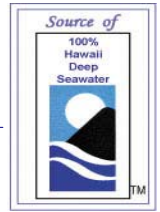




NATURAL ENERGY LABORATORY OF HAWAII AUTHORITY

An Attached Agency of the Department of Business, Economic Development & Tourism, State of Hawaii



Draft Minutes

RESEARCH ADVISORY COMMITTEE Natural Energy Laboratory of Hawaii Authority

October 20, 2009
9:00 am
NELHA Conference Room
Kailua-Kona, Hawaii

BOARD OF DIRECTORS MEMBERS/DESIGNEES PRESENT

Don Thomas
Bobby Command
Patricia Cooper
Brian Goldstein
Dennis Bishop

NON-MEMBERS PRESENT

Ron Baird (NELHA CEO)
Karen Appleby (NELHA)
Jeffrey Waters
Margaret Ahn (Attorney General)

I. Call to Order.

Chair Thomas called the meeting to order at 9:44 AM.

II. Introduction of New Members. Brian Goldstein, HTDC; Bobby Command, County of Hawaii.

Chair Thomas introduced the newest members to the Research Advisory Committee (RAC), Brian Goldstein. **Director Goldstein** gave a brief history of his background as it pertains to reviewing proposals that he would apply his expertise to for the RAC, stating that he has been in the technology industry for 20 years, involved in writing and review of SVIR's.

Chair Thomas introduced Bobby Command with the Mayor's office. **Director Command** gave a brief history of his background as it pertains to reviewing proposals that he would apply his expertise to for the RAC, stating that he is currently the Executive Assistant for the Mayor of the County of Hawaii. Prior to that he was a reporter at West Hawaii Today for 25 years, the designee to report on everything that happened at NELHA and that he is aware of the history at NELHA.

Director Cooper gave a brief history of her background stating that she is representing the president of the University of Hawaii. She is at UH Manoa and she is a seismologist and the Associate Dean for the School of Ocean and Earth Science Technology.

Director Bishop gave a brief history of his background stating that he is an industry advisory person. He has worked here for a number of different companies and consulting firms.

Chair Thomas gave a brief history of his background stating that his appointment is at the University of Hawaii, involved with alternative energy, specifically geothermal, have served on the RAC since 1991 and have seen a lot of history at NELHA.

III. Discussion of Duties and Responsibilities of Committee Members.

Chair Thomas stated as the function of the RAC has evolved over the years essentially as proposals come in to NELHA the advisory committee has been asked to review those proposals and as it was explained to me early on, our function really is to think ahead, to look at whether the proposals appear to have a rational basis for success at what they propose to do, whether they be research or market testing, or full-on development of a new commercial activity at NELHA; simply to look at and pass judgment on the likely viability of what they've proposed. To look down the road at what the impact of that activity would likely be at NELHA and try to identify those, we're not really trying to do an EIS, but in a sense we're doing an EA. We want to try to identify those things that may occur with that perspective tenant that could potentially have adverse effects, and also welcome positive synergies that may exist.

To assist the Board, which is largely a lay-Board without a lot of technical expertise, assist them in making decisions about the proposals, whether pro or con as well as conditions that they may feel would be appropriate to impose on an applicant for tenancy at NELHA. One of the things he looks at in a proposal is there hazardous chemicals, and even non-hazardous chemicals need to be disclosed. There was an unfortunate incident ten years ago where there was release of what was entirely a benign compound that was discharged into the ocean, that compound was not listed in NELHA's MPES permit and NELHA ended up with a \$100,000 fine from the Department of Health (DOH), simply because that compound was not listed and the MPES was not revised to take into account that compound being released, even though it had no perceptible environmental impact. These are the kinds of things that we need to look at with new tenants or new applicants and make sure that the Board is aware of them and that the staff is aware as well.

Director Command asked: By its very title of "Research Advisory Committee," are we looking at the merits of research of a product? I think you may have answered part of my question, you were talking about possible hazardous waste that companies may release into the environment here and I would say that would probably mean you are looking at what effect that company may have on – we're not necessarily just looking at research proposals. **Chair Thomas** answered, no, the name of the committee is actually a misnomer. At the time that the RAC was implemented we mostly had research projects that were coming to NELHA. **Director Goldstein** stated that it is the only committee that is required by statute. He recommended that in the interest of time that the duties per statute be circulated to each member.

IV. Discussion of Duties and Responsibilities of Chair and Secretary.

Chair Thomas discussed the duties and responsibilities of the Chair and Secretary of the RAC, stating that basically within the statute it specifies that the Chair of the RAC and Secretary of the RAC, by virtue of their positions, are also members of the Board of Directors at NELHA and the way the responsibilities have evolved is that the Chair, if he is in attendance at the Board meeting, will compile and summarize any of the comments and any of the reviews that the committee members have forwarded to the Chair and it is our responsibility to present those to the Board in a written form at the meeting which the tenant application is going to be considered by the Board.

The Secretary, their function is to be there in the absence of the Chair at the Board meeting. Occasionally the Secretary will, if the Chair is absent for an extended period of time, I will send the compilation and written summary, forward it to the Chairman of the Board. Our summary is forwarded to the Chairman of the Board for distribution to the rest of the Board members.

Director Goldstein is the committee subject to the Sunshine Laws? **Chair Thomas** answered, yes. One of the difficulties we have had is that it is difficult to get the entire committee together, this meeting was supposed to be held in January 2009. **Director Goldstein** stated that he thinks the process you have done recently works, circulate the email to the committee and you just have to remember to not use "reply all" when returning their comments.

Chair Thomas stated that we do have to comply with the Sunshine Law. If we have a face-to-face meeting then we have to notice it and we have to have a quorum to take action. We distribute the proposals by email, the reviews are returned to the Chair, summarized and presented to the Board, however, we are not allowed to make a recommendation to the Board, per say. We may make a statement as to what may be an appropriate action for the Board to take, but because of Sunshine if we have an official meeting, since we can not make a recommendation without an official meeting, if we have an official meeting then the Chair would present the recommendation to the Board, the Board can not act on that recommendation until the following Board meeting.

V. Election of Chair and Secretary.

Chair Thomas opened the floor for nominations of the Chair and Secretary of the RAC.

Director Goldstein nominated Director Thomas as the Chair of the RAC, and Director Bishop seconded the nomination.

Director Goldstein nominated Director Command as the Secretary of the RAC. **Director Command** stated that because of his contractual issues his future on the Board is somewhat up in the air right now and did not want to make a commitment.

Director Goldstein nominated Director Cooper as Secretary of the RAC and Director Command seconded the nomination.

VI. Nomination of new Members to RAC.

A vote was taken and the nominations passed unanimously

VII. Adjournment

There being no further business, Director Goldstein made a motion to adjourn the meeting and Chair Thomas seconded the motion for adjournment. The motion passed unanimously and the meeting was adjourned at 9:58 a.m.