

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

**Minutes of the Office of Hawaiian Affairs Board of Trustees  
Thursday, February 7, 2019  
10:00 am**

**ATTENDANCE:**

TRUSTEE COLETTE MACHADO  
TRUSTEE BRENDON KALEI'ĀINA LEE  
TRUSTEE DAN AHUNA  
TRUSTEE KALEI AKAKA  
TRUSTEE W. KELI'Ī AKINA  
TRUSTEE CARMEN HULU LINDSEY  
TRUSTEE ROBERT LINDSEY  
TRUSTEE JOHN WAIHE'E IV

ROBERT G. KLEIN, ESQ., BOARD COUNSEL

**EXCUSED:**

TRUSTEE LEINA'ALA AHU ISA

**ADMINISTRATION STAFF:**

KAMANA'OPONO CRABBE, CEO  
SYLVIA HUSSEY, COO  
MOMILANI LAZO, CEO  
MILES NISHIJIMA, LPD  
KAI MARKELL, COMP  
JOCELYN DOANE, PP  
TIGER LI, ISRM  
ANUHEA PATOC, PP  
DAVIS PRICE, OUTR  
GEANINE GOMES, OUTR

**BOT STAFF:**

CAROL HO'OMANAWANUI  
LAURENE KALUAU- KEALOHA  
LŌPAKA BAPTISTE  
DAYNA PA  
LEIANN DURANT  
ZURI AKI  
CLAUDINE CALPITO  
RON PORTER  
MARIA CALDERON  
PAUL HARLEMAN  
LEHUA ITOKAZU  
KAMA HOPKINS  
MELISSA WENNIHAN

**GUESTS:**

GERMAINE MEYERS

**I. CALL TO ORDER**

**Trustee Colette Machado** Calls the Board of Trustees meeting to order at 10:03 am. Roll call is taken; Trustees Ahuna, Akaka, Akina, Lee, Robert Lindsey, Waihe'e IV, and Machado are present, constituting a quorum. An excused absence has been received by Trustee Leina'ala Ahu Isa and Trustee Carmen Hulu Lindsey will arriving a little late.

We will now move on to item II. Approval of Minutes

**II. APPROVAL OF MINUTES**

**A. December 10, 2018**

**Chair Colette Machado** – I would like to call on Vice-Chair Lee, regarding the minutes of December 10, 2018. There are some corrections prior to voting for the amended.

**Trustee Brendon Kalei‘āina Lee** – If it pleases the Chair, I will wait until we have the motion on the table to discuss.

**Chair Colette Machado** – The Chair would like a motion to approve the minutes of December 10, 2018.

**Trustee Dan Ahuna moves to approve the Board of Trustees minutes for December 10, 2018.**

**Trustee Robert Lindsey seconds the motion.**

**Chair Colette Machado** – Discussion, Trustee Lee.

**Trustee Brendon Kalei‘āina Lee** – Madam Chair I move to rescind and expunged from the record five separate items. Would it please the Chair to take them all at one time or separately?

**Chair Colette Machado** – All one time.

**Trustee Brendon Kalei‘āina Lee** – On our minutes page 2, 2<sup>nd</sup> paragraph of testimony, it would be the second to the last sentence.

**Chair Colette Machado** – Members it is posted on the board to view.

**Trustee Brendon Kalei‘āina Lee** – I am not going to read it since we are having it expunged. It starts with the and ends in race. The next would be the last paragraph of that testimony the entire paragraph. The reason for these two expulsions is that they were ruled out of order by the Chair and should not be part of our record.

*(Trustee Lee confirms the items that are being considered to be expunged from the minutes)*

Next is page 3, the 1<sup>st</sup> paragraph of testimony, the last sentence it begins with summarizing and ends with employee. The entire sentence, the same reason, being ruled out of order so it should not be part of our record.

**Trustee Keli‘i Akina** – Could Trustee Lee repeat the portion of the item you referred to?

**Trustee Brendon Kalei‘āina Lee** – Trustee if you refer to you left it is up on the screen as well. The sentence beginning with summarizing and ending with employee. Lastly on the last page, on the first section of the attachment where it lists election results from the primary and not the general election. That should be expunged as well as the bottom part of the attachment that lists the same. That has the results from a primary election that is not consistent with the rest of the attachment of the general election results from 2016.

*(Trustee Lee confirms the sections that are being considered to be expunged from the minutes)*

That would constitute the 5 items Madam Chair.

**Chair Colette Machado** – Chair would like to entertain an amended motion to the minutes of December 10, 2018.

**Trustee Dan Ahuna moves to amend the Board of Trustees Minutes of December 10, 2018.**

**Trustee Robert Lindsey seconds the motion.**

**Chair Colette Machado** – It has been moved and seconded for the amendments at described and listed by Trustee Lee. Any further discussion on the amendments to the minutes? Hearing none, roll call vote.

Trustee Dan Ahuna moves to amend the Board of Trustees Minutes of December 10, 2018. Trustee Robert Lindsey seconds the motion.							
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA'ALA AHU ISA							Excused
TRUSTEE DAN AHUNA		x		X			
TRUSTEE KALEI AKAKA				X			
TRUSTEE KELI'I AKINA				X			
TRUSTEE BRENDON KALEI'ĀINA LEE				X			
TRUSTEE CARMEN HULU LINDSEY							Excused
TRUSTEE ROBERT LINDSEY			x	X			
TRUSTEE JOHN WAIHE'E				X			
TRUSTEE COLETTE MACHADO				X			
TOTAL VOTE COUNT				7			2
MOTION: [ ] UNANIMOUS [ x ] PASSED [ ] DEFERRED [ ] FAILED Motion passed with seven (7) yes votes, and two (2) excused.							

**Chair Colette Machado** –Motion number 2 is to approved the minutes.

**Trustee Brendon Kalei'āina Lee** – On the main motion.

**Chair Colette Machado** – Roll call vote.

Trustee Dan Ahuna moves to approve the Board of Trustees minutes for December 10, 2018. Trustee Robert Lindsey seconds the motion.							
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA'ALA AHU ISA							Excused
TRUSTEE DAN AHUNA		x		X			
TRUSTEE KALEI AKAKA				X			
TRUSTEE KELI'I AKINA				X			
TRUSTEE BRENDON KALEI'ĀINA LEE				X			
TRUSTEE CARMEN HULU LINDSEY							Excused
TRUSTEE ROBERT LINDSEY			x	X			
TRUSTEE JOHN WAIHE'E				X			
TRUSTEE COLETTE MACHADO				X			
TOTAL VOTE COUNT				7			2
MOTION: [ ] UNANIMOUS [ x ] PASSED [ ] DEFERRED [ ] FAILED Motion passed with seven (7) yes votes, and two(2) excused.							

**Chair Colette Machado** - We are now are item III. Public Testimony.

**III. PUBLIC TESTIMONY**

**Chair Colette Machado** – We have on individual that has singed up. I'd like to call Germaine Meyers to the table please. She will be addressing V.A.1. and V.A.2. and V. B.

**Germaine Meyers** – Aloha Chair, Aloha Trustees. My name is Germaine Meyers. I am an OHA beneficiary for beneficiary advocacy and empowerment. I am also a Nānākuli Hawaiian Homestead Lessee. As Chair has stated, I will share with you my data, views and arguments regarding the BOT meeting agenda items V.A.1, V.A.2. and

V.B. I humbly ask the board to consider changing OHA's positions for the following new bill as it is noted on the meeting package report for agenda items 2019 OHA Legislative Positioning Matrix 1 – February 6, 2019. Item number 185 Senate Bill 1514 please change from comment to support. Bill SB 1514 prohibits any State Agency including departments, offices, boards, agency's authorities, etc. from creating any corporate entity without the approval of the Legislature. To justify my views and argument that OHA should support SB 1514 I have provided detail data for your consideration regarding the dangers or creating a corporate entity without legislature approval or oversight. I have seen and I have experienced how private corporate entities, LLCs create a black veil over transparency and accountability. Public Trust assets should be maintained in the public arena. The only viable and reasonable method of protecting the public's interest is to keep the Government processes open to public scrutiny and participation.

The Hawaii Legislature used wisdom when they declared that it is the policy of this State that the formation and the conduct of public policy, the discussions, the deliberations and the decisions and actions of Government agencies shall be conducted as openly as possible. SB1514 protects the public's interest. SB1514 protects the policy of public's scrutiny and participation, what I am doing right now. SB1514 protects public Trust Assets. Danger, beware, be aware to justify why I feel OHA should support SB1514, I ask that you take into consideration the following declarations and statements made in the LLC operating agreement and at OHA board meetings by various OHA Trustees, Executive Officers and staff regarding OHA's self-made corporate entities.

I have listed them in chronological date order as they are recorded in the operating agreement and then the Board meeting minutes. My data views and arguments. September 26, 2007, Hi'ilei Aloha LLC operating agreement. The sunshine law was established in 1998. Sunshine law states that Trustees can only vote on matters during a meeting where the public were given notice through the posting of a meeting agenda 6 days in advance and could only vote on matters on the agenda. In addition, the public are to be allowed to provide testimony regarding matters on the agenda. Yet the operating agreement of OHA's self-created corporate entity Hi'ilei Aloha LLC was set up in 2007 to violate sunshine law and therefore beneficiaries and the public were never provided the opportunity to participate in the process of the creation of OHA's corporate entities. In regards to voting, the operating agreement signed on September 26, 2007 states, meetings of and voting by members or the 9 elected Trustees. In lieu of holding a meeting, in lieu of holding a meeting, the members or the 9 elected OHA Trustees may vote or otherwise take action by written consent of the 9 elected OHA Trustees. Fax signatures on consents are valid, prompt notice of the taking of the action without a meeting by less than unanimous consent shall be given in writing to those 9 elected OHA Trustees who are entitled to vote but did not consent in writing.

**Chair Colette Machado** – Your time is up.

**Ms. Meyers** – Is it ok if I come back in Community Concerns?

**Chair Colette Machado** – Yes, we have you listed in Community Concerns. Thank you Germaine, we will now go on to IV.

#### **IV. UNFINISHED BUSINESS**

##### **A. CEO's 15-Minute Update on Ho'oulu Lāhui Aloha and OHA Activities**

**Chair Colette Machado** – We are now on IV. Unfinished Business I would like to call on our Chief Executive Officer Kamana'opono to provide updates to us on some of our ongoing activities at OHA.

**Kamana'opono Crabbe** – Thank you Chair. Good morning Trustees, I have three announcements. The first for tomorrow, Friday, February 8<sup>th</sup> in a partnership between the Office of Hawaiian Affairs, the Kamehameha Schools, and the Hawaiian Caucus at the Legislature will be hosting, mahina 'ōlelo hoi, Hawaiian Language month. As well as the birthday for princess Ruth Ke'elikōlani and the 100<sup>th</sup> year anniversary of the Hawaiian Civic Clubs, as well as the acknowledgment of the year of the indigenous language by the United Nations. Tomorrow they will open protocol at the Capital Rotunda. They have a number of community groups attending. That starts at 8:45

and they will have a number of speeches or guest appearances by Senator Keohokalole, Amy Kalili who represented Hawaii for 'Ōlelo Hawaii for the United Nations as well as the Association of Hawaiian Civic Club President Hailama Farden, Kelii Menten Pang as well as Representative Holt. They will close the protocol around 11:30. Soon thereafter, they will be hosting a gathering of food and celebration as well as have invited a number of different Hawaiian organizations to have informational booths. You are welcome to attend. Again, it starts at 8:45 in the morning through 11:30 in the Rotunda and then the lunch will be served at the 4<sup>th</sup> floor. I just want to thank Senator Keohokalole and Representative Holt for their leadership on this. I really applaud them for this Hawaii Caucus and Hawaiian Community gathering.

The second announcement is an update on our Kūlia and Community Grants process where it's at. For the Kūlia grants from this week until approximately February 25-26, they are in grants review. They have received all of the grants that was proposed for the Kūlia initiative grants and that is for the Board grants. They will go through a review process. We have approximately over 20+ external reviewers; all of them are native Hawaiians from different sectors throughout the community, business, education, health, culture, natural resource management as reviewers. They are going to go through training, all of the grants will be distributed by subject matter and that they will have criteria and guidelines on how to evaluate and score. It will later be collated and returned back to the grants program for further reviewing by our grants staff. We are looking somewhere at in early March for an action item around the March 14<sup>th</sup> for a RM/BAE workshop and meeting and then hopefully for Board Approval in early April.

For the community grants, timeline will follow late in February in terms of review. Very similar in terms of external reviewers brought in from various sectors of the Hawaiian Community. That process will until mid-March. We are looking again for an action item before and RM/BAE Workshop around latter March and a BOT approval in early to mid-April depending on how the review process goes. That is in play Trustees as soon as we receive it we need it to bring it before the RM Chair and BAE Chair for review and work out the action item and to schedule the workshop and then agendize the meeting.

Lastly, my office had a request from a Trustee for update on the CLA contract and progress. I asked Corp Counsel to draft the confidential communication through an email we sent that out 9:12 this morning. If you read the email, it gives you an update as to where that process is in terms of the interaction with CLA as well as the invoices. If you have any questions you can see me personally or you can write an email to myself or also address it to interim RM Chair Trustee Robert Lindsey who is managing that kuleana for now. That's all for my updates.

**Chair Colette Machado** – Members we will now move on to V. New Business.

## **V. NEW BUSINESS**

**Chair Colette Machado** – I would like to call on Trustee John Waihe'e IV regarding the referral from the BAE Committee for January 30, 2019. The motion has been posted on the board.

### **A. Committee on Beneficiary Advocacy and Empowerment**

#### **1. 2019 OHA Legislative Positioning – Matrix 1\*\*†, January 30, 2019**

**Trustee John Waihe'e IV moves to approve Administration's recommendations on:**

- **Item 36, HB276 as SUPPORT;**
- **Item 326, SB1009 as SUPPORT; and**
- **Item 348, SB1247 as SUPPORT WITH AMENDMENTS**

**on the OHA Legislative Position Matrix dated January 30, 2019, as amended.**

**Trustee Brendon Kalei'āina Lee seconds the motion.**

**Chair Colette Machado** – It has been moved and seconded. Any discussion? If not roll call vote.

Trustee John Waihe'e IV moves to approve Administration's recommendations on:						
<ul style="list-style-type: none"> <li>• Item 36, HB276 as SUPPORT;</li> <li>• Item 326, SB1009 as SUPPORT; and</li> <li>• Item 348, SB1247 as SUPPORT WITH AMENDMENTS</li> </ul>						
on the OHA Legislative Position Matrix dated January 30, 2019, as amended.						
Trustee Brendon Kalei'aina Lee seconds the motion.						
TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA'ALA AHU ISA						Excused
TRUSTEE DAN AHUNA			X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI'I AKINA			X			
TRUSTEE BRENDON KALEI'AINA LEE		x	X			
TRUSTEE CARMEN HULU LINDSEY						Excused
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE JOHN WAIHE'E	x		X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			7			2
MOTION: <input type="checkbox"/> UNANIMOUS <input checked="" type="checkbox"/> PASSED <input type="checkbox"/> DEFERRED <input type="checkbox"/> FAILED						
Motion passed with seven(7) yes votes, and two(2) excused.						

**Chair Colette Machado** – Members we are now on the second motion.

**Trustee John Waihe'e IV Move to approve Administration's recommendations on NEW BILLS (Items 1 - 379), excluding Item 36, Item 326, and Item 348, HB276, SB1009, and SB1247, respectively, along with the following revisions:**

**ADD:**

- SB400 as OPPOSE; as well as

**CHANGE:**

- Item 154, HB1114 from ~~Monitor~~ to SUPPORT;
  - Item 187, SB1 from ~~Comment~~ to OPPOSE;
  - Item 280, SB728 from ~~Monitor~~ to SUPPORT; and
  - Item 297, SB889 from ~~Support With Amendments~~ to MONITOR
- on the OHA Legislative Positioning Matrix dated January 30, 2019, as amended.

**Trustee Brendon Kalei'aina Lee seconds the motion.**

Trustee John Waihe'e IV Move to approve Administration's recommendations on *NEW BILLS (Items 1 - 379), excluding Item 36, Item 326, and Item 348, HB276, SB1009, and SB1247, respectively*, along with the following revisions:

ADD:

- SB400 as OPPOSE; as well as

CHANGE:

- Item 154, HB1114 from ~~Monitor~~ to SUPPORT;
- Item 187, SB1 from ~~Comment~~ to OPPOSE;
- Item 280, SB728 from ~~Monitor~~ to SUPPORT; and
- Item 297, SB889 from ~~Support With Amendments~~ to MONITOR

on the OHA Legislative Positioning Matrix dated January 30, 2019, as amended.

Trustee Brendon Kalei'aina Lee seconds the motion.

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA'ALA AHU ISA						Excused
TRUSTEE DAN AHUNA			X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI'I AKINA			X			
TRUSTEE BRENDON KALEI'AINA LEE		x	X			
TRUSTEE CARMEN HULU LINDSEY						Excused
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE JOHN WAIHE'E	x		X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			7			2

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

Motion passed with seven(7) yes votes, and two(2) excused.

## 2. 2019 OHA Legislative Positioning – Matrix 1\*\*†, February 6, 2019

**Chair Colette Machado** - Members we are now on A.2. The Chair would like to call Jocelyn Doane.

**Trustee John Waihe'e IV** moves to approve Administration's recommendations on *NEW BILLS (Items 1 - 192) and BILL POSITIONS FOR RECONSIDERATION (Item 193)*, on the OHA Legislative Positioning Matrix dated February 6, 2019, as amended.

**Trustee Dan Ahuna** seconds the motion.

**Chair Colette Machado** – Discussion.

**Jocelyn Doane** – Chair I am asking the Board to reconsider our positions on HB1397 and SB1483. They are companion measures. We went over this bill yesterday, but I was still trying to assess what the bill did. Basically, and I am still not 100% ma'a to this particular chapter because I have never read it before. Basically, these bills would amend the Hawaii Land Reform Act, which might sound familiar to some of our Trustees. Which currently allows a lessee of a single-family house lot on residentially zoned land to apply to have their lands, whether they are State or privately held to apply to purchase those lands. This was the Act that, one of the Acts that forced KS to sell a substantial number of their residential lots back in the day. The case went all the way to US Supreme Court and they lost because the US Supreme Court found that allowing the State to condemn those lands was for a good public purpose. The amendment that the bill would do to this Act, I actually didn't know the act was still active.

**Chair Colette Machado** – The request is to change monitor to oppose.

**Jocelyn Doane** – My suggestion is change our position from monitor to oppose. I just wanted to explain really quickly, what the amendment would do. It look kind of innocuous but it seems as though what it would do is remove the words residentially zoned and so it would be open to non-residentially zoned lands. We have been speaking to Kamehameha Schools about how many parcels or what we are talking about. Specifically for KS because they have their act together. We know there are at least 90 lots on Hawaii Island. It’s like a house on Ag or House on conservation or a House on preservation. I am also concerned about what this means for State lands, which I don’t entirely have a grip on yet. I am concerned about expanding the reach of forcing sales of public or Trust lands. I am recommending that we oppose this measure.

**Trustee John Waihe‘e IV** I would like to move to amend the motion to change:

- *Item 81, HB1397, relating to residential leaseholds, from Monitor to OPPOSE; and*
- *Item 179, SB1483, relating to residential leaseholds, from Monitor to OPPOSE*

on the OHA Legislative Positioning Matrix dated February 6, 2019, as amended.

**Trustee Dan Ahuna** seconds the motion.

**Chair Colette Machado** – Roll call vote please.

Trustee John Waihe‘e IV I would like to move to amend the motion to change:						
<ul style="list-style-type: none"> <li>• <i>Item 81, HB1397, relating to residential leaseholds, from Monitor to OPPOSE; and</i></li> <li>• <i>Item 179, SB1483, relating to residential leaseholds, from Monitor to OPPOSE</i></li> </ul>						
on the OHA Legislative Positioning Matrix dated February 6, 2019, as amended.						
Trustee Dan Ahuna seconds the motion.						
TRUSTEE	1	2	‘AE (YES)	A‘OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA‘ALA AHU ISA						Excused
TRUSTEE DAN AHUNA		x	X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI‘I AKINA			X			
TRUSTEE BRENDON KALEI‘ĀINA LEE			X			
TRUSTEE CARMEN HULU LINDSEY						Excused
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE JOHN WAIHE‘E	x		X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			7			2
MOTION: [ ] UNANIMOUS [ x ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passed with seven (7) yes votes, and two(2) excused.						

**Chair Colette Machado** – We will now vote on the original motion.



Trustee John Waihe'e IV moves to approve Administration's recommendations on <i>NEW BILLS (Items 1 - 192) and BILL POSITIONS FOR RECONSIDERATION (Item 193)</i> , on the OHA Legislative Positioning Matrix dated February 6, 2019, as amended. Trustee Dan Ahuna seconds the motion.						
TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA'ALA AHU ISA						Excused
TRUSTEE DAN AHUNA		x	X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI'I AKINA			X			
TRUSTEE BRENDON KALEI'AINA LEE			X			
TRUSTEE CARMEN HULU LINDSEY						Excused
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE JOHN WAIHE'E	x		X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			7			2
MOTION: [ ] UNANIMOUS [ x ] PASSED [ ] DEFERRED [ ] FAILED Motion passed with seven(7) yes votes, and two(2) excused.						

**B. BOT Chairperson's nomination for Chairperson of the Committee on Resource Management, subject to the approval of the Board, per Article VI of the OHA BOT Bylaws<sup>†</sup>**

**Chair Colette Machado** – Thank you members we are now on V.B. According to the OHA Board of Trustees Bylaws as of August 30, 2018, Article VI – Duties of Officers and Members, Section A, Subsection 1: “The Chairperson shall...Appoint the Chairperson, Vice-Chair and members of all Standing Committees, subject to the approval of the Board”.

For the Chairperson of the Committee on Resource Management, I ask for confirmation of Trustee Dan Ahuna for Chair.

Is someone willing to make the motion?

**Trustee Brendon Kalei'aina Lee moves to confirm the Board Chair's appointment of Trustee Dan Ahuna as the Chair of the Committee on Resource Management.**

**Trustee Robert Lindsey seconds the motion.**

**Chair Colette Machado** – Thank you Trustee Lindsey, any discussion?

**Trustee Keli'i Akina** – Madam Chair thank you very much. I support your prerogative to appoint the Chair. I think all of us at the table realize that the reputation of OHA is something that we need to manage very well. One of our concern that the RM Chair will deal with is the execution of the internal audit. We faced many delays and obstacles so far and the RM Chair needs to manage that well. Forgive me I have a kuleana here because I served as the Chair of the Audit advisory committee that formed the SOQ and the action item. I fell very sad that we are not on target with our goals. Therefore, I think that the RM Chair should be a person who has demonstrated a great deal of commitment to audit and I will be voting no. Let me explain my reason. I would like to ask Madam Chair if you could consider Trustee Carmen Hulu Lindsey. I have not discussed this with any other Trustee so this may be news to many of you. But she has demonstrated her capacity to lead the audit and her commitment to it. No disrespect Trustee Ahuna. This is more about something that is very timely that is necessary. Thank you Madam Chair.

**Trustee John Waihe'e IV** – I think I am fine. Trustee Leina'ala Ahu Isa resigned already.

**Chair Colette Machado** – She submitted a letter of resignation.

**Trustee John Waihe'e IV** – Thank you.

**Chair Colette Machado** – With that said roll call vote.

Trustee Brendon Kalei'aina Lee moves to confirm the Board Chair's appointment of Trustee Dan Ahuna as the Chair of the Committee on Resource Management.						
Trustee Robert Lindsey seconds the motion.						
TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA'ALA AHU ISA						Excused
TRUSTEE DAN AHUNA			X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI'I AKINA				X		
TRUSTEE BRENDON KALEI'AINA LEE	x		X			
TRUSTEE CARMEN HULU LINDSEY						Excused
TRUSTEE ROBERT LINDSEY		x	X			
TRUSTEE JOHN WAIHE'E			X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			6	1		2
MOTION: [ ] UNANIMOUS [ x ] PASSED [ ] DEFERRED [ ] FAILED						
Motion passed with six(6) yes votes, one(1) no and two(2) excused.						

**Chair Colette Machado** – Congratulations Trustee Ahuna, we look forward to a lot of hard work and a lot of long meetings.

**VI. EXECUTIVE SESSION**

**Chair Colette Machado** – Members we have one more item we will go into executive session. The Chair would like to seek a motion to recuse ourselves into Executive Session pursuant to HRS §92-5(a)(4) to consult with our Board Attorney regarding questions and issues pertaining to the Board's powers, duties, privileges, immunities, and liabilities regarding Civil No. 17-1-1823-11 JPC.

**Trustee Brendon Kalei'aina Lee** moves to recuse into executive session pursuant to HRS §92-5(a)(4).

**Trustee Dan Ahuna** seconds the motion.

**Chair Colette Machado** – It has been moved and seconded any discussion? Hearing none, roll call vote please.

Trustee Brendon Kalei‘āina Lee moves to recuse into executive session pursuant to HRS §92-5(a)(4). Trustee Dan Ahuna seconds the motion.						
TRUSTEE	1	2	‘AE (YES)	A‘OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA‘ALA AHU ISA						Excused
TRUSTEE DAN AHUNA		x	X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI‘I AKINA			X			
TRUSTEE BRENDON KALEI‘ĀINA LEE	x		X			
TRUSTEE CARMEN HULU LINDSEY						Excused
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE JOHN WAIHE‘E		x	X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			7			2
MOTION: [ ] UNANIMOUS [ x ] PASSED [ ] DEFERRED [ ] FAILED Motion passes with seven(7) yes votes, and two(2) excused.						

**Chair Colette Machado** – For the executive session we will excuse everyone except the Ad Hoc Committee on Mauna Kea to remain. All others need to leave.

**Kamana‘opono Crabbe** – Madam Chair I would like to request the Pou Nui to remain.

**Chair Colette Machado** – That is fine she can stay and members of the Ad Hoc Committee.

**The Board resolved into Executive Session at 10:35 pm.**

- A. Consultation with Board Counsel Robert G. Klein, Esq. re: questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities regarding Civil No. 17-1-1823-11 JPC, OHA v. State, et. al. Pursuant to HRS §92-5(a)(4).
- B. Approval of Minutes
  - 1. October 25, 2018

**The Board reconvenes in open session at 11:03 pm.**

**VII. COMMUNITY CONCERNS**

**Chair Colette Machado** – I would like to call Germaine Meyers to complete her testimony on public testimony as well as community concerns.

**Ms. Germaine Meyers** – Aloha Trustees. For the record for the video record and the written record, my name is Germaine Meyers I am an OHA beneficiary for beneficiary advocacy and empowerment, I am also a Nānākuli Hawaiian Homestead lessee. Further to my point about supporting SB1514 I’d like to share that the operating agreement of OHA’s first self-created corporate entity also fails to include language that enforces Hawaii States Ethics code, Fair Treatment Law, procurement ethics code, conflict of interest and other Government employee laws to ensure that funds are used fairly to benefit the people and not personal family and friends. Instead, the language of the operating agreement provides indemnified and autonomous discretionary powers to three OHA Chief Officers, emphasis on officers, the Executive, the Operating and the Financial. State Auditor Les Kondo noted on page 30 of State Audit Report 18-03 that the three OHA Chief Officers are managers of Hi‘ipaka LLC. In addition, the State Auditor wrote the following under the heading following the code, “The State Ethics code established standards of conduct for Legislators, State Employees and members of State Boards. OHA Trustees and employees are subject to and must comply with State Ethics code.” This is according to the State Auditor.

The State Ethics code conflict of interest provision prohibit Trustees and employees from taking action in their official positions which include making decision approving or disapproving requests and offering recommendations that directly affect a business in which they, their spouse or their dependent children serve as a director or officer regardless of whether the business is a for profit or a non-profit organization and even where such service is unpaid. The State Ethics code also prohibits Trustees and Employees from using and attempting to use their position to secure or grant for themselves or for someone else any special privilege, exemption, advantage, contract or treatment that has no clear State purpose. Called the fair treatment act law, Trustee and employees are not entitled to special benefits simply because of their official State position.

In addition State Auditor Les Kondo including the following two selective samples of CEO sponsorships for testing of a total of 17 files reviewed under the heading CEO Sponsorships. Policies and procedures not followed, recommendations ignored. That included CEO Sponsorship that were given to OHA self-created corporate entities LLCs. Fiscal year 2015 Hi'ilei Aloha for Ahaino School of Native Arts \$20,000. Hi'ipaka for Waimea Valley concert series \$25,000 plus \$2,000. He stated in his report, Ahaino School of Native Arts did not have IRS Tax exempt status, an OHA requirement. Moreover, per OHA's procedures programmatic services in this case, educating in traditional Hawaii Arts, are ineligible to be considered for CEO Sponsorships. Nevertheless, documentation shows that the CEO wanted this project to be funded despite the deficiencies noted. Since Ahaino School did not comply with certain OHA requirements for receiving CEO Sponsorship funds, monies were subsequently directed to Hi'ilei Aloha and OHA created LLC for the requested purpose. Again, the Ahaino School of Native Arts are located on Molokai. Hi'ipaka same situation. Grants staff noted funding not recommended based on the evaluation and that the fiscal year 2015 sponsorship budget was fully expended. Despite this, funds were moved from another budget line item to partially fund the event. We also noted that the CEO, CFO and COO are the managers of Hi'ipaka LLC.

On May 20<sup>th</sup>, I am sorry let's go forward because of my time. On June 30<sup>th</sup> 2010, BOT meeting there were statements by Ex CEO and LLCs manager Clyde Namuo and Ex Trustee Oswald Stender. Let me start with CEO Namuo. That is correct it is the level to which the board becomes involved in the operations of the LLCs that determines whether or not the corporate veil is pierced or not. We try to provide you with information so you know how much things would cost without getting into a lot of the details to try to avoid having created the appearance of an active management role for the Trustees. That would pierce the corporate veil.

May I finish Trustee Oswald Stender's statement?

**Chair Colette Machado** – I'd like to give you one more minute.

**Ms. Meyers** – Trustee Oswald Stender's statement said, "We covered all of this when we formed the corporation. What makes me nervous is we are talking about details here, which we shouldn't be doing. We should be talking about total funding. We can see the numbers but cannot direct the company to do things. You agreed that they need the money and you paid them the money not to supervise their spending the money. That is where the danger comes. You cannot have an active role in managing the company at this table. It is a grant to have them continue operations. Your control is not to give them the money and you fire the directors and get somebody else in there. But you cannot be telling them how to spend the money." Finally on the last one, October 21, 2011 BOT meeting which I have more but for time I cannot share all of them. After Hi'ilei Aloha LLC gave their second quarter report in 2011, this is the dialogue that happened amongst the Trustees. Trustee Akana stated that she doesn't recall setting up any of the LLCs. My time is over.

**Chair Colette Machado** – Thank you.

**Ms. Meyers** – Trustees what I will do is I will email you all of this but just know that there is a whole lot more. I have all the meeting minutes from 2000 until 2000 now. So I have combed through all of them. There is an indication that the Board at this table did not approve all the LLCs. Ke akua pū.

**Chair Colette Machado** – Thank you.

**VIII. ANNOUNCEMENTS**

**Chair Colette Machado** – I have one announcement, my office distributed copies of Robert’s Rules to each of your offices. We hopefully will plan a workshop, we are engaging in a discussion with a certified parliamentarian that lives on the Big Island who is a retired DOE Principal. She is Aaron Mahi’s sister. So I have communicated with her and we are just trying to plan an appropriate time for a workshop on Parliamentary and Robert’s Rules. That is why we issued the books.

**IX. ADJOURNMENT**

**Chair Colette Machado** – If there is no further business, I would like to adjourn the meeting.

**Trustee Dan Ahuna moves to adjourn the meeting.**

**Trustee John Waihe’e IV seconds the motion.**

**Chair Colette Machado** – It has been moved and seconded. Roll call vote please.

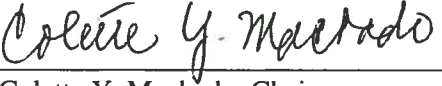
Trustee Dan Ahuna moves to adjourn the meeting. Trustee John Waihe’e IV seconds the motion.						
TRUSTEE	1	2	‘AE (YES)	A‘OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA‘ALA AHU ISA						EXCUSED
TRUSTEE DAN AHUNA	X		X			
TRUSTEE KALEI AKAKA			X			
TRUSTEE KELI‘I AKINA			X			
TRUSTEE BRENDON KALEI‘ĀINA LEE			X			
TRUSTEE CARMEN HULU LINDSEY			X			
TRUSTEE ROBERT LINDSEY			X			
TRUSTEE JOHN WAIHE‘E		x	X			
TRUSTEE COLETTE MACHADO			X			
TOTAL VOTE COUNT			8			1
MOTION: [ ] UNANIMOUS [ x ] PASSED [ ] DEFERRED [ ] FAILED Motion passed with eight (8) yes votes and one (1) excused.						

The meeting was adjourned at 11:15 am.

Respectfully submitted,

  
\_\_\_\_\_  
Dayna Pa, Board Secretary

As approved by the Board of Trustees on March 7, 2019.

  
\_\_\_\_\_  
Colette Y. Machado, Chairperson  
Board of Trustees

Attachment:

1. Excuse memo from Trustee Leina‘ala Ahu Isa

February 3, 2019

To: Chairperson Colette Machado  
Board of Trustees, OHA

From: Trustee Leina'ala Ahu Isa 

Re: Request to be EXCUSED from BOT meeting 2/7/19

This is to request an Excused absence from the BOT meeting of February 7, 2019.  
A planned event happening on the Big Island requires my presence as an official.

Mahalo for your kind consideration and time.

OFFICE OF  
HAWAIIAN AFFAIRS  
STATE OF HAWAII  
RECEIVED-80T

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