

**STATE OF HAWAI'I
OFFICE OF HAWAIIAN AFFAIRS
560 No. Nimitz Highway, Suite 200
Honolulu, HI 96817**

**Minutes of the Office of Hawaiian Affairs Committee on Resource Management
Thursday, September 29, 2016 9:30 a.m.**

ATTENDANCE:

TRUSTEE COLETTE MACHADO, CHAIR
TRUSTEE HAUNANI APOLIONA, VICE-CHAIR
TRUSTEE LEI AHU ISA
TRUSTEE DAN AHUNA
TRUSTEE ROWENAT AKANA
TRUSTEE PETER APO
TRUSTEE CARMEN HULU LINDSEY
TRUSTEE ROBERT LINDSEY
TRUSTEE JOHN WAIHEE

ADMINISTRATION STAFF:

KAMANA O'OPONO CRABBE, CEO
LISA VICTOR, COO
HAWLEY IONA, CFO
ERNIE KIMOTO
JOHN KIM
RAINA GUSHIKEN
MILES NISHIJIMA
DYLAN ZHENG
LISA WATKINS-VICTORINO
KAWIKA RILEY
STERLING WONG
GLORIA LI
MEHANA HIND

EXCUSED:

BOT STAFF:

DAYNA PA
LAURENE KALUAU-KEALOHA
U'ILANI TANIGAWA
LIANA PANG
CLAUDINE CALPITO
DAVIS PRICE
MAKANA CHAI
LOUISE YEE-HOY
LEHUA ITOKAZU
LADY ELIZABETH GARRET

GUESTS:

RODNEY LEE, SPIRE
MARIA SU
LUCAS SAYIN
LANI NAKAZAWA
SIERRA BAKER
SHEREEN BAKER

I. CALL TO ORDER

Chair Colette Machado – Called to order the Fiscal Sustainability Plan Workshop of the Committee on Resource Management for Thursday, September 29, 2016, at 9:33 a.m.

Trustee	Present	Excused/ Absent	Comments
TRUSTEE LEI AHU ISA	X		
TRUSTEE DAN AHUNA	X		
TRUSTEE ROWENA AKANA	Not present at time of roll		
TRUSTEE PETER APO	X		
TRUSTEE HAUNANI APOLIONA	X		
TRUSTEE HULU LINDSEY	X		
TRUSTEE ROBERT LINDSEY	X		

TRUSTEE JOHN	WAIHE'E	Not present at time of roll	
CHAIR COLETTE	MACHADO	X	
TOTAL		7	2
At the Call to Order, there are seven (7) Trustees that are Present.			

II. APPROVAL OF MINUTES

A. July 27, 2016

Chair Machado – Sought a motion to approve the RM minutes of July 27, 2016 as presented.

Trustee Ahuna – Moved to approve the RM Committee minutes of July 27, 2016.

Trustee Apoliona – Seconded the motion.

Chair Machado – Asked for discussion on the minutes. Hearing none, called for the vote.

Minutes approved by RM at 9:35a.							
TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA/ABSTAIN	EXCUSED/ABSENT	
LEI AHU ISA			X				
DAN AHUNA	X		X				
ROWENA AKANA	Not present at time of vote						
PETER APO			X				
HAUNANI APOLIONA		X	X				
HULU LINDSEY			X				
ROBERT LINDSEY			X				
JOHN WAIHEE	Not present at time of vote						
CHAIR COLETTE MACHADO			X				
TOTAL VOTE COUNT			7	0	0		2
MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED							
Motion passes with seven (7) YES votes, none (0) NO votes, none (0) abstentions, two (2) excused/absent.							

III. COMMUNITY CONCERNS*

None

IV. EXECUTIVE SESSION**

Chair Machado – Asked to entertain a motion to recuse ourselves into executive session pursuant to HRS§ 92-5(a)(4).

Trustee Ahuna – Motioned to resolve into executive session to approve executive session minutes of June 22, 2016 and to consult with OHA Corporate Counsel Ernie Kimoto, Esq. on questions and issues pertaining to the Board of Trustees’ powers, duties, privileges, immunities and liabilities regarding Office of Hawaiian Affairs’ Fiscal Sustainability Plan Presentation by SPIRE Hawaii LLP pursuant to HRS§ 92-5(a)(4).

Trustee Apoliona – Seconded the motion.

Chair Machado – Asked for discussion. Hearing none, called for a vote.

Approved to move into executive session at 9:36 a.m.						
TRUSTEE	1	2	‘AE (YES)	A’OLE (NO)	KANALUA/ ABSTAIN	EXCUSED/ ABSENT
LEI AHU ISA			X			
DAN AHUNA	X		X			
ROWENA AKANA	Not present at time of vote					
PETER APO			X			
HAUNANI APOLIONA		X	X			
HULU LINDSEY			X			
ROBERT LINDSEY			X			
JOHN WAIHEE	Not present at time of vote					
CHAIR COLETTE MACHADO			X			
TOTAL VOTE COUNT			7	0	0	2
MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED Motion passes with seven (7) YES votes, none (0) NO votes, none (0) abstentions, two (2) excused.						

Meeting resolved into Executive Session at 9:36 am.

Meeting of the Committee on Resource Management transitioned out of Executive Session and into Open Session at 11:12 a.m.

Trustee Waihe’e left the room at 11:12 a.m.

Chair Machado – I’m going around the table and have the Trustee’s express and share what they’ve got over the last four days, that we’ve committed ourselves to review and work with Rodney. You can see how much time went into it and it’s been good.

Trustee Hulu Lindsey – Are you taking minutes?

Chair Machado – I’m not taking minutes, I just want your folks mana’o for feedback. Four days, come on now.

Trustee Hulu Lindsey – I think he did really a lot of work, but for us that are not accountants, to me it takes me awhile to digest the complexity, but it helps us to learn. We have to follow it and need him to guide us.

Trustee Akana – We have to follow it, that’s what’s hard, because we get emotional around the table.

Rondey Lee – It's not the normal subject.

Chair Machado – Rodney, I feel indebted to you because you took a very complex matter and had gotten feedback about trying to do forensics and from what you did on the dashboard and the charts and files created, I cannot even begin to look at how many hours you spent with your staff. I just wanted the Trustee's to weigh in a little bit about how they felt after all this time on information we received and how we would like to see it going to the next step to move it on.

Trustee Apo – I feel real good about it in this respect, I think one is that because.....

Trustee Robert Lindsey – I really feel that the four sessions were worthwhile and educational, but for me it was kind of like, I think when I was at KS, KPG took us through a similar process and it's a good process. You know I know that KS continues to use some of the elements that you folks have been sharing with us. So, I look forward to creating that culture and reaching that discipline that you folks talked about today. Thank you Rodney to you and your team.

Rodney Lee – Mahalo for giving us the chance to so.

Trustee Robert Lindsey – And like Trustee Machado mentioned, being able to take very complex concepts and boiling it down and putting it on the table, so that it's understandable and clear.

Trustee Apo – What I started to say is that, I think the framework that's been created is really really great, but because it's still at Trustee level through Rodney, we have independent capacity. The RM committee now with the consultant has an opportunity to go into the framework and be able to extrapolate as needed, as opposed to putting it on a (inaudible) and what's important is it gives us the ability at our level to be able to extrapolate the information as we need and demand it and maybe the further work that SPIRE will be doing in trying to do a sub framework, I don't know that is Trustee oriented. I'm very happy.

Chair Machado – And no matter what happens, the RM committee consultant is SPIRE, so he'll be able to help trigger those vulnerable finds and then the review triggers to see if we're meeting it to. That part will never change on the RM structure and that you'll still be associated as the consultant for the financial part.

Trustee Apoliona – We're going to take a combination of administration & Trustee's working together, it can't be without it. And I will reserve the rest of my comments, as we see the rest of it roll out, because now is the phase of the implementing into something. Fresh and inspiring, so I reserve my comment. I am hopeful,.

Rodney Lee – Hopefully it provides the board a tool to review and consider all of the options when presented with a proposal. That's the end

Trustee Akana – That is so valuable to have this tool before we make a deal.

Trustee Apoliona – No more flip it decisions.

Rodney Lee – Now you'll look at the entirety and understand if I choose "A", what happens to "M" down the line.

Chair Machado – I also want to acknowledge that because of Hawley's and her teams cooperation and their relationship with SPIRE, we've been able to cover tremendous materials and years of background work and you keep acknowledging that, so I appreciate that Hawley and Kamana'o that you folks had that relationship provided to SPIRE.

Rodney Lee – Yes, they’ve been instrumental, there were at times, when I had to project manage internally all of the requests, pages and pages of requests that we sent through. As well as endless hours of clarifying our requests to the staff itself. So, we want to thank them too.

Ka Pouhana Crabbe – I think at the point we’re at now, it’s heading OHA in the right direction, I think these are issues that we’ve been dealing with, but to take out a large look at where we are at and where we want to be, I think this provides good guidance, it terms of managing our assets and then setting goals for OHA. Setting goals for where we want to be and how much more discipline, needs to be processed in the framework.

Rodney Lee – Thank you for the opportunity, we’re honored that we we’re able to help. I also want to thank my team; I’ve put them through the ringer and back. Without my team, I couldn’t have done it.

Chair Machado – So Hawley, the 12th is sufficient. I’ve started it which is a half of the battle.

Trustee Hulu Lindsey – We have a meeting on the 6th?

Chair Machado – On the 6th is a BOT, on the 5th we don’t have.

V. BENEFICIARY COMMENTS*

None

VI. ANNOUNCEMENTS

None

VII. ADJOURNMENT

Chair Machado – Asked for a motion to adjourn the meeting.

Trustee Apoliona – Motioned to adjourn the meeting.

Trustee Apo – Seconded the motion.

Chair Machado – Asked for discussion. Hearing no objections, called for the vote.

Approved to adjourn meeting at 11:12a.							
TRUSTEE		1	2	‘AE (YES)	A’OLE (NO)	KANALUA/ ABSTAIN	EXCUSED/ ABSENT
LEI	AHU ISA			X			
DAN	AHUNA						X
ROWENA	AKANA			X			
PETER	APO		X	X			
HAUNANI	APOLIONA	X		X			
HULU	LINDSEY			X			
ROBERT	LINDSEY			X			
JOHN	WAIHEE	Not present at time of vote					
CHAIR COLETTE	MACHADO			X			
TOTAL VOTE COUNT				7	0	0	2
MOTION: [] UNANIMOUS [X] PASSED [] DEFERRED [] FAILED							

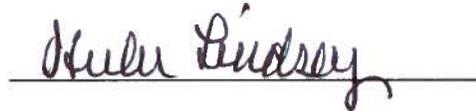
Motion passes with seven (7) YES votes, none (0) NO votes, none (0) abstentions, two (2) excused/absent.

The meeting of the Committee on Resource Management adjourned at 11:12 a.m.

Respectfully submitted,



Laurene Kaluau-Kealoha, Aide
Committee on Resource Management



Trustee Hulu Lindsey, Chair
Committee on Resource Management

Approved: RM Committee meeting on January 4, 2017.