah wait till we have a hearing on that, it'll be very robust. Done?

Mr. Tabata asked can we let him summarize?

Mr. Wicker asked closing remarks?

Candidate One stated well closing remarks, I just think that we're at a very pivotal point in agriculture. We're taking agriculture, we're taking our Wahiawa Value Added Processing Center, our Whitmore Food Hub and we're taking it to a different level. This is the time we either do it now or it may never happen...well it won't happen for a long time, and maybe not in my lifetime. So I just think that I really want to get it done. I want to get us past this and get this out to all the islands and build agriculture. That's all it's ever been about. The prior ED and I, you know for all the criticism of the prior ED, everything he did was for agriculture and for the betterment of the state, you know I think he had the direction he just didn't have the communication skills.

Mr. Hong said, which is half the battle.

Candidate One repeated, which is half the battle. So a lot of times they would send me into these meetings because I talk too much.

Mr. Watts asked if you were selected how long would you think you would serve?

Candidate One stated as long as it takes to create a transition and that might be a little while you know again I don't know who it would transition to in particular. I know that Mr. Takemoto needs a little bit more confidence and you know I mean if it were someone else like Mr. Wicker or someone within the board, I think it would be really good because we know what the heck is going on. You know because it's really hard to start with somebody who knows nothing about what has been going on for the last decade and start all over and there's a lot to think about you know.

Mr. Hong said I have a question. What is your availability and what are your requirements for the job? Is that an ok question?

Ms. Prescott-Tate asked you mean when can you start? Do you have to give two week notice?

Candidate One said ah, no. My kids, they would like to get rid of me like yesterday. They've been doing most of the business already. I've been put into the greenhouse to pull weeds basically. But I still give my feedback to them. They take about 50% of what I say because they think they're smarter than me.

Ms. Hurd stated that's kids for yay.

Candidate One stated yeah so I'm available. I do travel so that could be a bit of a problem

Ms. Prescott-Tate said you will be notified by mail.

Candidate One stated ok. Alright. Thank you.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Candidate One exited the meeting at 10:30 A.M.

Chair called for a recess at 10:30 A.M.

The meeting reconvened at 10:40 A.M.

Back on the record, Chair called for the next interviewee Wendy Gady (Candidate Two). Chair asked Candidate Two to take a seat and advised her that we'll just go down the table and each board member can ask you a question.

Mr. Tabata stated we should start from the other side of the table because we kind of monopolized the last conversation.

Ms. Hurd asked if Candidate Two wanted to introduce herself first or go straight to questions? Well, I'll just introduce you, hello Candidate Two, it's Ms. Hurd, we've met each other before when I was in marketing for HDOA. I'm currently the Chairperson for HDOA and my question is with your experience with ag parks, and in the ADC ED position you're going to have purview of quite a lot of land, what is your opinion on the size of the lands that the farmers or ADC's clients would be needing and how would you meet that need.

Candidate Two said I think it starts by the sheer fact that I can't understand how many acres ADC actually has and so for me it starts at the very beginning, which is title search, do a survey, validate how many acres we actually have, validate how many acres are technically currently licensed/leased whatever it is, and I think it's the most exciting time to be an Ag especially here in Hawaii. I feel like I have trained for fourteen years to be sitting in this seat there's no place I'd rather be. But based on looking at the land and how much we actually have, the next thing I would do is actually request soil samples because that tells me what actually can grow well and it helps match the business plan of prospective grower to actual land because when you start with the wrong pH, you spend a lot of money trying to balance that pH that puts them in a negative spot to start off with. And I think I would also want to really understand what the vision is for the processing center is going to look like and how we can pull product through, so I don't know if that answers your question.

Ms. Hurd continued, so let's say that the land is damaged, severely damaged would you do something to bring it back up the soil or would you leave that to the prospective renter/lessor?

Candidate Two responded that it would depend a lot on the financing of the individual provider. It depends on if we're going to give him a lease or if we're going to give him a license or how we're going to structure the deal, but I think, if at all possible, however we could remedy it, given the budget, I don't know the budget I would try as best as I could. It's certainly rebuild the water infrastructure. It's not fair to put people on land when there is no water. And to figure out what are we going to do to secure the property? That's another big thing. What are we going to do to remove cars? I've been there done that. Are you thinking has there been an EPA audit that needs to be done. You don't know.

Ms. Hurd said thanks for bringing that up.

Candidate Two said, sorry but that's actually another thing I've dealt with through Turtle Bay. So as much as we could do to jumpstart that farming operation, I think it's actually in the best interest of the state, but it needs to make economic sense.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Okuhama stated, so we went through this already once before right.

Candidate Two said let's do it again.

Mr. Okuhama asked, I guess not being familiar a lot with ADC and a lot of those things, what would you do in your first ninety days, your first months in the ED position. What would be your focus? What would be your goals or what would you want to accomplish in those months?

Candidate Two stated I have a four pronged approach. It starts with planning, then it goes to people, it has to deal with production, and it has to deal with promotions. Planning, I would really like to see us address the audit. Ideally, I would love to have it addressed by the time Leg starts or at least give this is where we're at prior to the Leg actually starting. We have a statewide plan that we owe for a strategy we need to get that done. I need to understand what the deliverables are, that you guys want to see over the next year and ideally in thirty days I'm going to come back to the board, and I'm going to say here is my full blown plan. What I'd like to understand is how the board operates. If I present a plan do you need to vote on every single component of the plan or do you vote on the plan as a whole? That impacts what I can get done and what I can deliver. Can I just ask that question? So if I came back with a written plan, would you vote to accept or reject the plan? And how much involvement would the board want to have with the leases, with the licenses, you know and with, I hate to say deals, but how we structure people coming onto land. Do you want to vote on every single license?

Mr. Watts asked has the board ever voted on a budget before it goes to the legislature?

Ms. Prescott-Tate answered the Board is supposed to have been doing that, yes.

Mr. Wicker asked similar to the Board of Regents and the Board of Education?

Ms. Prescott-Tate replied that's part of the by-laws that says that the budget is within the purview of the board, which is not now the case.

Mr. Hong acknowledged that it has not been done.

Candidate Two asked oh, there's no budget?

Ms. Prescott-Tate answered there is a budget, but does the board know anything about it?

Mr. Hong responded no.

Ms. Prescott-Tate continued so the board is responsible for the projects and the ED would implement the projects.

Candidate Two said ok, so I would come up with a timetable of a plan with specific dates that say I want to meet with you, and we need to be very clear on it's a green light, it's a yellow light, or it's a red light in what I'm delivering. That goes back to I need to get some sunshine training to figure out how can I interact with you and be within the law. It's very important to understand the people and one of the things that I would want to do immediately is meet with the staff to determine do they have a secret gift you know like grant writing, or they've taken a class and they want to explore a new skill and just get a lay of the land, cause right now we don't have a bench. We have big hairy audacious goals, and we have no bench to deliver. It also includes walking the land of everybody who currently thinks they have a license or a lease because my dad has always said, and I come from farming family we have a century farm in our

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

family, and I continue to do marketing and forward contracting. But if you listen to the land it will always tell you what to do so I would want to meet with the staff; I want to walk the land with everybody who currently is on the land in some way shape or form; and then I would want to walk the vacant land because that will tell me what to do. I don't know without walking the land. Coming up with a productization of some of the things that we have to basically go into our strategy of what are we doing to pull product actually through and how are we going to measure our success. That's the question I have for the board, how does the board measure success? Is it land leased? Is it sales revenue off of the farm? What are the metrics? That I don't know. I'm asking that question.

Chair said I think that's what one of the board members wanted information on production, sales, etc.

Candidate Two said all of that is important because it's how you write the lease or the license and some of the requirements in terms of saying you have one year to get [good agricultural practices] (GAP) certified. You have one year to get [food safety modernization act] (FSMA). Every quarter I need to have a poundage what's coming off of your farm and every quarter I need to know what sales revenue that you have and then match that against the [general excise tax] (GET). Are they in compliance. Are they paying their GET you know that's putting together some hard processes that need to get done. Do you have a question?

Mr. Watts responded yeah I like that. You know one thing that was frustrating for me was that I went to Hawaii on the hill last month in D.C. and it was frustrating because you know Hawaii Farm Bureau was there, and UH was there, a bunch of people were there, but some of the activities that were being promoted or advertised there were activities that were occurring on ADC land, but there is no mention of ADC anywhere. DBEDT has a logo; HDOA has logo; [Hawaii Technology Development Corp.] (HTDC) has a logo; and many of these organizations if you use any other money or facilities that their logo goes on there, but there was no mention of ADC. And the audit report was very critical of our communications or lack thereof, but ADC has done some stuff it just doesn't tell people what it's doing. So would you support kind of an overhaul of our communication strategy? I don't even know if ADC has a logo, you know.

Candidate Two responded that the fourth prong is promotion so thank you for that. Promotion is pretty wide it's everything from understanding what should we be expecting of our shareholders or strategic partners. Right now between the 8th and the 10th in Denver the food marketing institute is having their fresh food conference. We're not even there. That's the place where you go to meet with the retailers. The best thing that we have is the Hawaii brand, but we need to be in the right place to help our farmers to promote those brands. In the promotion it includes the feasibility studies that we should be doing that we should be offering. Do we have a budget that we can use for those kinds of things? But yes I do support having some PR and communication in the right channels not only at the local level and the national level but also on the international level. That helps us fulfill the mission of growing our diversified ag. Did that answer your question?

Mr. Okuhama replied oh yeah. Thank you.

Mr. Hong said previously you had indicated that you had worked with and considered the prior ED as a mentor. So I'd like you to give your assessment of some of the pros and cons, strength or weaknesses, of how as the ED he managed ADC and what you might do differently or do what hasn't been done.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Candidate Two responded, the seat just got very warm all of a sudden. I think I shared with you that I had a lot of mixed emotions about even applying because I really respected the prior ED and the things that he's done, and I know a few people that have his rival passion for ag and he is and was in my mind an amazing strategic thinker. He got things done. But the way he got it done is not my style. I feel like we should function as a team, and you know part of my goal was to see you guys and figure out can I trust the people on the other side of the table and can you trust me. If we don't have that trust it's not good. Several times the prior ED approached me about working at ADC and I would laugh, and I said we'll kill each other and then he would laugh because I am extremely OCD about paperwork that's why I have passed national audits for human trafficking, national audits for certified organic farm which by the way when that happens you have no notice. My certifier is in California, she called me from the airport and said you have 45 minutes to get to the farm. I said bring it. I'm ready and I'm going to pass. So that level of process, that level of I want to say minutia, was not the prior ED's strong suit and that is something that I bring to the table that's a little bit different. I also look at lots of options that I try to bring a team of people with me. This is so uncomfortable because I really love the prior ED, but I'm not trying to be an individual player, but to be a team player and I think that would be something that I bring to the table that wasn't done in the past. I tend to be an over communicator so again I need to understand this sunshine law. But you could look forward to getting a weekly report from me. Over here's where I'm at with planning, here's where I'm at with the people, this is where I'm at with the products, this is where I'm at the promotion. So that you guys can weigh in so it's not four weeks later they're like that was not what I thought you were supposed to be doing. We have so much to deliver, and we have no time. We have an annual report that is due to the Leg in January. I don't know where we're at on that. I don't even know what kind of data that we have to pull from. I'm also extremely data-driven that has helped me in my entire career and that's why it goes back to Ms. Hurd's question I need to understand the land, what do we actually have, what kind of soil type because we need to set expectations. You know the Leg may be saying gosh you should have like ten times the papaya production it may not be possible with our land. I don't know but I think setting some logical expectations will help relieve our critics. I think the level of detail of just laying out here's what happened in the audit, and these are the things that we are going to do to address it in talking and working with you and then having you know weekly progress reports on where we're at because the benefit of working for you is the experience you guys have on the other end of the table. I have to trust that you have my back because it's in everybody's interest. If I'm doing something wrong, or Chair is like you know strategically you need to go talk to these three people over at the Leg just bring them on board, I need to know that and I may not know how to do that. Does that answer your question? I'm sorry I encompassed a lot.

Mr. Watts took the next question. You answered the audit questions. I work at Mahi Pono. It's very similar to what ADC does as far as bringing a diversified model to the former sugar lands, which in some cases you have to do soil testing to determine if there needs to be any remediation. We just joined UH last year to apply for a USDA soil grant and it was like I think it was \$100,000,000. But the grant was actually approved at 40 billion dollars, and it was kind of surprising to not see more state or government partners because ADC does have land and that's now free money that could have been used to remediate these lands, which could be turned over to potential farmers. Doing what the tax payer expects, right the government eating that cost and passing over land that people can start farming on. That's going to be something important going forward. If you find yourself in a place where you're not going to get everything from the square building right, you can always supplement those things with federal money. I think Chair Hurd's office does a very good job bringing or at least trying to get some of those funds. It

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

would be good if ADC and HDOA could work together on some of those things. Ms. Hurd does have staff and ADC has land and the grants are out there.

Candidate Two stated it makes me sick to my stomach because there's so much money that's been left on the table that could help people here and I do think that's a critical part of ADC being a leader and it's not just being a leader on Oahu and Kauai, it's being a leader for the entire state. One of the things that I had done at Pacific Gateways is work with them as a diversified number of individual operators that puts you in a very special elite status within NRCS. There are set asides for diverse farmers to help them build out their infrastructure in terms of water, getting timers for the irrigation systems, and you know just working with some of the repairs of the land. There's so much money there and coming from Iowa, which literally dominates in grants I've been trained by the best. The way that we built our biodiesel plant was we actually got a grant, did a feasibility study, and from that we went through a seed round of raising capital and then through a capital round of raising capital. My team still holds the state record of raising \$30,000,000 in one week. So, if you have a good basis from a feasibility standpoint that actually springs you into the next category of getting millions of dollars to help support an industry. One of the wonderful things that we have is we have great associations, Hawaii Fruit Association, and Ken Love have done some amazing things. But we have not scaled that up. What do we need to do to get a feasibility study on what are the blockades, and how do we get through them, but it goes back to the land. We can't be promising something we cannot grow. Part of ADC's charter is to identify lands that are at risk because they're turning over from sugar and pineapple that could be available and could support some of our associations that are doing great things.

Mr. Watts asked so you believe that diversifying Hawaii economy is doable.

Candidate Two said absolutely, with all my heart. Yes, I do.

Mr. Watts asked you know the politics right, and you only get so much of that, but it trickles down into dollars, but you know I have a different take on some of the criticisms of ADC.

Candidate Two asked can you elaborate? Do you feel comfortable?

Mr. Watts said yeah, and that's why I don't think you have anything to worry about when this group is asking how you would go forward because I think this process is about tomorrow right it's not about going back. That being said I think there's a lot of unfair criticism too and I know Legislators get kind of whacked with oh someone doing this and that, right, but I think they're part of the problem of not doing a good job communicating the projects. And the people of a certain area like Lake Wilson, they have to know the value of the projects. If the people had known what the project was going to do, you would be a fool to oppose it. Once the legislature does what it does, I think the agency has to do what it does. To talk about it, get as much stakeholder input, and execute the project. That's something Legislators can't do it, right? The execution part is going to be your job if you're selected. I would like a commitment from the next ED to be more open and not like the previous ED but going forward I think there's nothing wrong with sunshine. We're not doing anything illegal so nothing to worry about that. I think the public should be allowed it's opportunity to be a part of it. You're never going to get 100% support, but there's going to be enough support to move these projects forward. So, I just would like that commitment.

Candidate Two responded I think one of the things I would culturally bring to the role is a level of transparency that hasn't always been there. But part of it goes back to the land and figuring out, we can't even answer that. If I look at the audit, read it closely, it doesn't match up. If I read the UH report, it has a

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

different set of numbers. If I just do a title search, a different set of numbers. If I go through and look through the history and some of the meeting minutes, it's a different set of numbers. We need to be able to look people in the eye and say we have 44,386 acres. By getting into the bits and bytes you know the auditor saying yeah but 75% vacancy rate, maybe we do, maybe we don't. But if we haven't really cleaned house and got our house in order, our files in order, you know we can't depend on that transparency. If you're transparent you build trust; if you spend time one-on-one with people and say you know Chair, what do you see that's going on that I need to be aware of that we can work on at the Leg. What are the top 5 things that we have to tackle. Where's our criticism coming from. I think what Senator Dela Cruz does is amazing and when you go back and look at the statutes, he is fulfilling the statutes. He is fulfilling the mission of what we're supposed to do. A lot of it has to do with spin and being transparent. People might say it only benefits Wahiawa but let me tell you how Kaneohe is going to benefit; let me tell you how Kahala is going to benefit. It's easy to be critical thinking oh Chair got all the marbles and Chair got all the good stuff and I didn't get any. Does that leave you with any other questions for me?

Mr. Watts responded no. Thank you.

Mr. Tabata took the next question. I'm the Kauai representative to the board and I used to always see those sugar lands as the last AMFAC sugar manager for Kauai. So from my perspective we have the infrastructure in place and the technology to catalog all of the lands and identify what is leased, what is licensed. I know the profile of all the properties, soil types because running a farm, like you're saying, you got to walk the farm and you got to identify, grab the soil, see what it's like. You get the rich red clays on the mauka lands, the gray clay that you got to use what we call a steam plow to turn it over to dry it out, so it becomes productive and cultivatable. It's extremely industrial even if you were to do a small farm. So the model back then to take care all of the infrastructure and all of the goodies, you talking over \$50,000,000 budget.

Candidate Two agreed. Easy. Yeah.

Mr. Tabata continued that in the end there was 50,000 acres for AMFAC sugar on Kauai, which included state lands and private land. All of the ideas you bring up takes a ton of money. So when I work for the county the council held the purse strings. This state agency, it's the legislature. How would you go about increasing the staff that you're going to find you need. The number of staff is sorely deficient. You need to create a budget that would support all the needs. I mean like you say you got to take a stepwise approach. For me you need ninety days just to do an assessment of where ADC's at today. We never saw a budget.

Candidate Two asked are you serious?

Mr. Tabata continued the board, we never saw a budget and I've only been a board member 2 years. And so you might the first day of the job, or the first month of the job, you might say forget it I'm out of here.

Candidate Two said no way.

Mr. Tabata said that's the scope or the size of what I view as the problem.

Candidate Two said first of all I think some of our secrets of success actually lie in Kauai. I think some of the things that have happened with KAA are amazing. I really value that. Kauai has been a leader in

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

terms of identifying [important ag land] (IAL) plans, and I can't wait to hear with your knowledge of what those lands have been like. That is so hard to find.

Mr. Tabata said so you have the West side of the island, which has the deep pockets of the large seed corn companies, and I was in the Mayor's administration when we had to fight all that anti GMO and then you get that East side where you have I'm going to call them the have nots, the struggling farmers. That got a piece of land that was EO'd to ADC to be licensed, without water and we put them up against these challenges that no person in their right mind would take. But they're true farmers and they do their best, and they haul in water, and they figure out how to get water on their crops. This area is primarily unirrigated. When it was in sugar we relied on rainfall. Kauai has to me the most opportunity, but we have challenges. I tried to help them. I thought it was unconscionable not providing water for them. I've hooked up with HDOA and Chair Hurd and you know we haven't gone anywhere because we don't have an executive director, but you know HDOA's ready.

Candidate Two said this is exciting. The conversation already started and you're familiar based on that knowledge.

Mr. Tabata asked so for me, you're up for the challenge? It's huge.

Candidate Two said it is huge.

Mr. Tabata said I don't think you have near the staff that we need. We brought up staffing previously; not near the staff, and above all these guys don't even have an engineer to support them. Be it a civil or ag engineer or what have you, I'm on mechanical, but I ended up on a farm, running the farm.

Candidate Two stated one of the things that you know I keep going back to is the land because we have to set the expectations that there's land that has water, there's land that doesn't have water, so we can go fast on the land that has water, we cannot go as fast where there is no water. In the world of diversified ag, and I did this in Kunia, you know that land is set up for sugar and pineapple it drinks differently than cucumbers. When you do the soil analysis one of the things that happened, I'm not going to say where, when I did the soil analysis I was like Dad what's heptachlor? Why do they have that and he's like well you know they used it when everything was a free-for-all, and it stays in the soil and doesn't go away. So it goes back to when you license you can't have certain people on that land. That is not right for our community. That is not good. We also need to be accountable and transparent with our budget. So, in one of my roles with Pacific Gateway, there was no budget, they had a clerk doing the bookkeeping and I was ok, we're going to set up QuickBooks. It's very simple, and I'll run certain parts of it let me explain it to you because when you do a national audit through human trafficking it is huge so you have like 117 different files they can pull whatever they want to pull. It all needs to be in there not just you know do they have a license, but you need to have pictures, you need to have GET, you need to say that it was legitimately set up, you know there's just a ton that has to be done from a file perspective. But you also need to show that they're making money; that they are selling certain places and so it goes back to the license. You have to put certain criteria in the license to say these are my expectations and I will spot audit you. I'm not going to give you 48 hour notice; that's not going to happen because in my perspective, like my dad said if you're doing things right there's nothing to hide. Come on in. You know when my auditor landed, and she was like we're going to audit your avocados and your mangoes I said oh no you're here we're auditing everything. We're going to pull all fruit. You came to my farm so we're going to do the whole thing. But getting a handle on the budget is key.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023

In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Watts said I don't think there is a negative issue with the budget. I think it's because ADC has not told the legislature what its vision and plan is. I think that's what creates this vacuum for certain legislators who get accused of certain things because maybe ag is important to them. How are they supposed to know ADC hasn't told what they're going to do. Luckily some of the stuff has aligned, others haven't. In my confirmation meeting all the questions were what's the plan? If you presented a plan to these people I think you'd get a response. You're not going to get everything you want, but I do see them looking at us like why you guys aren't telling anybody anything. That's critical. The new ED's assessment with the board and on staffing and how to go forward and what we want to do and there's going to be housing questions you know Ms. Seddon works for an affordable housing corporation and she got questions about ADC looking into using lands that otherwise can't be farmed on as potential farm worker housing, so there's a lot of things that we're going to be held unaccountable for in the next year.

Candidate Two asked so to answer your question about staff, do we go through HR? I don't know what the process is but I'm going to get to be good friends with HR really fast. And is there budget money that we can redirect towards contractors to start filling in some gaps and getting some things done so that goes to beginning some training with the procurement process, so I understand what we're supposed to do.

Mr. Tabata said I understand we're connected to DBEDT's HR, but to find money, it's always like two years in advance. So you got to look down the road and forecast, then you put it into your budget I guess is going to be joined with DBEDT to present to the legislature knowing how it works.

Candidate Two said but to Mr. Watt's point, if you have a plan, you can see why it's not just I need this this and this. Why do you need this and this, Mr. Tabata? Why do you need this and this.

Mr. Tabata said well ADC has a structure of all of these projects already in place. I learned of some new ones just recently that they've gone in for I guess capital funding and other funding to pull off a multitude of projects that I was surprised at how many there are already in process. So that's got to be blended with the normal operating budget and then the vision of how you can study the land. You talk about EPA; the Federal process is extremely cumbersome to spend federal money. I, being the local agency that works with people in the community, who wanted to apply for NRCS money, but they cannot just go and apply you need the local agency to support you. So it came back to me to also find an engineer who could support that external agency to get this money. It all ties back in the whole process. It's not quite so easy and straightforward. And I don't know how easy it is with the state, but I know I just saw that one of the projects from 2018 just getting going on the Hanalei River.

Candidate Two responded this is why we need ADC to be successful. This is why ADC was chartered and have statutes to lead and to advocate because it's hard it's very hard on a national playground with people that have deep rooted connections with NRCS. It doesn't matter whatever your business is it's a people business. It all comes down to a people business. So, hiring is critical for us to start delivering things but again it goes back to the land and prioritizing where's our low hanging fruit so that we can start to see some movement and then get those stories out in the media that we're doing things.

Mr. Tabata said, and to me your ability to network among all the different agencies, HDOA, DLNR, with DBEDT now and be the symphony conductor to bring everybody together. To me that would be key to pull off what would be the board vision. Who's in charge of that, the ED.

Candidate Two said when you talk about the GMO non-GMO thing that was highly contentious, when we opened the ag park at the Hawaii Ag Foundation because it was in the center of Monsanto, and it went

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

back to looking at the land to look at what the soil said and that went into me negotiating with Monsanto. Ok we're going to need to have you put some charcoal on, we need some lime, you got big equipment, we need you to till, so literally the farmers could come in and plant and we have to rebuild the irrigation system, and I need to have it go here, here, and here. Let's overlay where is the water, where is the water not, what would it take to get it there. But we have to start showing some headway.

Mr. Tabada said that's a good point, communication is key. From where I sat none of that happened. You just get upset people.

Candidate Two said sometimes it's just talking what somebody and turning it into something that people know. One of the biggest critics was actually Gil Riviere and I called his office and just said can I get an hour with him? I'd like him to come to the land and I want to drive him around and I will show him what we're doing, and I will answer anything. My life is an open book. Then I don't have to remember who I lied to and just spending time with him and showing him this is why Monsanto land is great. Look at the size of this equipment. This is how things get done. Look at that new irrigation network now let's get out of the car go talk to the individual farmers because it jump starts their operation if they go in and that land's got water and it's ready to go and you've got a soil analysis to show them what are you're walking into that's critical. But you didn't read about that in the newspaper because sometimes it needs to be one-on-one, sometimes it needs to be out in the field in order for people to understand, and I think there's a lot of misinformation out there. I think they just don't know. Just like you know why you don't need money for an irrigation network, it's already there. It's like saying I've got giraffes and I'm gonna put them into the elephant pen. You know it's completely different. They're both tall and big animals from Africa. But no, it's completely different on what they eat, when they eat, how much water they have, and that's the same thing. The fact that we have twelve out of the fourteen microclimates in the world, we are the most diverse. California might be the largest, we do stuff here no one else could ever touch and we need to get that out there. I feel like sometimes we're a little bit too humble and when you're on a national stage, how much humility should you have on a national stage?

Ms. Hurd responded zero.

Candidate Two said that's right you know and if it means somebody gets on a plane and goes see Secretary Vilsack, who's from Iowa and who's a personal friend whose wife sits on my College Board, to say hey we're out here and we're gonna be loud and proud and this is what we're going to be needing you know it takes a team. There's a time to be individual contributor; there's the time we need a team.

Mr. Watts said so on this board you have pretty much every tool I think you need to be successful. You have the HDOA Chair. You have the DBEDT Deputy Director. You have the [Commission on Water Resource Management](CWRM) Deputy who controls water in the state. The only thing I think that's struggling right now is the budget. I think Chair Hurd can attest to that right. Every elected official will tell you that doubling local food production and agriculture and diversifying our economy is a priority and yet her budget is only 1% of the state budget.

Ms. Hurd stated it's 0.31 per cent.

Mr. Watts continued but I think one of the things that under Chair Hurd's marketing administration before she became Chair was the ability to bring in grants and you know you do that kind of stuff right then you kind of lessen your interaction with the capital in the sense you don't have to go asking for so much. You mentioned international and national so what's your position on investment into the state? You know at

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mahi Pono for instance we have 100 acre ag park. We tried for years to get people on it. They pay \$150.00 per acre per year and water is free and yet people still struggle to do anything. Everyone has a dream right but there's that reality. If ADC is to help diversify Hawaii's economy, some of the discussion has to be centered around large scale investment. People bringing something in right I mean what's your idea of a balance between local you know helping smaller farmers and also actually bringing in the capital needed to have a serious discussion about diversifying the economy?

Candidate Two said again it kind of goes back to the land. We're walking where the Chair is from that's the key, Farm Bureau. When I look at the land and I find where we can grow potatoes, I'm going to get people out to find potatoes through Farm Bureau. I think we should be where the young farmers meet in Washington DC. Be there to recruit. I've never been lucky enough to be Walmart where I have a seat and the world beat a path to my door. That has never ever happened. We have to be very aggressive in going out and looking at what the land telling us and where it is in the state. Do we have somebody that can scale up with potato production? Do we have somebody who can scale up in a certain area? Do they need to have investment? Where can we get some investment, Ulupono? Do you know who's on the editorial board of Civil Beat that's after ADC, Piere Omidyar? Did you know that Piere's daughter went to school and graduated with my son? It's a small world. But we have to have national investment, but we have to be creative. That's part of what was amazing in raising money for the biodiesel plant we did it with farmers and people that were connected to the farm, but we did it because we were smart in creating a database of every farmer in the state and we sent our personal invitations. At the end of the day none of us can manage what we can't measure and right now that is the number one issue facing us with the audit is we can't measure anything. You can't tell them what we have and what we don't have. When you can go in and have a feasibility study you've got your books in order you have a strong position to go in and start asking for money and that money might come from California and we're going to say, you know what Leg we're not asking for the 100%, I need 25%. So what happened in my hometown when I needed to raise money for a public private partnership to build a facility on State Park land. Surely I should go to the Board of Supervisors in that county and ask them for money. Oh no you got to know your audience. I went to the next county over that doesn't even have the park in their county and said here's the economic impact of this thing being in this area. I need \$60,000 they said we'll write you a check. Then I went back, you got to learn to play the game, so I went back to the hometown team that is notoriously cheap, notoriously indecisive, and said hey we're building this thing how much will you guys come in for? They were like oh well maybe \$10,000. I said Jefferson County gave us sixty and it is in this county you need to match it. They matched it. There is an art and there's a science to raising money you just have to not be nervous about it, you need to be strategic, you need to have a plan, you need to have data points, and people get on board. But what really sells the project, it's a management team. I can look at all the data. I'm going to look and say when their back is against the wall, do I think Dane can deliver. Can Dane, Lyle, and Warren deliver? I need to know and trust that they can deliver. At the end of the day I am going to deliver to this organization, and I've always done things faster. The Hawaii Ag foundation, the entire board was not connected to what we were doing. Like chefs and people that you know that kind of ancillary play in ag they said you'll be lucky if you have farmers in two years because in two years nobody wants to farm over here. We were up and running and had our first harvest in six months. You have to be very strategic in where you go to find what you need. I don't sit and wait for my phone to ring. I've never ever done that I've been very strategic in reaching out to build partners to say alright what do you have through FFA going on in Kauai? There's got to be a strong young person that we could connect with somebody else because the good news is there's a co-op that's doing great things over there. Some of

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

the people have the fruit stand. They don't know how to operate the fruit stand. That's just like money laying on the ground. We have guys in their 70s. They're not going to farm forever but they are doing amazing things. They're growing rice for goodness sakes in Kauai. They're doing mono-cropping in Kauai. We need to showcase that because that's part of ADC's talking points. We have to go find some of these people and we are going to have to go find the financing. Some of the financing is right here through Ulupono. Working with Ulupono, together as a team we created a scorecard and how we graded plans that came in because everybody wants land if it's cheap and it has water and it's already tilled, but you have to have a scorecard, you have to have a policy and procedure, so it doesn't look like I choose Sharon cause her auntie and my cousin go to school together at Punahou. You can't do that and everybody's suspicious but if you can say I have a scorecard, it's worked on with a group of people to come up with it. Then you have a leg to stand on. Does that answer your question?

Mr. Watts responded, yup. Thank you.

Candidate Two asked have I answered your questions? You're still trying to take it in?

Mr. Tabata remarked don't come to Kauai with Ulupono. They got kicked out because they tried to do that dairy right next to a resort.

Mr. Hong said that's my question. Can you comment on the failed dairy project if you know.

Candidate Two responded, how hot do you want this seat to be, 'cause it is like red hot like we're talking imu hot. Again they didn't have their ducks in a row and at the end of the day it's a community and Kauai is a very unique community. You know the power of having Mr. Tabata is he knows that community better than I will ever know it and to be able to say okay Mr. Tabata what do you think of a dairy operation? It's like working with the Leg or anybody else, you have to go out and ask strategic questions.

Mr. Tabata responded there are better places to go.

Candidate Two continued that's right you know there's a time to sit in the office with an excel spreadsheet run the numbers but at the end of the day if the community doesn't want it it's not going to happen. Do I think we should not have a dairy? No, I don't. I think we should but the way we do it is going to look probably diversified very different because we do everything different and we should embrace that and we have to have a new angle, but we also need to recognize we are forever in a community, forever, so we need to be conscious of that community's culture and what's going to work and what's not going to work.

Mr. Watts asked some people support having a dairy on every island. Would you support that?

Candidate Two replied I don't know enough Mr. Watts I would have to do some research.

Mr. Tabata said there was one on every island. My wife's father had a dairy on Kauai. My wife grew up on a dairy. She was the most excited person, but it was in the wrong place.

Candidate Two said it's a very hard business and a lot of what we do is specialized and it's kind of sad we're the only state in the U.S. that double pasteurizes our milk. It gets pasteurized on the West Coast comes here and we pasteurize it again no one else does that. We have unique challenges but it's not anything that with enough creative minds and all the experience. We all stand on the shoulders of giants. I don't stand here because I'm that good. I'm not that good. I've had great coaches like the previous ED who was very strategic and let me tell you why. When I came in for the first initial interview I told my

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023

In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

husband I'm prepared to walk out in fifteen minutes because I'm going to ask those three people do you want previous ED 2.0, because I'm not the previous ED. Do you want to stay on the path you're on because I don't buy it. It's not good for me to be in a role that isn't going to be productive for your vision and what you want to do. The fact that it was the three newest board members sent a strong message we're looking for some new ideas we're looking for some new leadership. Are we going to be successful at everything? Probably not but we need to go back and ask why it wasn't successful. Why was that dairy not successful? Was it the location, was it the business model, was it the people in the community, was it the people that worked at the dairy, what was it and not repeat that. That's the lesson and even in grants you want to be successful at everything. There are parts of grants that aren't going to go well but as long as you can tell the Grantor, well these are the three contributing factors and we're not going to do it again.

Chair called on Mr. Wicker for the next question.

Mr. Wicker said alright so I have four questions. Can you tell us one of your strengths; one of your weaknesses; can you explain what your vision is for the role of the board; and what role ED plays. Your experience with the government process and relationships with the legislature, and then in your first year what do you want to accomplish. So, the first question was your strengths and weakness.

Candidate Two responded, I would say my greatest strength is my network and that I'm highly resourceful. I'm not limited to looking at ADC and everything is Oahu-centric. I pick up the phone and I call Jerry Ornellis and said what's going on over there? What's the perception of ADC? What are you doing? Any farmer wants to look at another farmers operation. I don't care if you're growing sugar beets and I've got soybeans you're going to want to see how it's done. Not being afraid to seek people out when I don't know the answers. I intimately understand diversified ag. I work with diversified farmers. I ran GMO. My family farm is still GMO. I've done non-GMO. I've got a breadth that I bring to the table. My weakness and I know that you know it is have I testified in front of the Leg for Ag and the answer is no. But have I testified in front of the Leg? Yeah, I have [REDACTED] I am very familiar with the DOE and the process, and the procurement, and the hiring, and the teachers unions. I'm not going to know everything but I'm willing to stay up all night drinking Mountain Dew and reading as much as I can. It doesn't scare me to testify in front of the Leg. I'll had my I's dotted my T's crossed and that means I have to get the house in order. I've got to see where we're at and I expect I'm probably going to come across some bodies nobody knew about. I need to be able to look at you guys and say I trust you we have to figure out what to do because this has great impact for all of us. So that would be my strengths and my weaknesses. The role of the board and the role of the ED is very foggy. I can say what I think the role of the ED is. I think this group sets the policy. My job is to go out fact find the living daylights out of things, come and give you recommendations, but at the end of the day you decide, and I don't talk back. I may ask some questions, but you decide and then I go out and I do what it is that you want to be done. I love measurable goals and I will set measurable goals once I've got an idea of what is actually going on. Early in my career I was given a sales goal and he said this is your sales goal for the year. I hit it in the first quarter. I'm like bring it I love the challenge. I will rise. This is the greatest challenge of anyone's career and if they tell you otherwise they are flat out lying. This is challenging at every single level, but we have to trust each other and that's why I asked how does it work in terms of the letting of licenses or leases. Do we have an attorney that we can access that looks over those documents to say you cannot do this. Without having a plan and understanding what all the things we want to pull through that processing facility to make that thing successful. How we write our contracts, who we recruit from. I'm a little nervous about being micromanaged. I don't do that well. I am transparent enough but it's a little

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

frightening to think every single license or lease has to come before the board. I think we have to create some trust to say alright anything up to fifty acres you work it out with the attorney, over fifty the board. I don't know what the parameters are. If you want to go out and start a value added production business, start with the feasibility study that will come in front of the board. You guys shoot holes in it, and we have to figure it out. But me going off and doing my own thing I'm not going to do it, but I think I need to know what is it that you guys want in three months; what you guys want in twelve months. That's when the negotiation starts. My goals are very aggressive. You look what we do in two years. Challenge accepted. That's how I look at this with ADC. Challenge accepted. Once I sink my teeth in I don't care how bad it gets. I have [REDACTED] I'm in it for the long haul I believe in what we should be doing but I don't think we've been bold enough. You know we are tasked with big audacious goals. We've been given great responsibility. We need to use that power wisely, but we have to lead and we're not leading. I'm sorry if I offended some people but you know we need to create a blueprint, but we also need to realize it's not a widget that you just move around. What happens here, what happens on the Big Island is very different. I babysat coffee plants over at quarantine for six months. I did that for a friend who's a farmer on Hawaii Island because he couldn't afford to travel back and forth. I'm not afraid to get my hands dirty. I love dirt my dad always said when you pick your career it has a smell, and you'll just know and for me it's freshly tilled soil. I think that's better than Chanel No. 5. It builds wealth, it builds a better community, and that means everything to me. I'm willing to go the extra effort of what it takes to get it done even if it's ugly and we have to talk about ugly things. I'm willing to do that. I think there are people that are critical of ADC and in my career I love working with critical people because what they're saying is I'm not happy with you. Well great, you've opened the door. Let's sit down. What's going to make you happy and let's figure it out together. I would much rather deal with somebody who's critical to my face than somebody who's critical behind my back. At least have the courtesy to ADC and the ED. I think the people that are critical don't want to stay critical. They're just saying I need more information I have some concerns. Great, let's work on them. Can we get them all done? Probably not. With the project I've been working on in California, the communities up in arms, and when I got there I put my hat on and I went door to door and I said we're here, it's going to be an ugly week, we're going to take care of things be clean here's all my contact information you call me text me anytime you have questions. My phone didn't ring. I had one neighbor who I thought was going to have a heart attack comes running up the street and he was cussing every obscenity that he could come up with and he wanted to talk to who's in charge and they're like she is. Ok I can see that you're upset what can I do?

Mr. Wicker interjected excuse me for interrupting, do you have an issue or concern with community engagement, getting boots on the ground in the community?

Candidate Two responded, no, I had to do that at Turtle Bay; had to deal with a North Shore group. The North Shore has its own eccentric culture but the more you share with people the more it engages them in the process to see what they like and what they don't like. That's ok. Discussion is ok. Making sweeping changes and not asking people that's a little scary for everybody but bringing them into the conversation, that's ok. I think it builds respect, you know, we're trying, we're asking for community input. Did I get through all of your questions?

Mr. Wicker replied you answered all but the last question, which was in your first year what do you seek to accomplish?

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Candidate Two responded I want the audit closed out because they were very clear they're coming back in a year or two. I'd like to know if the board actually had an exit interview with the auditor. Because I can't find anything and if the board would be open to having an exit interview. I think we need to sit down and really address this.

Mr. Hong stated that question was asked a year ago. There wasn't an exit interview.

Wendy Gady responded, you know what that means, we could have one.

Mr. Hong remarked the auditor said they don't do that and that was my question.

Candidate Two asked was the time up?

Mr. Hong replied, no.

Ms. Prescott-Tate interjected we'll get another chance.

Candidate Two said ok but you know with the audit they laid out all the things that they were upset with ADC about, and I think some of the stuff was not unreasonable.

Mr. Wicker stated it's a roadmap.

Candidate Two replied it is, and by sitting down addressing every single thing in that audit, that shows respect. That means we're here for the long haul and yes I recognize some things are mixed up in the house but we're going to figure that out and we're going to figure it out together.

Mr. Hong stated that he had one final one comment. I think that there are many of us on board that would love to have operational issues with the guidelines managed by the executive director and staff. Not every single thing needs to come before the board. I think most people on the board if not all would want to stay focused on the strategic issues. Big things let's get something done.

Candidate Two said that's a relief to hear. I still would like to do weekly reports because there's so much going on and that gives a chance...

Mr. Hong interjected, no, absolutely. That's part of the communication, and so once you have that trust between the entity and the governing board, then everything goes along very quickly. It's better than fighting internally, which I think we've had some of that and that's not productive.

Mr. Watts stated my better half serves on the UH Board of Regents and I can tell you the amount of information the university and President Lassner gives to her and the board on a daily and sometimes weekly basis is alot. Information is being provided. What the board members do with that is up to them, but board members don't have to ask too many questions because information is being given to them.

Candidate Two stated it also starts building trust of what it is I'm trying to deliver based on what you told me to deliver, and it could provide clarity. If Chair said you got to take care of these things, ok I'm going to do that. Or the board says we need these things regularly because that's critical ok. But we need the board to set those policies, set those strategies. If you want to see every person that wants to submit a lease or license that's going to bog us down. I want to answer any questions or concerns that you guys have. It would be an honor and privilege to serve you.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023

In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Chair said I didn't get an opportunity earlier, but you know agriculture and technology is changing. One thing that Farm Bureau on Maui that we've been looking at is vertical farming; greenhouses, hydroponics because water and climate change has become a big issue. What do you think ADC's role would be in helping the farmers, because you give the land, you give the water but that doesn't guarantee success. They need to be more advanced to be competitive in the global marketplace. Does ADC have a role in promoting technology, especially for our tenants?

Candidate Two said absolutely that's leadership. You know leadership can also be contract farming because doing something new is scary. I don't think it's fair to always put it on the producer. We need to have a stake in it, and we can do it. ADC's reach is crazy big. I do think vertical farming really takes a lot of the mystery out. You can control it; time your water; remove pests; make it very easy to be FSMA; GAP. You fall into all of that and that's part of how you measure success. Being able to teach people. What we did at PGC was in some cases we would hire some of the farmers to do a portion of things so they could see for themselves. I didn't ask them to give up time on the farm without getting paid, but they could see and understand. People learn differently. Some people can read an article and they're like oh I get how this works. Others need to roll up their sleeves and get their hands in there and see how it works. That's part of teaching, but we need to be bold in our leadership. So with some of the ag land that's not really ideal that's where we can be bold. You know maybe we can do some aquaculture, or maybe we can do solar farms because the solar companies actually going to put in the infrastructure and cauliflower and broccoli are looking really good, they like to grow around that. Having goats is ridiculous, because if anybody's raised goats, they climb all over everything. Maybe it's an option to do aquaculture different because you come in, you fill everything with water, and then maybe once a year you have to go top things off. That's where we can start to get bold and get creative and get diversified and that's what ADC can do really well.

Chair added, and for me coming from Farm Bureau we represent all the sectors. Sometimes I get a little frustrated with all the emphasis on food security, but you know we look at it as a balance; you have your flower industry, you have your nursery, you have livestock. Does ADC have a role in those sectors?

Candidate Two responded, I think it kind of comes back to the board to say is that a strategic role we want to play, is that in line with our staff, and we have an open dialogue about yeah we should plan everything. But we can't because we have limited resources. We need to prioritize or how do we start to dabble in everything without saying ok let's go to the Leg and get \$25,000,000. That's pretty hard. I would like to see us do that because that also incorporates a level of innovation and technology, which I think requires some outside investment. We have to explore it because it is really hard to get labor and keep labor and that's the costly component; that's a big contributor. Another big contributor is the cost of water. To be able to have free water, seriously, you don't have a line out the door. I'm speechless.

Mr. Watts said we do, but they don't know what to do after they get the lease.

Candidate Two said see that's the beauty of partnering with some of our older farmers who know what to do. They can say you don't want to do this because I tried it, and this is what happened. We have to spread that knowledge and that's another risk. I think really taking a strong look at risk management not in a cruel way but to say alright we've got 25% of our land leased and the average age of that person is 75. It might be how do we keep what they're doing continuing because in our family we say farmers don't quit they fall off a green bin. They just keep going. Farmers aren't the kind to go sign up for retirement community. We're just built different.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023

In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Watts said I serve on the Maui Farm Bureau board with Chair, and Chair has been dealing with this for a long time. There's a change in the ag world, especially on Maui. Between DLNR and reforestation efforts to produce more water potentially so going back to native trees etcetera. HDOA, and ADC, you kind of know what those two do, what role and where because you do have farmers that are going to be displaced by the states effort to address the watershed issues. Up to 3000 acres some of them right so who would have a role on the neighbor islands to help put these displaced farmers in other areas. And I don't think I've heard very much from people about ADC's power to float bonds. We're one of few agencies that can do that. So, when it comes to financing you don't always have to go to the capital for that. The agency itself could decide some of this on its own so keep that in mind for creativity purposes.

Chair said I know Mr. Wicker has to leave soon, but you know I've been involved with agriculture on Maui for a long time and across the state but and I get frustrated. It's been brought up about agencies not working together, not being on the same page and to me ADC has one of the top roles in bringing HDOA, now DBEDT, and DLNR together and to have this vision of where agriculture goes in the state and frankly if one of them is not on board, it's not going to happen. I think ADC and this board needs to play a key role in forming that thinking.

Candidate Two said I've lived by the motto, and it goes back to being an individual contributor versus a team, and that is "together we go far." I have great relationships with ADC, with HDOA, with CTAHR, with extension agents across the islands and we can't do everything. If we understand the ag sandbox some people are extremely good in certain parts of the value delivery chain. Why would we want to play with that? There's plenty to be done. Let them own that space and be really good at it and tap them every time you need to fill that part of the value delivery chain. But we have great leadership outside of UH. There's lots of information within UH that has never been pulled out and made actionable. UH has a role to play. DLNR has a role to play. And yes, the Leg has a role to play. DBEDT has a critical role, but we need to work together, and I think that's something that I do well. I don't care if I have to go nine steps and you go one because that's what benefits ADC and that's what benefits our state. It's not a power play, it's about getting things done and I don't need my name on it just because I want my name on it. At the end of the day I want to be able to tell you that when I started this is how much value we had coming off the farm gate of all our land. This is how much land that we had. And now we have this much. I guess maybe the question is with the next session are we in the business of acquiring land? I don't know and I'm not trying to put anybody on the spot but is that part of what we're supposed to do or what we want to do, what you want to have done at this point in time. But as long as we can have a very open and frank conversation no matter how difficult it is we are together, we are going to go far, and I am very encouraged by the bios of the people sitting on the other side of this table. There is so much experience and power and creativity. Why not? Let's do it. I am very (inaudible) with doing this.

Mr. Wicker stated one comment, it's an interesting point and it's scary when you look at what's going on Oahu regarding land use. Some entity needs to step up and aggressively start land banking even if they don't put it into active use because we've seen what happened with ADC. We land bank 4000 plus acres in central Oahu and I'm faced with the challenge right now at DBEDT on trying to find more land because plans that's being discussed at the legislature, and somewhat with the executive director is showing that we're planning ourselves out of Whitmore. There's an option that I'm exploring to provide more in central Oahu to ADC, but when I start to look at Hawaii state energy's plan and they're used to hit 2045, the Governor's housing, they're going to start encroaching on land that we've identified for food production value-add and if we don't have a plan statewide on what hitting those microclimates, that

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Candidate Two mentioned, we're going piece meal this. We're going to fall behind and we are going to have not planned ahead for securing land. If it's not ADC, then who. Put it out there, I'm going to advocate for buying as much land because ADC has powers to do that and the statutes to control it.

Ms. Hurd said amen to that.

Candidate Two said I think growing up in a farming family you save and save and save and unfortunately, you wait for your neighbor to die so that you can buy land. Like it's just on a different level and I do agree once it's gone, it's gone. There's a lot of pink elephants that everybody wants to tap around and that is one of them and looking at Dole and saying oh they're good. They're a heartbeat away from not being here. Murdoch is the reason that they are here. What's our plan B because that's viable land but it goes back to having a plan to say this is what we have, and that land is our 9th microclimate that only is there, and we have to have that because this is what we're going to grow there; this is what we're going to use locally; this is what we're going to export. We have to have a plan and that's in the charter. It's not like we're overstepping and stepping on people's toes. We have to have a plan whether it's land that looks like we can actually use. We have to have a plan. There's always somebody that wants land and has an idea or business plan. It may need some help with financing, and we've got to show them how it's done. That is what we're chartered to do.

Mr. Hong stated so it's important to demonstrate that we've delivered on what we have and that's the first step because you're never going to get to the second step.

Candidate Two said sorry Ms. Hurd, I keep going back to you, it's all about what we have, and I don't trust anything. I don't mean that I'm not a trusting person, but I can't get two answers that match. It was amazing to me like with Turtle Bay what they thought was their perimeter what actually was their perimeter were two different things. You have to get a surveyor out there to survey everything and maybe you know by looking at the land and doing sampling that will tell you what this one hundred acres is good for. Could be organic because we've got the buffer, we've got the certain water that's going to come in, and you know what if we can find land that we can do that in. Gosh that's going to change some of the criticism. You know on this land we could certainly put a hui together, and this is perfect because of how the water structured to put together a coop, and this is where we put some of our displaced farmers.

Mr. Watts said that's important because to Mr. Hong's point, if you were to convert pounds to acre of what Hawaii's consumption is, then you don't need as much land as people think you would need to feed Hawaii. It's just you need planning and coordination and working together to get it done.

Candidate Two added, but that goes to the fourth area, which is promotion. Doing the feasibility studies to help direct what we do. Like with the biodiesel plant, you do the feasibility study, how many bushels of soybeans do we have, where is it getting marketed, what price point do we have to be at to pull stuff through. That plan made a lot of money for people, and I think that's a component that nobody wants to talk about. When you do it well it builds wealth for the community.

Mr. Watts said well its \$3,000,000 a year leaving the State. There's definitely money there.

Candidate Two said ask me anything I am so grateful to be here, so very thankful.

The board members thanked Candidate Two for attending.

Candidate Two replied you're welcome. Good to meet all of you.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Candidate Two exited the session at 11:45 A.M.

Ms. Hurd addressed Mr. Wicker stating that HDOA cannot purchase or own land, so it's been a real challenge. ADC is the only one that can do that.

Mr. Wicker acknowledged that fact and said HDOA can only get land [by Executive Order] EO'ed to you.

Ms. Hurd remarked well you can, but it's still not a purchase right. HDOA still doesn't own the land, it's still state land. DLNR keeps saying this is state land, this is state land. We do have a parcel on Hamakua that came to us because of a bankruptcy on an ag loan but that's small. Your point is really important. ADC can buy land.

Ms. Prescott-Tate asked Mr. Wicker what time do you have to leave?

Mr. Wicker responded I have an appointment at 12:30. We got to walk there. Are we doing action today?

Mr. Nakamoto asked we're still in Executive Session, right?

Ms. Prescott-Tate answered yes.

Chair stated he was moving on to Agenda Item 2 for the Board executive session discussion of salary. The former executive director salary was \$147,000.

Mr. Hong: 147?

Chair responded 147. ADC's budget allows us to offer up to \$150,000.

Ms. Prescott-Tate stated and that's it.

Mr. Wicker asked does that match the budget general table?

Ms. Prescott-Tate said yes it matches what ADC can spend, between 147 and 150. You might want to think about who you would offer the position to as far as the level of salary that that person might want.

Mr. Watts said we're in the middle of the biennium, right? So if you gave the person the 147 at least you can give them \$3,000 on the pay raise next year.

Mr. Wicker clarified that would be after their annual eval, right for ED?

Ms. Prescott-Tate said yeah, that would be next June.

Mr. Wicker asked at the end of the fiscal year?

Ms. Prescott-Tate replied correct.

Mr. Hong asked so that's a function of the budget, right? And not a function of anything else because the board has full authority in terms of hiring of the executive director.

Ms. Prescott-Tate said yes and yes. The ADC budget says thou shalt not spend more than \$150,000 for the ED.

Mr. Wicker said thank you. On a side note, we are in executive session DBEDT put out our program managers to tell their boards that they are to stay within what's budgeted. What the legislature authorized

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

per the budget journal table because at the end of the day, it's the DBEDT director that has to go in front of the Leg to justify the budget; not the chair. I'm going to start asking Chairs and boards that if you're going to go above and beyond what the legislature authorized, you defend it. There's some fiscal restraint here because some of these boards I tell you don't know whose money they think they're spending and to Ms. Prescott-Tate's point it's the tax payer's money. I know we want to hire and retain good people but at the same time we have to be fiscally responsible and the legislature is going to come down on the boards and the director for spending above and beyond.

Mr. Hong said my sense is the salary is not that much of an issue between the candidates you know they both want it so whether it's 147, or 148, or 149, or 150 it doesn't really matter.

Mr. Okuhama agreed.

Mr. Wicker asked did they disclose the salary range during the PIG process?

Ms. Prescott-Tate replied, no.

Mr. Hong said no, but if they do their homework they can get in to the budget and find the appropriation.

Mr. Wicker said true. It's public information. Chair, what is our next action?

Ms. Prescott-Tate asked do you want to just throw out a figure? Leave it at 147?

Ms. Hurd asked wasn't it 147 and change?

Ms. Prescott-Tate replied I think they offered 147 because HR wanted around figure.

Mr. Hong said I remember the change because it was a percentage of the base before. We can give them a round number.

Ms. Hurd said I would round up 148.

Mr. Hong said I'm good with that.

Ms. Prescott-Tate asked is everybody good with that?

There was a unanimous response of yes and nodding heads.

Chair said now we discuss the candidates?

Ms. Prescott-Tate answered you can. Do you want to discuss it? I have secret ballots if you want, if you would feel better doing it.

Mr. Hong said I think we should discuss it.

Mr. Wicker asked remind me who was on the PIG again, please?

Mr. Hong responded, us three (pointing to Mr. Hong, Mr. Okuhama and Mr. Watts).

Mr. Wicker replied I think that you folks did a very good job and I mean going through fourteen candidates this is not an easy decision right now quite frankly.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Watts said I think, Mr. Wicker, the one thing we did agree on was it was hard, it was really hard. I think all candidates were good. The ones we whittled down were...it was tough. If we could have all seven of them working with staff that would be ideal.

Mr. Wicker agreed that ADC needs help.

Mr. Watts asked if there was a scenario where we could have Candidate One and Candidate Two that would work really well. But that's up to the board.

Mr. Hong said I think the two candidates are both obviously qualified. Secondly, they also bring different energies and strengths to the table. We thought that ADC could utilize them both very effectively. So should we have this discussion in-camera, or what?

Mr. Wicker said no worries. This is all executive session.

Mr. Hong asked this will all be in the dialog?

Ms. Prescott-Tate replied yeah, this is privileged. It's just us.

Mr. Hong responded we actually scored these two very close, very close. In the scoring two of us had 1-2 Candidate One and Candidate Two. You know I'll tell you quite frankly I had a one point difference because I thought both of them could bring some great positives and I would love to have seen if we could just crunch them into one person. That would work. That would really work. But it's a broad requirement; a broad set of skills that we're asking. It's an impossible position in a sense because you've got so many decisions you've got to deal with and in fact you know I'll tell you during the PIG discussion we talked about hiring one executive director and another in some new position because both could run the organization, and both could do different things, or one could complement the other tremendously.

Mr. Wicker said because I think it's close and I think this is just me speaking out loud. I think it's going to come down to what the board wants to accomplish in the first year, and then the next five years; the short term and long term. That'll help determine because I see strengths in both. I'll share that I meet with Mr. Takemoto weekly and yesterday we went over a list of projects; projects that I too was not aware of because they were at a smaller scale. And I see the legislature saying hey where are you guys with these projects and to me the strength that is probably needed in the next ED is a strong relationship, someone who has access to the legislature and to the governor. Now we all know that's probably clear with one of the applicants. What I did like in the second applicant interview is that we do have our opposition out there, and someone who can for lack of better term, go toe to toe and immerse themselves with the detractors, and Candidate Two did say I'll drive around, I'll take them around. But I think all of us have been in many interviews before and I have made some decisions based on hey the applicant knew what they're talking about; they sounded very good; but they didn't deliver. So I'm just coming back again to what do we want out of the ED in the next year, and the next five years, at least for this administration. And if I need to I mean if it helps to write it down.

Mr. Hong said I think the organization needs to demonstrate and to be able to communicate real positive on the results of a number of issues that have been festering, maybe that's the wrong word, that have been rolling around on the table for a number of years. We need to deliver something, and I agree I think Candidate One's got the political (inaudible) administrative and legislative side. I think Candidate Two's got the energy and the vision to bring it on the community side and that's why I I'd love to have; a

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

morphed individual who could do both. But I think, from my perspective for the next six months, from now to the legislative session I think Candidate One's going to hit the ground running. I think Candidate Two's got that ramp up, which is going to be somewhat of an issue and we can't wait another legislative session to be ready.

Mr. Wicker said I actually echo that same thought because at the end of the day DBEDT is going to have to go to bat too with somebody out. I've been there 11 years in that building so I don't want to hear, Mr. Wicker we told you so. We knew it. I echo Mr. Hong. I have a concern right now and part of it is ADC's doing, part of it is not. A lot has been asked of ADC, with little capacity right now. And given the way the conference negotiations went it further tightened ADC's timeline to deliver. That's exactly by the end of next fiscal year and if ADC doesn't deliver, I don't know what that means for the future of ADC. I really like that ADC came to DBEDT. In our ecosystem ADC is at the beginning portion of the cradle and the grave. We have the foreign trade zone, the Hawaii technology development corporate, and the business development support division. All will reap and go in line with what ADC's projects are going to do in the long run. It's a really good fit. Our HR has jumped on board and it's helping them out and it's one of my major focuses.

Mr. Watts said you know I agree and I think one of the strengths that Candidate Two brings to the table is that she helped the farmers with the things that would cost them a lot of money, you know GAP certification, FSMA, etcetera, and also I think the board's decision could be big news. When we do select someone, especially if it's Candidate One, Chair and other board members, they're going to be interviewed by the news organizations and I think how we tell the public why our choices were made in ways where it is very clear on what we expect from the new candidate, a promise to be open and transparent to the public. It cannot be business as usual. That's why I think my preference would be to bring Candidate One on as ED and bring Candidate Two on in another capacity where she could help complement Mr. Takemoto. I think for me that would be an ideal situation for the organization to go forward. That's why I asked Candidate One how long he expects to do this because you know you look at his financial disclosure, he makes \$1,000,000 a year, so...

Mr. Wicker interjected, I wanted to ask that question like why, I've known Candidate One over the years and he is a very successful businessman. Why would you leave the private sector to undertake what you been watching for the last ten years.

[Unidentified] responded, we asked him that. And you know, part of the problem with sole proprietorship type businesses they never know when to give up. He's already transitioned it to his kids, but he still wants to get involved in the larger industry and he's been doing it for a couple of decades in terms of spending his own money trying to learn about all of this and working within the entire system and he thinks he can provide that type of perspective for the benefit of agriculture. He's actually given a lot beyond just his own business. So I think he just wants to provide that.

Ms. Prescott-Tate said Candidate One wanted to finish the prior ED's projects.

Mr. Hong agreed saying yeah because he's been involved in it for so many years and so I think without holding him to a hard date, he probably has enough energy to want to do this for a couple of years. But that's where you start looking at your bench strength and succession planning and developing your staff so you have a ready pool of well-versed individuals who can step into it, or an individual who has an energy and so this is also a very good proving ground for a second in charge, or second in charge of a

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

certain portfolio of ADC. If that person delivers on it then you already have the track record. But it's important that ADC show results in the next year.

Ms. Hurd asked because I came in late do I recuse myself from the discussion?

[REDACTED]

Ms. Hurd replied, I've known both of them equally I would like to say thank you to the committee for these candidates are very, very good. I will comment that yesterday, and yesterday was not the first time I've heard this, I've kind of connected to the people on the ground, more so than the Leg, but on Maui yesterday three people commented in different ways, but the words were that when Candidate One stepped down from being Chair it was a foregone conclusion. And I said no it's not, we're having a meeting tomorrow. And everybody said they know it's Candidate One, it's a foregone conclusion. So, I want to say that I can see both arguments, but the Leg is such a different animal now. There's so many new kids. There's a talk about changing leadership. I think this Civil Beat report on what Ty Cullen revealed is about ready to drop. I don't think they're going to hold it till session starts, I mean after the session starts. I think they're going to drop it. I called them and asked when are you going to drop this because people are asking and they said they don't know yet. Anyway long story short if the Civil Beat article drops before the Leg session the way we think it will it's going to be a different Leg session. It's going to be a lot more open and a lot more critical.

Mr. Hong asked what's the Ty Cullen issue?

Ms. Prescott-Tate answered pay to play.

Mr. Hong responded oh I thought it was something else.

Ms. Hurd said pay to play and he supposedly got a lesser sentence because he sang like a bird.

Mr. Hong asked spilled the beans?

Ms. Hurd replied he spilled everything. He was my rep. I live in his district. So long story short I just think whoever we choose, and I think both of them are great, I see more vision in Candidate Two because it's true no matter what you do now you got to have a connection to the Feds and she does. I was a part of [World Agriculture Supply and Demand Estimates] (WASDE) and I could tell you, she said how much humility do you have, zero. When I sit on the WASDE board and they put up an amendment or policy I insert myself. They wanted to do a disaster thing and they didn't have lava or volcanic eruptions or toxic air and I said we gotta put that in there; come on you got Mount St. Helens, you got this volcano in Alaska; we got volcanoes all the time; and they chattered but they put it in there. It took them this long to put in volcanoes as a disaster. I guess my point that I'm belaboring is either one is fine. I think Candidate Two's more well-rounded. I think the Leg you know could change. We don't know what's going to happen but it's a younger crowd and the younger crowds are coming to me. I've asked for appointments with the older senators, I don't get any appointments at all. I think they already made up their mind about who they want to meet with, who they want to play ball with, and I'm not one of them. I don't know how to say it, but I think they're both qualified. Whoever survives this discussion will do well. If we could put either in the secondary position that would work well. It's really going to be a lot of balls in play.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Hong said I think if you could bring resources into the organization you actually do send a message that you're also looking at the future.

Mr. Watts said but I think though too you can hold one of the candidates very accountable. It's the former Chair. You know there's no excuses for not knowing what projects are; there's no excuses for not meeting legislative deadlines; there's no excuses for not making sure the moneys encumbered properly. You know so we can set some very clear deliverables over the next year and if it doesn't work out, it doesn't work out. The learning curves you know I look at them where I think this is an opportunity to set Candidate Two up for success, even Mr. Takemoto, I mean I think they all complement each other.

Mr. Wicker stated there's still an opening on the board.

Mr. Watts stated they're two openings on the board. And I think this board is different from past boards.

Mr. Wicker responded yes, I like the questions and the openness of this board. It's not a director telling us what you want us to do. There's a diverse background, good neighbor island representation, good diversity. I mean, I wish, if we had two positions, I've been thinking how do I take one into DBEDT and what that route would be. Seriously, I'm thinking because they have definite capacity, the capacity of both, I like both approaches. My concern is though the volume of projects and that willingness to hit the ground. It's not their fault. It's the way the Leg works and we're a creature of the legislature. When they started doing things, it was a little dormant for the first eleven years, and then the next ten they were aggressive. When you start to do your job after not doing it you get criticized. You start doing your job you're criticized and so now with all these projects.

Mr. Hong said that's an interesting way to look at it.

Mr. Watts said I'll be honest. I didn't like that perception. I think for me I didn't even know Candidate One resigned. To me he resigned to the ED, which to me was improper he should have resigned to the board. And it was kind of like an e-mail saying oh FYI the board chair resigned. You guys got to redo everything. You know, I did have a question when we first did the interviews I had some serious questions because I had a serious concern about how the board would go forward. I didn't really know how long Candidate One was the chair or member of the board. What I didn't want was a repeat of what previously occurred. But in talking to him and looking at the reality of where we are in the calendar it's very difficult.

Mr. Hong said the resignation was a little bit of a funny situation. He's been on the board two and half years and the first six months waiting for the old chair to get off. So he's been chair for just under two years and his first ever from my perspective because I've been on for a year and half actually almost two years now. First set of orders were to take the Galbraith lands and get those out for approval for licenses. We've got those done now we're waiting for some of that land to get into production because of various issues. But that was one of the major criticisms of the audit and that's one of the things that we've worked very closely on as a board and supporting Candidate One as the chair to get those things out and we tried to fast track that as quickly as we could, we had to go through three meetings to do that but we met those deadlines and so he wants to get things done and you know I was very conflicted. I like what both of them bring so much that I would like to find a way not to lose the resources that they can bring to the organization. I think that the job is just way too big for one person. There's so much politics involved. There's so much administrative and legislative. None of it is the ED's fault, but you can't you lose sight of the issues of community, of strategic vision, of networking, and all things that we've just presented.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Okuhama said yeah I agree it's a tough one. I'm just concerned about the short term vision of one, versus losing the long term vision and skill set of the other.

Mr. Hong remarked but if you lose the short term, you lose the next level.

Mr. Okuhama responded right that's the problem, right you're kind of stuck. Because you see one that will carry us for the long term and can do the job, do the work, and brings a lot of other things to the position. But then you have one who is critical because the short run is actually so important.

Mr. Hong said I think Candidate Two is a fast read. I think she'll get up to speed. But the thing is Candidate One is already there you know. He knows all of the issues because he's been working on it for so long. I think, I hope Candidate One would recognize that he needs someone like Candidate Two and the resources that she brings to the table. So we have to have that conversation. I mean obviously what we're trying to do right now is decide on the ED.

Ms. Prescott-Tate asked do you want to do this again in two years? If he's only going to be here to get the prior ED's projects approved, which is what he said, he wanted to see the prior ED's projects through, given that in twelve years the prior ED was not able to get these projects done.

Mr. Watts said that's definitely a valid thing. But I think that buys us time for the board to really work with Ms. Evans folks to present a vision.

Mr. Wicker said Ms. Evans is working on the strategic plan.

Mr. Watts said you know Candidate One he's not going to do it for a long time so for us to really transfer that vision, hand that ball off to the next ED, you know but this gets us through the short term so we're not on the chopping block like [Hawaii Tourism Authority] (HTA). Because I think ADC is very valuable and I think it can do so many good things for Hawaii.

Mr. Hong asked Mr. Tabata, what are you thinking?

Mr. Tabata said for me I look at it as you gotta bite the bullet and I think that Candidate Two's got the longer term and it's up to the staff to pull the projects through. The strength of the staff will help carry Candidate Two through. So that's my direction right now. If the staff is prepped the way we are saying, and we got to do our darndest to work with whoever the ED is to staff properly and get this thing moving. The staff is supposed to carry the projects, not the ED. The ED sets the tone and communicates the vision. Like I said Candidate Two is in this for a long run. Because this is not done one year, two years only, there is a lot more at stake than one or two years of showing the Leg that you can produce.

Ms. Prescott-Tate asked Mr. Wicker how long is it going to take for him to walk to his next appointment?

Mr. Wicker replied twenty minutes. I just got to go back to my office.

Ms. Prescott-Tate passed out paper ballots to the board members present.

Mr. Watts continued that the frustrating part was learning about projects in Candidate One's interview process. I didn't like that. Even from a staff perspective. As a board member sometimes I avoid situations, like I had lunch with Kyle Yamashita and others and I avoid some of the questions because I don't know everything about ADC and that's unfortunate. That shouldn't happen.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Nakamoto offered, well, one those projects the big ones you guys are keep bringing it up, staff didn't even know about.

Mr. Wicker added, most of them.

Mr. Nakamoto said I walk into that building, Mr. Takemoto and I went in and they said here it is.

Mr. Watts said, no understood.

Mr. Nakamoto said if we knew about it, we would have said something. We try to give it to you guys but a lot of them is like here it is.

Ms. Prescott-Tate said that's going to change.

Mr. Nakamoto continued, yeah we were shocked. We walked into that building and they told us we're giving you this money, this is your task, and the first thing we did was we reported it to the board that we got this money. There was a lot like that. That was the scary part, and if I'm misspeaking, but the previous ED when he went to that building we weren't there, we don't know what's going on in those rooms, we don't know what was discussed.

Mr. Watts asked but wasn't that part of a bill or it just appeared?

Mr. Nakamoto replied it just appeared as general funds. It didn't even have a name.

Ms. Prescott-Tate added it was a bill at one time but the committee killed it.

Mr. Watts continued so we see reports on legislative status on anything that affects ADC. I think that is critical because anything that is discussed in the session can appear in the budget right, because it had been publicly discussed. It's not really a secret in that sense so it would not be a sunshine issue if it just appeared to the building every hearing or whatever right but I think one thing that is missing though is that we haven't talked to the staff on what their thoughts are.

An envelope was passed around and the board members placed their ballots into the envelope.

Mr. Nakamoto continued she said no need. It's going to be tough. It was hard to work for the prior ED already right and I liked the guy. My point is that if it's just real drastic I don't know it's kind of going to be like a plant, right?

Ms. Prescott-Tate clarified, a shock?

Mr. Nakamoto said yeah you might shock all of us.

Mr. Hong said [REDACTED]

Mr. Watts said tell them to call Mr. Wicker.

Mr. Wicker stated part of that yeah, I think about that too. When Candidate Two brought up Ulupono I'm like don't waste your energy with both of them. We've been trying to bring them both along for years even the support, and hands off.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Watts said so that's another thing too right, like if you include too many outside influences that changes the directions of ADC. It could put us in a conflict.

Mr. Hong added, well I don't know about changing direction just get some direction.

Mr. Wicker responded I think this board will help in providing that.

Ms. Hurd asked [REDACTED]

Mr. Wicker said [REDACTED]

Ms. Hurd said [REDACTED]

Mr. Wicker added [REDACTED]

Mr. Hong said [REDACTED]

Mr. Watts asked [REDACTED]

Ms. Hurd said [REDACTED]

Mr. Hong said [REDACTED]

Ms. Hurd said [REDACTED]

Mr. Watts asked [REDACTED]

Mr. Hong asked so do we then have a unanimous decision?

Mr. Hong asked do we have a consensus of a unanimous board?

The board nodded and Mr. Hong replied yes.

Mr. Wicker, for consistency, [REDACTED] I'm ok with unanimous.

Ms. Hurd said [REDACTED]

Mr. Hong said it's a good decision.

Mr. Okuhama asked this is the recommendation? Not approval?

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

[REDACTED]
[REDACTED]
Mr. Hong asked do we go out of executive session now?

[REDACTED]
Mr. Wicker said do we do a press release? We have Becker Communications.

[REDACTED]
Mr. Hong said I think, after acceptance though.

Mr. Tabata asked [REDACTED]
[REDACTED]
[REDACTED]

Mr. Watts said my preference would be [REDACTED] we go through the process again

Mr. Hong repeated, the process again? My position is to go with [REDACTED]
[REDACTED]
[REDACTED]

Mr. Watts said well you know I'll go with it because I think it's important to get somebody going as quickly as we can. And I think that Scott Ishikawa and Becker Communication should be evaluated and that there be a more aggressive media push, to be as broad as possible. I didn't even see this ED selection thing on the news at all. So when somebody tells me that they went put out a press release I don't believe it because on Maui, MauiNow.com they just print press releases. They don't even do any reporting at all. So if it's not even there. I just think a wider net would've been better.

Ms. Hurd said to your point when it was announced at the board meeting that the application was on the HDOA website I texted our [Public Information Officer] (PIO), and it wasn't. So, it was immediately put it, but it wasn't there.
[REDACTED]

Mr. Hong said speaking for the committee I think we had a great list of candidates. We had fourteen and we had a whole day meeting getting it down to seven and we interviewed seven and so I think we had a really good representation of the people out there. I mean could we have gotten more candidates? Maybe, but I think we got some great candidates.

Ms. Hurd said you did. I'm good with Candidate Two.

Mr. Wicker said I agree with Mr. Watts on Becker Communications. My experience with them 'cause they have contracts with other attached agencies as clients and they're not aggressive enough. I've asked them to get ahead of stuff so we can revisit that approach. However, I think ADC doesn't need its own PIO, it should continue to contract out because we have a communications officer in DBEDT that's something ADC was able to benefit from. On the timetable, if Candidate Two declines we should move to the second. I think the longer we wait, we're going to lose funds. We're not going to encumber in

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

time. That's just the way the legislature did it. And the second thing, the names of the people that applied, I was familiar with some of them, and I thought there was such diverse backgrounds of those who applied, it would have been interesting to see if there was an even bigger push. ADC got fourteen applicants. The HTDC is also doing its executive director search and they got fifteen.

Ms. Hurd commented "wow."

Mr. Wicker said he was impressed, and kind of shocked at the same time that there was that much turn out for both of these positions. I think there was enough time and HTDC got only one additional and they're in the same ballpark as a salary range.

Mr. Okuhama said he went through the [Hawaii Community Development Authority] (HCDA) executive director search and the quality of candidates was a bit disappointing actually. We had a lot of candidates but not the quality of candidates. I think this time, the ones that we interviewed there was not one person that didn't encompass everything. They were pretty good quality and they had strengths, each of their own in different things. Speed is important so I agree that if Candidate Two doesn't take it we go with Candidate One because we need to move on this pretty quick

Mr. Hong asked so who's doing the letter?

Mr. Wicker asked Becker Communications?

Ms. Prescott-Tate said she had something they could use.

Mr. Hong asked so how fast could Candidate Two be contacted?

Ms. Prescott-Tate said it can be dropped in the mail pretty fast.

Mr. Hong asked so by tomorrow we're going to have a press release?

[REDACTED]

Mr. Watts asked will we be able to review the press release before it goes out? I only ask because I think . . . is it going to just be the board saying we're announcing this person or is it going to be the board saying we announce this person and kind of talk a little bit about the vision going forward?

[REDACTED]

Mr. Hong said so the full board has to approve this action, this offer?

Mr. Wicker noted we are the full board.

Mr. Hong said no I understand that but we're in executive session, does it have to be in an open forum?

[REDACTED]

Mr. Hong repeated with no names. Ok, that's good but before we do a press release, [REDACTED]

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023
In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

[REDACTED]
[REDACTED]
Mr. Okuhama asked so the press release would be pretty immediate then.

[REDACTED]
Mr. Okuhama said if Candidate Two accepts the offer and we wait to the 17th, which is the next meeting, the word will get out. That's how I feel; it's going to get out.

Mr. Tabata suggested the letter goes out, Candidate Two chooses to accept or not, then we notify Candidate One right away. Once Candidate One is notified, confirms, then we can do a press release.

[REDACTED]
[REDACTED]
[REDACTED]
The board members nodded in agreement.

Mr. Hong said we can actually just record it in open session saying that the board has made a decision, no names yet, and put it to a vote and it can be unanimous at that point.

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
Mr. Watts confirmed postal mail?

Mr. Hong asked so it's going to be a couple days?

Mr. Okuhama asked can't we e-mail her?

[REDACTED]
Mr. Hong said unless she's willing to come in and pick up a letter

[REDACTED]
Mr. Hong said that'll save two, three days. That's what it comes down to really.

[REDACTED]
[REDACTED]
Mr. Hong acknowledged right. That'll give you a day or two to get the press release done with Becker.

[REDACTED]
[REDACTED]
Mr. Wicker said I think just for awareness we should look at it before it goes out, just to make sure.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.

AGRIBUSINESS DEVELOPMENT CORPORATION

Executive Session Minutes of the Board of Directors Meeting held on August 8, 2023

In-Person at 235 S. Beretania St., Suite 204, Honolulu, HI 96813

Mr. Watts noted that in Candidate One's application packet he rewrote three or four op eds of Becker's, I don't trust that Becker's will be appropriate. I'd like to review it first.

[REDACTED]

Chair asked just press release?

[REDACTED]

Mr. Okuhama said it will be good to see what goes out before it goes out.

Mr. Wicker asked can I excuse myself?

[REDACTED]

Mr. Wicker said thank you, Chair, thank you, Board. Sorry I got to head out.

Mr. Tabata added can we tell whoever made my flight that I'm not going to make it? My flight is 1:20 p.m. I've got to return a car and everything. Can I leave already?

Mr. Okuhama asked Chair if he was going to do the press release?

Mr. Watts said we're supposed to go back to Maui today too.

[REDACTED]

Mr. Hong said excuse me . . .

Mr. Okuhama said don't we need to stop executive session? We need six, yeah?

Chair called for a motion to exit executive session.

Motion by Mr. Tabata; Second: Mr. Watts.

Chair called for the vote. Hearing no objection the motion was approved.

Executive session adjourned at 12:30 P.M.

Mr. Tabata and Mr. Wicker exited the meeting.

THIS INFORMATION IS CONFIDENTIAL AND IS NOT TO BE FURTHER DISSEMINATED.