

**STATE OF HAWAI'I
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200
(VIRTUAL MEETING - VIA ZOOM WEBINAR)
COMMITTEE ON RESOURCE MANAGEMENT
MINUTES**

April 20, 2021 1:30 p.m.

ATTENDANCE:

Chairperson John Waihe'e, IV
Vice-Chairperson Luana Alapa
Trustee Leina'ala Ahu Isa
Trustee Kaleihikina Akaka
Trustee Dan Ahuna
Trustee Keli'i Akina
Trustee Brendon Kalei'aina Lee
Trustee C. Hulu Lindsey
Trustee Keola Lindsey

ADMINISTRATION STAFF:

Sylvia Hussey, CEO / Administrator / Ka Pouhana
Casey Brown, COO / Ka Pou Nui
Erin Nakama, IT
Everett Ohta, Corporation Counsel
Kalani Fronda, Land Director
Kevin Chak, IT
Raina Gushiken, Corporation Counsel
Ramona Hinck, CFO

LEGAL COUNSEL:

Anna Elento-Sneed, Esq.

GUESTS:

Germaine Meyers
Laura Kamalani-Paikai

BOT STAFF:

Crayn Akina
Melissa Wennihan

I. CALL TO ORDER

Chair Waihe'e calls the Committee on Resource Management meeting for Tuesday, April 20, 2021 to order at **1:30 p.m.**

Chair Waihe'e notes for the record that **PRESENT** are:

MEMBERS			AT CALL TO ORDER (1:30 p.m.)	TIME ARRIVED
CHAIR	JOHN	WAIHE'E, IV	PRESENT	
VICE CHAIR	LUANA	ALAPA	PRESENT	
TRUSTEE	LEINA'ALA	AHU ISA	PRESENT	
TRUSTEE	DAN	AHUNA	PRESENT	
TRUSTEE	KALEIHIKINA	AKAKA	PRESENT	
TRUSTEE	KELI'I	AKINA	PRESENT	
TRUSTEE	BRENDON KALEI'AINA	LEE	PRESENT	
TRUSTEE	CARMEN HULU	LINDSEY	PRESENT	
TRUSTEE	KEOLA	LINDSEY	PRESENT	

At the Call to Order, **NINE (9) Trustees are PRESENT**, thereby constituting a quorum.

II. PUBLIC TESTIMONY on Items Listed on the Agenda*

Chair Waihe'e states for the record –

- *Public testimony should be limited to matters listed on the meeting agenda and will occur during the Public Testimony portion on the agenda.*
- *If you begin to address other issues not on today's meeting agenda, the Chair will call you out of order and direct you to limit your testimony to items listed on the agenda.*
- *Testifier names will be announced, and your microphone will be unmuted when it is your turn to testify.*
- *If you are not audible, you will be muted, and the next testifier will be called.*
- *State your name, organization (if applicable), agenda item(s) you are testifying on and your position (support, oppose or comment) on each of the agenda item(s).*
- *Oral testimony online will be limited to five (5) minutes. A timer will on the screen to count down the five (5) minutes. A chime will sound when you have 30 seconds left and a second chime when your testimony time expires.*
- *Your mic will be automatically muted once you have completed your oral testimony or if your allotted time for testimony expires. I will call on staff to call on the list of testifiers.*

Crayn Akina: Aloha Trustees, Pouhana, and Administration. We have three people signed up and two in queue.

First, we have Laura Kamalani-Paikai.

Laura Kamalani-Paikai: Welina mai ke aloha Chair and Members of the Committee on Resource Management. My name is Laura Kamalani-Paikai. I am here to offer testimony on agenda item V.C. specifically to put a familiar face to the proposed reorganization on which you will deliberate.

On January 28, 2021, I was informed by the CEO that my position at OHA would be eliminated in the reorganization and I was made to understand that if I wish to remain at OHA, I would have to apply for an open and / or new position.

At the time, an intonation was made by the CEO about a particular position, which had my name written all over it, or words to that effect. But the delivery and tone of the CEO's message was so casual that one might think we were discussing something as innocuous - like what type of bread and filling I preferred for my sandwich, instead of a subject with the potential to alter my life in this autumn season of my life.

It's sobering and serious; betrayal was the first assault to my senses, followed by anger, hurt, frustration, resentment. It has taken the greater part of the two months and 23 days since for me to shake off those demoralizing emotions. Eighty-two agonizing days to wrestle with and arrive at the best decision for me.

The documents submitted for your review today are not the same ones presented to me by the CEO in our meeting and the sole severance package offered by the CEO on January 28, 2021 has since expanded to five options for consideration.

Piecemeal rollout of this reorg and the CEO's business as usual, take no prisoners mindset throughout have exacted a toll on my inner man. I never imagined that my 25 years of service to OHA and the Lāhui would end this way; but so be it. I have no desire to stay where I'm not wanted or where I have become surplus to requirements and I have zero energy to compete for a place in the CEO's new pecking order. I'm not sure what your role is with this reorg or it's multi-layered elements. But I pray you will regard all that I have shared today with empathy and Aloha and make it possible for me to leave with dignity and the most generous severance package OHA can offer me. Thank you so much for your time and kind attention.

Chair Waihe'e: Thank you Laura.

Crayn Akina: Next, we have Germaine Meyers.

Germaine Meyers: Before I begin, I just have a point of clarification. I didn't see on the agenda item - employees' contracts. I'm just wondering if I looked at the wrong agenda.

Chair Waihe'e: She was referring to the reorganization, purpose design, application and projected outcomes.

Germaine Meyers: *...and how it relates to her position?*

Chair Waihe'e: Yes.

Germaine Meyers: OK, thank you. Aloha Chair Waihe'e, Vice Chair Alapa, Administration, Trustees, Lāhui. My name is Germaine Meyers and I am an OHA beneficiary for beneficiary advocacy and empowerment. I'm also a Nānākuli Hawaiian homestead lessee.

I come to you today to speak to you about the agenda item regarding the Kaka'ako Makai Properties and the allocation of revenue to specifically, the legacy lands. Trustees, I'm concerned that 60%; more than half - 50% is half of the revenue. This is 60% that is being proposed.

What I'm concerned about is that it does not align with the Strategic Plan that I downloaded from OHA, which is eight pages, half of it being in Hawaiian language. There are specific strategies or specifically eight - two strategies for each related to Housing, Economic Stability, Education and Health regarding the lāhui.

I'm concerned that Legacy Land is taking up much of the revenue from the Kaka'ako lands, or is being proposed to be taking up much of the revenue. I disagree with that. I guess I read it incorrectly with the last time I read the packet from last week and I thought I saw that it was marked out, but I didn't realize it wasn't 0%, it was from 50 to 60%. I didn't see that the red line didn't go through the six, and so I'm deeply concerned that the legacy lands are specific lands.

For example, DLNR Lands that are being leased in Kaua'i; two properties. There's the Wahiawā property on O'ahu, there's Big Island property, Maui property. I'm concerned that if there's for example, \$100 million revenue, you're talking about 60 million dollars going to these specific legacy lands.

Why is that? I'm questioning myself. Why is it that 60% is going towards these lands?

So next my question is, *how did these lands get chosen for these specific purposes?*

I'm living here in Nānākuli and along the West Coast we have the highest concentration of Native Hawaiians in the world if you go all the way up to Kapolei. OHA hasn't taken up land or leased land from DLNR so that we can gather or engage in specific uses that were designated for the lands. Yet this is what's happening with what you're proposing; for more than half of the of the revenues from Kaka'ako to be given towards these specific lands.

So, now my question to myself - *is OHA going to acquire other lands that is going to come under the title of Legacy Lands? Are they going to only serve the needs of certain lāhui members and not all lāhui members?*

Because the strategic plan that I read, the eight pages were just talking about the lāhui members and specifically the well-being of the lāhui members. That's what those strategies were, and those specific outcomes; I counted 26 outcomes.

So now when you're having an economic engine with the Kaka'ako Makai; my support all this time wasn't so that more than half would go towards the legacy land. My support was so that more than half would go towards either grants or towards the outcomes of the specific strategies that were outlined to us.

I'm concerned that OHA has misaligned yourselves with your messaging to us – *What is important to OHA?*

So that's what I'm really, really concerned about, and those are the questions that I'm asking myself.

If you're going to specify for the revenue; *what about managing those properties or improving those properties?* There's nothing related to that.

If you're going to give specific monies towards upkeep of those Kaka'ako properties, but no, instead it's talking about giving more than half to the legacy lands. I'm just really confused and maybe I'll come back again to another meeting when this again is on the agenda to further elaborate my understanding and thoughts.

I'm really looking forward to the workshop to understand more about what is it that the Administration and OHA is proposing to us.

Mahalo, I see that my time is up. Ke Akua Pū. God bless all of you. Thank you, Chair.

Chair Waihe'e: Thank you Germaine.

III. APPROVAL OF MINUTES

- A. March 23, 2021
- B. March 30, 2021

Trustee Akaka moves to approve the minutes of March 23 and March 30, 2021.

Trustee Hulu Lindsey seconds the motion.

Chair Waihe'e asks if there is any discussion. There is none.

Chair Waihe'e calls for a **ROLL CALL VOTE**.

TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	1:43 p.m. EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA	1		X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY		2	X			
KEOLA	LINDSEY			X			
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

Chair Waihe'e notes for the record that all members present vote 'AE (YES) and the **MOTION CARRIES**.

IV. UNFINISHED BUSINESS

None

V. NEW BUSINESS

A. ACTION ITEM RM #21-04: Approval of a Third Amendment to BOT #12-05 – Kaka’ako Makai Policy Relating to the Allocation of Revenue from Kaka’ako Makai Properties to the Land Legacy Program

Chair Waihe’e turns it over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you, Chair Waihe’e. Trustees – this Action Item is being brought forward due to the recommendations from the Permitted Interaction Group in which the Board received last week, as well as discussed.

This was included in the report as part of the Policy recommendations and so Administration has brought forward this action to amend the Kaka’ako Makai Policy and specifically, eliminating the allocation to the grants program. Not because grants are not important anymore, but because of the strategy that is going to replace that and will come forward in the Budget presentation in terms of utilizing the Public Land Trust revenues for our granting programs.

The second change is that we want to increase the Net amount from 50% to 60%. Currently, the 50% net contributes about 1.5 million to our Legacy Land Programs. As the Beneficiary pointed out, in the packet was a presentation of all of our Legacy Land Programs. Among the two largest pieces are Wao Kele o Puna on the Island of Hawai’i and the Wahiawā Lands on O’ahu; the legacy program now that derives revenue from Kaka’ako Makai is about 1.5 million dollars. That represents the 50%. Based on the projections, 60% would add an incremental \$300,000 to the net revenues for the Legacy Land Programs. For alignment, this is strategy 10 in our Endowment. Strategy 10 talks about Direct Land Investments and ‘auamo kuleana regarding our legacy properties. That's the second change that Administration is bringing forward on the Policy.

The third change is to eliminate the sunset date, when the policy was first amended in 2017 there were two-year check-in dates, if you will. So, in 2017, the first check-in date was 2019. In 2019, we came back to the Trustees with another amendment, a second amendment and pushed out the date to 2021. Each time the reason Administration did that is because we were on the cusp of figuring out what was going on with Kaka’ako Makai. With the Trustees’ Permitted Interaction Group, and the directions and discussions there, we feel that it's appropriate to not have a sunset date anymore and just have it be the policy. At the time in the future, when the Trustees deem it necessary and appropriate - we can then come back and change the policy at that time. So that's the third piece that we are changing to take off that sunset date. So that this is the policy, and the long-term Policy implications come back as the Trustees’ work are on-going and as it relates specifically to Kaka’ako Makai.

The last change, there are some ministerial edits; the policy was written in 2012. There are some language changes there that aren't aligned to our current policy nomenclature. So those are some of the edits that we have made as an example. I think the term *Nation* is in there and the Board restated that our vision is to *Raise a beloved Lāhui*. So, those kinds of ministerial edits were made to align to our current language. Administration is open for any questions by Trustees.

Chair Waihe’e asks if there are any questions.

Trustee Akina: Thank you Sylvia for the report. I just want to say that I really commend everyone on the Board who's worked on this, including the PIG members, because these new efficiencies really help us to be in alignment with our strategic direction. I'm also very pleased that we have broadened our focus from "Nation", to building a beloved Lāhui, which is a much broader, more inclusive term. I think it will benefit OHA and the Lāhui itself. I did want to ask Sylvia to comment on one thing for the sake of our Beneficiaries. You did mention that we are removing grants funding from the Kaka'ako Makai revenues and you did mention the alternative would be receiving funding directly from Public Land Trust. I just wanted to give you the opportunity to explain that we are not reducing grants funding.

Pouhana Hussey: Thank you, Trustee for the opportunity to clarify. Currently, our Grants funding is at about \$12 million and what we, Administration, will bring back to the Board during the Biennium Budget process is to move that granting up to \$15 million. It is exactly the number of the Public Land Trust, and that is to associate that every dollar that comes from Public Land Trust at this point goes directly to our granting and to our beneficiaries.

Previously, maybe where we were in Kaka'ako Makai as to having grants benefit at the same time our Kaka'ako Makai Lands came to our portfolio, our Wahiawā Lands came to the portfolio as well. So, we need to be able to have revenue sources that allow us to 'auamo that kuleana as well as our Grant kuleana. So, the philosophy there is not that we're decreasing grants. We are increasing grants - just not from this source. From this source, we are directing the source to our Legacy Lands and we know that we have a large kuleana for those 511 acres and this is one of the ways of funding that strategy and that direction.

Trustee Akina: Thank you very much.

Trustee Lee: Thank you. A couple of things, Sylvia. I understand not doing the sunset of June 30, 2021 since we're doing it right now. I don't know that I agree of not having a sunset at all.

As I recall, the conversation that we had at the table in 2019 was that we don't know who the bodies will be at this table in the future. They won't necessarily know what was going on in the past.

So, I think the logic of *when the Board is ready to do something else, then they'll come back and revisit that*, I think is unreasonable, because we don't know who that board will be.

I think we should have a sunset in. I don't necessarily agree that it needs to be two years anymore, given that we are moving forward with something, but maybe five or even a 10-year sunset. That way it's in the policy and that's not necessarily saying that this isn't a policy, but it forces whoever Administration and the Board is at that time - to come back and look at the policy.

Whereas, if there is nothing in there, there's nothing to make them come back and look at it. I think relying on that *they're going to do that just because they're going to do that*, I'm not willing to take that chance. I think of having a sunset date in, and I'm fine with pushing it out further. I think having a sunset date, which forces Administration and the Board to come back and look at this is something that needs to be in this policy. Thank you, Mr. Chair.

Pouhana Hussey: Trustee Lee, I think what you point out in our policy work is something that in our policy work. Every policy would have a review date, and whether it's three years or five years. In the

normal course of policy work, this policy would have had a review date, at least. So that makes sense to have a review date for this and the language previously was that it is a review date.

However, the practice has been that it acted like a sunset date. If it makes sense to state it in the policy that it is to be reviewed in three years, as you pointed out, you have a policy. You just have a review date, where in practice, what we did was the date, the review date was the sunset date. It makes sense for Administration to frame that as a review date and whatever date makes sense for the Trustees and then implement it as an active policy and review it rather than sunset it.

Trustee Lee: Okay, Yes - I don't see any review date in here. Item D, number three, it says eliminate the review date of June 30, 2021.

Pouhana Hussey: I was looking at the Second Amendment and it reset the review date there. Yes, as a matter of policy and the construct of the policy. That would work, whatever the Trustees feel would be most meaningful for policy work.

Trustee Hulu Lindsey: I would entertain an amendment from Trustee Lee to add a date to my motion. *Trustee Lee, would you like to do that?*

Trustee Lee: When we get there. I think we're still on discussion at the current moment.

Chair Waihe'e: *No one that's made the motion yet, right?*

Trustee Lee: No.

Trustee Keola Lindsey: I did have a couple questions - if that's okay. I think it's great that our grants may potentially increase to \$15 million a year. That \$15.1 million - that's a set amount that we're already getting, right. So, if all of that revenue from Kaka'ako Makai that grants is losing - *what funds within OHA that currently uses the \$15.1 million is going to get cut out?*

Pouhana Hussey: That's where the Biennium Budget comes in, when we bring that before the Board. All of the sources of funding; PLT is one source, the Native Hawaiian Trust Fund dollars, the general funds - all of the different sources will come through the Budget process and then that's where we will show where that funds and sources will go for that.

Trustee Keola Lindsey: My second question is I understand that Legacy Lands is going to be bringing their Biennium Budget, back for '22-'23. *How is the 10% and the \$300,000 increase, how were those numbers chosen?*

Pouhana Hussey: Casey is Kalani on.

Pou Nui Brown: I can follow up.

Pouhana Hussey: I can tell you Trustee, as we thought through what the incremental pieces are, we knew that the amount of current Kaka'ako gross and the net because this is a change on the net side, right? We need to make sure that we cover our costs.

Right now, the net is about \$3 million. So, 50% - there's \$1.5 million going. What the Legacy Land Program has been, is balancing all of that Legacy Land Investments on the \$1.5 million, to the extent that there are more dollars that are needed for projects, land and whatnot. That money will now need to come from the core part of the funding.

As a result, when they bring back the totality of all of the investments, we'll have to see what comes from core and non-core. Right now, increasing it just 10%, a little bit more is helpful to get an additional \$300,000 into the overall Budget. Again, this \$1.5 and the \$1.8 is going to need to cover Wao Kele o Puna and Wahiawā Lands

Pou Nui Brown: E kala mai, just pointing out that Kalani has joined the meeting.

Pouhana Hussey: Thank you. *Kalani do you want to expand on the increase from 50% to 60% for Trustee Keola Lindsey?*

Oh - *did we lose him?*

Pou Nui Brown: As he's getting set up. Kalani might know that exact answer, I might be able to add a little bit. The reason why the 10% went up is because it has to do with gross versus net. So, when we change something on the net, the absolute dollar amount is one thing, if you change the same amount of percentage on the gross, the absolute dollar is going to be different. So, we found that percentage change in the gross since we're getting rid of the net. We tried to find that percentage increase, that wouldn't heavily change the overall amount that's going to go to the Land Legacy portfolio.

Land Director Fronda: Aloha Trustees, if I could just add there are certain types of projects that are being held, until we can make sure that it's properly funded. In the event of this increase, we do have in our biennium projects that are addressed across the pae 'āina, not only in Kūkaniloko. As you guys know, Kūkaniloko - we once again went forward with a CIP request, which didn't get funded.

In the process, we also have other assets throughout the pae 'āina in: Maui, as well as Hawai'i Island, and also in Maunaloa, that requires this type of funding. With that 10%, we will be able to space it out and be able to fund some of the projects that we have had to delay over time. Thank you.

Trustee Keola Lindsey: Thank you, Mr. Chair. Thank you, Sylvia.

Trustee Akina: With regard to the legacy lands, I recall from our prior discussion as to a sunset date. One of our concerns was the actual cost of maintaining the Legacy Lands, and that we would review the issue of sunset date - once we received from administration some assessment of the cost of the maintenance of the Legacy Lands. I wonder if you have any update for us on that or can tell us when we might be able to take a look at that.

Pouhana Hussey: When the Biennium budgets come before the Board, the projections of what the current state of maintenance and then what is also the projected needs, based on the planning, are accounted for.

To your point Trustee, each property has a different character and nature about it. Each property has different funding agreements with it; we are sub-leased from DLNR, other are large opportunities. There are other properties that we have grant opportunities - and the Legacy Land Program has done a great job of partnering with, for example, the County of Maui to fund the deer fence at Palauea Heiau. The Legacy Land Program is looking at all the different sources and partnering to enable and to fund what we need to do on a short-term, as well as long-term basis.

I will also say that part of that assessment, like all assessments is our portfolio. We have obtained some of these Legacy Lands over time and - *does it make sense to hold these Legacy Lands?* This is where the policy is important for not just Kaka'ako Makai, but just holistically, what is our policy around Legacy Lands and what is the criteria by which we would acquire, hold, maintain and if the portfolio does not align to those policies, then we do we divest ourselves of Legacy Land pieces. So that entire portfolio assessment is what is being done and then it comes forward in recommendations to the Board through the Biennium Budget process.

Trustee Akina: Thank you Sylvia and I do agree that that Portfolio Assessment is very important in terms of making sure that we have the correct balance in our assets.

Trustee Lee: One more question. Sylvia, you mentioned that the language in the new Strategic Plan talks about the *Lāhui* and not a *Nation*. I'm aware of that, so some of these things in here and removing *Nation*, I think makes sense. I just have a question about some of them; by removing, *Proceed in a way that has in mind the transfer of assets to the Nation* (Attachment A-4), and then *Proceed in a way that grow, preserve and protect the assets to the Nation* and then we've crossed out *to the Nation* (Attachment B-6).

Are we now saying that should a Native Hawaiian Nation stand up we have no intention of transferring the assets to that nation?

Pouhana Hussey: So no, that...

Trustee Lee: Ok, enough said. Yeah. That was my only question. Thank you, Sylvia. I'm good. Thanks.

Chair Waihe'e: Thank you, Trustee Lee. *Is there any other discussion, members?*

There is none.

Trustee Hulu Lindsey moves:

To approve a third amendment to BOT #12-05 – Kaka’ako Makai Policy, relating to the allocation of revenue from Kaka’ako Makai properties to the Land Legacy Program at Attachment A, including ministerial edits. Such an amendment includes the following changes:

- A. Eliminate the allocation of the gross revenues from Kaka’ako Makai (KM) to OHA’s Grants program
- B. Increase the allocation of the net revenues to OHA’s Legacy Land Program (LLP) from 50% to 60%;
- C. Eliminate the review date of June 30, 2021; and
- D. Address ministerial edits.

Trustee Akina seconds the motion.

MAIN MOTION		2:08 p.m.					
TRUSTEE (RM)		1	2	‘AE (YES)	A’OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA’ALA	AHU ISA						
DAN	AHUNA						
KALEIHIKINA	AKAKA						
KELI’I	AKINA		2				
RM VICE CHAIR LUANA	ALAPA						
BRENDON KALEI’ĀINA	LEE						
CARMEN HULU	LINDSEY	1					
KEOLA	LINDSEY						
RM CHAIR JOHN	WAIHE’E						
TOTAL VOTE COUNT							

RM MOTION: [] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

Chair Waihe’e asks if there is any discussion.

Trustee Lee moves to amend the motion changing letter C. from *Eliminate the review date of June 30, 2021;* to *Amend the review date of June 30, 2021 to June 30, 2025.*

Trustee Keola Lindsey seconds the amendment.

Chair Waihe’e asks if there is any discussion.

Trustee Lee: For the benefit for Administration and for the Trustees. The reason of the date of 2025 of four years - I was going to do three years, as suggested by Administration, but as some of you may recall, those of you that were on the Board in 2019, the reason we picked 2021 was it was a non-election year. So that gave any new Trustees that were elected time to review policies and get up to speed on everything before they had to make-a-decision on something like this.

The three years will take us into 2024, which is an election year so that's why I made it four years out, so that it would be the non-election year. Thank you, Mr. Chair.

Trustee Ahu Isa: Just a Point of Clarification; C. Amend the review date - we're replacing eliminate the review date. So, we're going to amend to eliminate the review date. We're not reviewing. We're going to wait to June 30, 2025 to review. *Is that what the amendment is?*

Trustee Lee: By amending the review date of June 30, 2021; that means we will not review in 2021. We are changing that date until four years out to June 30, 2025. So, there will be no review of 2021 because we're changing the date to 2025. *Does that clear that up Trustee Ahu Isa?*

Trustee Ahu Isa: Yeah, I just think it's kind of a long time to review.

Trustee Lee: We're not going to review it during that whole time. That just means on June 30, 2025 we will review this policy. That's all that means. Not that we're going to review it from now until then, just on that date we will review this policy.

Trustee Ahu Isa: Okay, Mahalo.

Chair Waihe'e asks if there is any further discussion.

There is none.

Chair Waihe'e calls for a **ROLL CALL VOTE**.

AMENDMENT							2:14 p.m.
TRUSTEE (RM)		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
RM VICE CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE	1		X			
CARMEN HULU	LINDSEY			X			
KEOLA	LINDSEY		2	X			
RM CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

RM MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

Chair Waihe'e notes for the record that all members present vote 'AE (YES) and the **AMENDMENT CARRIES**.

Chair Waihe'e calls for a ROLL CALL VOTE on the Main Motion, as Amended.

To approve a third amendment to BOT #12-05 – Kaka'ako Makai Policy, relating to the allocation of revenue from Kaka'ako Makai properties to the Land Legacy Program at Attachment A, including ministerial edits. Such an amendment includes the following changes:

- A. Eliminate the allocation of the gross revenues from Kaka'ako Makai (KM) to OHA's Grants program
- B. Increase the allocation of the net revenues to OHA's Legacy Land Program (LLP) from 50% to 60%;
- C. Amend the review date of June 30, 2021 to June 30, 2025; and
- D. Address ministerial edits.

MAIN MOTION, AS AMENDED							2:15 p.m.
TRUSTEE (RM)		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA		2	X			
RM VICE CHAIR LUANA	ALAPA			X			
BRENDON KALEI'AINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
KEOLA	LINDSEY			X			
RM CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

RM MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

Chair Waihe'e notes for the record that all members present vote 'AE (YES) and the MAIN MOTION, AS AMENDED CARRIES.

V. NEW BUSINESS

B. ACTION ITEM RM #21-05: Amendment to the Executive Policy Manual Section, Budget Management Policy

Chair Waihe'e turns it over to Ka Pouhana Sylvia Hussey.

Pouhana Hussey: Thank you Chair Waihe'e. Trustees, this is a continuing policy work to complement Action Item RM #18-12; this was a major piece of policy that required a construction and preparation of the Budget in a certain way.

What Administration is doing is complementing the Budget Construction and Preparation with Budget Management and Evaluation Policy as well, and bringing it to totality.

At the same time, the Board approved the Fiscal Stabilization Policy that replaced the Fiscal Reserve guidelines within the Spending Policy and that Policy was approved, but wasn't brought into the Executive Policy Manual holistically.

So, this adds a Budget Management and Evaluation Policy, and then it incorporates the Fiscal Stabilization Policy into one overall Budget Management and Preparation Management Policy collectively.

Administration does point out that the Fiscal Stabilization, when it was approved back in 2019 - was meant to be a temporary Cash Policy pending the Trustee-Level work of spending as well as the complementary Cash Management policies. So, the Permitted Interaction Group that the Board formed and was reported out in October, had some recommendations for Trustee-Level Policies, Investment Spending. So, Administration recommends that Policy work continue, but in the meantime, putting together all of the Budget Management Policies; so, it's an intermediate step to a longer-term step of the bigger T-level policies.

What you will also see in future Policy Action Items are more C-level policies regarding Cash Management and Treasury Functions. The Authorizations to move Cash around between the accounts to make sure that we have the maximum amount of use of our Cash in investments, as well as operating needs. This is really an aggregation effort as well as a teeing up for future policies that will come back to the Board.

Trustee Akina: I just wanted to say Congratulations to all of us and our predecessors. It's been about four years that we've been working on aggregating these policies, and it's a major step for us as an institution. It brings us much closer to a PPBS planning system that we can use in our budgeting. I think it's really first rate and I want to thank everyone who's worked on this and believe that this is a great step in our ability to be accountable and to make sure that what we're budgeting for is accomplished. So, kudos to everyone and to you Administration for working on this, as well as the members of the FIG.

Chair Waihe'e asks if there is any further discussion.

There is none.

Trustee Hulu Lindsey moves:

To approve the expansion of the Executive Policy Manual section described in Attachment A:

- (1) New section 3045 Budget Management;**
- (2) New section 3046 Fiscal Stabilization Policy;**
- (3) Relocate and renumber two sections currently located in section 3050 Fiscal to section 3040 Planning, Programming, Budget; and**
- (4) Relocate and renumber five sections currently located in section 3040 Planning, Programming, Budget to new section 3045 Budget Management.**

Vice Chair Alapa seconds the motion.

Chair Waihe'e asks if there is any discussion. There is none.

Chair Waihe'e calls for a **ROLL CALL VOTE**.

TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	2:20 p.m. EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA		2	X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
KEOLA	LINDSEY			X			
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

RM MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

Chair Waihe'e notes for the record that all members present vote 'AE (YES) and the **MOTION CARRIES**.

V. NEW BUSINESS

C. Workshop: Reorganization Purposes, Design, Application and Projected Outcomes

Chair Waihe'e turns it over to Ka Pouhana Sylvia Hussey.

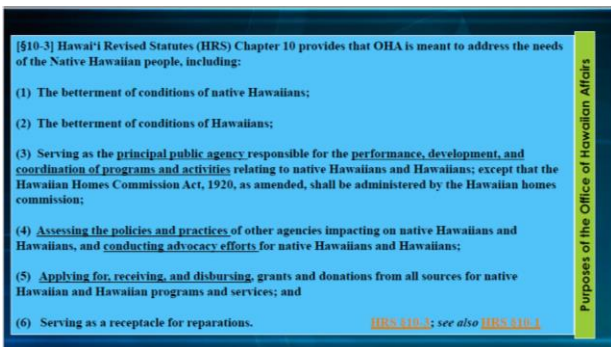
Pouhana Hussey: Thank you Chair Waihe'e. Trustees, this information helps to set broad context. As you can imagine, reorganization for the purposes in alignment takes a lot of work. It's very thoughtful and difficult work. The concept of reorganization has been in our vernacular since October 2019; the specifics and the details have not come forward until September of 2020 as the Board approved the words and the endowment strategies and the forward directional strategies. This follows on the heels of that work to look at the organizational structure in support of the Strategic Plan and more importantly implementing the Strategic Plan.



Pouhana Hussey: So, with that, the first is a Strategic Alignment and we have many guiding documents, but certainly Chapter 10 is our primary guiding document for that.

High level - *Why do we need to go through a reorganization? Why do we need to do what we do?*

Administration has identified that we need an organizational structure that enables us to implement our strategies. One of the difficult parts of reorganization work is that there is a lot of perception that it's being critical of people who have come before - or designs or models or leaders who have come before. Really, that is not the intent; the intent is not to tear down, the intent is to look at what pieces and structures were there. Keeping - maybe tweaking - but really, it's about what is the best structure for the organization so that we can move forward in implementation.



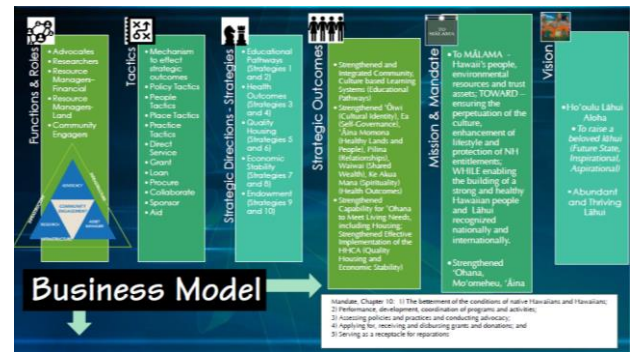
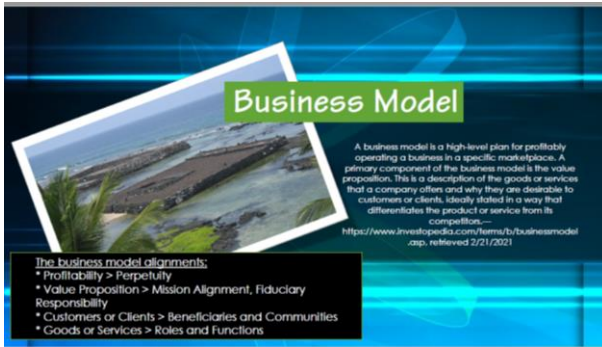
Pouhana Hussey: Administration started by defining a Business Model for OHA. Once that Business Model was established, we back mapped from our Vision - to our Mission and Mandate. All those pieces should look very familiar to Trustees, but trying to put that into our Business Model, backwards map that and then working through that all the way down to Positions.

So, what Administration did was, we started with our Business Model and we took a very commercial business Business Model language. What we did is mapped over what is our Business Model; so instead of profitability, we look at perpetuity, being here in the long term, stewarding our assets for the Lahūi for the long term.

Our value proposition - instead of sales and market and shareholder value, our value proposition is about our mission alignment and our fiduciary responsibility with what we are charged with.

Then again, just nomenclature, instead of *Customers* or *Clients*, we talk about *Beneficiaries* and *Communities* as our Business model. Then of course, *goods* and *services*; our nomenclature is *our roles* and *our functions* that we do.

So, with this Business model, we then map backwards to these concepts. Again, familiar; Vision, that inspirational and aspirational aspect of the organization, what we are to do, and then our strategic outcomes. This is language that should be very familiar to all of us, and then getting more granular, and all the way back to our strategies, our tactics, and then our functions and roles. So, the language around all of that should be familiar with us and that's the basis for reorganization work.



Pouhana Hussey: You then take the functions and roles and then you go left to right instead of right to left. When backwards mapping you go one direction and now, we're going the other direction. Functions and roles are roles that we have called out in our Strategic plan. These again are familiar roles to us.

A new taxonomy or new language that has been introduced in the reorganization is for KASABs.

What knowledge aspiration skills, attitudes and behaviors do we need to develop – demonstrates - in order to fulfill our functions and roles. Which fulfills our strategies and ultimately actualizing a vision that we have.

The organizational structure then takes where you have a number of buckets; and so for Operational purposes, sometimes people refer to this as job families, or other pieces.

Pouhana Hussey: The support - Leadership Management and technical functions are not to be interpreted as the Federal criteria of the Fair Labor Standards Act in which there are assessments for exempt and non-exempt. We use this language just for our own organization. To make sense of the kinds of positions that are associated with each of the functions.

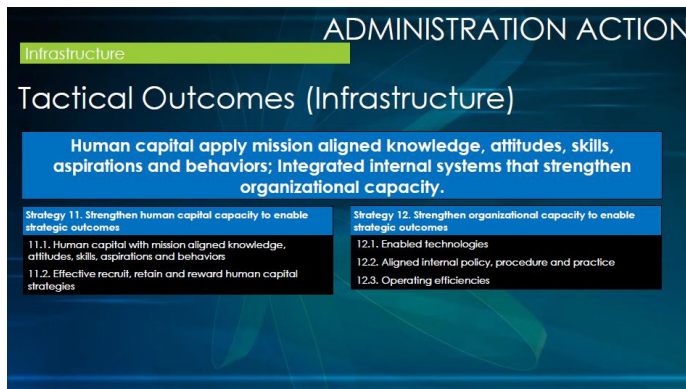
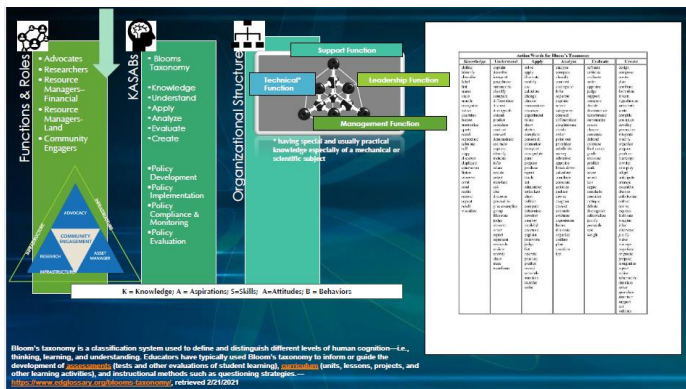
Another nomenclature introduction is that of Bloom's taxonomy, Bloom's Taxonomy is a cognition. It's used in education and yes, I have a left-brain disposition to Education. However, it is a taxonomy that helps classify, learning and thinking. So, the large pieces of knowing, understanding, applying, analyzing, evaluating, and creating demonstrates higher order thinking skills and learning skills, and therefore higher order production.

So, for example, the knowledge skills in the taxonomy. Knowledge skills, if you know something, then you're able to regurgitate it, those kinds of regurgitation of rote memory are because you have acquired knowledge. In order to ably actualize - to create taxonomy, you're going to need to know, understand, apply, evaluate, and then create, which requires a higher order thinking skill, as well as demonstration, knowledge and behavior. So, the introduction of Bloom's Taxonomy is being used to help us identify what do we need our positions to know, to do, how to behave, how to think, how to construct, how to advocate in our roles, and so we introduced this as part of the reorganization work.

We then also know that while the Board approved the strategic directions and outcomes plus the endowment strategy, Administration has a strategy as well and that's internally to strengthen the infrastructure.

Administration has a tactical outcome in two strategies; strengthening the People capital, and then strengthening the Organizational capacity. This is where we talk about enabling technologies, our alignment to policy, procedure, and practice, as well as our operating efficiencies.

Behind the scenes in Tactical implementation work, Administration has these outcomes as well, so to advance the Organization's capability to complete and implement the strategic plan.



Pouhana Hussey: This slide while it says *What* this is also the *Why*.

Why do we need a Reorganization? What is trying to be accomplished?

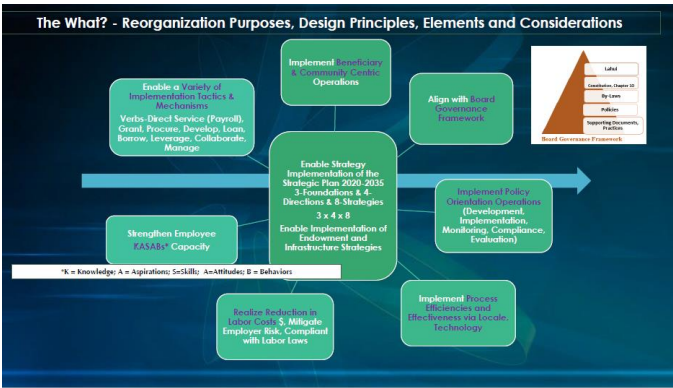
This slide is trying to say that Reorganization is designed to accomplish not just one thing, but multiple things.

Pouhana Hussey: I'll start at the one o'clock aligning with the Board Governance framework. The Board Governance framework is a very critical piece of work that the Board completed to a certain level, but it establishes the Governance structure for the Organization. It provides the kahua for the rest of the Organization. Starting at the one o'clock is an important feature of that - and you'll see that in our Operational org. chart.

If you go around the clock again - the policy orientation - the process efficiencies and effectiveness of locale, physically where are we as well as technology. You will also see there is an objective of realizing a reduction in labor. That is one of the objectives of Reorganization, but also strengthening employee knowledge, skills, and capabilities. That's part of our HR Capital Infrastructure.

We also want to be able to enable a variety of mechanisms there. We can Direct Service, we can Grant, we can Procure, etc. We can lend money, we can borrow. All these verbs or these actions are all different ways that OHA can implement its strategic plan and its tactics. Hopefully, you will see that in the orientation of the Functional Organization Chart.

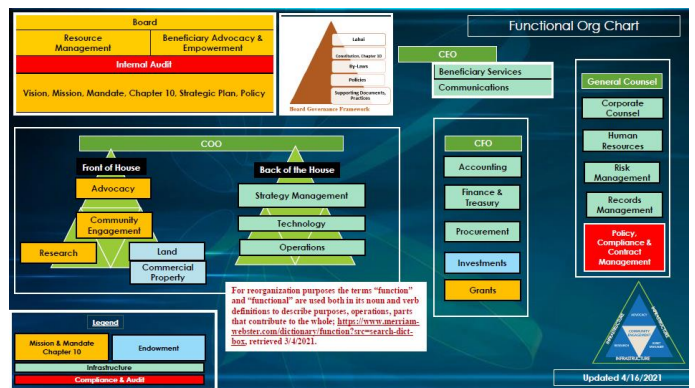
Last, but not least, the Beneficiary and Community "centricness" of OHA, and being very intentional about where we are in our Communities and where we are in servicing Beneficiaries.



Pouhana Hussey: I'm going to pause on this, you have a big 11 by 17 pull out. But the reason to pause here on the organizational chart is administration - when designing or reorganization - looks at the functions that we need in the organization and we'll walk through why these functions appear where they do.

Once the functional design is set, then you start to put in all of the positions that help to support the function. We'll start up in the top left with the Board Governance framework, what you'll see is an internal audit function, which is a very common function in Board work. It also can be resourced internally, or it can be contracted - and it often involves an Audit Committee, and external audit committee members, as an example.

What is being proposed here is an internal audit function, but it is the Board's responsibility to implement that. Administration is just saying that the Functional Organization, while it doesn't impact the Board in the budgets, you will see that we will bring forward resourcing for an internal audit function for the Board to activate. You will see a complimentary Administration Policy and Compliance feature in in our Corp. Counsel area and that is to internally take a look at the alignment of our policies, procedures, and practice - and particularly Contract and Procurement compliance, as well as Grants. Our big process areas that have risk - risk for not having policies, not having procedures and certainly when there is variation in practice; that increases the risk in the environment. If you think about Grants, Procurement and the related contracts that occur, those are our biggest risk areas. This compliance is meant to be an improvement and not punitive. It's meant to strengthen our processes. It's meant to encourage good Contract Management practices. We have the systems now - we need to align the behaviors and the practices around Contract Management. Those are the two red call outs.



Trustee Ahu Isa: Point of Clarification. E kala mai Sylvia, when you're presenting this - *is it my understanding that we don't ask any questions on this until we go into Executive Session?*

Pouhana Hussey: This part is public - if you want to ask about understanding why.

Trustee Ahu Isa: Yeah, I worked in Administration before, like University of Hawai'i, our structures are a little bit different from what you have here. You have:

- Procurement under the CFO, yet you have Records Management, which a lot has to do with Procurement;
- Human Resources under General Counsel;
- *Internal audit, create a position? How many positions? A whole new department like we did in the DOE, we created the Internal Audit and how many positions and dollar amount, that kind of stuff.*

Do we wait until Executive Session is my question?

Pouhana Hussey: I can answer these questions, they do not require Executive Session. I'll start with the internal audit function.

There's a variety of ways to resource that:

- you can resource it with on staff, as DOE has chosen,
- you can resource it completely contracted, you go out for internal audit functions, and you just contract that out.
- Often it is co-sourced; you have on staff and contracts, because you have specialized audits.

So the sourcing of that function is completely up to the Board and the Organization. The accountabilities for the internal function reports directly to the Board. Sometimes administratively, if it is staff, they get put with the CEO - just for HR purposes.

Pouhana Hussey: The functionality of an internal audit is a direct report to the Audit Committee of the Board, and it is a reporting line directly to the Board. The Board would have responsibility for the decisions around hiring, co-sourcing, outsourcing - all of that. Obviously, Administration can help in the process, but that is a definite Board responsibility for that function.

The complementary function to your point is all aspects of Procurement, Accounting, Grants, have Records Management aspects in them. There was an effort for us to align all our record keeping practices. Elizabeth Love, who was our Record Specialist prior to leaving, under Corp. Counsel and Assistant Senior Legal Counsel, Everett Ohta, had an entire project and effort to ensure that all our record keeping was standardized - our processes, identify records, stewards, etc.

- *What kinds of records are we keeping?*
- *Where are we keeping them?*
- *Are we having duplicates?*

She was able to help put in a structure around records. Now, what the next phase for that is then to align electronically; *Where are those records kept?* So, part of the Contract Management function that

the Oracle Fusion project had is that on a go-forward-basis, all our contracts are going to be in one place - all our contracts, the deliverables, and goals.

Contract Management - there needs to be an organizational capability and capacity so that everyone is managing contracts with the best and most effective practices instead of *okay, you do this here* and then *I put my deliverable here*, or somebody attached it to the procurement. That kind of structure is part of work that we need to do to strengthen our internal capacity and reduce risk.

Trustee Ahu Isa: I just thought the CFO - because Contracts Management, you're dealing with many funds. So, I would think it would be under Finance and Treasury within the records, and not under General Counsel. It's just my question; the way it's structured.

Pouhana Hussey: The way it's structured is that under Corp. Counsel, they can give the general overall policy, procedure and then help the unit's implement those procedures and those record practices consistently. We know that everybody will have different record types. They'll have different data types and different levels of communication on the data. We don't want emails to be the record, we want to codify that in Contracts.

Once the contract is codified, we don't need to be keeping five different copies. Everybody keeps a copy of the contract and then nobody keeps up with the consistent update of the contract. So those kinds of processes are meant to be guided centrally and implemented in the unit closest to where it occurs. The compliance process is supposed to help us see the implementation, because once we have variation in input - imitation all over - then we increase the risk of that. Including - we can't find the deliverables, or we can't find the contract amendment, or anything like that. It is meant to standardize policy, procedure, and practice.

Trustee Ahu Isa: I see you have the Internal Audit under Board duties, now we're creating more tasks for the Board of Trustees.

I'm just going to say this to the lāhui, if you're watching this, that we are taking on a lot of responsibility, yet, the Governor has not appointed. I'm not saying we aren't going to get a raise this year, but I think one day to have responsibility that's full time or like the City Council, where we meet every week - which we are - and we should have the State tell us that.

Otherwise, we create our own and we pay our own from the Trust Fund, because it's like we're begging all the time. We're changing our whole reorganization even for the Board of Trustees - whoever is going to run next year, or people that are thinking of it.

I just want to say this openly, that we are a different Board; we're transparent and we're taking on more responsibility. I want that the lāhui to know this. Mahalo Sylvia, for bringing this up.

Trustee Lee: Sylvia, I have some questions about the endowment pieces. So, we have the Land and Commercial properties falling under the COO's house, and then the investments falling under the CFO's house.

Can you explain how those two houses are going to, or if they're going to work together?

Because if it's going to be a true endowment, then those three pieces must work in concert or it's not an endowment.

Pouhana Hussey: So, with that design intention in the back particularly because of the work of the Permitted Interaction Group and working, what this is - it represents currently, as policy changes, the policy of an endowment, then the position and the functions underneath, then we put that together.

So, for example, we are looking; in design work, you also look at what's a function to payroll, and what's the function to contract. In that we would consider; I think we have talked about in the Permitted Interaction Group, the function of an outsourced Chief Investment Officer.

Those concepts should come along with the T-level work that goes on because if the policy is expressed as such, then:

- *How does that policy work? ; and*
- *What kinds of functions do we need to be able to enable that policy?*

That it is listed here is definitely the "as is" condition, but to the extent that it changes based on policy and we implement, then we would change accordingly.

- *What is best to manage and monitor the function?*

Trustee Lee: So, you're saying that they're in the current houses that they're in, because that's how we're currently structured and if-and-when we come up with an endowment policy that states otherwise, then they may change houses to more accurately aligned to said, future policy. *Is that correct?*

Pouhana Hussey: Yes. Much better articulated than when I spoke.

Trustee Lee: Then my question is:

- *Why is it internal? We don't have a current policy. Well, actually, we do but I won't get into that until we get into Executive Session.*
- *Why is internal audit under the Board? Because currently, we do have internal audits, and it's not under the Board.*

Pouhana Hussey: So, for example, Internal Audit in a Publicly Traded Company - the internal audit function, that is in the Board's reporting structure. That it reports to the Audit Committee of the Board. Audit Committees are often composed of external Board members for the Audit Committee. That function is also a function that was recommended in the CLA report as well.

Practically, as a business function, Internal Audit function - in that context - is a direct report to the Board. The compliance function, which is the Administration companion piece of that - to look at all of the deeper processes throughout the organization - is the complimentary of the Board-level Internal Audit.

They would look at similar kinds of things, but definitely, an Internal Audit function would look at Governance; would be much more involved in Governance. When you have a co-source model, you have a hybrid. You will have an Internal Audit function that does Management level audits of the programs. For example, they will do the financial; they will participate with the financial audits, and

then the governance kinds of pieces. It is somewhat complementary, and then they overlap, but the focus is different. Especially, on the administration, making sure that our policies, procedures, and practices are aligned and operating not only optimally, but also consistently in terms of implementation.

Trustee Lee: *So, is it Administration's intent to direct the Board of Trustees to come up with policy, procedure, and process for an Internal Audit to have access?*

The Board of Trustees has no say over the workflow functions of the organization. That all falls under the CEO, our Administrator. If the Internal auditor is going to have a direct report to us, we can't put the work that they need to get done within the workflow that's getting done on a daily basis by staff because we don't have control over that; only the CEO has that.

So, is it your intention to have Trustees - to do that mountainous amount of work versus having the Internal Auditor under our one and only employee, because that one and only employee has a direct report to us?

Pouhana Hussey: Administration's intent of placing the Internal Audit function is to clearly delineate that this is a Board reporting level function. Working together - Internal Audit functions always work closely together with the Administration piece as well.

If the Board chooses to completely outsource the Internal Audit function, it's very common to outsource the Internal Audit function. We would help to write the scope, but the selection would basically be the Board's.

Pouhana Hussey: Implementing the Internal Audit function - the audit plans - one of the first things, for example, Internal Audit does is a Risk Assessment of the Organization. Where in the Organization does it pose most risk and therefore then construct audits around that area.

The same Risk Assessment that an Internal Audit function does is the same Risk Assessment that we have already identified. Our biggest risks at this point; are Grants, Contracts, and the Procurement process. Those three functions - pose to us risk and that's why on our side, we're going to be focusing on that anyway. That the internal auditor agrees with that or if that's something that the Board wants the Internal Auditor to look at something else. The Administration plans to cooperate and support that function to the extent desired.

Trustee Lee: So, short answer is yes. That is your intent for us to come up with all of that.

Pouhana Hussey: If it's there. If you want to put the Internal Audit function Administratively under the CEO, to be able to do that, and then have the Board approve - that can be structured that way as well. So that the function is depicted in the Board, but the implementation of the function to have Administration do that work - that's fine.

Trustee Lee: I'll yield the floor Mr. Chair.

Trustee Ahu Isa: Investment - you have it under the CFO; shouldn't that also answer to the Board of Trustees. I feel that the Chief Investment Officer should answer to the Board, because right now we have a situation where I cannot really talk to them, because we go through you - to talk to them. That person should really report to the Board on a more-timely-basis, than a couple quarters later on the

Investment strategies - instead of to the CFO. It's just a point I'm bringing up, I'm not fighting it or complaining. Thank you.

Pouhana Hussey: I understand.

Pouhana Hussey: There's one more slide I'd like to walk through, the Policy slide. I apologize Trustees that this is a very busy slide, but I wanted to share the reason the sequence of activities is coming to the Trustees.

So, we are in activity one, the Administration has designed the Reorganization. We've applied the principles, we've projected some of the change in plans, we have projected the implementation.

Then we prepared the Budget Management policies and so now we are coming to the Trustees for approval.

This workshop is action two - where the organization - all of that is being reviewed in anticipation of bringing forward an Action Item and a Budget Realignment next week. So, we are in activity two, with the Trustees taking a look at the binders, asking questions, and being advised by Counsel.

The intention is to get a direction as it relates to the reorganization, because then Administration will need to start implementing and implementation is projected to take months to do it. As well as the configuration of the Human Resources - is what also drives the organizational budgets.

Pouhana Hussey: We know that we have a responsibility by Chapter 10 to go out to beneficiaries regarding our Budgets. In order to do that, we would like Budget approvals by the middle of June to allow time for getting the Organization fiscally ready to open up with the new Budgets.

Of course, hopefully this week, or by the end of April, for sure, we will know about our General Funds. Then giving Trustees enough time to review the Budgets, to review all the new Budget planning construction and all of that. So that really puts us to this week in April to be able to have those discussions because when we send out the Budgets, we often send out the Organizational Charts that underlie, the payroll in those Budgets.

It is a sequence effort and along the line is also to take the opportunity - as Trustees are in the Community for Board Meetings. So, we're basically looking at the month of May to share information with Beneficiaries. Set up workshops, set up Zoom calls, to share the information, and get feedback from Beneficiaries, and then come back to the Board in another workshop.

Comprehensively - core, non-core, all the different funds, and then have time for the Board to receive their budget books. Then have a chance to talk with Administration about some of the nuances that are there, or if you don't see certain things, and you thought it was going to be there. That's activity eight, those workshops.

Last year, we had one, but we were prepared to schedule, as many as the Board felt was needed before we bring back the Action Item for the Board. That's why if you backwards map, again, from where Administration would like the Budget approvals, and then you backwards and map, it lands us here because the Reorganization is such a large piece of the forward action. That is a good pause point for Administration.

Trustee Keola Lindsey: I just want to clarify, though, number two on this slide. It says participate in workshop(s), plural. *Are we going to have another workshop like this as we continue to digest the reorg.?*

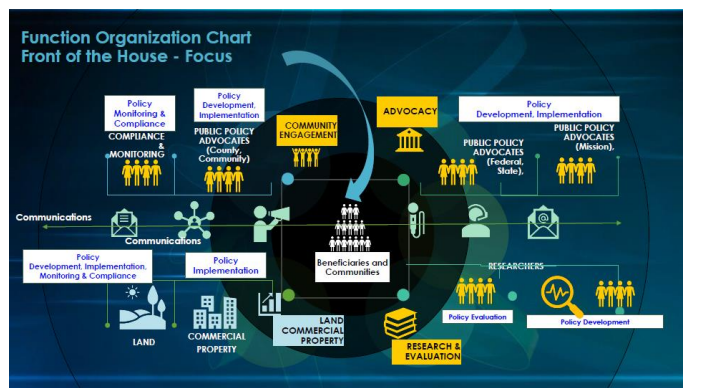
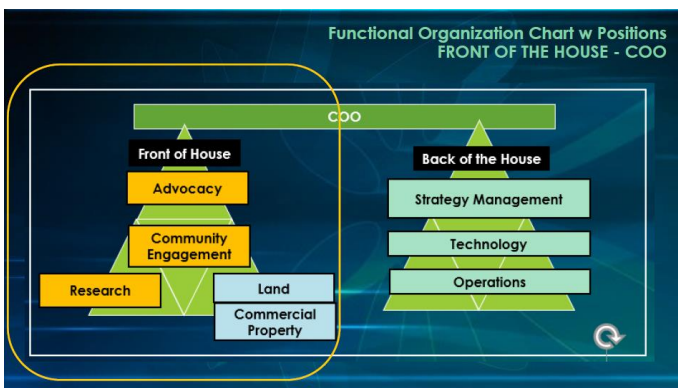
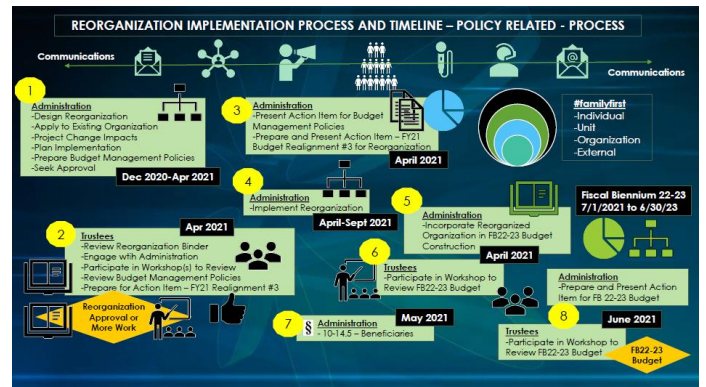
Pouhana Hussey: That depends on you today. If you feel that you need another workshop, that's totally up to you and that's why we put the (s) in the workshop(s).

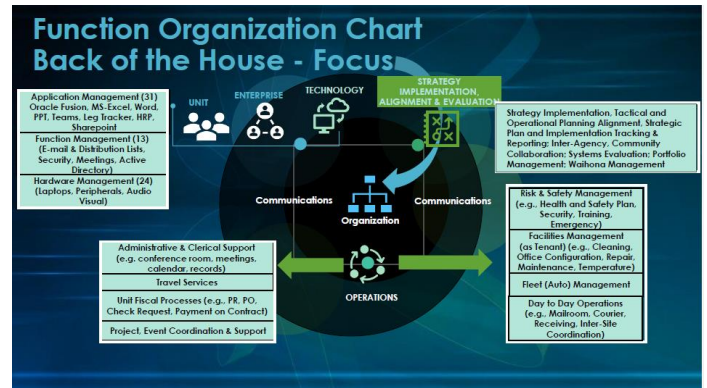
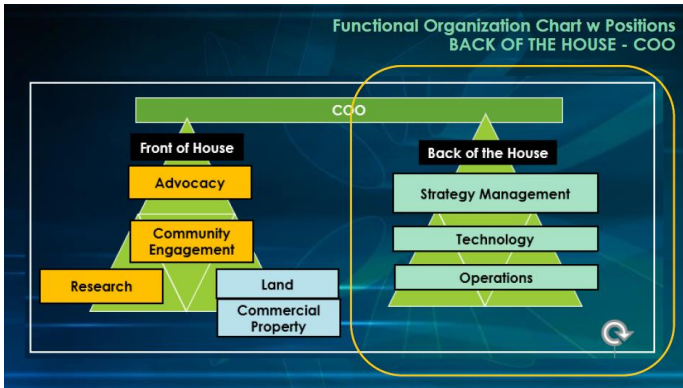
Trustee Lee: I do.

Trustee Keola Lindsey: I second that - I think I also would like another workshop. We're issuing that request now.

Trustee Hulu Lindsey: Yes, I think another workshop is good. This is all very new to the Trustees and we need to understand what our Agency is going to look like. Whether our CEO makes the decisions or not; the Trustees are responsible for the end result of the success of this. So, we need to thoroughly understand how this reorg. affects our Agency and also how it's impacting our employees. That's my mana'o.

Pouhana Hussey: Chair Waihe'e, we have our Counsel online. So, if the Trustees want to go into Executive Session, we have Counsel online - ready for that discussion.





Chair Waihe'e: Okay, members. We have scheduled an Executive Session if that's something you guys want to do. If you feel like you want to discuss matters that are more appropriate in an Executive Session, we can do that.

Trustee Lee: I actually have a question for you, Chair. There are questions I have that can only be asked in Executive Session. But given that, it seems like the sense of the Board is that we want at least another workshop on this. I'm wondering if maybe my questions would be better held off until we have another workshop - and the Trustees have more time to review and digest the binder. I will leave that with the Chair and if the Chair feels that that's more appropriate, then I would be willing to forego Executive Session for today's meeting.

Chair Waihe'e: We could do that; we could do it now and do it again. I mean, I don't know if maybe this committee thinks we've had a full day, or they want to put it off until the next one, that's fine too.

Trustee Hulu Lindsey: I think we should have Executive Session now and hear each other's questions so that we can move forward for the next workshop with the questions that are asked today.

VI. EXECUTIVE SESSION‡

Trustee Hulu Lindsey moves to resolve into Executive Session pursuant to HRS § 92-5(a)(4).

Trustee Akaka seconds the motion.

Chair Waihe'e asks if there is any discussion. There is none.

Chair Waihe'e calls for a **Roll Call Vote**.

TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	3:01 p.m. EXCUSED
LEINA'ALA	AHU ISA			X			
DAN	AHUNA			X			
KALEIHIKINA	AKAKA		2	X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'ĀINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
KEOLA	LINDSEY			X			
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				9	0	0	0

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

Chair Waihe'e notes for the record that all members present vote 'AE (YES) and the **MOTION CARRIES**.

The committee resolved into Executive Session at 3:01 p.m. to discuss:

VI. EXECUTIVE SESSION‡

A. WORKSHOP: Reorganization Purposes, Design, Application and Projected Outcomes

Consultation with Board Counsel Robert G. Klein Esq. Corporate Counsel Raina P.B. Gushiken Esq. and OHA Attorney Anna Elento-Sneed, Esq. regarding questions and issues pertaining to the Board's powers, duties, privileges, immunities and liabilities related to reorganization purposes, design, application and projected outcomes, pursuant to HRS § 92-5(a)(4).

The committee returned to Open Session at 4:44 p.m.

VII. ANNOUNCEMENTS

Chair Waihe'e reports that the Committee met in Executive Session to discuss the Reorganization and did not take any action.

VIII. ADJOURNMENT

Trustee Hulu Lindsey moves to adjourn the RM meeting.

Vice Chair Alapa seconds the motion.

Chair Waihe'e asks if there is any discussion. There is none.

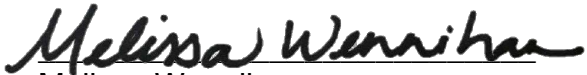
Chair Waihe'e calls for a **ROLL CALL VOTE**.

TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	4:46 p.m. EXCUSED
LEINA'ALA	AHU ISA						Departed at 4:30 p.m.
DAN	AHUNA						Departed at 4:06 p.m.
KALEIHIKINA	AKAKA			X			
KELI'I	AKINA			X			
VICE-CHAIR LUANA	ALAPA			X			
BRENDON KALEI'AINA	LEE			X			
CARMEN HULU	LINDSEY	1		X			
KEOLA	LINDSEY			X			
CHAIR JOHN	WAIHE'E			X			
TOTAL VOTE COUNT				7	0	0	2

MOTION: [X] UNANIMOUS [] PASSED [] DEFERRED [] FAILED

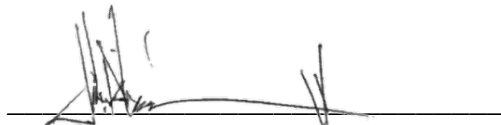
Chair Waihe'e adjourns the RM meeting at 4:46 p.m.

Respectfully submitted,



Melissa Wennihan
Trustee Aide
Committee on Resource Management

As approved by the Committee on Resource Management (RM) on May 25, 2021.



Trustee John Waihe'e, IV
Chair
Committee on Resource Management