

MINUTES

BOARD OF REGENTS COMMITTEE ON PLANNING AND FACILITIES MEETING

JANUARY 19, 2023

I. CALL TO ORDER

Chair Nahale-a called the meeting to order at 9:21 a.m. on Thursday, January 19, 2023, at the University of Hawai'i at West O'ahu, Campus Center, Room C208, 91-1001 Farrington Highway, Kapolei, Hawai'i 96707, with regents participating from various locations.

Committee members in attendance: Chair Alapaki Nahale-a; Vice-Chair Diane Paloma; Regent Wayne Higaki; Regent Gabriel Lee; and Regent Abigail Mawae.

Others in attendance: Board Chair Randy Moore; Regent Eugene Bal; Regent William Haning; Regent Laurel Loo; Regent Laurie Tochiki; and Regent Ernest Wilson (ex officio committee members); President David Lassner; Vice President (VP) for Administration Jan Gouveia; VP for Academic Strategy Debora Halbert; VP for Legal Affairs/University General Counsel Carrie Okinaga; VP for Research and Innovation Vassilis Syrmos; VP for Budget and Finance/Chief Financial Officer Kalbert Young; University of Hawai'i (UH) at Mānoa Provost Michael Bruno; UH West O'ahu (UHWO) Chancellor Maenette Benham; Interim Executive Administrator and Secretary of the Board of Regents (Board Secretary) Jamie Go; and others as noted.

II. APPROVAL OF MINUTES OF THE NOVEMBER 3, 2022, MEETING

Chair Nahale-a inquired if there were any corrections to the minutes of the November 3, 2022, committee meeting which had been distributed. Hearing none, the minutes were approved.

III. PUBLIC COMMENT PERIOD

Interim Board Secretary Go announced that the Board Office did not receive any written testimony and that no individuals signed up to provide oral testimony.

IV. AGENDA ITEMS

A. Recommend Board Approval to Convey to the State of Hawai'i Department of Transportation (HDOT) via Quitclaim Deed for an Approximate 5 – 7 Acre Parcel of Land Owned by UH Adjacent to the UHWO Campus (Tax Map Key Nos. (1) 9-1-016: 179, 183, and 220 (portions)) Pursuant to a Conveyance Agreement for the Construction, Operation, Maintenance and Repair of HDOT's Farrington Highway Widening Project

VP Young stated that the administration was requesting approval to convey a university owned, five-to-seven-acre parcel of land abutting UHWO to HDOT via quitclaim deed for HDOT's Farrington Highway widening project. He provided

background information about the parcel of land, explained the rationale for this request, and noted the benefits that are expected to be realized by the university from this land conveyance including the creation of additional campus entry points. Although the university will not receive direct monetary compensation for this property, the administration estimates that the value of the increase in campus accessibility afforded by this project, coupled with the elevation in future development possibilities this will provide for UHWO, far exceeds the current value of the parcel to be conveyed.

Regent Higaki moved to recommend board approval for the administration to convey to HDOT, via quitclaim deed, an approximately five-to-seven-acre parcel of land owned by UH adjacent to the UHWO campus as identified on the agenda, seconded by Regent Lee, and the motion carried with all members present voting in the affirmative.

B. Recommend Board Approval of Letters of Intent (LOI) and a Long-Term Agreement (LTUA) for the Use of a Portion of the University of Hawai'i at Hilo Campus Property (Tax Map Key No. (3) 2-4-001:122) to Develop and Operate a Photovoltaic (PV) Energy System Under a Power Purchase Agreement Between Hawaiian Electric Companies (HECO) Stage 3 Request for Proposals for Hawai'i Island for the Supply of Qualified Renewable Energy (Stage 3 RFP) Under HECO's Renewable Dispatchable Generation Power Purchase Agreement

VP Young explained that the administration was seeking authorization to provide developers who respond to HECO's recently issued Stage 3 RFP with the opportunity to utilize a portion of UH-owned land at UHH for renewable energy projects through the issuance of LOI and a LTUA.

Michael Shibata, Director of the Office of Strategic Development and Partnership, stated that a detailed presentation on this matter was provided to the board at its June 1, 2022, meeting. Since that time, the administration has put forth solicitations to renewable energy developers intending to respond to HECO's Stage 3 RFP, utilizing a process similar to that which was used to solicit proposals for a solar PV project on UHWO mauka lands, and received interest from four developers. It was emphasized that the university's role in this project is only as a landowner and that each developer interested in pursuing HECO's Stage 3 RFP would need to demonstrate requisite site control through the submittal of an executed LOI entered into with the university for use of the property.

Director Shibata presented information on the parcel under consideration for this project stating that, while these lands were previously envisioned as the site for the relocation of Hawai'i Community College's Manono Campus, further analysis has determined that keeping the Campus at its present location would be more beneficial to the university. He reviewed HECO's RFP schedule, the university's critical milestones and timelines for the project, key terms of a binding LOI, necessary board actions, projected next steps, and some of the benefits this proposal will afford to the university. He also noted that the administration has been considering alternative uses for the land citing the board's recent approval of an agreement between the U.S. Geological Survey

and the university to utilize a portion of the parcel for a Hawaiian Volcano Observatory and Pacific Island Ecosystem Research Center.

Regent Higaki voiced his concerns about this proposal, expressing his belief in the need for further dialogue on this issue, particularly with the communities that would be affected by this project. As such, he suggested deferring action on this item and holding a committee meeting in February to afford the administration, as well as HECO, with the opportunity to provide additional information on the Stage 3 RFP process for this project, including efforts that will be taken to ensure community consultation occurs.

Regent Lee asked if the Public Utilities Commission (PUC) was involved in this process. VP Gouveia provided historical context to this initiative stating that, approximately six years ago, HECO received approval from the PUC to embark on an ambitious PV initiative for the purpose of meeting Hawai'i's clean energy initiative goals. The proposal called for expanding the amount of PV generated across the entire state through partnerships with renewable energy developers who would construct solar farms that would feed energy into the grid. Due to the scarcity of land for such large projects, HECO sent out a request for information (RFI) to landowners throughout the state to gauge interest in the provision of land for this proposal. The university subsequently responded to the RFI as part of an effort to monetize some of the underutilized lands in its inventory, including those at UHWO and UHH. This led to the initiation of a PV project on UHWO's mauka lands, which is expected to be completed by summer 2023, and the proposal to offer renewable energy developers with the opportunity to utilize the UHH parcel for a similar purpose. VP Gouveia reviewed the process used for the UHWO mauka lands PV project reiterating that a similar process is being used for the UHH parcel project. She also reviewed the timeline for renewable energy developers to submit their proposals to HECO, opining that having further discussions on this matter in early February would allow adequate time for applicable deadlines to be met, and reiterated that the university's sole involvement in this project is as a landowner. VP Young added that while the offering of land by the university is not subject to PUC approval, the PV initiatives themselves are reviewed and approved by the PUC through its regulatory processes.

Vice-Chair Paloma questioned whether the LOI would be applicable to all renewable energy developers that have expressed an interest in pursuing HECO's Stage 3 RFP or if it was specific to each developer. She also asked if the university would have a role in selecting a developer for the project and be required to enter into a direct agreement with the developer that is selected. VP Young stated that the LOI is general in the sense that it stipulates the university's willingness to provide land to a developer, provided that they are selected by HECO for this initiative, but that the document also contains certain terms that are unique to each of the individual developers. He also stated that the selection of the developer is under the purview of HECO and does not in any way involve the university.

Regent Mawae requested information on the fair market value of the UHH property. Director Shibata replied that a formal appraisal of the parcel has not been conducted but noted that a minimum rent of \$3,000 per acre was included in the university's

solicitation which is in the range of the amount charged for the UHWO mauka lands PV project and exceeds rental rates for agricultural type properties on Hawai'i Island.

Regent Higaki moved to defer action on Agenda Item B, seconded by Regent Mawae.

Chair Nahale-a noted that a motion to defer was unnecessary but stated that a motion was made and called for the vote. There having been a motion that was moved and seconded, and noting the no vote of Regent Lee, the motion carried with all other members present voting in the affirmative.

V. ADJOURNMENT

There being no further business, Chair Nahale-a adjourned the meeting at 9:53 a.m.

Respectfully Submitted,

/S/

Jamie Go
Interim Executive Administrator and
Secretary of the Board of Regents