

STATE OF HAWAII
OFFICE OF HAWAIIAN AFFAIRS
560 No. Nimitz Highway, Suite 200
Honolulu, HI 96817

Minutes of the Office of Hawaiian Affairs Committee on Resource Management
Wednesday, July 27, 2016 9:30 a.m.

ATTENDANCE:

TRUSTEE COLETTE MACHADO, CHAIR
TRUSTEE HAUNANI APOLIONA, VICE-CHAIR
TRUSTEE DAN AHUNA
TRUSTEE PETER APO
TRUSTEE CARMEN HULU LINDSEY
TRUSTEE ROBERT LINDSEY
TRUSTEE JOHN WAIHEE IV

ADMINISTRATION STAFF:

KAMANA'OPONO CRABBE, CEO
LISA VICTOR, COO
MILES NISHIJIMA
DEIRDRA ALO
MERLYN AKUNA
JONATHAN CHING
OLU CAMPBELL
MEHANA HIND
GARETT KAMEMOTO
BRUTUS LA BENZ
EVERETT OHTA
LORNA LOEBL
JOSEPH KUHIO LEWIS
KEITH GUTIERREZ

GUESTS:

RODNEY LEE, SPIRE
KIMBERLY LAU, SPIRE
MIKE LEE

EXCUSED:

TRUSTEE LEI AHU ISA
TRUSTEE ROWENA AKANA

BOT STAFF:

HAROLD NEDD
DAYNA PA
U'ILANI TANIGAWA
LOUISE YEE-HOY
LAURENE KALUAU-KEALOHA
JEREMY KAMA HOPKINS
LEHUA ITOKAZU
MAKANA CHAI
DAVIS PRICE
MELISSA WENNIHAN
LIANA PANG

I. CALL TO ORDER

Chair Colette Machado – Called to order the meeting of the Committee on Resource Management, Wednesday, July 27, 2016, at 9:30 a.m. For the record, there were two excused absences from Trustee Lei Ahu Isa and Trustee Rowena Akana.

Trustee		Present	Excused	Comments
TRUSTEE LEI	AHU ISA		X	Excused
TRUSTEE DAN	AHUNA	X		
TRUSTEE ROWENA	AKANA		X	Excused
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 call		
CHAIR COLETTE	MACHADO	X		
TOTAL		6	3	
At the Call to Order, there is a quorum of Six (6) Trustees that are Present.				

II. APPROVAL of MINUTES

A. June 22, 2016

Chair Machado – Sought a motion to approve the RM committee minutes from June 22, 2016 as presented.

Trustee Ahuna – Moved to approve the RM Committee minutes of June 22, 2016.

Trustee Apoliona – Seconded the motion.

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

Trustee Ahuna MOVED, SECONDED by Trustee Apoliona to approve.							
Resource Management June 22, 2016 minutes is approved at 9:33a.m.							
TRUSTEE		1	2	'AE (YES)	A'OLE (NO)	KANALUA/ ABSTAIN	EXCUSED/ ABSENT
LEI	AHU ISA						X
DAN	AHUNA	X		X			
ROWENA	AKANA						X
PETER	APO			X			
HAUNANI	APOLIONA		X	X			
HULU	LINDSEY			X			
ROBERT	LINDSEY			X			
JOHN	WAIHE'E			Not present at time of vote.			
CHAIR COLETTE	MACHADO			X			
TOTAL VOTE COUNT				6	0	0	3
MOTION: [] UNANIMOUS [6] PASSED [] DEFERRED [] FAILED							

Motion passed with six (6) YES votes, none (0) NO vote, no (0) abstentions and three (3) excused.

III. COMMUNITY CONCERNS

None

IV. NEW BUSINESS

A. Updates and overview of OHA Legacy and Programmatic Lands

Chair Machado - Called up Miles Nishijima, Jonathan Ching and asked Kamana'opono to make the introduction and some comments if he chooses.

Ka Pouhana Crabbe – Aloha Kakahiaka! Good morning Trustees and Chair Machado. It's been a while since we had Miles as the Land Director and Jonathan also as the Land Manager. More recently within the past two months have been some substantial activity related to Kūkaniloko, that we wanted to update, as we start our new fiscal year, we're moving forward with continued planning on our other Legacy lands regarding Wao Kele O Puna, Palauea, Pahua Heiau and Wailua Courthouse as well as the Ho'omana. It's in our appropriate time that we update the board regarding the status of these lands. I'll have Jonathan and Miles move forward with the presentation.

(For details, refer to material distributed: Land and Property Management Program Update dated July 27, 2016)

Jonathan Ching - Madam Chair and Trustees, thanks for having us today. I'll start off with Kūkaniloko, there has been a few things that happened this past year, we had to clear the berm area around the 5 acre parcel site, because there were some safety concerns generated by the public, so that's one thing to keep in mind that we did this year as well as the houseless enforcement that just recently took place and a lot of the maintenance issues surround that. What we're going to update you on today are three main things in this category under Kūkaniloko, one is about the transfer of the property from the DLNR to OHA, the next is our progress with planning and finally the illegal camping enforcement and what we're doing to follow up on that. So in a nutshell it's been a long time that the DLNR has been trying to get the property over to OHA via an executive order. We did have an attempt maybe three months ago where DLNR petitioned the Land Corporation to clean up the title which has been holding it back and for technical reasons as they submitted it, it got rejected and so Gavin Chun over at DLNR is working to remedy that, so we were hoping to have the property under our executive order to OHA at this time but, we're going to have to go through that process once again.

Chair Machado – Do you have an anticipated time table when that might occur?

Jonathan Ching – We thought it was going to be by summer is what DLNR was forecasting, I'm hoping we will have good news within the next three months. That's the best I can guess at this point.

Chair Machado – Are we exhausting all of our assistance to them to have this process expedited?

Jonathan Ching – When it comes over to OHA they ask for our comments, so Corp Counsel helped us to get our house in order, we did that within a couple of days and where it sits and takes time is the Land Corp processing, so as far as staff level, we've helped as much as we can, really assisting in that effort is the best of our ability.

Chair Machado – I believe in the Land Corp. process, have they done a title search and is it all done, those things normally take a long time to do.

Jonathan Ching – Can I ask if Olu Campbell can come up, he is our Natural Resource Management Specialist and then he is also a lawyer, so it helps with these types of issues in the paia. He's just been on board now for 8 months, he is a great addition to the team. Olu has been working with Gavin and Corp. Counsel on it, so he can help share.

Olu Campbell – Good morning Chair and Trustees. So, the only real communication that we had from DLNR are about the transfer is that they submitted the petition to Land Court. The petition was rejected for non-substantial reasons, for technical reasons were the exact words we were told by Gavin. He said that once they get the petition back from Land Court, they're going to review the reason for why it was denied and then they will have the Attorney General go and correct any mistakes and then re-submit to Land Court that was really the only information that we received from them. Everything beyond that would just be speculating, I received that notification from Gavin I would say about a month and a half ago. I follow up with him a couple weeks ago about the status about how it's going; he said they still haven't received anything back from Land Court. Last week he emailed me again saying they still haven't received anything back from Land Court. So they're waiting for the petition to get back, so they can make the changes. But what the time table is, it depends on what the mistake was but, I'll assume because of the technical thing, it shouldn't take that long to turn it around and re-file the petition.

Chair Machado – With the Land Court application or the process you folks are involved with my question relates to title searching, has that been completed as part of the application?

Olu Campbell – Yes it has.

Chair Machado – Because it says under your last point that DLNR is waiting to reject the petition. They didn't get the rejected petition yet?

Olu Campbell – No they have not, they were informed that it was rejected, but haven't received the document and cannot respond yet.

Jonathan Ching – Any more questions about the transfer? Then we'll move on to planning. As an update through the procurement process we have selected DTL as the Master Planning Contractor led by Malia Kaaihue and what's interesting there is she has put together a great team including what I would like to mention is Kamoia Quitevas who is a part of her sub-contractors, so his understanding of our project and how we operate will be a benefit to us.

Chair Machado – You mean OHA's former employee Kamoia?

Jonathan Ching – Yes Kamoia, he started his own company. He brings a lot of mana to that team. So we're in the last thralls of the negotiation progress and process. Really, it's just a matter of the language and general conditions that were trying to wrap up and then we can begin.

Trustee Hulu Lindsey – How much is the contract cost?

Jonathan Ching – The entire contract for two years (24 months) is \$360,000 and that's for the planning process.

Ka Pouhana Crabbe – Maybe explain what that includes and timeline.

Jonathan Ching – What it would include is we will be doing participatory planning, so we will be engaged in the community and that's a big part of our planning process. A lot of background information based on assessments and this first phase, so the way we created it is a three phase project, so the planning which includes all the community interaction, ethnography an incorporation of the preservation plan that's currently being conducted, also talks about water, how to get water there, also talks about soil an how to take out our conceptual direction that we presented to you folks last year or 2014 to the next level, so that we can actually implement it and that's Phase 1. Phase II which is not included in the current costs is then going to be the processing, the environmental assessments and everything we need to do to get our entitlements so that we can begin in any development if any or construction or if any kind of movement that we need permitting for and then that will take us to Phase III as Implementation of the Plan. So the \$360,000 is just for the first part of Planning, Community Input and really getting everything from what we've driven to a realistic state that we can actually implement.

Trustee Hulu Lindsey – What part of our budget is this money coming from?

Jonathan Ching – It comes out of the Legacy Lands program under the Land division. And what we did is we split the cost over two years, so we took \$160,000 from 2016 fiscal and next year we're taking I believe another \$200,000. I'm sorry; I can't remember exactly which way how we did it.

Trustee Apoliona – Just to fall on Trustee Lindsey's comments, I'm curious about these we have here negotiations in progress. What does that mean?

Jonathan Ching – The terms and conditions of our OHA's general conditions, so Corp. Counsel and Procurement unit, they have a set of general conditions in all contracts but, what we're finding as we start to do land base contracts is we have some different concerns that are general conditions which might be amended case by case. We're in the final part of that DTL provided their comments and their wishes for an amendment. Corp Counsel has responded and now it's back to DTL, and this all happened within the last few weeks, so the price and the scope is all fine, it's just the terms for example, what happens to the product that is created, because it's a construction based type of thing designed based where there is licenses and responsibilities to the people who sign off. How that information is used, has some implication to the contractor's license. So there's just a little bit back and forth about how to lomi that language, so that it's agreeable on both sides. We're just wanting to make sure that we get this, we paid for this, it's OHA's property and OHA can use it as it needs to, and for example, if it puts the contractor's license at risk if we use it out of context, then that's some of the small kinds of terms and conditions, it's really small and I believe it should be done relatively quickly.

Trustee Waihe'e arrived at 9:41 a.m.

Trustee Hulu Lindsey – Jonathan when we put out the RFP on this, did we put a price on the RFP?

Jonathan Ching – We had a "not to exceed" number of I believe at that time we put it out as \$300,000 and then after during the process as we were having communications with other folks to do this kind of work, they were saying that wouldn't be enough for what we're asking for. So what we did is we found some monies in fiscal 16 that we diverted from other things we were going to do instead and moved it to the planning. So, we just had a budget shift within the contracts service on the fee we moved it over. We firmly believe that this process is the backbone of what's going to end up on the property and so it's very important to put the resources in up front and do it correctly.

Trustee Apo – I just wanted to share with the Trustees, thank you Kamana’o and administration. I’ve engaged in a couple of discussions with them and asking to take a look at this strategy called Bio Char, it’s a carbon reducing using foliage from a property. Kind of a new thing but where it goes it helps to produce revenue and it rejuvenates. And we apparently have two properties that seem to be according to staff, kind of good for this kind of mediation of the soil, preparing it for Ag and also for a revenue producer for Wao Kele O Puna is one of those places and Kūkaniloko. Just happens that we’re blessed with that, so at one point I was going to ask the Trustees to have a little discussion about that. Not at this time, because it gets a little complicated and just wanted to share with the Trustees.

Jonathan Ching – The Preservation Plan that has been started some time ago, we’re about half way through and currently we’re in the ethnography stage, the contractor Nohopapa led by Kekuewa Keikiloi and Kelly Uyeoka have been working with members of the community and people who have knowledge of Kūkaniloko itself to help us with the preservation plan for the 5 acre parcel, so the plan is that preservation plan helps to inform the larger planning effort, so sticking to the reasons why we purchased the property to protect the stones and look for an appropriate agriculture and then contribute to food security and all of that in mind starting with the cultural site and the stones is the philosophy that we’re starting with and making good progress there. The next part is, actually the next four bullet points there are all from our separate contractor who is doing our water, agriculture and soil studies and making recommendations.

Chair Machado – Who is that?

Jonathan Ching – Lauren Roth, she came and presented the last time we met, Caucasian woman from Roth Ecological Designs. So they’ve been working on the different water options that are feasible in the area including natural catch, using our one water from wastewater treatment plants, we’re thinking about using the water from Lake Wilson and of course the ADA or the Agro Business Development Corporation’s well that comes through our property. So we’ve been making progress there and we look forward to sharing those recommendations when that’s complete. That’s one of our big concerns is water out there. The second thing that they’re doing is to look at our soil conditions; they’ve done some preliminary assessments. We know that soil is acidic but a little bit more we’re looking for information about what we should be doing, what we should consider as we move forward. With the help of Olu we’ve got our soil conservation plan at the beginnings of when we first started, so that’s really something that we’re trying to be proactive and being an exemplary steward by having in place. The next thing we’re going to input about the type of agriculture that would be feasible out there and one of the things that’s going to happen is we’re going to have a charette with farmers from a diverse setting whether it’s a natural farmer, a Native Hawaiian farmer or large farming, just to give you an idea of what the recommendations might be and what our options are. I’d like to back track, here you can see AISP which is the Archeological Inventory Survey Plan and TCP the Traditional Cultural Properties Review, that’s also being done by Nohopapa. What that’s about in 2012 OHA had paid for a traditional culture properties study, well we haven’t released that study because there are portions of that study that staff internally at that time had an issue with. We’re going to bring that to a resolve so that we can utilize the study as part of this planning process. Any further questions?

Miles Nishijima – If I can add that we’ve been working with Senator Donovan Delacruz and he has generously offered to assist us in getting some CIP funds from the State and we intend to make a proposal, what’s needed in this vicinity would be domestic water, sewer connections, even cable connections for our programmatic uses that we attend on the site. So hopefully we can get some cooperation from the State.

Trustee Apo – First of all, I really commend administration, I think they’re doing a great job. This particular property is going to allow us to actually step out and set a model or reactivating pineapple lands. There are

thousands of acres and we're going to be able to break some new ground, right now, we're kind of ahead of the curve, the way we're approaching this, hopefully we'll keep our eye on this because I think it's a tremendous opportunity for us to step forward as a leader in agriculture and re-activating pineapple lands, which has been a huge problem on Maui and other places. So I really thank you.

Trustee Robert Lindsey – Thank you Madam Chair. Jonathan, I understand and this is a budget question. You mentioned that the contract we have with Malia is \$360,000. For the water options that are being examined and looked at, the soil conditions, are those components embedded in her contract or separate.

Jonathan Ching – No, they're separate.

Chair Machado – Actually, you're talking about three separate contracts DTL, Nohopapa, and you got Roth Ecological. It would've been helpful if you folks went lay out these contracts and the dollar amounts.

Trustee Robert Lindsey – You bundled everything together, what does that amount come out to?

Jonathan Ching - \$360,000 for the Master Planning. For Roth Ecological that's the water, the soil and the agriculture is \$100,000. For the Preservation Plan is \$50,000 and for the AISP there is two phases, there's a Plan and actually when you get into the development, there is an AISP itself, that's \$75,000.

Ka Pouhana Crabbe – The total would be?

Trustee Robert Lindsey – The total puts us under \$600,000 or at \$585,000.

Jonathan Ching – At this point under \$600,000. I believe this is going to cover most of the costs and don't foresee too much more amendment to this from our experience. This is the first time were doing it, so as we do evolve we'll definitely keep you up to date as to what the best thing is to do from our perspective.

Trustee Apoliona – Maybe you can kick out what you just clarified for us.

Ka Pouhana Crabbe – We can put a memo together.

Trustee Apoliona – Not that elaborate, a diagram is helpful because you got three pieces moving.

Chair Machado – And if it's not too much work to clarify what the deliverables for each of the contracts, that will be easy for us to understand.

Trustee Apoliona – We can hold it accountable.

Ka Pouhana Crabbe – Yes, so we would put out a memo and with a chart outlining the different objectives.

Trustee Robert Lindsey – Just a follow up, you guys are doing great work in terms of defining our lands for the future. As I understand Phase 2, that's going to be a separate budget, same thing with Phase 3.

Jonathan Ching – Correct Trustee and if I may, the reason why we did that is because of the uncertainty of what the plans would end up being. But those costs are going to be extremely different and so we would likely have to look at options for funding that, so that's why it's separated out.

Trustee Robert Lindsey – Thank you.

Trustee Apo – One of those projects you know our whole thing with Legacy Lands obviously if we can break even great. But it's not intended to make money, but this one though can go the road of Waimea Valley with the intention wasn't to make money but we're in the black and I think that this Kūkaniloko project is one that we might take a look at perhaps shifting some of the costs under Direct Investments or because you know it will be an investment to create revenue to support the programs. And I think there will come a time when we might be ready to do that, so it doesn't all come out of the budget.

Jonathan Ching – Thank you Trustees for approving the illegal camping policy in May. The map, and just to give you an idea, the yellow is surrounding the 5 acre parcel on the easement road, there's a fire breaker road that's under that yellow line and that's part of the work we've been doing out there. The red line that extends over to the right and down to the hook is where we focused our houseless enforcement. Bottom portion of slide talks about we acquired the property in 2012 and in 2013 the land and property program at that time without a division started to plan out what to do with the property and realized that we had this houseless situation and it was a big endeavor, and in 2014 we started our procurement on all of these issues. It took us a while in procurement because it was new and we thank the procurement unit for helping us navigate that. In 2013 we started reaching out to our service providers because we knew we wanted to do it differently than anybody else. What happened in 2015 with Kaka'ako Makai and the enforcement in that area also helped us a lot as far as the way we did things. In 2016, we had the implementation, I guess what I wanted to illustrate here is that the outreach has begun in 2013 with our service providers, so there was good and bad, we got a lot of information, a lot of data, a lot of suggestions, but it's also like crying wolf, because each year after year we weren't doing it we were still talking about it, so this year it was nice that certain people stepped up and really helped that to come to fruition. In 2014 you can kind of see all the different folks that we started to reach out to law enforcement, security, surveying, vegetation control, road cutting, junk collection and storage/disposal, sign installation and gate installation. So then we move forward into 2015 one of the first things we wanted to do by the recommendations of Corp. Counsel was to install "no trespassing signs" to kind of do something actively as OHA's land manager, to put the notices out there to protect the trust from risk. Then in 2016 we started to create access ways through that berm we talked about so that we can provide access to get the providers and all the contractors to that area that we needed to work on as well as working on the fire break road. If you recall there was an alleged incident up in that area, where people were robbed at gun point, immediately after that we cleared the berm so that, though people could still access the site, they would be able to see on both sides of that access road where the berm was and that is we haven't had a another incident or reported alleged incidents. Moving on to surveying the property boundaries, so this was important, one to know where the property boundaries were but more importantly for the enforcement. The first thing the people who are camping there say is well, "where does your property end", so we figured that out and then we had it done. Of course in May the policy was approved and then we started June 1st our two week notice. Just to remind you, before we did our enforcement two weeks out, one week out, two days before, one day before and then the day of. So we gave a lot of notice, we brought the service providers with us, people from the sheriff's office came every day, API Security has been excellent, Kokua K-9 was really influential in that, the Humane Society, Kalihi Palama, Hope and IHS, these folks were out there and really helping us to do this and make this successful and you know they were very professional and very caring. Our staff was out there every day and it really helped us to do this with aloha and approaching the people on the property, some of which were beneficiaries, with aloha and respect.

Chair Machado – Jonathan, this occurred on June 15, 2016.

Jonathan Ching – Yes, that's the actual enforcement day.

Chair Machado – Today is July 28th, right. Have you been out there recently to monitor?

Jonathan Ching – Yes, I personally have been out there about a couple weeks ago, but Brutus La Benz has been going regularly with our contractors and monitoring their progress and we'll talk a little bit about it as we go through and can share the results of what we did and what we're doing to follow up on it. Because it's going to take us to keep following up, less they return.

Chair Machado – You have a picture of the gate you folks installed?

Jonathan Ching – Yes, so when we first went in 2012 there were a number of people out there and it wasn't safe and that's the report we were getting from all the service providers. We started going further in with enforcements and the warnings and ran into 11 - 15 people might have been staying out there currently. By the time we were done only 3 people remained on the day of the removal and one is because they had a lot of things and they weren't ready to leave and maybe they believed that we weren't going to do it. We even approached that with aloha, Ka Pounui was there with us and advocated for the sheriff to give a little more time for these people to leave the premises as opposed to citing them for trespassing. We weren't out there to get anyone in trouble, we just wanted to what we had to do. By the way, when you see this blue tent tarp area, this was the second largest; it will come in to play. One of the things we got to address during this time aside from putting in the gate as you see depicted on the bottom left corner, there is this big muddy ponding area, where people park currently to visit the stones, as part of our mitigation for mud management. We installed what's called the rip rack road, and basically it's a bunch of various size gravel that helps to remove the mud off of tires of vehicles before it gets onto the highway, which is to protect our trust from risk, as we can get sued for creating a slick surface on the road coming out of our property. So that's something that came out of this, we've installed more signs, not only the no trespassing signs. The top right hand corner depicts the warning sign for the falling coconuts and branches that may come in to the 5 acre property and another, what we call a cultural sign, its brown and talks about Kūkaniloko and helps to guide behavior on the property. The next few photos are really to give you an idea of what we're facing out there as far as the sheer volume of ukana that was out there. This was from the largest encampment and it was very well done.

Chair Machado – So the next effect would be before and after shots.

Ka Pouhana Crabbe – Jonathan, so the trash that was in the bunkers and the levels have been removed. What about the replacement of that space?

Jonathan Ching – Called Brutus La Benz to the table to share on the progress. The structure itself, these parts are king of still there. These will be the last things to move. And then we'll have to fill the void of where the puka is and have to think about how we level this out and control the soil once walls are removed. Brutus has been there every day for the last 3 - 4 weeks for the most part.

Brutus La Benz – Aloha Trustees and Chair. This particular area is kind of tricky because it's on a downhill slope and on top of that, there are a lot of trees. I'm sorry what was the question?

Ka Pouhana Crabbe – When you removed all the rubbish and trash, but the replacement of all those spaces, what will be done?

Chair Machado – Stabilize after you remove all that rubbish.

Trustee Hulu Lindsey – So, all this wood came down?

Brutus La Benz – It is in the process of coming down.

Trustee Hulu Lindsey - When it does come down what does the terrain look like are you going to level it? Does it have to be leveled?

Brutus La Benz – One good thing out of that bunker that is below this area where the photo is taken is that it provides a natural catchment area for runoff to go down. I was just on site yesterday and took some photos and there's definitely some runoff because the way the wood is sticking out and so water would accumulate and kind of erode the way you see potholes and stuff like that. But as far as I can tell when I went down, it doesn't seem to be a much impact to the lower areas, other than a lot of branches and leaves and those kinds of stuff accumulating at the base of the trees. I don't think we anticipate very much growth going down and in speaking with the guys out there our contractors who are doing the grass cutting, they think that pretty nasty California grass is going to start taking over as soon as it can.

Trustee Ahuna – You're talking about erosion control just for that camp.

Miles Nishijima – Points out in this peninsula of land near the bridge, where the homeless have been accumulating, this is the only area where OHA's property extends to the down slope. Otherwise, our lands are the more flat pineapple lands and the slope leading down to the banks of Lake Wilson are actually owned by others.

Chair Machado – Brutus, given that map, where is that photo that we saw with the trees.

Brutus La Benz – The property actually follows the red fairly accurately, if anything just 5' to 15' out of that and where the trees are it jumps down and does include that area that had the bunker.

Trustee Hulu Lindsey – Outside of the red is not ours, but the bunker was part of it?

Brutus La Benz – Right.

Trustee Hulu Lindsey – So we had authorization to go into Dole?

Jonathan Ching – No, the parcel (in red) is depicting the road that we kind of created for the vendors to create. Our property, mostly where you see the wooded areas, most of that is not ours, however we do come out here and our property does come out to here and it does jot's down little bit in this one and only area is really the low point here. The property cuts across this gully and as we go into long term planning, there are some challenging areas. We haven't had the opportunity to look at the property lines yet for the rest of the property. We know where the property is along the roadside, but this year we want more surveying done along the lake edge, so we can clearly define where other challenges are and how we can work together with the adjacent land.

Chair Machado – We call that risk management.

Trustee Apo – Jonathan, I was just there a couple weeks ago and parked up where the entry gate is, there were couple other cars and then when I came out, there was some irrigation people there who were complaining that they're always blocked and cannot gain access and go to the right. So what is the parking like, should we be parking on the road. How does that work?

Jonathan Ching – So, the roadside parking is in a DOT easement, technically I don't think they allow parking there. People do park there and for the time being while we were doing this work out there, and what I'm going to get to is we're cutting the grass and the trees in the area to be able to see everything and remove all the trash and keep folks from coming back, once that is finished we won't be accessing this area as much. We

would have security patrols and our land management team going in. We have three month intervals; we will have others go in to do grass cutting maintenance, so it's temporary for now and they need that access.

Trustee Apo – Otherwise, it's okay to park there.

Jonathan Ching – In the gravel area, that's what people have been currently doing since 1992. That's part of our planning process is how to address parking.

Trustee Ahuna – You referenced using our water, where would that hookup be?

Jonathan Ching – I apologize, this map is not the best for that but it would be more on the Southern part of the property where the lake is held back by the dam. That area is where we think we would be pulling water from. So, Trustee Hulu, our surveys have been completed for this portion. This year we have budgeted for this survey to continue as a part of our master planning process but outside of the master planning contract.

Ka Pouhana Crabbe – Are there other homeless encampments there that we know of?

Jonathan Ching – We know of nothing significant. Believe there is evidence of intermittent camps that were perhaps there in the past, but we haven't been able to access that part of yet.

Chair Machado – Is it abandoned?

Brutus La Benz – Likely abandoned.

Chair Machado – I'm looking at the map in front page. Are these houses across Lake Wilson or illegal camping?

Jonathan Ching – Yes, that's Wahiawa Town. Before we move on, I wanted to show you the gate, it has been installed. Brutus helped to pretty much see that project all the way through.

Chair Machado – How has the response been with the installation of the gates and some of the other things you've done?

Jonathan Ching – So far, we've locked the gate open until we have control of the 5 acre property, then we can make a decision along with our planning process, so far no complaints because it's open. Once we close it, I think we'll have some.

Trustee Apo – It is a very classy gate.

Trustee Robert Lindsey – I just want to commend Jonathan and Kamana`o's gang for all the good work you're doing here and I want to commend you especially for how you handled the illegal camping issue. It was strategic, thoughtful and done with aloha. I have a thought when it comes to marketing piece down in the future whenever that happens, we got the guy right here Brutus, he's on TV every night.

Ka Pouhana Crabbe – Before we move on to Wao Kele Puna because I believe Trustee Apo had talked about it and that we were in discussions with community representatives because you have visitors to the site and maybe clarify with the board like Wahiawa Civic Club or a community group help us manage visitors and educate as some kind of relationship with the community, however we still looking to receive title for that area and the status of that.

Jonathan Ching – Currently we have a right-of-entry with Hawaiian Civic Club of Wahiawa and what they do is they use the site to cut the grass and trim the areas around the stones and they also bring folks in to do education and interpretation. The Civic Club has expressed interest in further stewardship of the site and they are included in the preservation planning process and they will be included in the master planning process, so I believe there is an interest as we move forward and get our plans set perhaps that is a very real possibility to kind of incorporate our community into the care of our sites in the way that its feasible for all and in a symbiotic relationship. Because it costs a lot of money to manage sites and if we're going to create more positions for that we might be creative about the way of matter we do it in a collaborative effort. That's something we're thinking about and trying to push forward and thinking of pros and cons and really analyzing it before we move forward and make a solid recommendation. Our team is constantly thinking about how to do what we need to do, fiscally being responsible, protecting the trust and really serving our people in a way that I think our people want to be served, so that we bring our lands back to them.

Trustee Apoliona – Just along the lines of you know of Kūkaniloko, Wahiawa Courthouse and Waimea Valley. Is there a thinking of how you begin to connect; is it ongoing with you folks already? Because we got the LLC's, and then the management of the lands on the other side, we can look at the opportunity to connect it all for one important cultural understanding and experience.

Ka Pouhana Crabbe – I'll let Miles and Jonathan go and then I'll comment.

Miles Nishijima – We actually have been discussing that as a possibility with OHA's lands, but also with non OHA lands that if we can have an OHA stamp of approval, so to say that would validate cultural tours and get involved with that and might be a potential source of revenue. But we are concerned, but what we observed with Kūkaniloko, where we have a lot of tours groups going in there and we have no idea of what's being done or said to these visitors. So, I think that's a challenge for us down the line, is to explore that and really have OHA's stamp of approval.

Trustee Apo – We could look at a certification process of any business that is accessing he site needs to be certified.

Chair Machado – And maybe we can work with the Native Hawaiian Hospitality Association in conjunction with that kind of arrangement because they do have a broad base network to.

Ka Pouhana Crabbe – There is as Miles shared not just with Waimea Valley, the Courthouse but the possibility of even in discussions with Kamehameha Schools because they're stewards of a number of other cultural sites along that coast right before Waimea Valley along the ridge there and then there is also the State of Puu Mahuka above and also the Haleiwa corridor, so you have a nice district of a number of cultural sites with different land owners that could be a good model in the visitor industry and then emphasizing the cultural pieces of the landscape there and arrange some kind of a not just business but a true partnership with the community and the different land owners as really highlighting not just the land and cultural piece but also how it relates to current sustainability for agriculture, for care and stewardship of the environment and be a real educational piece.

Trustee Robert Lindsey – I would think that in maybe Malia folk's contract, they might come up with ideas with stories to be told to place for the areas surrounding it.

Ka Pouhana Crabbe – What's good about this place in connection to Waimea and even Puu Mahuka, Kūkaniloko as the birthing place, Waimea Valley with the history of hewahewa and kahuna, then the other

cultural sites are very related to ali'i class, others are related to astronomy and so forth. You have a very high level of society at least for the Oahu Island that has been built up.

Trustee Robert Lindsey – There's already all these connections.

Ka Pouhana Crabbe - Yes, they're still intact and can be revived and be a model.

Jonathan Ching – We'll move on to Wao Kele O Puna.

Advisory Group Development, the Aha Kukakuka that's been working together for the past 8 months and we've gotten them up to speed and we're now in the middle, the Forest Solutions is our contractor and that contract was for \$300,000 for 18 months, to be completed in the summer of next year.

Comprehensive Management Plan that is very culturally informed and looks at and takes into account of the communities visions for the site. We've made a lot of progress, that we're starting to talk about the hot topics of the areas of concerns for our working group and our next meeting is next week Thursday. What you will see budget related is increased travel between, every three weeks between now and December. Olu and I will go up there and help Pua, who is our Hawaii Island land coordinator to facilitate these meetings and get this planning on the road. From January through the summer maybe once a month, we'll be going up to finalize that plan.

Lava is now inactive in Wao Kele for the first time in a long time. As you can see in the news it's heading down and just hitting the ocean yesterday near Kalaupana area.

MOA with DLNR - Other big news, it's been 10 years since 2006 and the MOA with the DLNR which means that MOA is expired. So the DLNR has had it in their courts for some time now on their side to figure out the new language which will be very high level and that will cooperate with DLNR and they will be an advisory for us and that we can still utilize as it's still a forest reserve, the enforcement is still being taken care of by Dole care, which is helpful for us because we have no way to enforce nor do we have rules. So while we're working on that in the plan and some ideas for how we can have planning for Hawaiians and managing for Hawaiians by Hawaiians is kind of the motto as we hit through this plan. Currently that's the status of the MOA. We have an

Invasive Species Management Plan - was completed recently and we're bringing into the next fiscal year and we'll do some invasive species management actions, we're also going to get the Aha's Kukakuka's input on that to help us align that with our planning.

Rapid Ōhia Death (ROD) is very much prevalent in Wao Kele O Puna, over 60% of our Forest `Ōhi'a are dead from this disease, its fungus. It is a very real thing for us and working with others at the University of Hawaii and others to do some studies to figure out how to address this. Also trying to figure so this has happened, what do we do in the shadow of ROD? What comes next? We're working with our consultants and our Aha Kuka as well. We need to do in this next year is really as we're seeing the next 6 months really buckling down on those hot topics to make sure it's addressed in our plans and thinking about in the long run at the end of the day, when we have our plan, how we incorporate the community in the care of that forest which is 26,000 acres.

Trustee Hulu Lindsey – Does it actually kill the tree? Or is the tree able to recover?

Jonathan Ching – From what we can tell and what we we're shared with are that it kills the tree and it's a really nasty fungus which kills the tree all the time 100%. What was shared to Olu and I when we went to a conference where a speaker talked about why the `ōhi`a is susceptible, the way the ōhia grows, twists and turns as the wind moves it around, it has areas where the bark touches each other (called included bark) and then it sways in the wind and creates a soar, and then the little beetles come and the fungus is airborne and it comes and it sits in the tree and trickles down with the rain into that soar. A lot of the `ōhi`a are getting infected that way; it's a very real concern to consider is with large winds like hurricanes, the scientists believe it can jump to Maui. So, we're really watching that and can keep you up to date.

Ka Pouhana Crabbe – Is there any plan or consideration or suggestions by researchers with already the impact of Wao Kele O Puna's current trees. Could it be reused for bio char or future use?

Trustee Waihe'e leaves the room at 10:28 a.m.

Jonathan Ching - Called Olu Campbell our Natural Resource specialist to the table.

Olu Campbell – With all the trees that have already been killed by ROD, the technique that basically all the scientists that have been working on this are in agreeance on is to just leave them in place. If you chip them up, it makes the spores easier to disperse, if you take the wood and move it around, people lose track of what's infected wood and uninfected wood and so someone's going to think this one piece of `ōhi`a is uninfected and use it as firewood or chip it up for mulch and there you will have the disease will be spread to Ka'u or wherever it is. So, basically everyone is in agreeance right now that they're just going to leave the dead trees where they lie and hopefully they degrade. On the slid here we're looking at some `ōhi`a death studies, one of those studies are for the trees that are dead, how long does the fungus remain viable in those dead trees, that's one of the things a group of scientists are proposed and they want to work on that issue within Wao Kele O Puna and we're looking at what the feasibility of that is.

Trustee Ahuna – When we look at logging, there is logging now on our island. How does it affect this? Does it support this growth rate or they're doing a lot of bio projects?

Olu Campbell – On Hawai'i Island there's been a permanent hold on any `ōhi`a products from being moved around. That is what their kind of doing to reduce the possibility of logging of `ōhi`a from spreading the fungus around to other islands. It can be spread onto other plants, which is being suggested because the fungus has been found on other plants including the ornamental plants that are found in nurseries. Movement of those plants between islands could be another vector for them spreading but as for the logging industry itself, probably help or hurt too much because even if the logging industry would go and cut down trees, right now they can't move the wood anywhere and they don't want the wood moving anywhere, because it's a higher chance of spreading the fungus.

Jonathan Ching – There are a couple of experiments that DLNR is helping to head up to see what temperature if they kill and dry the wood, does it make the fungus ineffective and so that's ongoing. As we know more we will share.

Trustee Waihe'e returns to the table at 10:30 a.m.

Trustee Apo - I'm following up on Kamana`o's comment. Would this be a bio char candidate?

Jonathan Ching – I think we would look to as part of a solution set for Wao Kele is Strawberry Guava. If we can figure out how to, it's a tough terrain right, so that's one of the biggest things. The reason why like bio

char this Strawberry Guava is not being used is because it's located in hard to reach places, but if we could as far as conservation and really a benefit to the Big Island and forests in general by removing the Strawberry Guava and replanting them with either Agri-Forest tree or native plants, not only do we take care of invasive species but we also help to increase the carbon absorption of the forest and the water percolation. A number of things benefits to removing that species of tree is enormous. There's nobody doing it at an effective rate now, because it's really expensive to do. So the subsidization of it or if it's bio try, it might have to be subsidized to start, maybe as a pilot and I think that's a strong case to make here if we want to try a pilot of bio char, it will be excellent to try it here, if the community and our Aha Kuka group is agreeable. But I believe the conservation community is looking for something like that as an example. It's something to think about.

Olu Campbell – If I may add Madam Chair, Wao Kele O Puna is also zoned as the highest protected conservation zone there is. So, if you were to do something like bio char within Wao Kele O Puna, we'd have to get an exemption from that either a special conservation zone or some kind of permit specifically to do that in Wao Kele O Puna.

Ka Pouhana Crabbe – I do recall that the Hawaii delegation had reached out to us and others for support whether it's research or actually to address the issue, but given that Wao Kele O Puna is a substantial conservation area. Would we be open to or currently considering the potential Federal grant funding to assist us in Wao Kele O Puna restoration?

Jonathan Ching – Yes, in the Comprehensive Management Plan, part of the scope as well as the Kūkaniloko plan is to look at alternative funding sources for the different ways and you know as OHA we have some limitations as to what kind of grants can be available to us. However, if we have a third party that opens up opportunities so taking that into consideration and really thinking about how we manage and our partners is something that we will be investigating through the planning processes on both properties.

Trustee Ahuna leaves the room at 10:34 a.m.

So for Palauea Update – We have not been able to do any maintenance on the property this year. When Olu and I went recently after a Trustee meeting, we did find there's some repair needed on the ramp that enters the building and there's some trash on the property that needs to be removed and our wiliwili trees are in bad shape there. I don't know if it's because of the gall wasps specifically or other things, but those are some observations we made.

- Maui County Cultural Resources Commission this year for the first time since we got the property, we we're supposed to be doing that annually, but now are caught up on that and they were happy to get our report. We will make sure we're on track for next year.
- Stewardship, the right-of-entry with the University of Hawaii had expired actually in December 31st. As you may recall we extended that to allow for additional negotiations to June 30th that has since expired. In that time we have presented them with new lease language that we could lease the properties to the university, as it turns out the university is not able to take us up on that ground lease. In recent discussions with Chancellor Hokoana had shared the university interested to use the property for their Hawaiian Studies Program and we are currently creating a new right-of-entry agreement. It seems that the management portion of the proposed lease was things that the university had a hard time accepting.

Trustee Ahuna returns to the table at 10:36 a.m.

Ka Pouhana Crabbe – I think between Chancellor Hokoana and us and Trustee Hulu's suggestion is that we turn over the stewardship so that it can be locally managed. I think there was really great commitment however, there legal people from Manoa had opined and interestingly not just the management issue but the liability, we had worked through that as well, kind of indemnifying them. But even with that condition and the legal counsel to UH Maui Campus discouraged them from considering it. I recently engaged and we renewed their right-of-entry. It looks like they will not be able to move forward with what we had proposed a year ago, so then it moves back into our court, we would have to manage it and in a way we assume the liabilities and risks as well. So that's as far as we have taken it, unfortunately the higher legal counsel for them is not open to an arrangement to where they can take on the liability themselves.

Trustee Apo – (inaudible) and they agreed to and (inaudible).

Trustee Hulu Lindsey – Actually we're back to square one, because we accepted this property because the University's legal group could not accept it and of course it had significant cultural sights for us to want to cooperate, but that was under a different Chancellor. I think when Lui came in, he was not familiar with the history of what we went through with Palauea, so I warned him that his Honolulu legal team will not accept this, but he wanted to try and he did try and he didn't succeed. But we did get involved and of the main things we got involved was because of the liability and this is the big favor we are doing for the university by having Palauea and finding a way to allow them to use it, mainly because we can cover the liability. That's what I think you're working on, again to almost like renew, but what you're saying is we need to do more management than what we have done in the past. What I'm concerned about is that we're spending too much money for the management from what I see here for the 2017. If we can trim down that budget, because I know that it's possible, I've heard figures already in talking with the university people, how much it would cost, let's say for a preservation plan and the risk management. I'm not familiar with that and you folks would have to take care of that and the property structure, I don't think there is \$30,000 worth of work to be done. I've been around the property as well, so I would like to propose that they trim down the budget on this 2017 and not use that much money.

Chair Machado – What about the sense of securing the property because people that are going to the beach across are parking in the area right? How do you folks propose to secure people from not accessing since the university won't be visible? We're hopeful to get visibility.

Jonathan Ching – So there's currently a ballers and chain set-up at the driveway so people are not parking on the property per se, but there parking along the edge of the property. One of the main concerns we had was the keawe trees growing there. They were starting to fall and break, so we took care of that in 2013 and so I don't think that's so much of an issue now as far as the trees in our property damaging other people's property outside of it and then the chain is the only thing we have to keep vehicles out of the property.

Chair Machado – You folks did such a good job at Kūkaniloko, you may have to put another beautiful gate like that and signage needs to be implemented.

Jonathan Ching – We do have some no trespassing signs that are up, but what we really want to propose and I think in discussions with the university staff when we were on Maui, initially they wanted to work with somebody from the university to create a preservation plan, but after kind of hearing what we consider our preservation plan, they had noted that Kunia Freitas was not able to perform that scope. The price that we have here is just based on the estimates that we have for Pahua and Kūkaniloko studies from Nahopapa. And we can procure it in a number of different ways.

Chair Machado – Would that management preservation plan provide for site stabilization, because it's critical, trees are over growing in the sites as you push back to roadway from on the property, you can see it from the top looking down, but hard to see the sea level up.

Trustee Apo – Let me understand that the university is refusing our offer of indemnification.

Ka Pouhana Crabbe – Yes, even when we had proposed and reworked it.

Trustee Hulu Lindsey – In the lease situation. We have the right-of-entry we are indemnified.

Ka Pouhana Crabbe – And that was an issue in the beginning, that we had discussed with Lui and then we went back with Corp. Counsel and worked it out. We not only couldn't indemnify, but still allow them greater management and stewardship under certain conditions in terms of managing for it. Again, there legal counsel came back.

Chair Machado – The next question would be is how much is in that fund that was created by the land owners?

Jonathan Ching- Currently it is just about \$400,000. Around \$398,000 and there is another property to be sold in that area that's for sale.

Trustee Hulu Lindsey – Every time they sell, we make something.

Jonathan Ching – The good news is that there's money coming in, but it's not sufficient enough on a regular basis to manage the property in the way that we currently manage our other properties, so we'll have to think about that differently in the way of manner.

Chair Machado – With this projected items which may get close to over \$100,000, would that come out of that fund or OHA's funding?

Trustee Hulu Lindsey – It would come out of that fund.

Ka Pouhana Crabbe – I think what Trustee Hulu is proposing and take that under advisement and certainly look at it. It was always our hope to try to allow local management, but given the circumstances now, we would have to re-engage with Lui, as to how we're going to do it. I think one thing we have to consider is what is the needs that we need to fulfill so that we can take proper care of the property. What I propose is that we regroup with Chancellor Hokoana, and then look at our current budget and then we should re-present to the board what is reasonable and prioritize our needs. I think the challenges these past several years, we are moving forward but we don't have the plan in place. Once we have that regardless if it's UH or us, there is still forward movement in maintaining and securing the property.

Trustee Robert Lindsey – One of the reasons why I voted to support this when we did this was that the property would generate enough income annually to take care of any budget needs. So, I guess my question to Trustee Hulu's question is the numbers that are attached to the 3 needs that show up on the bottom page, are those OHA's numbers or are those the universities numbers?

Trustee Hulu Lindsey – It's our numbers.

Trustee Robert Lindsey – It's our numbers, so therefore these numbers have to be realistic, I'm assuming. But to try to trim these numbers, it's.....

Trustee Hulu Lindsey – It's possible.

Trustee Robert Lindsey – Oh yeah, why is it possible?

Trustee Hulu Lindsey – Because it's not real numbers. They haven't gone out for preservation plan, RFP, they haven't really priced it, they're estimating.

Trustee Robert Lindsey – Yes, so when they do go out for real numbers, these numbers could change and go up instead of down.

Jonathan Ching – Potentially, I believe what we tried to budget here was based on our other projects, so that it would not exceed and our philosophy on this property is, there's a number of things we can do and there are a number of things that we really need to do. The nice thing about this it has its own budget, so funds that we do not spend stay in that category budget, although it may seem higher, what we did not want to do, is underestimate anything so that we would have enough, once approved to make it through the year and do what is essential with whatever we have. And of course we are very prudent with our expenditures.

Ka Pouhana Crabbe – What I would say is that at a minimal, we must put up signage, we have to secure the parking area and we would have to look at the gate in terms of entry because in the past there have been reports of homeless individuals, which creates a liability for us. So at a minimal and as a priority we have to do those things, since now it returns back into OHA's court for managing and responsibility. The preservation plan can be put off, but at a minimal these are the things to do base upon these numbers.

Trustee Robert Lindsey – I would like to say that we need to do in this instance what's best for OHA, we're not here to take care of the University of Hawaii Maui College, we got to do what we got to do because we own this property. If we want to make the university people happy, why don't we just give them the property back?

Miles Nishijima – They won't take it.

Trustee Robert Lindsey – Or give it to somebody else.

Trustee Apoliona – This is really something that's got to stay really tight in terms of we're trying to deal with this immediate situation, but the big question is okay, so at some point if this money starts to diminish or be reduced, then what and then what? I'm swayed by the comments of Trustee Robert Lindsey here.

Trustee Robert Lindsey – We will be stuck here holding the bag.

Trustee Hulu Lindsey – Well this is a preservation and cultural area, isn't it? So, we would be stuck like we are with Wao Kele O Puna and Kūkaniloko. That's what would happen, now when we took this, we had \$265,000 in the budget, we now have little bit less than \$400,000, so we are increasing. I think this is one of the better properties we have that's paying for itself.

Trustee Robert Lindsey – So we think and what we would like to believe.

Trustee Hulu Lindsey – So far, so good.

Ka Pouhana Crabbe – Again, what I propose, we will regroup and look at the numbers, because I think it is a fiduciary responsibility that we have to take care of basic needs of securing the property through signage and

take a deeper dive in terms of how we actually prioritize this Phase I, Phase II and Phase III with realistic numbers and some of the ideas of the future and functional use of it.

Chair Machado – Fundamental question should be asked to Chancellor is if you would be able to use this as a classroom for your Archeology program for your Hawaiian Language? If the answer comes back I not sure, then we're kind of holding the bag. That was always our intentions to utilize the language component to be part of that use and oversight, so they could get the connections in and free labor.

Ka Pouhana Crabbe – That question was asked, but I think that he would need to regroup with his staff on a more consistent activity and use of that area.

Chair Machado – That's a start Kaman'o, before we make any more commitments, because we want to see how they would be able to include their curriculum there, because there is a lot of good work that can be done, once they start clearing back the trees, you'll be able to see how beautiful those sights are and start researching and doing the drawings.

Ka Pouhana Crabbe – We we're even suggesting, if we do cost sharing, maybe the UH maintenance people go over and clean. The bureaucracy I think makes it very difficult. We will return to the board for update on the planning.

Chair Machado – On to Pahua Heiau.

Jonathan Ching – Just a quick update on Pahua.

Chair Machado – How much does it cost us to maintain this project?

Jonathan Ching – I think we're about at \$30,000 a year and what that includes is vegetation maintenance, arborist and tree trimming, any kind of signage. The way we've done it here is we've contracted somebody as the steward.

Chair Machado – Livable Hawaii Kai Hui is doing a really good job.

Jonathan Ching – They do a lot of education out there and what they do is they link it to the rest of the other sites in the area. The good news is we've contracted them just recently all the way to the end of December 2017 and a lot of that money has been taken out of FY16, so some of it will come out of FY17. We also pay for our electricity and water there, but it's really a minimal expense as far as the rest of our lands go. Brutus has been doing a good job of really working with the hui to be able to really negotiate the way and manner that is taking care of the preservation plan and is in place and what that helps is, once we have the preservation plan the comprehensive management plan is going to be based off of that. That's the root of a Legacy property like this and how we will take care of the property going forward and the real basis of the way and manner of how we manage this property. Any questions on Pahua?

Chair Machado - I would just recommend that you folks work on a declaration acknowledging the role of the stewards of Livable Hawaii Kai Hui and get that proclamation approved by the board and bring them to the board so we can thank them adequately with a proclamation and photos.

Trustee Hulu Lindsey – How long have we had this property?

Jonathan Ching – This is our oldest property and had it since 1988.

Trustee Hulu Lindsey – And only now we're doing a preservation plan.

Jonathan Ching – Yes, formally. It has been attempted in the past by the Land Management program previously and due to shifting priorities at that time, it had been put to the wayside and because it's such a small property in a cul-de-sac, the management is very minimal. People access this site but it's not visible or more contentious as some of these other ones, because it was there before they built the sub-division. Kind of like Palauea, except Palauea is part of the deal to build the houses.

Chair Machado – This was a throw away property that Kamehameha Schools Bishop Estate (KSBE) gave OHA. That was our first Legacy Lands that we received, but it was a throw away property.

Jonathan Ching – If I may add, the only thing that's kind of an issue out here is that hikers they traverse our property to get to KS land which there is an unofficial trail on and that's something that Brutus is helping to work on as well.

Trustee Apoliona – And that occurred before they had the term Legacy Land was used.

Jonathan Ching – The Waialua Courthouse, as you know Hi'ipaka has been leasing the property and we've also hired them to manage the property for us. So annually we're paying about \$32,500 for them to do that for us and we bear the costs as well for any kind of improvements. The great thing is that we we're having issues with the homeless folks sleeping, using the restroom and since Hi'ipaka has been in there, that has stopped. Another thing that has happened, what you see in this picture, where the bushes are Hi'ipaka has now taken those nonnative plants out and put native plants in, so they're helping to align with our advocacy for native plants on property. I also note that they increased community use, so previous to Hi'ipaka being in there, there was only 2 halau and 1 community group suing the property. Now, the 2 halau continue to use it and now 6 more community groups have been using the property since they've been in. It's also nice, they can lease out a space in there to help fund the management, but nobody has lease yet. And they're also using the room as you look at the building on the left for a gift shop that also promotes Waimea Valley. So Richard Pezzulo incorporating, Trustee Apoliona you shared earlier about really incorporating the properties, this is an example of how that's working and we do have a meeting with Richard soon to pick his brain about other things.

Chair Machado – Jonathan, you folks have somebody fulltime at the gift shop?

Jonathan Ching – Yes, Hi'ipaka does.

Chair Machado – Tell them put one shave ice machine in there.

Trustee Apoliona – Let's not talk about shave ice.

Chair Machado – That's a money maker.

Trustee Apoliona – As a note, Waimea is going to be celebrating the 10th Anniversary of the Pulama Event. It will be ten years since OHA took over the property.

Chair Machado – Now we shift to Kaua'i.

Jonathan Ching – Ho'omana, our property there.....

Chair Machado – Did one of the students make the sign?

Jonathan Ching – I believe so, it's a really nice place and what happens there and great that we're supporting that and what Ho'omana does. One of the biggest things we've been trying to do is help Ho'omana really get prepared to take on this sub-lease from us, so we have our lease with DLNR and is all set. We have a draft of our sub-lease between us and Ho'omana set. And as part of our way of helping Ho'omana, we had and helped them draft a plan of how they would manage the property, because they've been sitting on that property and utilizing it in a way and manner that is not the way that we need them to do it here, they've been kind of squatting under a different lease previously. Brutus has been working with them to really get this plan solidified and we've reached out to people in government to help alongside with Ho'omana. We do believe we are nearing a place where we can enter the lease and sub-lease simultaneously to minimize the risk to OHA. I'll have Brutus share a little bit about the process that we've been going through where the plan is at and what's included in that plan in general.

Brutus La Benz – As far as big picture plan, right now the balls in our court. Just a week ago we finally got the final draft of the lease from DLNR, and so ideally what we'd all like to do is have the lease itself, our sub-lease to Ho'omana which needs to approved by them and sign that simultaneously as possible. Ho'omana has been working hard with their constituents including Noelani Nakasone who has been a really key members and really the high energy for them. They've really bolstered up there plan and idea of how they're going to move forward particularly with if you guys recall, they were granted in 2015 a CIP grant and some of the work that will need to be done on the property and needs to get used up by the end of this FY17.

Chair Machado – The CIP came from the County of Kaua'i right?

Jonathan Ching – From the State.

Chair Machado – They got that terrific.

Trustee Ahuna – So one of them was to hook up the sewer lines, there's one right there but the County, everybody is in talks right now to upgrade the one in front of Coco Palms and then the other one, so right now it's just the matter of timing of how we can work this all out. I was just in a meeting last week with everybody.

Chair Machado – There in a perfect location, there just right across the street from Coco Palms.

Trustee Hulu Lindsey – And they're just starting the construction.

Trustee Ahuna – I don't know if you folks know, but they just renovated the new hotel right in front of Coco Palms. It's now the Hilton and it's beautiful.

Ka Pouhana Crabbe – So the final draft is moving. What are the next steps Brutus?

Brutus La Benz – As far as management, it will be the constant working relationship we have already with Ho'omana and the one component that was outlined in the lease on the direction from DLNR was to conduct a Phase I Environmental Assessment, we have that already procured and already in talks and looking forward to a date to have that completed. So, we should have everything within the next couple of months.

Jonathan Ching – If I may share, Brutus has worked hard, what we've been trying to do is they got \$87,000 from the Legislative to take care a lot of issues with that building structure itself. So what we we're trying to do was help them to figure out where are they going to spend their money, is it on the sewage, or on the building. Brutus has worked with the DLNR and they're willing to let us utilize the neighboring bathrooms as

long as it is 200' within the property, so that's going to save them some money and they can focus more on the building and the improvements on the property.

Trustee Ahuna – And it's so prime, they have these kayak that go up and the tourists go there. And this land is just perfect that when you see all the canoe regatta's this is where everyone parks on this parcel, because got the boat ramp and everything. This is a key location; there is a lot of land besides just Ho'omana being there.

Jonathan Ching – That concludes the property updates.

Trustee Robert Lindsey – Brutus, my question is in our sub-lease to Ho'omana, what are the high points of the sub-lease, what are the in quotes demanding of them?

Brutus La Benz – Our focus in lands in any stewardship agreement and any ROE's and of course the indemnification of OHA, and given the less than ideal parts of that property, we just really want to make sure and insure that they're working towards bringing everything to code or within legal restrictions, so in our sub-lease we refer specifically to what refer to "the plan" that's the simple four pages that we've been working with them to really outline like what Jonathan said, how they're going to spend their money and what's going to be their priorities, what their timeline looks like, how they anticipate seeking more funding, what they're going to do, because it's in a flood zone and because that sandbar outside of the bridge builds up, it can create a hazard, so they have procedures now on how to handle that kind of thing. I just want to point out to, I give Anela Pa a lot of credit, she is the spearhead of this and she reminds me of my favorite aunty from the neighbor islands. And they've had some challenges, I know they're board president left for another island, so they had some board changes, so there's been some obstacles, but we've been able to establish a great relationship and help each other in understanding so that she is fully aware of what our legal team is going to expect out of this kind of sub-lease.

Trustee Robert Lindsey – On the Phase I Environmental Assessment, how much is that going to cost and I'm assuming we are going to bear that cost? And then the follow-up whatever is discovered when that assessment is done. This could translate to hundreds of thousands of dollars.

Jonathan Ching – The Phase I EA is just a base line assessment of where the property is. The reason why we're doing that is when we return it to the DLNR, that's our baseline we return it at. That's a good question if there's any findings that require action, but as of currently Brutus can share it's a nominal and not expensive to do the EA's, it's about \$5,000. But we will keep you updated if there's any concerns that comes out of it that would spark interest

Trustee Apoliona – Just a follow-up to what Trustee Robert Lindsey said, in terms of the sub-lease duration of time, what would it be?

Jonathan Ching – I believe it's for the same amount of time we have with DLNR, I believe its 65 years. I will double check, but that's what I recall.

Trustee Ahuna – I wanted to make a comment outside of all of this. We're looking at this are right here, when the issue about the ice machines came out, this is the property I was looking at and this was the perfect property, we got picnic areas, canoe races, boats going in/out, but this was the place, when I heard about that. I thought this is the place you want to put it.

Chair Machado – Okay, no get me confused, I was talking about shaved ice, not about the ice vending machine. That's you talking about it, not me.

Trustee Hulu Lindsey – I just wondered if our staff could consider doing a lease for less than the amount of years that we’re getting from the land department so that we OHA have the option of wanting to continue the lease or not at a specific time. We need to probably consider giving them a lease that would allow them to rebuild the structure, if they want to make it worthwhile like a 30 or a 25 year lease. But if we get a 65 year lease from the Land department, OHA may want to do something else with the land later on, let’s say these people are not going to live forever like, we’re not going to live forever and maybe things change. If we lock ourselves into a long 65 year lease, we won’t have the option to change our minds and do something else. We don’t know the progress of what Kaua’i is going to be, so I think we should scale back on the number of years on that lease.

Trustee Apoliona – On the sub-lease?

Trustee Hulu Lindsey – Yes.

Ka Pouhana Crabbe – Is that something we can consider for the final draft?

Brutus La Benz – We could adjust the timeline and also put a provision inside the sub-lease that allows for mutual cancelation of the lease at any time for whatever reason may come up.

Trustee Hulu Lindsey – Yes, usually it’s hard to use that phrase because, we almost have to have a very good reason to get out of it. But if we have end of the lease, we can give them notice ahead of time, one, two years ahead of time and say OHA is taking a different direction. Just give OHA that option.

Miles Nishijima – I think in this case, the fact that it’s under a lease from DLNR and DLNR did want to have specific approval of the “use” on this site. We couldn’t leave that open ended and it was a requirement that we have the sub-lease of the use of the land in order for the DLNR to lease to OHA. We understand the strategy, that if we had the options of changing the use in the future, but in any event it would’ve been subject to review and approval first by DLNR.

Trustee Hulu Lindsey – Well, we may not want to change the use, but we may want to change the lessee.

Trustee Robert Lindsey – And that’s why I questioned, it on assignment, if they want to assign their sub-lease, then they should come back to us to request approval.

Chair Machado – They have to.

Miles Nishijima – The sub-lease is specific to Ho’omana.

Trustee Robert Lindsey – But if Ho’omana intends to assign at some point in the future, it will need to come back to OHA.

Trustee Hulu Lindsey – That can be put into their lease.

Miles Nishijima – Alright, I recall it written to be very specific to Ho’omana.

Chair Machado – Okay, anything else.

V. BENEFICIARY COMMENTS*

None.

VI. ANNOUNCEMENTS

Chair Machado - I have a few announcements. Remaining in the Resource committee we have four more meetings. I've been asked by the CFO to look at a request for re-alignment of our budget. I haven't heard from Administration, but I'll have Rodney come up and we're looking at the Fiscal Sustainability Plan workshops. We have one request from CFO relating to money managers' report and I wanted a Kaka'ako Makai update on the progress of the contract and where we are with the projections and the planning. We're looking at August 24th, Sept. 21st, Oct. 5 and 12th pending. I'm trying to include the FSP workshops, I have one more meeting to consider for the money managers updates and I'd like to add a Kaka'ako Makai and other kinds of considerations you would like to see on the RM discussion level that would be advising now before the elections start.

Rodney Lee – Aloha Trustees, the question is how many workshops and can we fit it in the four meetings. Is that the question at hand?

Chair Machado – I know you mentioned it might take 3 – 4 workshops. I'm willing to do special meetings at the same time; I just need to plan appropriately.

Rodney Lee – Let me give you an update of where we are right now. We are currently scrubbing the entire backend financial piece of the model that would drive through the sustainability plan process. We're pretty far along; we've gotten most of the responses to date. We actually were in our first meeting just recently to review some of that information. We will be going through with administration. Shortly, after that, we hoped that process will be done maybe hopefully by mid-August, and then we should be actually prepared to bring the work to the workshops. If the August meeting we can agendaize it, that would be great or if we want to call special sessions and be able to do so, we're okay.

Ka Pouhana Crabbe – We have the meetings but also if this could be scheduled as workshops.

Rodney Lee – Yes, this should be scheduled as only workshops.

Chair Machado – Will you still need 4?

Rodney Lee – I can do with 3, it's just compressing the amount of information..

Ka Pouhana Crabbe – We are looking at 2 – 3 hours.

Rodney Lee – At least 3 hours per workshop.

Chair Machado – Is there going to be any kind of ratification from the committee for referral to the BOT?

Rodney Lee – I think at the onset of it, the last meeting is really on the decisions that we put forth after that would be ascending it to the BOT to ratify whatever has been decided on.

Ka Pouhana Crabbe – It would still have to be, if we're looking at Action Items (AI), eventually out of it, we would want AI for some of the crucial decision making for policy and then the approval of the plan so it moves forward and that would have to go through RM and then to the Board.

Chair Machado – Then I wanted to focus on our AdHoc Committee on Policies whether or not some of that would be integrated with the FSP approach. So that's a consideration where we have to integrate your folk's

recommendations. We've allocated the funds so that's just a matter of scheduling with SPIRE. Okay, we're going to have to push a little bit more and squeeze here and there and try to fit this all in.

I have been approached by a Trustee about the possibility of revisiting our 2017 Total Operating Budget for the coming fiscal year which we already into, just so that it could reacquaint all of you with what we approved back then. I'm not sure how you feel about this, if you folks would consider something like this, I need to plan it with Hawley.

Trustee Apo – I would think that the Financial Sustainability discussion is going to be vital to that question. I'm assuming that the FSP, that we not looking at 2018.

Rodney Lee – It includes all of the budgetary items that have been approved up to date as the current data that is being utilized and takes into consideration for some items that had certain cost item patterns over time, averaging them out or at least looking at a rate of increase or decrease over time.

Chair Machado – Thanks Trustee Apo, maybe that's what we have to look at. I'm hearing that we're not too clear as to what we approved for certain areas like today, we talked about what was allocated for the land division, how did they come up with that amount, then they did internal adjustments to accommodate DTL contract for \$368,000. That kind of issue, that came about just in our discussion, and we wanted more clarification. I only ask because a Trustee approached me and said would be nice if we can revisit the prior approved 2017 Total Operating Budget, so we get a better sense of what to anticipate coming into the second half of 2017.

Rodney Lee – Our next step that we just begun is going through and meeting with administration to make sure the numbers that are represented is the most current numbers of every decision that was made.

Chair Machado – I think I'm satisfied with that, that's good transparency and openness. Anything else you wanted to add. I had Dayna punch in the dates up there for you folks on how many more meetings we have. And we will add in the 3 workshops, just to prepare you folks.

Ka Pouhana Crabbe – I just wanted to clarify, the realignment you would consider given the questions you had, would that still be scheduled on time or the realignment may need to be considered to be pushed back.

Chair Machado – That's the call of the CFO, I have not talked to her because she's been on vacation. I'm scheduled to meet with her next week Thursday. She just asked me to do a place holder for her at her request.

Rodney Lee – So maybe, if it's allowable, then the best course of action would be able to circle out with you, Trustee and with Kamana'o, where we can pop in the workshops. What's the best appropriate timing?

Chair Machado – I'm really open, you know we can do our business, go in the afternoon, and rotate. Anything else Trustees?

I want to thank the Land Division, Miles I know I gave you bad time, but I thank all the preparation is good to see that we're doing really good work out at Kūkaniloko and that the way we handled the homeless, even the policy was something we engaged in openly, so that took a lot of unity and cooperation. You all should be credited for that outcome to.

VII. ADJOURNMENT

Trustee Apoliona – Motioned to adjourn the meeting.

Trustee Apo – Seconded the motion.

Trustee Apoliona MOVED, SECONDED by Trustee Apo to approve.

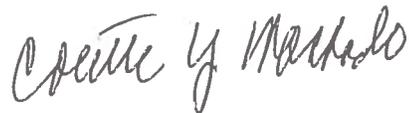
Chair Machado – Moved to adjourn the meeting and asks if everyone in favor say I. All in favor. Hearing no objections the meeting adjourned at 11:21 a.m.

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	WAIHE'E			X			
CHAIR COLETTE	MACHADO			X			
TOTAL VOTE COUNT				7	0	0	2
MOTION: [] UNANIMOUS [7] PASSED [] DEFERRED [] FAILED Motion passed with six (7) YES votes, none (0) NO vote, no (0) abstentions and three (2) excused.							

Respectfully submitted,



Laurene Kaluau-Kealoha, Aide
Committee on Resource Management



Colette Y. Machado, Chair
Committee on Resource Management

Approved: RM Committee meeting September 29, 2016