

3 4 5 Minutes of the Board of Agriculture 6 7 CALL TO ORDER – The meeting of the Board of Agriculture was called to order on 8 March 14, 2017 at 9:00 a.m. by Board of Agriculture Chairperson Scott Enright, at the 9 Mayor Hannibal Tavares Community Center, 91 Pukalani Street, Makawao, Maui, 10 Hawaii, 96796. 11 12 Members Present: 13 Scott Enright, Chairperson, Board of Agriculture 14 Mary Alice Evans, Deputy, Department of Business Economic Development, Ex 15 Officio Member 16 Dr. Rachel Novotny, Interim Dean of the College of Tropical Agriculture & Human 17 Resources University of Hawaii, Ex Officio Member 18 Michelle Galimba, Member-At-Large 19 Clark Hashimoto, Member-At-Large 20 Jerry Ornellas, Kauai Member 21 Glenn Hong, Member-At-Large 22 Simon Russell, Maui Member 23 24 Members Absent: 25 Suzanne Case, Chairperson, Board of Land and Natural Resources 26 Richard Ha, Hawaii Member 27 28 Others Present: 29 Randy Teruya, HDOA/ Agricultural Resource Management (ARM) 30 Kimo Falconer, Maui Grown Coffee Inc. 31 Sydney Smith. Maui Coffee Association 32 Dave Deleon, Harken Hill Realtor's Association 33 Robert Ikeno, HDOA/State Agricultural Loan Division (SALD) Kevin Yokoyama, HDOA/SALD 34 35 Darren Strand, Maui Gold Pineapple Co. 36 Sarah Townsend, International Certification Services, Inc. 37 Annette Niles, Maui's Ono 38 -Yarrow Flower, Monsanto Kai Pelayo, Monsanto 39 40 Jonathan Bezrutczyk, Private Citizen 41 Kenneth Yamamura, County of Maui Office of Economic Development 42 Mach Fukaoa, HDOA/Plant Pest Control Branch 43 Chris Kishimoto, HDOA/Plant Quarantine Branch (PQB) 44 Lance Sakaino, HDOA/PQB 45 Jonathan Ho, HDOA/PQB

1 2 3 4 5		Micah Munekata, HDOA/ Office of the Chair Sean O'Keefe, Alexander and Baldwin Jeri Kahana, HDOA/Quality Assurance Division Administrator Robert Coffey, HDOA/QAD Adam Radford, MISC		
6 7 8 9		Janet Ashman, Hawaii Farm Bureau Yuki Lei Sugimura, Maui County Council David Clements, Hawaii Biotech Inc.		
10 11	H.	APPROVAL OF MINUTES FROM 12/13/16 MEETING		
12 13 14	Chairperson Enright requested a motion to approve the December 13, 2016 meeting minutes.			
15 16	Motio	n for approval: Hashimoto/Ornellas		
17 18	Vote:	Vote: Approved, 8/0.		
19 20 21	111.	COMMENTS FROM THE GENERAL PUBLIC ON AGENDA ITEMS (ORAL OR WRITTEN)		
22 23 24	Chairperson Enright said that the Board will be taking public comments on agenda items as they come up during the meeting.			
25 26	IV.	INTRODUCTIONS		
27 28	There	e were no introductions or comments.		
29 30	V.	COMMUNICATIONS FROM DIVISIONS AND ADMINISTRATION		
31 32		A. AGRICULTURAL LOAN DIVISION		
33 34 35		 Request for Approval of One (1) Direct Operating Loan to 'Ano'ano Farms, LLC and Max Bowman, co-borrowers. 		
36 37 38	Presentation by Kevin Yokoyama, HDOA/SALD, as submitted. Staff recommends approval.			
39 40	Motion to accept: Galimba/Hashimoto.			
41 42 43		Board member Galimba asked if the \$300,000 is for the future business. Mr. Yokoyama said that it was for equipment purchases and that Max had negotiated his own leases.		
44 45	Chairperson Enright said that this was Chris Rob's Farm that was being pursued and that this allows Max markets, equipment and the lease initially in Lalamilo. Chairperson			

Enright said that this directly shows how a new generation can come in with others aging out.

Vote: Approved, 8/0.

2. Request for Approval of One (1) Direct Operating Loan to Justin A. P. Manuel.

Presentation by Kevin Yokoyama, HDOA/SALD, as submitted. Staff recommends approval.

Motion to accept: Hashimoto/Galimba.

Board member Evans asked if there was an LFA endemic in the Pahoiki field. Mr. Yokoyama stated that he was unsure. Chairperson Enright stated that there was an LFA problem. Board member Evans stated that this was a risk factor in the assessment.

Vote: Approved, 8/0.

3. Request for Approval of One (1) Direct Farm Ownership loan to Kula Country Farms, LLC, Chauncy H. Monden and Teena M. Monden, co-borrowers.

Presentation by Robert Ikeno, HDOA/SALD, as submitted. Staff recommends approval.

Motion to accept: Russell/Hong.

Vote: Approved, 8/0.

B. AGRICULTURAL RESOURCE MANAGEMENT DIVISION

Request to Approve Rental Offset, General Lease No. S-3108;
 Waikele Farms, Inc.; TMK: (1) 9-4-012:002, Lot 35, Upper Pouhala,
 Waikele, Ewa, Island of Oahu, Hawaii

Presentation by Randy Teruya, HDOA/ARM, as submitted. Staff recommends approval.

Motion to accept: Ornellas/Evans.

Board member Hong asked if there was an EA being done now. Mr. Teruya said yes. Board member Hong asked what if the permit to drill and establish reservoirs is not accepted in the EA process. Mr. Teruya stated that the lessee has already expended over a million dollars and that he has already exceeded two years of rental period.

- 1 Board member Hong asked if it was anticipated that improvements were needed. Mr.
- 2 Teruya said that at the time they were looking at Waiahole ditch and the R-1 water from
- 3 Wheeler. Board member Hong asked if that came to fruition. Chairperson Enright
- 4 states that it did and that water is flowing into Kunia. Board member Hong asked if that
- 5 water is going into the ditch. Chairperson Enright said that it was going into the pipeline
- 6 in Kunia. Board member Hong asked if all of this was anticipated at the time of the bid
- 7 and if there were any investments made into the property. Mr. Teruya said yes.
- 8 Chairperson Enright said that there were two bids and both understood that
- 9 improvements were needed. He said that there was a well west of Kunia Road where
- 10 the Water Commission just allocated water to 480 acres. Board member Hong asked if
- the lease started in 2015 and if there was rent being paid on this. Mr. Teruya said yes.

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Board member Evans stated that he recalls the Board approval of this lease and that there was a presentation that they would have to drill for water and rent offset was discussed then. She said that this was not an unanticipated event.

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Board member Ornellas asked that in addition to expenses of well drilling if that power would be coming in for the pumps. Mr. Teruya said that they are planning to use generator sets on site at this time.

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Board member Galimba asked if they would be getting any other funding for this project. Mr. Teruya stated that HDOA ARM would not be funding this. Chairperson Enright said that he was unsure of federal funds. He said that there was a program put in place by representative Yamane for a water loan program. Larry Jefts has applied for that loan to help offset the current loan.

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Vote: Approved, 8/0.

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 Request for Consent to Assignment of General Lease No. S-3768; Stanley S. Kawabata, Assignor to Kevin and Susan Mulkern, Assignee; TMK: 1st Div/4-1-027:027. Lot 28; Waimanalo Farm Lots, Koolaupoko, Waimanalo, Island of Oahu, Hawaii

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Presentation by Randy Teruya, HDOA/ARM, as submitted. Staff recommends approval.

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Motion to accept: Evans/Galimba.

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Vote: Approved, 8/0.

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3. Request for Approval of Corporate Stock Transfer for Hawaiian Sunshine Nursery, Inc.; General Lease No. S-3121, TMK: (1st Div/4-1-024:062 and 063, Lot 31; Koolaupoko, Waimanalo, Island of Oahu; and General Lease No. S-4773; TMK: 3rd Div/2-2-

	Page 5			
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	056:052, Lot No. 26, Panaew Hilo, Island of Hawaii	ra Agricultural Park, Waiakea, South		
	Presentation by Randy Teruya, HDOA/ARI approval.	M, as submitted. Staff recommends		
	Motion to accept: Hashimoto/Galimba.			
	Board member Russell asked if they would be importing plants from Florida. Mr. Teruya said that this nursery is unlikely.			
	Vote: Approved, 8/0.			
	Richard M.C. Kim, Inc. Assig Div/2-2-056:029, Lot No. 03,	gnment of General Lease No. S-4750, nor, James R. Kim, Assignee; TMK: 3 rd Panaewa Agricultural Park, Waiakea,		
	Presentation by Randy Teruya, HDOA/ARM, as submitted. Staff recommends approval.			
22 23	Motion to accept: Ornellas/Russell.			
24 25 26	Board member Galimba asked if the son has been actively farming. Mr. Teruya said that he has been farming since 1991.			
27 28	Vote: Approved, 8/0.			
29 30 31	Request for Approval of Exte	nsion of General Lease No. S-4790, -80004:010, Lot No. 10, Papa Homesteads, of Hawaii		
32 33 34 35 36 37 38 39 40	Presentation by Randy Teruya, HDOA/ARM, as submitted. Staff recommends approval.			
	Motion to accept: Evans/Hong.			
	Board member Galimba said that the coffee branches to decompose is a Coffee Berry Borer heaven. Mr. Teruya said that they inspect the properties and make sure the tenant does not contribute to that issue.			
41 42	Vote: Approved, 8/0.			
42 43 44 45	6. Request for Approval to Sub Cooperative and Jianguo Wa	lease between the Hamakua Agricultural ang; General Lease No. 5553, TMK: 3 rd Div/4- General Lease No. S-7013; TMK: 3 rd Div/4-3-		

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005:020 (por); Lot No. 02, Pihihala & Hauola, and Kaumanu Homesteads, Hamakua, Island of Hawaii

Presentation by Randy Teruva, HDOA/ARM, as submitted. Staff recommends

Motion to accept: Galimba/Hong.

Vote: Approved, 8/0.

7. Request for Approval to: 1) Mutually Cancel Existing General Lease No. S-3003, Kona Producers Cooperative; and 2) Issue a new General Lease to The Food Basket, Inc.; Kona Produce Marshalling Facility: TMK: 3rd Div/7-9-016:018, Honalo, North Kona, Island of Hawaii

Presentation by Randy Teruya, HDOA/ARM, as submitted. Staff recommends

Motion to accept: Evans/Hashimoto.

Vote: Approved, 8/0.

8. RESUBMITTAL: Request Approval for the Transfer of Public Lands by Tax Map Keys from the Department of Land and Natural Resources to the Department of Agriculture Pursuant to Act 90, SLH 2003, Codified as Chapter 166E, HRS

Presentation by Randy Teruya, HDOA/ARM, as submitted. Staff recommends

Motion to accept: Evans/Galimba.

Board member Russel asked if there was a map. Mr. Teruya stated that could be provided but that would be over one hundred pages.

Board member Galimba asked what LHD stood for. Mr. Teruya said "Lower Hamakua

Board member Ornellas said that one item was a Kauai parcel owned by Calvary Chapel. Mr. Teruya said that that was not a parcel for transfer. He said that it sits on Kapaa bypass road and it is owned by Calvary Chapel and not for transfer.

Board member Russell asked if this was the subtotal of all Maui lands. Mr. Teruya said that this was just one and not all the list. Board member Russell asked if it was ten thousand acres for Maui island. Mr. Teruya said that thus far DLNR has transferred

statewide 10,227 acres in total to the Department. Board member Russell asked how many of these lands are supposed to transfer. Mr. Teruya said that he was not sure and that it fluctuates.

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Board member Ornellas asked if someone can make a request to transfer to the Department. Mr. Teruya said yes and that the Department reviews requests and puts together a list to discuss with the Department of Land and Natural Resources.

Vote: Approved, 8/0.

C. PLANT INDUSTRY DIVISION Pesticides Branch

 1. Request for: (1) Preliminary Approval of Proposed Amendments to Chapter 4-66, Hawai'i Administrative Rules, entitled "Pesticides" and (2) Authorization for the Chairperson to Schedule Public Hearing(s) and Appoint a Hearings Officer in Connection with the Proposed Amendments to Chapter 4-66, Hawai'i Administrative Rules. Reference: A request for approval of proposed partial amendments to Chapter 4-66, Hawai'i Administrative Rules and to schedule public hearing(s) received board approval on November 24, 2015. (See attached summary of proposed rule amendments.)

Victoria Matsumura, HDOA/Pesticides Branch, and Steve Russo, HDOA/Pesticides Branch, presented testimony as submitted. Staff recommends approval.

Motion to accept: Evans/Galimba.

Board member Hashimoto asked if the pest advisory committee met and reviewed the amendments. Ms. Matsumura said that the AG mentioned staff could go on with the process without them as that committee has not met in a while. Board member Hashimoto asked what the purpose of that committee is. John McHugh, Administrator of Plant Industry Division, came forward and said that the advisory committee meets in an advisory capacity. This committee has had great difficulty meeting. Mr. McHugh said that this why they are presenting the proposed rules to the board. Chairperson Enright stated that the committee lost people when legislation made it necessary to disclose financials. He said that there is a request to expand this advisory board and that this was a request from the Joint Fact Finding group. Mr. McHugh said that they are trying to address the input with expansion and time involved makes it difficult as in the past. They can put it before the advisory board committee if the board wishes but that may take some time.

Board member Evans said that she thinks that the public would want the opportunity to review these amendments. If the Department experts believe that these are a step forward, she said that she would be comfortable in adopting proposed rules and

authorizing the Chair to schedule public hearings to give the public an opportunity to review as soon as possible.

Board member Ornellas stated that he had read the proposed rules but has not had the time to digest them. There are some substantive changes and he found some areas of concern. Chairperson Enright said that he understands the concern and wants to defer action on this request to allow the Board to ask questions in a future meeting.

- Board member Evans asked specifically about proposed change 4.C regarding removing state RUPs from the list. She asked if that gives HDOA more flexibility to add pesticides as they are created by chemists that work on them.
- Ms. Matsumura said yes. Mr. Russo said that it is still accessible to public, but the request from manufacturers for licensing of products will take time. The proposed rule makes the process faster.

 Board member Novotny had a question on number 19 regarding non-English speakers. Ms. Matsumura said that this was a federal requirement and that there is more to comply with for federal law. Board member Novotny asked if this is an opportunity for non-English speaking certification. Ms. Matsumura said that this would fall under this section. Mr. Russo said that no one is certified who is non-English speaking. Board member Novotny asked if there is a need. Mr. Russo said that there are not many requests for that and that he doesn't see it as a need in most cases as it can be supervised.

Board member Hong said that he was trying to get a sense of what the Department is trying to accomplish. He asked how the changes affect the way the pesticide branch functions.

Mr. Russo said that most changes are to align with federal rules. Most changes are for licensure to align with those rules. Board member Hong asked if this defines the process and makes it more efficient. Mr. Russo said yes.

Board member Evans asked what a "Non-chemical pest control device" is. Mr. Russo said that this refers to a product that does not require a license to use it, but to sell the product in the state. He provided an example as rodent devices for control.

Board member Ornellas said that looking at these policies is a good idea and he commended the staff with this work.

Chairperson Enright opened the floor to public testimony.

- Sean Okeefe, A&B environmental affairs director, presented testimony as submitted.
- He said the last rule change was done in 2006 and that it is time for another revision.
- The rule amendments are not just to comply with federal requirements but also involve
- hot issues. There is a need for revision. He had some concerns with a couple of these
- revisions but want to state that this needs to be done. He believes that the pest

advisory committee can still provide valuable input and may be able to iron out some wrinkles before it goes out to the public. The Certified applicator rule, although the rule came out in final form as of March 6, got postponed and is under review under the current administration. This may change and the final form may be different than current draft of rule changes.

Janet Ashman, Hawaii Farm Bureau, agreed with Mr. Okeefe's comments as this is a complex task and requires additional review and revisions.

Darren Strand, Maui County Farm Bureau, provided testimony. He said that he had once served on Pesticide Advisory Committee before. Advisory committee is probably a good place to start and that the issues of the advisory committee need to be fixed.

Chairperson Enright said that he will be deferring this issue to a future meeting.

Brandon Balthasar, Maui Cattleman, agreed with Mr. Strand and that there needs to be more time to look at this and he commended the Board.

Chairperson Enright called for a recess at 11:20am.

Chairperson Enright called the meeting back to order at 11:30am.

Chairperson Enright commended the Pesticides Branch staff for all their hard work.

D. QUALITY ASSURANCE DIVISION

1. Request for (1) acceptance of the minutes of the public hearings, and (2) adoption of amendments to sections 4-143-6, 4-143-11, and 4-143-12, Hawaii Administrative Rules, to extend the sunset date for the defect tolerance for coffee from June 30, 2017 to June 30, 2020.

Jeri Kahana, HDOA/Quality Assurance Division Administrator, presented testimony as submitted. Staff recommends approval.

Motion to accept: Hashimoto/ Hong.

Board member Galimba asked if the rule amendments include grade standards upgrades. Ms. Kahana said that that issue would be taken up later, following the 3-year extension.

Vote: 8-0, Approved.

E. PLANT INDUSTRY DIVISION Plant Quarantine Branch

 Request to Designate the Island of Maui as an Expanded Coffee Berry Borer Infested Area Subject to Quarantine Measures to Prevent the Movement of the Coffee Berry Borer, Coffee Plants and Parts Thereof Including Unroasted Seeds (Green Coffee Beans), Used Coffee Bags, and Coffee Harvesting Equipment Including Baskets, Sacks or Containers, Except by Permit Requiring Mitigative Measures.

Chris Kishimoto, HDOA/PQB, presented testimony as submitted. Staff recommends approval.

Motion to accept: Ornellas/Galimba.

Board member Russell asked about the costs for farmers who quarantine their product. Mr. Kishimoto said that there hasn't been as assessment of that yet. He mentioned that freezing would be cheaper than fumigation.

Board member Hong asked what the situation was for Oahu, whether it was island wide all at once in Oahu. Mr. Kishimoto said that Hawaii Island and Oahu had quarantines for particular areas. It was found that this type of quarantine did not work and is why the Department now quarantines the whole island. He said that efforts are concentrated at ports of entry.

Board member Russell asked if there were adequate facilities in Maui to decontaminate the pest. Mr. Kishimoto said that he was not sure. He said that facilities may need to be constructed and that freezers may be available.

Chairperson Enright opened testimony from the public.

Kimo Falconer, Mauigrown Coffee LLC, provided supporting testimony. Issue is with the date affecting the current commerce. Extend the date so that they can adjust.

Board member Ornellas said that mechanical harvesting makes it even tougher to address CBB. Even with restrictions he said that there would still be incidents.

Sydney Smith, Maui Coffee Association, said that she does not think a quarantine of the entire island is necessary at this time. She asked for a 60-day time frame from now to deal with these protocols. She also mentioned a need for a facility.

Yuki Lei Sugimura, Maui County Council, said that this decision has a big impact on Maui businesses and mentioned that she would like the Department to reach out to the County for any assistance.

Board member Hashimoto asked if the enforcement could be extended. Chairperson Enright stated that he would like to change the effective date to May 1, 2017.

Vote: 8-0, approved, with an effective date of May 1, 2017.

 2. Request to: (1) Allow the Importation of Unlisted Microorganism, Zika Virus, Determined to be High Risk, by Special Permit, for Laboratory Research by Hawaii Biotech, Inc.; and (2) Establish Permit Conditions for the Importation of Unlisted Zika Virus, by Special Permit, for Laboratory Research by Hawaii Biotech, Inc.

Jonathan Ho, HDOA/Acting PQB Branch Manager, presented testimony as submitted. Staff recommends approval.

Motion to accept: Hashimoto/Evans.

Board member Novotny asked if this was a one-time request. Mr. Ho said that administratively they would need another permit for a different use. It would require Board approval of conditions.

Board member Russell asked if you can do this research on the mainland. David Clements, Hawaii Biotech Inc., said yes but that it makes it difficult. He said that there have been problems with mainland collaborators due to delays. Board member Russell asked what the greatest benefit is to the State of Hawaii for this import. Mr. Clements stated that we are susceptible being in Hawaii. Having a vaccine would be amazing just like how dengue research was vital for contributions to a vaccine.

Board member Galimba asked how long 5 vials last. Mr. Clements stated that that would be enough to last for the research. Board member Galimba asked if they will be propagating this. Mr. Clements said that they will. They will culture no more than 50mL at a time and everything is done in a safety cabinet under seal.

Vote: 8-0, Approved.

VI. OLD BUSINESS

None.

VII. NEW BUSINESS

 1. Discussion on how to allow county government officials and their representatives to enter private property to control or eradicate pests.

Board member Russell said that the county of Maui is asking for a rule change for a designee for each island county to deliver warrants to address invasive species. He called Dave Deleon, Harken Hill Realtor's Association, forward.

Mr. DeLeon stated that he would like to provide counties with the ability to obtain state warrants and that there is a need for all hands-on deck.

Chairperson Enright said that there are currently some legislative bills alive. It is important to establish the Hawaii Invasive Species Authority. If counties are entering private property, they are accepting the liability. Somebody will be sued and someone will be liable. He said that he will look at the possibility of rule changes on this should the legislative bill not move.

2. Request for an update on the transfer of land on Maui from the Department of Land and Natural Resources to the Department of Agriculture.

Randy Teruya, HDOA/ARM, said that there was only one parcel in Waialua. Everything else is under one acre. DOFAW is looking at expanding forestry reserves and in turn doesn't want to move them. Economically, certain parcels do not meet Act 90 requirements. The Department is accepting requests from those that are leasing State lands currently. The Department still considers it and makes a request through the Department of Agriculture. This goes for all counties.

Board member Russel asked if there was a map. Mr. Teruya said that the Office of Planning has some maps and they have a list of State owned lands. All agricultural zoned lands are on those maps but not the list of lands proposed to be transferred from DLNR to HDOA. DLNR also has a public trust land. Board member Russell said that he believes it was mentioned in a previous meeting that there were 10,000 acres of land in Maui that would be transferred. Mr. Teruya said that number would have been inclusive for all state lands.

Chairperson Enright said that there have been struggles between the Departments' Land divisions. He stated that he has been working with Chair Case on this and has taken it up to the Governor's office. The process is getting traction but due diligence is still needed to address disagreements.

 Board member Ornellas said that farmers and ranchers are much happier under HDOA leases than they were with DLNR. Chairperson Enright said that DLNR is mandated to get highest return on land resources. That is one of the reasons they are sending those parcels to the Department because HDOA does not have to do that. He stated that the process is still moving forward.

 Request from the organic farming community on Hawaii Island to declare a state of emergency for Little Fire Ant infestations on organic farms there, so the organic producers can treat specific areas without losing their organic certification for the entire farm.

Sarah Townsend, International Certification Services, Inc., said that there is a Declaration of Emergency for organic farmer to use chemical controls to address little

fire ant. If there is a federal or state emergency pest treatment program declared, an 1 organic farmer may use chemical means to control the pest. Those that lose organic 2 certification are based on direct contact crops or livestock. It does not set them back a 3 4 whole 3 years. The common-sense part of this is regulation. This does not need to be the Governor and may be the Department of Agriculture as California has done this. 5 This will mitigate the impact on the organic farmer. There is a need to put that in writing 6 7 from the State. Chairperson Enright said to send him some correspondence and that 8 the Department will investigate the authority. If it lies in the Chair's office, the 9 Department can report back to the Board at the next meeting on action

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VIII. ADJOURNMENT OF REGULAR MEETING

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Motion to adjourn meeting: Ornellas/Hong.

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Vote: 8-0, Approved.

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17 Meeting adjourned at 12:45 PM.

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Respectfully submitted,

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Micah Munekata

23 Board Secretary