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Committee on Beneficiary Advocacy and Empowerment
Trustee Robert K. Lindsey, Jr., Hawai'i, *Chair*
Trustee Dan Ahuna, Kaua'i / Ni'ihau, *Vice-Chair*
Members
Trustee Leina'ala Ahu Isa, At-Large
Trustee Rowena Akana, At-Large
Trustee Keli'i Akina, At-Large
Trustee Peter Apo, O'ahu
Trustee Carmen Hulu Lindsey, Maui
Trustee Colette Y. Machado, Moloka'i / Lāna'i
Trustee John Waihe'e, IV, At-Large

STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 N. NIMITZ HIGHWAY, SUITE 200
HONOLULU, HAWAII 96817

Committee on Resource Management
Trustee Carmen Hulu Lindsey, Maui, *Chair*
Trustee John Waihe'e, IV, At-Large, *Vice-Chair*
Member:
Trustee Leina'ala Ahu Isa, At-Large
Trustee Dan Ahuna, Kaua'i / Ni'ihau
Trustee Rowena Akana, At-Large
Trustee Keli'i Akina, At-Large
Trustee Peter Apo, O'ahu
Trustee Robert K. Lindsey, Jr., Hawai'i
Trustee Colette Y. Machado, Moloka'i / Lāna'i

JOINT MEETING OF THE
COMMITTEE ON RESOURCE MANAGEMENT AND
THE COMMITTEE ON BENEFICIARY ADVOCACY AND EMPOWERMENT

DATE: Wednesday, March 7, 2018
TIME: 9:00 AM
PLACE: Maui Ola Boardroom
Nā Lama Kukui
560 N. Nimitz Highway
Honolulu, Hawai'i 96817

18 MAR -1 P.3:49
LIEUTENANT GOVERNOR'S
OFFICE

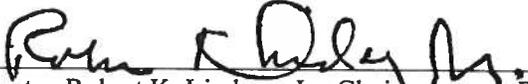
AGENDA

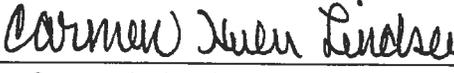
- I. Call to Order
- II. Public Testimony*
- III. Approval of Minutes
 - A. November 29, 2017
- IV. New Business
 - A. Public informational briefing on the potential sale of Kaka'ako Makai Parcel Lot I, TMK (1) 2-1-015:061, to the City and County of Honolulu †
 - B. Action Item RM/BAE #18-01 - Authorization for OHA CEO/Administration to continue Kaka'ako Lot I sale negotiations with the City & County of Honolulu and approval of legislative resolution related to potential sale of Kaka'ako Makai Lot I, TMK (1)2-1-015:061, to the City and County of Honolulu †
- V. Executive Session**
 - A. Consultation with Attorney Randall Sakumoto, Esq. and Board Attorney Robert G. Klein, Esq. pertaining to the OHA Board of Trustees' powers, privileges, immunities, and liabilities regarding the potential Sale of Kaka'ako Makai Parcel Lot I, TMK (1) 2-1-015:061, to City & County of Honolulu. Pursuant to HRS section 92-5(a)(4).
- VI. Community Concerns*
- VII. Announcements
- VIII. Adjournment

*Notice: Persons wishing to provide written testimony are requested to submit thirteen (13) copies of their testimony to the OHA Puhana / CEO at 560 N. Nimitz Highway, Suite 200, Honolulu, HI 96817 or fax to 594-1868, or email BOTmeetings@oha.org 48 hours prior to the scheduled meeting. Persons wishing to testify orally at the meeting may do so within a five (5) minute limit.

**Notice: This portion of the meeting will be closed pursuant to HRS §92 -5.

† Notice: The 72 Hour rule, pursuant to OHA Operations Guide, may be waived for distribution of new committee materials.

 3/1/2018
Trustee Robert K. Lindsey, Jr., Chair Date
Committee on Beneficiary Advocacy and Empowerment

 3/1/2018
Trustee Carmen Hulu Lindsey, Chair Date
Committee on Resource Management

**STATE OF HAWAI'I
OFFICE OF HAWAIIAN AFFAIRS
560 N. Nimitz Hwy, Suite 200
HONOLULU, HI 96817**

**Minutes of the Office of Hawaiian Affairs Joint Committee on Resource Management and
Beneficiary Advocacy and Empowerment
March 7, 2018
9:00am**

ATTENDANCE:

Trustee Lei Ahu Isa
Trustee Dan Ahuna
Trustee Rowena Akana
Trustee Keli'i Akina

Trustee Robert Lindsey
Trustee Colette Machado
Trustee Carmen Hulu Lindsey
Trustee John Waihe'e, IV

STAFF PRESENT:

Kamanaopono Crabbe, CEO
Albert Tiberi
Alvin Akee
Carol Hoomanawanui
Claudine Calpito
Daniel Santos III
David Laeha, CFO
Davis Price
Dayna Pa
Everett Ohta
Jim McMahan
Jocelyn Doane
Kai Markell
Kama Hopkins
Kauikeaolani Wailehua

Kawika Riley
Kiai Lee
Lehua Itokazu
Lady Elizabeth Garrett
Laurene Kaluau-Kealoha
Liana Pang
Lisa Victor, COO
Lopaka Baptiste
Max Mukai
Melissa Wennihan
Miles Nishijima
Nathan Takeuchi
Scott Hayashi
Sterling Wong
Paul Harleman

GUESTS:

Germaine Meyers
Stephanie Sofos
Jim Hallstrom
Ross Tanimoto
Kathleen Kelly
Randall Sakumoto
Tim Houghton
Lori Kahikina
Landen Paikai
Sam Chung

I. CALL TO ORDER

Chairperson Hulu (H.) Lindsey – Calls the Joint Committee on Resource Management and Beneficiary Advocacy and Empowerment to order at 9:05 am, recognizing fellow Chairperson Robert Lindsey, and noting that Trustee Peter Apo is excused from the meeting.

Chairperson H. Lindsey notes that the following trustees are present:

		Present	Excused	Comments
TRUSTEE LEI	AHU ISA	X		
TRUSTEE DAN	AHUNA	X		
TRUSTEE ROWENA	AKANA	X		
TRUSTEE KELI'I	AKINA	X		
TRUSTEE PETER	APO		X	
TRUSTEE ROBERT	LINDSEY	X		
TRUSTEE COLETTE	MACHADO	X		
TRUSTEE JOHN	WAIHE'E	X		
CHAIRPERSON HULU	LINDSEY	X		
TOTAL		8	1	
At the Call to Order, there are eight (8) Trustees PRESENT and one (1) EXCUSED.				

II. PUBLIC TESTIMONY

None.

III. APPROVAL OF MINUTES

Chairperson H. Lindsey calls for a motion to approve the minutes.

Trustee John Waihee IV, moves to approve the minutes of Joint RM & BAE Committee Meeting November 29, 2017.						
Trustee Lei Ahu Isa seconds the motion.						
	1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED

TRUSTEE LEI	AHU ISA		X	X		
TRUSTEE DAN	AHUNA			X		
TRUSTEE ROWENA	AKANA			X		
TRUSTEE KELI'I	AKINA			X		
TRUSTEE PETER	APO					X
TRUSTEE ROBERT	LINDSEY			X		
TRUSTEE COLETTE	MACHADO			X		
TRUSTEE JOHN	WAIHE'E	X		X		
CHAIRPERSON HULU	LINDSEY			X		
TOTAL VOTE COUNT				8		1
MOTION: [] UNANIMOUS [x] PASSED [] DEFERRED [] FAILED						
Motion passes with eight (8) YES votes and one (1) EXCUSED.						

IV. NEW BUSINESS

Chairperson H. Lindsey seeks for a 72-hour waiver on item IV. B. RM-BAE 18-01.

Trustee John Waihee IV, seeks for a motion for a 72-hour waiver for item IV. B. RM-BAE 18-01 Authorization for OHA/Administration to continue Kakaako Lot I sale negotiations with the City & County of Honolulu and approval of legislature resolution related to potential sale of Kakaako Makai Lot I, TMK (1)2-1-015:061, to the City & County of Honolulu.						
Trustee Keli Akina seconds the motion.						
		1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)
TRUSTEE LEI	AHU ISA			X		
TRUSTEE DAN	AHUNA			X		
TRUSTEE ROWENA	AKANA			X		
TRUSTEE KELI'I	AKINA	X		X		
TRUSTEE PETER	APO					X
TRUSTEE ROBERT	LINDSEY			X		
TRUSTEE COLETTE	MACHADO			X		
TRUSTEE JOHN	WAIHE'E	X		X		

CHAIRPERSON HULU LINDSEY			X			
TOTAL VOTE COUNT			8			1
MOTION: [] UNANIMOUS [x] PASSED [] DEFERRED [] FAILED Motion passes with eight (8) YES votes and one (1) EXCUSED.						

A. Public informational briefing on the potential sale of Kakaako Makai Parcel Lot I, TMK (1) 2-1-015:061, to the City and County of Honolulu

Chairperson H. Lindsey calls on CEO Crabbe and Miles Nishijima to address IV. New Business Item A.

CEO Crabbe introduces Miles to present on the matter at hand.

Miles Nishijima informs the Board that in the event of a sale of any ceded lands there is a resolution required to be introduced to the Hawaii State Legislature by March 9, 2018. He refers to **Attachment A.** for the rest of his presentation of KM Lot I.

Trustee Ahu Isa asks how long has admin been negotiating with the City and County.

CEO Crabbe responds saying that they have only been in discussion since 2015 about the potential sale.

Trustee Ahu Isa says that she as a Trustee has never heard this discussion before this agenda. Can the City and County (the City) use imminent domain and take it from OHA?

Miles Nishijima says yes but it is an important step for the City to take and grow East Honolulu.

Trustee Akana asks if OHA admin has discussed price or an exchange of land so OHA won't end up with imminent domain.

Miles Nishijima says they have been in discussion of various forms of compensation for these lands.

Trustee Akana says that if we cannot come up with a way to make this deal happen, they will condemn the land.

Trustee Machado asks if the City has received federal funding for this deal.

Miles Nishijima confirms that they have but the City can explain more about the deal soon when they come to the table.

Chairperson H. Lindsey calls upon the city to make their presentation to the RM committee.

Miles Nishijima introduces Lori Kahikina as the Director of the Department of Environmental Services who will do the presentation on behalf of the City.

Lori Kahikina she refers to the first slide of the presentation which is below. She outlines the existing pump station and trunk line system.

Piping



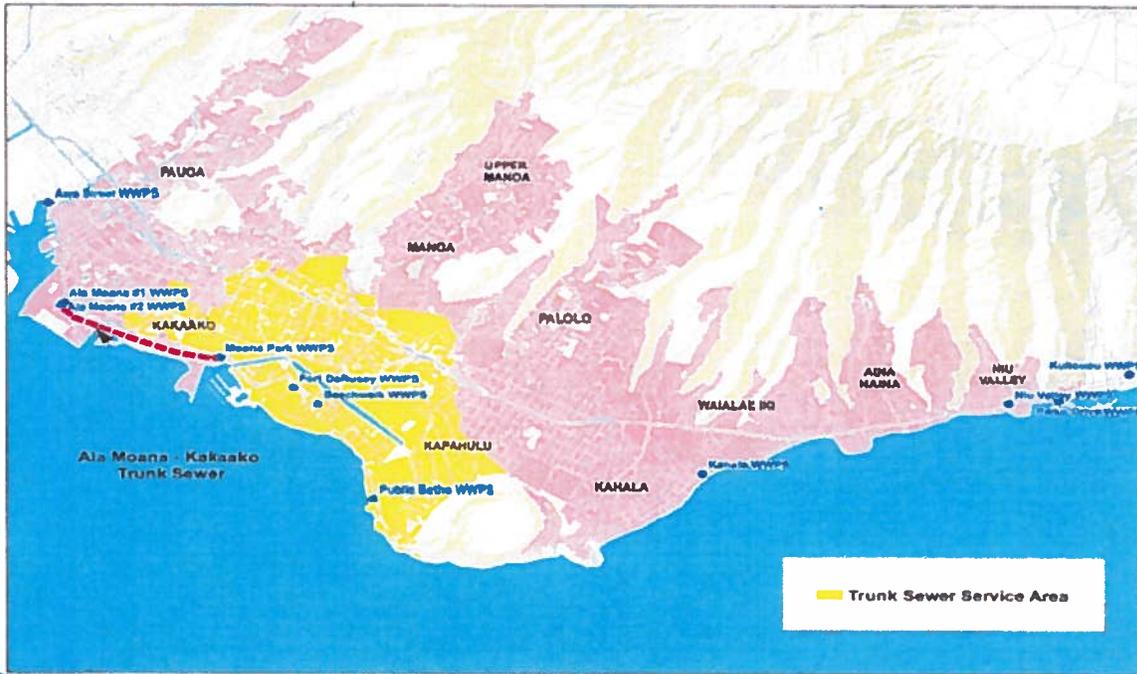
She refers to the next slide below, where she outlines the service areas that the pump stations serve, which is from Niu Valley to Pauoa, which is almost half of all the users the City services.

Ala Moana WWPS Service Area



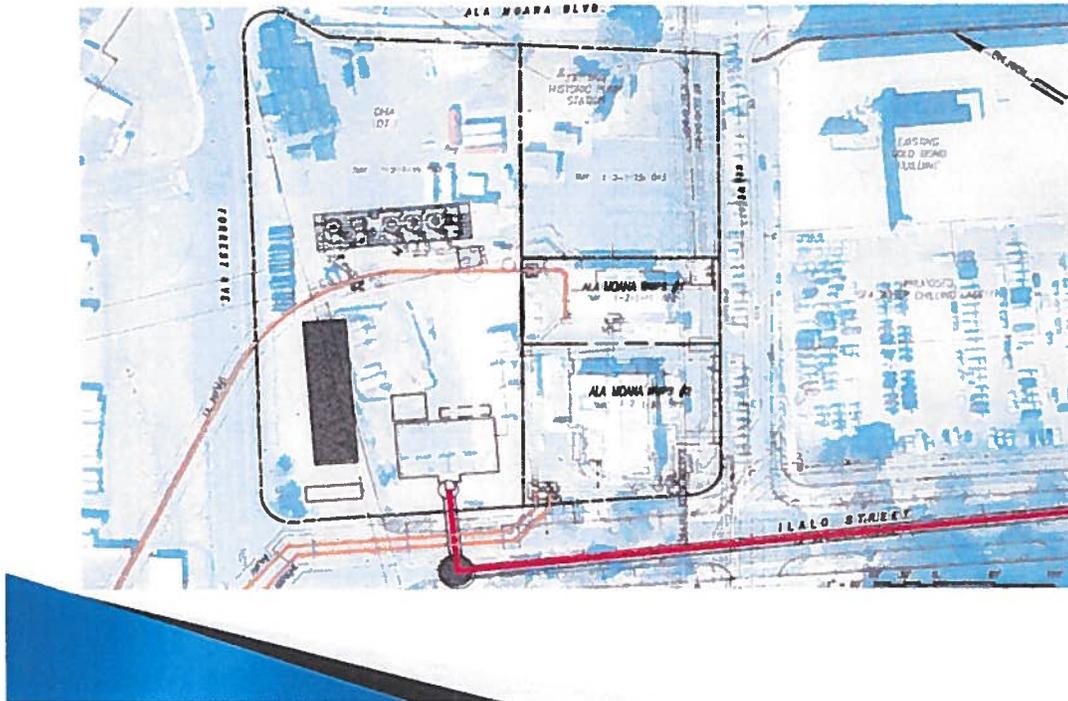
She refers to the next slide below where she outlines the plans moving forward. She refers to the red dotted line in the slide below which represents a major sewer tunnel that will run from Waikiki or Ala Moana to the KM Lot I pump station.

Trunk Sewer Service Area



She refers to the last slide below where she outlines the preliminary sketch of Lot I and the pump station which will be built on this site.

Lot I Development



Trustee Akina asks what percentage the actual pump station building will take up on the 3.3 acre property.

Lori Kahikina says that the pump station building will take up half of the property, and the rest will be landscaped.

Trustee Ahuna asks what kind of revenues the City will be making once the plant is up and running.

Lori Kahikina replies that it is not really generating revenue, she does say that this pump station will allow for all the development in KM to take place once it is completed.

Trustee Ahuna asks what are the sewage fees the City will receive from this new infrastructure?

Tim Houghton is the Deputy Director for the Department of Environmental Services, and says they currently receive about \$357 million a year in sewer revenues, paid for by the residents that they serve. He says that every additional unit that is occupied in the developing KM area will increase that number.

Trustee Ahuna asks that after every development in KM what would be the connection cost for the developers to this new sewage system.

Tim Houghton says that it would be \$6600 per unit per development, but some development would get credits depending on the project.

Lori Kahikina says that the proposed tunnel and pump station is going to cost over \$650 million.

Tim Houghton mentions that the City will not receive any federal dollars for this project.

Trustee Akana says since the developers cannot build until they hook up to the new system, why isn't OHA charging for a portion of the connection revenues. She says the sewage fees are too high and the City should be sued by the residents.

Lori Kahikina says that there is a base price for all residents to pay, and water usage will increase the cost of sewage fees.

Trustee Ahuna asks that if this is ceded lands, shouldn't 20% of the revenues be given to OHA? When we sell the land will the 20% revenue to OHA take place?

Lori Kahikina says that is not a question for the City.

CEO Crabbe asks that the action item does involve the legislature and there are some Public Land Trust (PLT) implications.

Trustee Ahuna says we need to be looking at Lot I as a perpetual asset rather than a one-time sale.

CEO Crabbe says that is for deliberation for the Board, but administration believes OHA is at the point of sale.

Trustee Ahuna says that he wants to make sure that facility will keep our waters safe for the people.

Lori Kahikina says that the pump station will provide pressurized flow, but most of the system is run by gravity. She says that this project will eliminate the Waikiki pump station.

Trustee Machado asks if there are other properties for which the City has looked in to other than Lot I.

Lori Kahikina says they have and refers back to the last slide of the presentation where she outlines that the infrastructure is extremely expensive, but a lot of the infrastructure exists with the KM Lot I site in mind.

Trustee Waihee asks if the PLT revenues will apply to any sales from one government agency to another.

CEO Crabbe confirms.

Trustee Ahu Isa is concerned that OHA is not getting a good deal.

Trustee Robert (R.) Lindsey says that Page 2 paragraph 5 of the action item is says that original conversations with the City were about a lease agreement between OHA and the City, and asks for a reason as to why OHA is now at a fee simple arrangement.

CEO Crabbe says we should go in to executive session to discuss this.

Chairperson H. Lindsey suggest the committee excuse themselves in to executive session.

Trustee Dan Ahuna moves to excuse the RM Committee into executive session pursuant to HRS Section 92-5(a)(4) to discuss with Board’s attorney the Board’s powers, duties, privileges, immunities, and liabilities. to adjourn the meeting. Trustee Colette Machado seconds the motion.							
		1	2	‘AE (YES)	‘A‘OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI	AHU ISA			X			
TRUSTEE DAN	AHUNA	X		X			
TRUSTEE ROWENA	AKANA			X			
TRUSTEE KELI‘I	AKINA			X			
TRUSTEE PETER	APO						X
TRUSTEE ROBERT	LINDSEY			X			
TRUSTEE COLETTE	MACHADO		X	X			
TRUSTEE JOHN	WAIHE‘E			X			
CHAIRPERSON HULU	LINDSEY			X			
TOTAL VOTE COUNT				8			1
MOTION: [] UNANIMOUS [<input checked="" type="checkbox"/>] PASSED [] DEFERRED [] FAILED							
Motion passes with eight (8) YES votes and one (1) EXCUSED.							

Trustee John Waihee IV moves to go back in to Regular Session pursuant to HRS 92-4, HRS 92-05(a)(3). And/or HRS 92-5(a)(4).

Trustee Colette Machado seconds the motion.

	1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI AHU ISA			X			
TRUSTEE DAN AHUNA			X			
TRUSTEE ROWENA AKANA			X			
TRUSTEE KELI'I AKINA			X			
TRUSTEE PETER APO						X
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE COLETTE MACHADO		X	X			
TRUSTEE JOHN WAIHE'E	X		X			
CHAIRPERSON HULU LINDSEY			X			
TOTAL VOTE COUNT			8			1

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

Motion passes with eight (8) YES votes and one (1) EXCUSED.

Chairperson H. Lindsey calls for the action item.

Trustee John Waihee IV moves to authorize and approve OHA CEO/Administration to continue Kakaako Lot I, TMK (1)2-1-015:061 sale negotiations with the City and County of Honolulu and approval of the introduction of a legislative resolution related to potential sale of Kakaako Makai Lot I, TMK (1)2-1-015:061.

Trustee Colette Machado seconds the motion.

	1	2	'AE (YES)	'A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI AHU ISA			X			
TRUSTEE DAN AHUNA			X			
TRUSTEE ROWENA AKANA			X			
TRUSTEE KELI'I AKINA			X			
TRUSTEE PETER APO						X

TRUSTEE ROBERT LINDSEY			X			
TRUSTEE COLETTE MACHADO		X	X			
TRUSTEE JOHN WAIHE'E	X		X			
CHAIRPERSON HULU LINDSEY			X			
TOTAL VOTE COUNT			8			1
MOTION: [] UNANIMOUS [x] PASSED [] DEFERRED [] FAILED						
Motion passes with eight (8) YES votes and one (1) EXCUSED.						

Chairperson H. Lindsey calls for any discussion to the motion.

Trustee Ahu Isa asks if the resolution will be a vehicle and be amended later?

CEO Crabbe says yes.

Chairperson H. Lindsey says that it needs to be introduced and has been given to the legislature. She calls for the roll call vote as seen above.

IV. COMMUNITY CONCERNS

Germaine Meyers says, “Aloha Chair, my name is Germaine Meyers, I am an OHA beneficiary and for Beneficiary Advocacy and Empowerment, and a Nanakuli Hawaiian Homestead Lessee. I understand that the Board has taken a motion in order to approve the, has approved the today’s agenda item, but I will wait until public testimony at the Board of Trustees meeting to provide my testimony about how I feel about that. I would like to set the record straight, 25 Kulia Initiatives were awarded, not 22 as Chair Colette Machado stated in the Star Advertiser on Sunday February 25. In honor of my friend Mary Kaiulani Wilhelm who passed away last month, I would like to discuss one of the three Kulia Initiatives that was missing from Chair Machados list. Grant agreement between the Akamai Foundation and the OHA for the use and benefit of a Nai Aupuni. This grant agreement is made as of the 27th day of April 2015, by and between the Akamai Foundation grantee and the OHA grantor for the use and benefit of Nai Aupuni, whereas OHA was established to better the conditions of native Hawaiians and Hawaiians, as defined in HRS Sections Chapter 10. Whereas, OHA Board of Trustees in HRS Section Chapter 10. Whereas Board of Trustees Executive Policy 131 Delegates authority to the OHA CEO to negotiate, approve, award, and execute contract agreements, grants, warrants, and other binding legal documents and instruments on behalf of OHA. I ask myself, if this grant emphasize, emphasis on grant was authorized by the CEO, 1. Why didn’t the CEO insure that the state auditor and report 18-03 include this grant in its

report? And number 2. Did the grantee execute the scope of services within the projected time table? Akamai Foundation has committed to direct the use of the funds pursuant to the Fiscal Sponsorship agreement to allow Hawaiians to pursue self-determination and whereas OHA has committed to allow the use of the grant by Akamai Foundation for the benefit of Nai Aupuni under the terms and conditions that allow Hawaiians to pursue self-determination. The funds that were allocated, OHA will periodically transfer to Akamai Foundation a total of \$2,598,000. The projected time table was committed to completing the scope of services was 15 months following the date of this agreement. On April 27th, 2015 it was the date the agreement was executed. 15 months to execute the scope of services, which means July 27th, 2016. What were the scope of services? And were they completed by July 27th, 2016? The scope of services stated would 1. Facilitate an election of delegates, 2. Election and referendum monitoring, 3. A governance Aha, 4. A referendum to ratify any recommendation of the delegates arising out of the Aha, and number 5. The scope of services represents the internal affairs of the Hawaiian community and thus will not exclude those Hawaiians who have enrolled and have been verified by the native Hawaiian roll commission. Did I read this correctly? Did the scope of services that “represent the internal affairs of the Hawaiian community include certain Hawaiians, Hawaiians who have enrolled and have been verified by the native Hawaiian roll commission and included the rest of the native Hawaiians and Hawaiians? I am a native Hawaiian and a lessee of Hawaiian Homelands, but I am not enrolled and verified by the native Hawaiian roll commission. That means OHA awarded a grant for \$2.6 million and excluded me a native Hawaiian OHA beneficiary. They granted autonomy, they granted un-monitoring, and they granted other things in this legal document. I will await till the next time in order to expand on how I want to memorialize my friend, Kaulani. E hana kakou.”

Stephanie Stofos testifies in support of the sale of Lot I in Kakaako.

V. ANNOUNCEMENTS

Chairperson H. Lindsey announces that the BAE meeting will take place immediately upon adjournment.

VI. ADJOURNMENT

Trustee John Waihee IV moves to adjourn the meeting. Trustee Colette Machado seconds the motion.							
		1	2	‘AE (YES)	‘A‘OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEI	AHU ISA			X			
TRUSTEE DAN	AHUNA			X			

TRUSTEE ROWENA	AKANA			X			
TRUSTEE KELI'I	AKINA			X			
TRUSTEE PETER	APO						X
TRUSTEE ROBERT	LINDSEY			X			
TRUSTEE COLETTE	MACHADO		X	X			
TRUSTEE JOHN	WAIHE'E	X		X			
CHAIRPERSON HULU	LINDSEY			X			
TOTAL VOTE COUNT				8			1
MOTION: [] UNANIMOUS [x] PASSED [] DEFERRED [] FAILED Motion passes with eight (8) YES votes and one (1) EXCUSED.							

Respectfully Submitted,

for Lehua J. Spakau

G. Maxwell Mukai
Trustee Aide
Committee on Resource Management

As approved by the Chairpersons of the Joint Committee on Resource Management and Beneficiary Advocacy and Empowerment on 6/26/2018.

Carmen Hulu Lindsey

Trustee Carmen Hulu Lindsey
Committee Chair
Committee on Resource Management

Robert K. Lindsey

Trustee Robert Lindsey
Committee Chair
Committee on Beneficiary Advocacy and Empowerment

Attachment A.

Kaka'ako Makai – Parcel I Update

Re: City & County of Honolulu's need for a new Wastewater Pump Station

Situation:

1. City and County of Honolulu (C&C) must construct a new wastewater pump station (WWPS) to connect future sewer main from Atkinson and pumped to Sand Island.
 - WWPS required to increase capacity to allow future development in Kaka'ako and East Honolulu.



OHA
OFFICE OF HAWAIIAN AFFAIRS

9

Background

1. The lot is roughly 3.3 acres, with a maximum height limit of 200' and a maximum floor area ratio (FAR) of 3.5.
2. Prior to the settlement with the State of Hawai'i, by which OHA acquired Lot I, the appraised value was **\$23.9 million** on December 29, 2011
3. Pursuant to a December 5, 2017 appraisal, the present valuation is **\$29.64 million**.