

BOARD OF TRUSTEES
 Colette Y. Machado, *Chairperson*
 Peter Apo, *Vice Chairperson*
 Rowena Akana, Trustee At-Large
 S. Haunani Apoliona, Trustee At-Large
 Donald B. Cataluna, Kaula'i/Ni'ihau Trustee
 C. Hulu Lindsey, Maui Trustee
 Robert K. Lindsey, Jr., Hawai'i Trustee
 Oswald K. Stender, Trustee At-Large
 John Waihe'e IV, Trustee At-Large



STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
 711 KAPI'OLANI BOULEVARD, SUITE 500
 HONOLULU, HAWAII 96813

LIEUTENANT GOVERNOR'S
 OFFICE

'12 JUL 12 P3:22

MEETING OF THE BOARD OF TRUSTEES

DATE: Thursday, July 19, 2012
TIME: 9:00 a.m.
PLACE: Koele Lodge Library
 One Keomoku Highway
 Lāna'i City, Hawai'i 96793

AGENDA

- I. Call to Order
- II. Approval of Minutes
 - A. July 5, 2012
- III. Community Concerns*
- IV. Unfinished Business
 - A. Ka Pouhana/CEO's Update on Ho'oulu Lahui Aloha & OHA activities.
- V. Beneficiary Comments*
- VI. Executive Session**
 - A. Legal advisory by Board Counsel Robert G. Klein, Esq. on questions and issues pertaining to the Board's powers and privileges under Act 177, 2012 SLH ("Sunshine Law" Amendments).
 - B. Legal Advisory by Board Counsel Robert G. Klein, Esq. Re: questions and issues pertaining to the Board's powers and duties with respect to the Ka Pouhana's 6 month performance appraisal. Pursuant to HRS 92-5 (a) (4).
 - C. Approval of Executive Session Minutes for July 5, 2012
- VII. Announcements/FYI
- VIII. Adjournment

*Notice: Persons wishing to provide testimony are requested to submit 10 copies of their testimony to the Chief Executive Officer at 711 Kapi'olani Blvd., Suite 500, Honolulu, HI, 96813 or fax to 594-1865, 48 hours prior to the scheduled meeting. Persons wishing to testify orally may do so at the meeting, provided that oral testimony shall be limited to five minutes.

Colette Y. Machado

Trustee Colette Y. Machado
 Chairperson, Board of Trustees

7/12/12

Date

STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
KOELE LODGE LIBRARY
ONE KEOMOKU HIGHWAY
LANA'I CITY, HAWAII 96793

Minutes of the Office of Hawaiian Affairs Board of Trustees
Thursday, July 19, 2012 9:00 a.m.

ATTENDANCE:

TRUSTEE ROWENA AKANA
TRUSTEE HAUNANI APOLIONA
TRUSTEE COLETTE Y. MACHADO
TRUSTEE OSWALD STENDER
TRUSTEE JOHN WAIHE'E IV

ROBERT G. KLEIN ESQ., BOT COUNSEL

ADMINISTRATION STAFF:

KAMANA'OPONO CRABBE, KA POUHANA
AEDWARD LOS BANOS, COO
BREANN NU'UHIWA, ADV
KEHAU ABAD, CED
KEOLA AKANA, CEM
JOHN ROSA, OUTR
HAROLD NEDD, MRM
LEINANI ZABLAN, LANA'I CRC

GUESTS:

WINNIE BASQUEZ

EXCUSED:

TRUSTEE PETER APO
TRUSTEE DONALD B. CATALUNA
TRUSTEE C. HULU LINDSEY
TRUSTEE ROBERT K. LINDSEY JR

BOT STAFF:

CAROL HO'OMANAWANUI, COS
LEAH BURROWS-NU'UANU, BOT SEC
DAYNA PA, TRUSTEE AIDE
LEIANN DURANT, TRUSTEE AIDE
NATHAN TAKEUCHI, TRUSTEE AIDE
KAMA HOPKINS, TRUSTEE AIDE
CAPSUN POE, TRUSTEE AIDE
CRAYN AKINA, TRUSTEE AIDE
SHIRLEY NAKANISHI, TRUSTEE SEC
LEHUA ITOKAZU, TRUSTEE SEC
MAKANA CHAI, TRUSTEE SEC

I. CALL TO ORDER

Chairperson Machado Calls the Board of Trustees meeting to order at 9:09 a.m. Roll call is taken; those present are Trustees Akana, Apoliona, Machado, Stender and Waihe'e constituting a quorum of five (5) trustees. Trustees Apo, Cataluna, Hulu Lindsey and Robert Lindsey have submitted letters of excuse for today's meeting.

II. APPROVAL OF MINUTES

Chairperson Machado Asks for a motion to approve the minutes of July 5, 2012.

Trustee Waihe'e Moves to approve the minutes of July 5, 2012.

Trustee Stender Seconds the motion.

Hearing no discussion, Chairperson Machado asks for a roll call vote.

Trustee Waihe'e Moves to approve the minutes of July 5, 2012.

Trustee Stender Seconds the motion.

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA AKANA			X			
TRUSTEE PETER APO						X
TRUSTEE HAUNANI APOLIONA			X			
TRUSTEE DONALD CATALUNA						X
TRUSTEE HULU LINDSEY						X
TRUSTEE ROBERT LINDSEY						X
TRUSTEE OSWALD STENDER	X		X			
TRUSTEE JOHN WAIHE'E			X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			5			4
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passes with five (5) YES votes and four (4) EXCUSED.						

III. COMMUNITY CONCERNS

Chairperson Machado Calls on Ms. Winnie Basquez as the first beneficiary speaker.

Ms. Basquez Recounts a story of her grandson's first workforce experience doing manual labor at the restoration of Keomoku Church. His first paycheck was for \$900, and he soon learned how quickly his money depleted. The economy is so high that people are struggling. People have to have two or three jobs to pay for their mortgages. She can understand it is because they love the island of Lana'i. She does too.

Next February will be her 50th anniversary of coming to Lana'i.

Her second issue related to the 'Aha Ki'ole project. She has been attending the gatherings since 2002 when it was a gathering of kupuna. The second puwalu was a gathering of the policy makers. There were over 300 people from all over. There were some from the Mariana islands, Samoa and New Zealand. No one wants to hear what Hawaiians want to talk about. Why is it that the Hawaiian people are always in the back? Education and genealogy from the kupuna to the opio. How are they going to learn to survive? When they graduate from school are they going to have good jobs? Who is going to be their backbone? Who is going to teach them how to work? The government? I going tell you straight, there are no jobs. She was a paramedic for Lana'i hospital for 22 years. Her family comes from Wai'anae, she wonders why so many families are homeless. All the Hawaiian people are on the beach. Why are Hawaiian people always in the back?

The incarceration of the Hawaiian people on the mainland. Who pays for that? Everyone does. They are living over there and getting killed.

It is a sign of the times. The Man up there will be coming pretty soon. That's why all of these changes are happening. It is in the Bible. It is written that there will be tornadoes and flooding but you can make it if you are pono.

Chairperson Machado Thanks Ms. Basquez for attending today's meeting. Hearing no further beneficiary comments, she moves to the next item on the agenda.

IV. UNFINISHED BUSINESS

A. KA POUHANA/CEO'S UPDATE ON HO'OULU LAHUI ALOHA & OHA ACTIVITIES.

Chairperson Machado Calls on Ka Pouhana Crabbe to provide his update on OHA activities.

Ka Pouhana States that he has no further updates for Trustees.

Trustee Apoliona Asks for a status update on the Gentry acquisition.

Chairperson Machado Cautions the members that the discussion not breach the confidentiality agreement in place with regard to the acquisition. She asks Trustee Apoliona to be more specific with her questions.

Trustee Apoliona States that she worded her question in such a way that Administration could answer as much as they are comfortable.

Ka Pouhana Crabbe States that the letter with the terms agreed to by the Board has been sent and is moving forward. He adds that they are going to the process of looking at the financial feasibility for the purchase.

Trustee Stender States that the financial feasibility has been dealt with. He asks what is being questioned. The approval was based on the financial feasibility. What other financial feasibility is there?

Board Counsel Klein Cautions that the discussion should not get into any particular details. Trustees want to know that OHA is on track ~ to meeting all of the deadlines.

Chairperson Machado Asks if OHA will be able to sign off on the deal by July 29th deadline.

COO Los Banos Responds there will probably be one more hurdle to clear based on financing in speaking with Counsel Nicholson.

Board Counsel Klein States that there are many ways of communicating with the Board without breaching confidentiality. He suggests Administration write the Trustees a confidential memo to update them on the status of the situation. The Trustees are concerned about not blowing deadlines and finding out what the status is. Putting it in writing would also allow the Trustees not present to understand the problems Administration is dealing with.

Trustee Apoliona States that an update is needed from the last time the Board met on July 5th. There was a very extensive briefing. Her understanding at the end of the meeting was that lawyers had a deadline and Staff had their own timelines. Since that time Trustees have had no follow up communication whatsoever. Yes, she thinks something in writing is imperative.

COO Los Banos States that a written update will be distributed via email by the end of the day. He understands that Pacific Business News is running another story about the acquisition in tomorrow's edition.

Chairperson Machado Suggests that Administration allow Board Counsel Klein to review the update before distributing it to Trustees. Administration may also seek the guidance of Counsel Nicholson before distributing the update.

Trustee Apoliona States that her comments were made because of potential liabilities of this Board.

Chairperson Machado States that she shares those same concerns and so does Trustee Stender.

Moving on, Chairperson Machado asks Lana'i Community Resource Coordinator Leinani Zablan to talk to the Board about the community's perception of Mr. Ellison and his purchase of Lana'i.

Ms. Zablan States that Mr. Ellison has moved quickly to change the interior design of both the Ko'e le Lodge and the Manele Bay Hotel. The Asian themed decor has been removed and is being replaced by a more Hawaiian theme.

Job positions have been opened. All of the vacant Four Seasons positions from the layoffs when the hotel began losing money. Ellison is committed to the community and is using his own money to open those positions again. Last week it went from 20 positions to 50 positions this week.

The community swimming pool complex is going to be reopened. It has been closed for three years. It has been sitting there unused all this time.

Previously there were "Wind Power" signs placed throughout the community by the unions. They've been taken down since Mr. Ellison has taken over. The overall community perception is that Mr. Ellison cares about the community.

Chairperson Machado Thanks Ms. Zablan for the update. She notes that Mr. Ellison's representative has reached out to OHA and is trying to touch bases with us. She states that she did invite Mr. Ellison's representative Mr. Maranelli to attend the Lana'i Community meeting but he was not on island this week. Perhaps a meeting can still be scheduled with OHA and the community.

CED Abad States that she had a conversation with Mr. Albert Morita yesterday and they are particularly looking at the issue of reforestation to stop the erosion on Lana'i. They also want to work on restoring the aquifers. There are too many ungulates that have eroded the top soil of the forests. They are interested having OHA engage in this discussion with Mr. Ellison and possibly getting the MOA expanded.

Chairperson Machado Asks Ka Pouhana who will be assigned to work with the Lana'i community on the MOA with Mr. Ellison. Previously Kai Markell assigned a policy analyst to keep OHA involved. She asks Ka Pouhana to let the Trustees know who is assigned. If the community wanted to amend the MOA, they will need help from OHA. She asks Leinani Zablan to keep the community posted once the staff member has been assigned.

CED Abad Introduces Keola Akana as OHA's new Community Outreach Manager.

Mr. Akana Greets Trustees and introduces himself as being passionate about working with Hawaiian communities throughout Hawaii and the continent to get the message out about the Office of Hawaiian Affairs and its mission. He was raised in Pauoa on O'ahu and went to private school. He finds that he is 'ohana to many of OHA's staff.

Trustee Apoliona Asks how long he's been with Kamehameha Schools.

Mr. Akana States that he spent five years in Kamehameha School's publishing department and program development.

Chairperson Machado Welcomes Mr. Akana to the OHA 'ohana and looks forward to his work in the community.

VI. EXECUTIVE SESSION

Chairperson Machado Asks for a motion to move into Executive Session.

Trustee Waihe'e Moves to resolve into Executive Session to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties and liabilities. *Pursuant to HRS 92-5(a)(4).*

Trustee Akana Seconds the motion.

Hearing no discussion, Chairperson Machado asks for a roll call vote.

Trustee Waihe'e Moves to resolve into Executive Session to consult with the Board's attorneys on questions and issues pertaining to the Board's powers, duties and liabilities. *Pursuant to HRS 92-5(a)(4).*

Trustee Akana Seconds the motion.

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA ABSTAIN	EXCUSED
TRUSTEE ROWENA AKANA			X			
TRUSTEE PETER APO						X
TRUSTEE HAUNANI APOLIONA			X			
TRUSTEE DONALD CATALUNA						X
TRUSTEE HULU LINDSEY						X
TRUSTEE ROBERT LINDSEY						X
TRUSTEE OSWALD STENDER	X		X			
TRUSTEE JOHN WAIHE'E			X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			5			4
MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED						
Motion passes with five (5) YES votes and four (4) EXCUSED.						

The Board moved into Executive Session at 9:38 a.m.

- A. LEGAL ADVISORY BY BOARD COUNSEL ROBERT G. KLEIN, ESQ. ON QUESTIONS AND ISSUES PERTAINING TO THE BOARD'S POWERS AND PRIVILEGES UNDER ACT 177, 2012 SLH ("SUNSHINE LAW" AMENDMENTS).
- B. LEGAL ADVISORY BY BOARD COUNSEL ROBERT G. KLEIN, ESQ. RE: QUESTIONS AND ISSUES PERTAINING TO THE BOARD'S POWERS AND DUTIES WITH RESPECT TO THE KA POUHANA'S 6 MONTH PERFORMANCE APPRAISAL. PURSUANT TO HRS 92-5 (A) (4).
- C. APPROVAL OF EXECUTIVE SESSION MINUTES FOR JULY 5, 2012

The Board moved into Open Session at 10:11 a.m.

VII. ANNOUNCEMENTS

Chairperson Machado Announces the following Board Meetings:

1. Board of Trustees Meeting - August 2, 2012, OHA Board Room
2. OHA Maui Community Meeting - August 15, 2012
3. Board of Trustees Maui Meeting - August 16, 2012

VIII. ADJOURNMENT

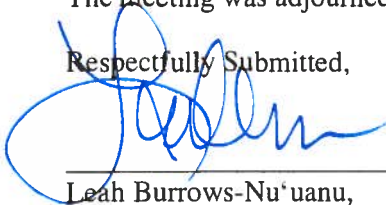
Trustee Apoliona Moves for adjournment.

Trustee Stender Seconds the motion.

There was no discussion and Chairperson Machado notes a unanimous consensus.

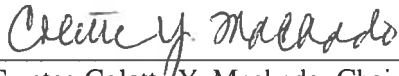
The meeting was adjourned at 10:12 a.m..

Respectfully Submitted,



Leah Burrows-Nu'uanu,
Board Secretary

As approved by the Board of Trustees on August 2, 2012.



Trustee Colette Y. Machado, Chairperson
Board of Trustees

ATTACHMENTS:

1. July 19, 2012 BOT Community Sign in Sheet
2. Excused Absence Memo from Trustees Apo, Cataluna, Hulu Lindsey and Robert Lindsey