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*KŪKULU KE EA A KANALOĀ*  
**KAHO'OLAWÉ ISLAND RESERVE COMMISSION**

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**MINUTES MEETING**  
**Thursday, September 30, 2010**

9:00 am

Office of Hawaiian Affairs  
Board Conference Room, 5<sup>th</sup> Floor  
711 Kapi'olani Boulevard  
Honolulu, Hawaii

**COMMISSION MEMBERS**

**PRESENT:** Craig Neff, Chairperson; A. Nāmaka Whitehead, Vice-Chair; Milton Arakawa, Colette Y. Machado, Davianna P. McGregor, Ka'iulani Murphy

**EXCUSED:** Laura Thielen

**KIRC STAFF:** Michael Nāho'opi'i, Executive Director (ED); Michele McLean, Deputy Director (DD); Ka'ōnohi Lee, Administrative Officer (AO); Rowena Somerville, Deputy Attorney General (DAG); Paul Higashino, Dean Tokishi, Kahale Saito, Terri Gavagan, Commission Coordinator (CC)

**GUESTS:** Eric Brundage, Zapata Engineering; Glen Bauer; Gary McMurtry, University of Hawai'i (SOEST); Fris Campbell; Christopher Kelley, University of Hawai'i (HURL); Manny Kuloloio; Keoni Fairbanks (PKO); and Kylee Omo (PKO)

**I. CALL TO ORDER**

Chair Neff called the meeting to order at 9:12 am. A quorum was established with six commissioners present. Chair Neff asked members of the public to introduce themselves and that new staff be introduced. ED Naho'opi'i introduced Terri Gavagan the new Commission Coordinator. Terri was a Department of Human Services, Child Welfare Services employee on Maui. Part of her duties is to insure that minutes are completed in a timely manner, which is a primary concern of the Commission. Members of the public Gary McMurtry from the University of Hawaii; Fris Campbell and Glen Bauer in support of Dr. McMurtry's request; Chris Kelley from the University of Hawaii; and Manny Kuloloio introduced themselves; Eric Brundage from Zapata Engineering was introduced by ED Nāho'opi'i.

**II. APPROVAL OF AGENDA**

There was a brief discussion on the order of business. Based on staff recommendations, Item VI.C (adze research request) was deferred; Item Nos. VI.A (Gary McMurtry's tsunami research request) and Item VI.B (Chris Kelley's undersea mapping request) would precede Administrative Business.

**MOTION:** Commissioner Arakawa moved to approve the agenda as amended. Commissioner McGregor seconded the motion.

**ACTION:** Motion approved by all Commissioners present.

### III. APPROVAL OF MINUTES

The Commission reviewed the draft meeting minutes from August 27, 2009. Chair Neff suggested that previous commission members be provided a copy of the minutes for review.

**MOTION:** Commissioner Machado moved to approve the minutes of August 27, 2009. Commissioner Arakawa seconded the motion.

**ACTION:** Motion approved with Commissioner McGregor abstaining as she was not present at that meeting.

### IV. COMMUNITY and PUBLIC COMMENT

Manny Kuloloio stated that he was contacted by his father to attend the meeting to submit his father's written comments regarding the action items on the agenda. He expressed concern about the timeliness of the Commission minutes, the difficulty of getting the minutes on the internet and the fact that the released minutes are redacted. Mr Kuloloio stated that he would like for the agenda to provide more information on research requests so that he can do his own research decide whether to support the request or ask additional questions. Mr. Kuloloio had questions about the request to conduct research on adze; he requested access to raw data and questioned what type of public disclosure is allowed. Chair Neff informed Mr. Kuloloio that the item (VI.C.) was deferred. Chair Neff also directed staff to provide more information regarding the adze research to Mr. Kuloloio and that Mr. Kuloloio could contact ED Nāho'opi'i for further information. Mr. Kuloloio thanked Chair Neff. Chair Neff reminded members of the public that public comment is to be about items that are on the agenda.

### VI. ACTION ITEMS

#### A. Present for Approval a Research Access Request from University of Hawai'i School of Ocean and Earth Technology to Collect Evidence of Ancient Tsunamis on Kaho'olawe

Dr. McMurtry, Professor of Oceanography, University of Hawaii, stated that he has been conducting this type of research for 10 years and provided a PowerPoint presentation on his previous research particularly on Lana'i. Professor McMurtry introduced Fris Campbell who will also be conducting the research with him. He believes that conducting research on Kaho'olawe can provide data as to whether a mega-tsunami hit Kaho'olawe in the past.

DD McLean noted, as stated in the memo to the Commission, that approval be given with two conditions: 1) salvageable samples be returned to the KIRC (fist size samples would be taken with a small amount being used up in the testing) and 2) that the applicant shall reimburse the KIRC for costs related to UXO escort given the location of the sampling. The researcher has agreed to these two conditions and although the research requires only 2-3 days on island, the researcher is amenable to staying longer to conform to the KIRC's typical work week of 4 days.

Commissioner McGregor asked if the researcher is being required to pay to enter the Reserve. DD McLean stated that he is required to pay the standard permit fee, to which ED Nāho'opi'i added that this payment is notated in the methods and discussion section of the memo. The commission was advised that the full application is attached to the memo. Lyman Abbott, KIRC Natural Resource Specialist III was asked to review this request and DD McLean stated he agreed that the information to be gained from this research would be valuable. There were no further questions and Chair Neff called for the motion.

**MOTION:** Commissioner Machado moved to approve the request of Dr. Gary M. McMurtry to access the Reserve to determine if limestone deposits on Kaho`olawe were left by a mega-tsunami, pursuant to HRS § 6K-3 and HAR §§ 13-261-13 and 14 and subject to two conditions: (1) that all of the salvageable samples be returned to the KIRC and (2) that the applicant shall reimburse the KIRC for costs related to UXO escort. Commissioner McGregor asked that a third condition be added—that the researcher be required to pay the standard access fee. This condition was added to the motion. Commissioner McGregor seconded the motion with the addition of the third condition.

**Discussion:** Chair Neff asked if there were any questions or future discussions. Commissioner Whitehead asked how the applicant would safely collect samples from the middle sections of coastal cliffs. Dr. McMurtry stated that they understand that the logistics are remote and that they would have to be very careful. Commissioner Machado asked how large of a sample would be collected. Dr. McMurtry stated that it would depend on the type of sample. They will try to take as small of sample as possible.

Commissioner McGregor stated the Commission is initiating a cultural plan for the island as Kaho`olawe is a cultural reserve and she would like to see how the work that is done on the island feeds into expanding the Commission's knowledge of the island and how the landscape is changing. She asked if Dr. McMurtry would allow some of the KIRC staff and members of PKO accompany him so that they could learn along with him by observing these processes and begin to become more intimate with the geological history of the island and its interaction with the ocean. Commissioner McGregor went on to say that there is a tradition which says that the ocean poured from the head of Pele at Kaho`olawe which she suggested might be a reference to these megatsunamis. Commissioner McGregor requested that Dr. McMurtry notify the KIRC of the timing so that perhaps some KIRC staff or PKO members could accompany them. Dr. McMurtry agreed. ED Nāho`opi`i stated that KIRC staff would be escorting the applicant and DD McLean added that it is up to KIRC to determine which staff members or if anyone else should accompany the researchers. Commissioner Machado requested for the vote.

Chair Neff commented that on Kaho`olawe the KIRC is trying to strike a balance between culture, education and science. For some culture is very important and asked that there is respect for the culture when they come aboard. Chair Neff added that he was unaware if KIRC staff has briefed McMurtry on the cultural protocol when approaching the island as this issue has come up before. Chair Neff wanted to know how the research is going to benefit the island. Dr. McMurtry's response was that he hopes to provide the KIRC with information about the ages of some of the deposits there and what they represent. Dr. Campbell added that it will tell something of the history of the `āina, before people lived there. Dr. McMurtry added that this is also an opportunity for the island to contribute to the knowledge about all the islands. ED

Chair Neff asked if anyone in the audience had questions. Mr. Kuloloio stated that he hopes that the minutes reflect exactly what was said. He asked KIRC staff member, Kahale Saito, if the Papaku Makawalu concept of the culture plan has been approved. How would it reflect something like this? Would the plan say yes or no to this request? Mr. Kuloloio believes that all of the samples should be returned. He would like to know why this area? He would like to have seen an overlay of the Howard Stern's area of Kaho`olawe where samples were taken and to know what was found. He believes that the area has never been cleared to Tier 1 status. How

would the Commission's Risk Management Strategy allow someone to go there? Mr. Kuloloio asked Dr. McMurtry how Operation Sailor's Hat might affect his sampling in that area.

Commission McGregor referred to item #18 on Dr. McMurtry's application and asked for clarification—will the researcher provide the results within 6 months of completion of fieldwork? Dr. McMurtry stated yes. Commission McGregor was unclear if it needed to be added or if it was assumed. ED Nāho'opi'i stated it is in the application. Commissioner McGregor stated that she wanted Dr. McMurtry to understand that there are other events which have impacted the area like Sailor's Hat. ED Nāho'opi'i explained that Sailor's Hat is a ½ kilo ton blast which is very small in the realm of nuclear type explosions. Dr. McMurtry stated that they will look at everything. Commissioner McGregor pointed out that this area was bombarded and that he needs to account for military use in his research and if he should find other samples, not to discard them but to help the KIRC account for the impact of military use.

Chair Neff asked if ED Nāho'opi'i could address Mr. Kuloloio's question on clearance. ED Nāho'opi'i responded that KIRC had an upper level of Tier 1 clearance that was done 100 meters from the edge of the cliff inland and then uncleared beyond the cliffs. KIRC does have provisions to allow access in uncleared areas with UXO escort, thus KIRC has the requirement that the UXO escort the applicant.

Chair Neff invited Dr. McMurtry to learn more about the island's history before he goes to the island and Dr. McMurtry agreed. Chair Neff noted that the researcher has an extra day on the island and wondered if he was open to doing a little bit of geology and that perhaps he could help answer questions that the staff might have. Dr. McMurtry agreed.

**ACTION:** Motion approved by all Commissioners present.

#### **B. Review and Approve a Research Access Request from the University of Hawai'i – Institute of Marine Biology to Conduct Undersea Topographic Mapping in the Reserve**

ED Nāho'opi'i provided background for this request. In 2002, approval was granted by the Commission to have sections of seafloor in the southern area of the Reserve mapped. However, due to poor resolution quality of the data collected, false imagery was created, deeming the data unusable. Today, with new technology and state-of-the-art equipment available, mapping the southern, eastern and northern parts of the Reserve can be completed in 32 hours. Mapping results will help to identify specific habitat areas where future bottomfish monitoring and protection projects can be focused. Mapping results may also provide a correlation between benthic substrate and on-island ko`a.

Dr. Kelley showed slides to illustrate how multibeam sonar systems work. All mapping data to date are archived at the University of Hawai'i. The data of all the main Hawaiian Islands is synthesized. Several parts of the Reserve have not been mapped. The work done in 2002 has not been included in the synthesis because the data was so poor. Multibeam gives the depth as well as the texture of the bottom. It also shows the location of hard rocky features that are very important for knowing where bottom fish resources are in the Reserve. Dr. Kelley is asking to use the R/V Kilo Moana, the swath vessel that is operated by the University of Hawai'i, to do this mapping. Dr. Kelley stated that the data would be available soon after the cruise because

they start processing it immediately aboard the ship. As in 2002, Dr. Kelley will provide the KIRC all the data collected. He would like to update the GIS with all of the data. The data will include all of the submersible tracts. This technology will not identify bombs but mapping will allow the KIRC to plan any type of activity it wants to do on the ocean floor. The research will be done exclusively on the ship; no one gets off the boat, no one goes on the island, nobody gets into the water and nothing gets left in the water.

Commissioner McGregor asked when he plans on conducting this research. Dr. Kelley stated it can be done at anytime. She stated her concerns about whale season which is from November to May. Dr. Kelley stated that they could wait until the off-season.

Chair Neff asked if the mapping was just for bottom fish. Dr. Kelley stated that the Pacific Island Regional Office of NOAA Fisheries funded this project because this is the last portion of the essential bottom fish habitat and they want to finish this mapping project. The cost for these two days is about \$75,000. Dr. Kelley's view is that there are many potential benefits of this project.

Chair Neff asked if Dr. Kelley is working with the company that is laying electric lines from Moloka'i or Lana'i. Dr. Kelley stated that he has been contracted to help with GIS and mapping for that project. Chair Neff asked if this research would help them with their project. Dr. Kelley responded that they do not anticipate coming anywhere near Kaho'olawe.

Chair Neff stated that he recalls people telling him that there are bottom fish on the north side where Dr. Kelley just stated that there were none. Chair Neff suggested that Dr. Kelley speak with the fisherman before entering the Reserve so that there is a blend of science and culture. He also suggested Dr. Kelley could help with identifying fishing ko'a, which could benefit the KIRC and perhaps some of the Ocean Program staff could go out with the research team.

Commissioner Arakawa asked if there is a margin of error with the data. Dr. Kelley responded that it is pretty close to being quite accurate.

ED Nāho'opi'i stated that there was written public testimony submitted and copies of a letter dated September 30, 2010 from Leslie Kuloloio of 'Aha Kiole. The testimony was distributed to the Commissioners, KIRC staff, guests and public. Chair Neff noted the submission. Chair Neff added that there are concerns about the cultural aspect of the research and that its importance is being impressed upon the researcher.

Commissioner McGregor commented that Dr. Kelley indicated that there will be additional space on board if other people were interested in going and asked how many could be accommodated. Dr. Kelley stated that up to 5 people could be accommodated.

Kylee Omo of PKO commented on the application process. The process tends to put the scientists on the defense in terms of culture. Now that there is the Papaku Makawalu perhaps the process should be looked at to make sure that the researchers are not only doing their part but that the cultural part is being addressed, by the Cultural Program in the KIRC, before the application is brought before the Commission.

Commissioner Machado stated that she would be supporting this request because the images done in 2002 had poor resolution and that the data appears to have false imagery. They are

coming back in 2010 because there is better technology so she sees it as completion of the original work done in 2002.

**MOTION:** Commissioner Machado moved to approve pursuant to HRS § 6K-3(a)(2) and HAR § 13-261-13(b)(1)(B), to approve the request of Christopher Kelley, Ph.D. to access the Reserve on board the R/V Kilo Moana to conduct seafloor mapping around Kaho‘olawe utilizing multibeam sonar. Commissioner McGregor seconded the motion.

**Discussion:** Commissioner Machado responded to the comments made about the technical reviewing of research access requests; whether it is possible to integrate science and culture. The PKO has had advanced training with the cultural consultants and they probably are more familiar with the terminology. Whether the Commission is behind or whether the Commission needs to be more objective and more broad-based when reviewing technical requests for research is something that should be resolved quickly. There is a review process and the staff has done a good job. If there is an opportunity to integrate the cultural review into the process, KIRC must go back to the cultural plan. Everyone needs to feel that they make a contribution. There may be disagreements but the staff needs to know that the interest is always based on the cultural priority. The Cultural Plan needs to be included somehow. The PKO has a big role in educating the Commission; however, the Commissioners have input, too.

Commissioner McGregor asked if the boat would be doing any trolling. Dr. Kelley stated that he understood that fishing is not allowed in the Reserve and he assured the Commission that lines would be recovered before the boat enters the Reserve boundary. Commissioner McGregor stated that some PKO members might like to participate in the research to find the locations of fishing ko‘a and fishing grounds. Since the boat will be going around the island slowly this might be a good time to make these observations. Dr. Kelley agreed.

Mr. Kuloloio wanted to know if Dr. Kelley is hindered from telling the public everything that is out there. Mr. Kuloloio offered his help to Dr. Kelley and would like to see all the old studies that KIRC has, as there are some studies he would like to do himself.

Regarding the letter submitted as testimony from Mr. Leslie Kuloloio, Aha Kiole member, Commissioner Machado strongly recommended that ED Nāho‘opi‘i contact Leimana, who has administrative oversight, regarding his key point of whether the Commission is premature in granting these permits. She quoted the following from the letter dated September 30, 2010:

“These requests are premature within the kekai and kai Malolo of Kanaloa. The mandate of Kahoolawe has always been to focus first on **Culture**, then education and science—in that order.”

Commissioner Machado stated that this is true if KIRC does not address the integration of culture with these permits. This will be for staff to address rather than bringing it to the Commission and cross examining scientists. Commissioner Machado strongly recommended that individuals who support cultural practices be included and to follow up on Uncle Les’s concerns with Leimana.

Commissioner McGregor asked Dr. Kelley how widely available the maps will be. Dr. Kelley said that the KIRC will have a copy of the raw data as well as the process. Concern was raised by

Commissioner McGregor regarding fishermen using the data and maps with adverse results for the Reserve. Dr. Kelley stated that the main Hawaiian Islands synthesis is gridded at a 50 meter resolution so it covers a broad area; the maps are not widely advertised, and to take advantage of the maps, one would need very expensive computer software. Maps of the main Hawaiian Islands, except Kaho`olawe, have been available for years but there has been no risk to the fisheries. The Commission was informed that any and all information provided to the KIRC through research, joint projects, contract or any other means, unless covered by statute is public information.

Dr. Kelley stated that he does not distribute any data himself; he just refers people to DLNR. It was determined that the data would not be put on the KIRC's website.

**ACTION:** Motion approved by all Commissioners present.

## **V. ADMINISTRATIVE BUSINESS**

### **A. Executive Director's Report**

Budget, Finance and Funding: ED Nāho`opi`i reported that the NOAA B-WET grant application was submitted for \$97,188 on September 15, 2010. The grant will provide funding for on-island support by KIRC, base camp, and PKO to train 45 teachers to use the Malama Kaho`olawe curriculum in the classroom and to prepare them to bring these students to Kaho`olawe. The period of performance for this grant is Federal FY 2011, October 2010 to September 2011. A determination may not be made until after the elections and congress is back in session thus delaying the start of the grant until January 2011.

U.S. Fish and Wildlife Service awarded KIRC \$20,000 to purchase a chipper to help with the removal of kiawe brush. Staff has started the procurement process that includes the cost of the chipper and transporting it to island.

ED Nāho`opi`i noted that the grant status report is included in the packet . He explained that the Department of Health, Clean Water Branch, Pollution Run-Off grant application was not awarded and that they will brief staff on the deficiencies in the application.

ED Nāho`opi`i reported that the budget variance report is attached, which reflects the current spending level to be at 12 percent, which is five percent less than the expected spending level of 17 percent.

Plans, Policies and Procedures: ED Nāho`opi`i reported Commissioner McGregor and he met with DLNR Chairperson/Commissioner Thielen to brief her on the Commission's legislative package. DLNR Chair Thielen stated that the Department will not submit any new legislation or funding requests. She suggested that KIRC go through the other routes it has done in the past such as through individual legislators to request funding. It was determined that staff would get clarification on the departmental processes for line item funding, look into other possible funding sources within and outside of the department.

DLNR Chairperson Thielen requested that KIRC submit a packet for her signature that documents all operations, agreements in place, working relationships between the KIRC and

other divisions within the Department before December 2010. ED Nāho‘opi‘i informed the Commission that staff is gathering all the different documents of procedures, approvals, agreements, and delegations including the recently approved procurement exemption so that the new Chair would know how KIRC is different from the other divisions and how KIRC interfaces with the department. Chair Neff asked whether language about the transfer is being included in the packet. ED Nāho‘opi‘i stated no, the packet will contain only the relationships and the administrative process within the Department.

In answer to Commissioner McGregor’s request for clarification on asset forfeiture, ED Nāho‘opi‘i stated that staff has draft language to revise KIRC’s statute on asset forfeiture.

ED Nāho‘opi‘i stated the Healing our Spirit Worldwide Access was cancelled at the last minute because there were not enough participants. Plans were also made to provide support for two canoe visits, the Hokule‘a and Makali‘i. These accesses were cancelled after staff installed mooring lines for the canoes because Hokulea’s escort boat had problems and the captain of the Makali‘i got sick.

ED Nāho‘opi‘i reported that staff found and rescued two stranded kiteboarders on island. They were not charged with trespass because they were clearly stranded by poor weather conditions.

Administration, Staffing and Personnel: ED Nāho‘opi‘i noted the letter under the FYI tab with the governor’s approval of the commission’s recommendation for the position of Chair.

Strategic Planning: ED Nāho‘opi‘i discussed the planned media access to celebrate the 20<sup>th</sup> anniversary of the stopping of the bombing. In consideration of the actual day the bombing stopped and the planned KIRC activities and projects, it was determined that the 13<sup>th</sup> and 14<sup>th</sup> of October were the available dates to commemorate the event. The ‘PKO was invited to participate in this event and staff would like to work on finalizing the itinerary. Currently, the main focus is the stopping of the bombing, to see what has happened in the last 20 years on Kaho‘olawe and for people to talk about its future.

Commissioner McGregor asked when something like this goes out to the media whether it goes through the Chair of the Commission or someone on the Commission. ED Nāho‘opi‘i stated yes. Commissioner McGregor pointed out that the written materials contained a lot of errors and does not have the right focus. Commissioner McGregor believed that when there is a major media event which is showcasing the history of the island and its future, there should be Commission discussion about its focal point. She stated as the representative of the PKO on the Commission that the PKO should be involved in the discussions because they did not “help” stop the bombing -- they **stopped** the bombing. After much discussion on dates, focus of the event, written material, and possible attendees, ED Nāho‘opi‘i explained that the information in the media informational packet was extracted from actual KIRC files of previously approved press information so it is not newly created material. ED Nāho‘opi‘i added that the real importance is having people on the island talking to the reporters. ED Nāho‘opi‘i also pointed out that during KIRC orientations, the history of the island is discussed and added that he would be doing the orientation for the media participants coming from O‘ahu. Vice Chair Whitehead asked if ED Nāho‘opi‘i could work with the PKO and Commissioner McGregor to make changes. ED Nāho‘opi‘i agreed.

Commissioner Commissioner McGregor stated that the PKO had wanted to have a major commemorative event or ceremony but was unable to finish building the *mua* at Honokanai`a, which was where they were going to have the ceremony. They instead encouraged their members to come and participate in the Rain Ceremony scheduled for earlier that week. As it is turning out, not that many people can come. She added that each of the islands will have a press statement and perhaps an event to focus on and highlight the 20<sup>th</sup> anniversary. After a lengthy discussion access dates and content, Commissioner Whitehead stated that there was enough discussion and asked that ED Nāho`opi`i work with Commissioner McGregor. Vice Chair Whitehead stated that it is very important that this happen.

Capital Improvement: ED Nāho`opi`i reported that following last month's CIP Taskforce report, staff contacted DLNR Land Division regarding the Executive Order language changes and the Maui County Planning Department regarding zoning and permitting. DLNR Land Division recommended that the Executive Order be expanded to include "Education" in addition to "Office/Information" Center with recommended language such as "and other public uses as determined by the KIRC" to allow the Kihei site to be used for overnight staging for participants in PKO accesses. Land Division also stated that the request and justification for the change in language could be made in a letter to the Department Chairperson. KIRC would then work with the Land Division to get the request to the BLNR. DAG Somerville explained that Land Division wants assurance that the county agrees with the changes before Land Division makes theirs. DD McLean explained that essentially the county is fine with the proposed use in terms of the zoning. ED Nāho`opi`i informed the Commission that a copy of the memo is included in the Commission packet.

DD McLean said that the county recommended that the SMA permit specify the PKO access dates. The county stated that they thought the EO should be granted first; the county wants to make sure the Land Board is okay with it before the county processes it. The county is more interested in county zoning and impacts to the shoreline area. At the next meeting staff could propose EO language with a motion for the Commission to consider.

Chair Neff asked what happens to the Kihei site when KIRC sunsets. DD McLean replied that it would just stay with the Land Division. Chair Neff asked if the EO could contain transfer language. Chair Neff stated it should go to whoever has the Reserve, to support the Reserve. DD McLean doubted that the Governor or BLNR would do a set aside for an entity that does not yet exist. DAG Somerville agreed. Commissioner McGregor stated she did not know if the Land Board has the authority to do this; that KIRC may have to talk to the legislature. It was further explained that the property is currently state land that has just been set aside for the KIRC, it is not part of KIRC's property, and KIRC does not have title to it. Vice Chair Whitehead stated that the current process should not be held up. Commissioner McGregor asked if the Commission would have to approve the language. DAG Somerville responded that the staff would be presenting it to the Commission at the next meeting. DAG Somerville explained that Chair Neff would have to send a letter to DLNR requesting the change.

Commissioner Arakawa asked if the staff thinks if the SMA issues would be resolved in a couple of months or longer. ED Nāho`opi`i responded that it already has been resolved. DD McLean said that the county would probably consider the use as a SMA minor or maybe an assessment. The county is looking for a recurring permit to be submitted annually that states the dates and intended uses. Vice Chair Whitehead asked about additional dates coming up over the year. ED Nāho`opi`i responded that the KIRC could amend it. DD McLean added that it is just an

administrative matter. It does not go before the Planning Commission, it is approved internally by the Planning Department. Commissioner Arakawa commented that the Planning Department is open to certain items to granting blanket approvals if it is framed that way. DD McLean stated she could do a follow up. ED Nāho‘opi‘i stated that the County is looking at the number of days and the number of people and that forms an intensity of use. Vice Chair Whitehead stated that she does not think the staff should tie itself to certain dates. DD McLean responded that she does not think having to amend the permit request for additional dates would be an issue if that ends up being the way it has to go. Commissioner Arakawa asked if the County put conditions on the permit—for example not more than twice a month, not more than a certain number of people. Staff responded no.

ED Nāho‘opi‘i stated the county would require indemnification. The Risk Management Division of DAGS also requires indemnification and insurance on state properties. Commissioner Arawaka cautioned if the staff can get it done before the end of the year that would be preferable because the staff already has preliminary determination from the Planning Department. DAG Somerville stated that DAGS may determine that the use of Kihei is not part of the volunteer project. If the KIRC allows the activity without DAG approval, the Commission will be responsible for any liability. ED Nāho‘opi‘i added that the trust fund would have to pay any losses. Chair Neff asked if the KIRC could at least have a discussion with DAGS. ED Nāho‘opi‘i responded yes. DAG Somerville added that DAGS needs to make sure that the people using the facilities have insurance. If they do not have insurance then they have to get a waiver from DAGS. It might also be helpful if staff could find any other examples of the state providing accommodations for other natural resource management projects like Pu‘u Wa‘awa‘a where they house volunteers. Those volunteers could stay at the hotel in Waikoloa and drive up to do their project, but they don’t. They stay in cabin on site. There may be other examples.

#### **B. Review and Acceptance FY2011 Expenditure Report for August 2010**

ED Nāho‘opi‘i reported that KIRC is 5 percent under budget. Commissioner McGregor asked if this was going to be reviewed more in the workshop. ED Nāho‘opi‘i responded that this would serve a basis for where the KIRC is with the current budget.

**MOTION:** Commissioner Arakawa moved to accept FY 2011 Expenditure Report for August 2010. Commissioner McGregor seconded the motion.

**ACTION:** Motion approved by all Commissioners present.

#### **D. Present and Approve Executive Director Performance Evaluation Plan**

**MOTION:** At 12:30 pm Commissioner Machado? moved to enter into Executive Session pursuant to HRS Chapter 95-5(a)(4) to consult with the board’s attorney on questions and issues pertaining to the board’s powers, duties, privileges, immunities, and liabilities, seconded by Commissioner Arakawa ?

**ACTION:** Motion approved by all Commissioners present.

Commissioners Neff, Arakawa, Machado, McGregor, Murphy, and Whitehead, ED Nāho‘opi‘i, DAG Somerville, and CC Gavagan resolved into executive session.

At 1:10 pm Commissioner Machado rose to report out of Executive Session, seconded by Commissioner Arakawa.

## **VII. WORKSHOP**

### **Discussion on Budget Planning FY2011 – FY2013**

ED Nāho‘opi‘i began the discussion by explaining that at the end of fiscal year 2010, the trust fund was at approximately \$13 million. The projection for the end of fiscal year 2011 is approximately \$10.6 million.. Staff was asked to look at modifying the budget to minimize dipping into the \$10 million corpus that was expected to be unspent. Staff could make small cuts to the budget, but the most KIRC could save would be approximately half a million. To make a significant cut in the budget, KIRC would need to change the way it provides services or have a significant reduction in services. Currently KIRC provides a public service either by protecting people from harm when they are working on the island or restoring the environment and protecting the cultural sites. KIRC would have to look at its program areas and make cuts accordingly. DD McLean added that part of the discussion is that major budget changes will impact how the staff functions day to day because everything the staff does is so interconnected. If KIRC reduces one area everything else will be similarly reduced.

Staff asked for more time, before making budget cuts, to see the outcome of pending funding possibilities. If these funding opportunities do not come to fruition, then budget cuts can be made. These funding scenarios will have a very important role to play for the KIRC from a budgetary standpoint. They are 1) discussing the depleting trust fund with the new governor and the DLNR chairperson and asking what the department’s role will be with Kaho‘olawe; 2) a pending \$1.1 million federal appropriation for native and endangered species habitat protection, submitted by Senator Akaka; 3) a legislative proposal to tap conveyance tax revenue as a dedicated funding source, which would not require any new state taxes or spending, and could generate more than \$1 million annually for the KIRC; and lastly, 4) KIRC’s new Outreach staffer, Scott Broadbent, has ideas about fundraising and revenue generation that have not yet been fully developed.

If the Commission does not want to allow more time for the outcome of these ideas, and wants to start making budget cuts in FY12, staff will put together different options and potential costs for discussion with program staff and how the programs might be affected. ED Nāho‘opi‘i added that whatever direction we do come up with it is going to take some significant planning to transition into that state. DD McLean handed out copies of charts with Scenarios A, B, and C. Budget cuts would most likely mean closing Base Camp when it is not being used, once or twice a month. Staff would bring in the needed supplies and food while on island and then pack everything up and bring it all back out. It would also mean securing or removing vehicles and equipment from the island to preclude theft, vandalism and depreciation. It would also hamper our ability to garner grants. KIRC staff Paul Higashino added that closing down Base Camp would require the removal of all machinery and files. He also stated that with scaling back on volunteer trips, staff would not be able to maintain plantings, therefore there might be higher plant mortality without the follow up week after week.

ED Nāho‘opi‘i asked KIRC staff Dean Tokishi how the facilities on island tie into the Ocean Program. He responded that having the support of base camp and the Zapata crew gives staff more time in the field doing their surveys and monitoring as opposed to coming back and doing meal preps or maintenance. As far as major impacts are concerned, the vessel is the Ocean Program’s biggest support vessel to parts of the island’s coastline. It would be a hardship without that support.

ED Nāho‘opi‘i asked KIRC staff Kahale Saito if the closing of Base Camp would impact the Culture Program. Kahale said that the Culture Program is mostly project driven and it is all in relation to the Stewardship Agreement and its activities or the joint projects that the KIRC has with PKO. Because the Culture Program is project driven, the KIRC would have to select the projects that the KIRC really wants to focus on and scale down from there.

ED Nāho‘opi‘i asked about administrative issues. AO Lee stated that it all depends on the size and needs of staff. When the decision is made administrative support will have to scale down as well.

ED Nāho‘opi‘i stated that staff wanted to see what kind of input the Commissioners have. Chair Neff said the Commission thinks that the KIRC needs to go in a different direction. Money may come back but the KIRC needs to address its position so that what is happening on island can be supported in the long run. DD McLean said the budget for the \$1.1 million federal appropriation focused on restoration but also included administrative and operating costs. Chair Neff stated that it is not just about the money; the money is the determining factor in where the KIRC would go or what is going to get funded. It is about the mind-set of where the KIRC has to go.

Commissioner Arakawa stated that he liked the conveyance tax idea. The idea of a dedicated funding source would be very beneficial, a certain amount of revenue that the KIRC could expect every year. If the KIRC goes to the legislature for an appropriation, then it would be for just one fiscal year and KIRC would have to go back every year and ask for more. It would be good if the new governor and DLNR chair could support a bill to take to the legislature rather than having the KIRC going forward on our own. He thinks the federal funding request looks promising because the feds are supportive. He is hopeful that KIRC staff Scott Broadbent can come up with some other opportunities, too. If the KIRC can get a dedicated funding source, perhaps \$2 million a year, with grants and other sources of revenue pulling in another million or \$1.5 million, that would fund the current operating budget of \$3.5 million. It is a possibility, which will give KIRC a fairly long life. Just 4-5 years ago, KIRC had a \$7 million proposed budget and the staff cut it way back to half of that. There have been a lot of cuts made already. At this point the Commission needs to decide if more cuts are needed and to understand that it will change the way KIRC is doing business, or trust that KIRC can secure additional money to sustain itself. Commissioner Arakawa stated that he would support giving more time on these funding efforts before making new budget cuts.

DD McLean asked for clarification of Chair Neff’s statement of where the KIRC should be heading toward. She asked if he had specifics or if he was referring to the staff’s mindset. Chair Neff stated that it is both, and he understands that as a state agency staff is bound by all of the rules, but there has to be a real simple way of doing business; where it is not so cumbersome. He understands that vehicles have to be maintained but staff needs to think about ways to limit things to what is needed and necessary. Base Camp is an example; while it is nice to have, is it necessary? KIRC needs to focus on immediate goals and how simple they are to get.

Paul Higashino commented that over the past 6 ½ years since KIRC has had Base Camp, staff has picked up many responsibilities that the contractor had before to get ready for the day when the money runs out or the budget is reduced, but there is just so much that we can do as biologists or staff. He thinks staff is ready for change but asked Commissioners for help to get there so that the KIRC can continue the work.

Chair Neff asked what the top priority is for the Restoration Program. Paul said the plantings, whether putting plants in the ground, throwing out seeds or putting out mulch balls. He sees

faunal restoration as a potential source of funding. He thinks interaction with the volunteers, making them more aware about the issues of Kaho‘olawe from the cultural aspect, is also important. The staff spends a lot of time working with the volunteers.

Commissioner McGregor asked about staff composition. He responded that there is himself, Lopaka White, Jamie Bruch and Lyman Abbott. She asked about the balance between the amounts of work staff does on its own as compared with what staff does with the volunteers. Paul responded that the KIRC has tried to scale back volunteer trips to two trips per month. Commissioner McGregor compared the KIRC volunteer program with the army program she works with at Army Environmental at Schofield. During the week, it is all staff; they have two people to coordinate volunteers and then they go out with the volunteers on the weekend. If the KIRC was to look at that model then the need for the camp would not be as essential. Perhaps if staff was to expand to 6 or so and then dedicate staff to work on island, then experts could concentrate on working in focused areas and then bring out volunteers for two weeks a month. ED Nāho‘opi‘i added that having interns really helped. The interns do not cost the KIRC very much and yet KIRC gets a lot of support from them.

Vice Chair Whitehead said that it takes a lot of staff time to manage volunteers by just looking at PKO accesses. Commissioner McGregor stated that it seems during the earlier discussion the main justification for keeping the camp at the current level was to sustain the number of volunteers. DD McLean commented that when camp is discussed it is more than just having air conditioning and meals; it is maintaining the vehicles, communications, the generator, water production, composting toilets. In comparison to using Hakioawa there is not the need for using vehicles or transportation and equipment in the immediate area. When equipment is needed often times the KIRC will fly down equipment or stage vehicles up mauka.

ED Nāho‘opi‘i stated that whatever the KIRC decides to do there is going to be some cost. KIRC will have to pick and prioritize projects then determine what infrastructure is needed to support those projects. ED Nāho‘opi‘i asked the Commission what projects should continue. Chair Neff stated that restoration work mostly occurs at the summit and part of that the needed support is getting people out there. He suggested contracting the PKO to bring groups to Hakioawa; they could hike up, work, and hike back down; or, a trailer could be staged up there with just kitchen facilities.

Commissioner McGregor stated that they were looking at two different issues. One is how to look at the operations and scale them down. She would like the operations to be more appropriate to the island, to be sustained by the island’s resources. Currently, it is not a sustainable operation because we have to inject so many resources into sustaining that camp and it is not even being used to its maximum capacity. Commissioner McGregor stated that KIRC needs to cut back so that the island can sustain itself.

Eric Brundage (Zapata Engineering) asked for clarification of what Commissioner McGregor meant about being sustainable. Commissioner McGregor said that KIRC is bringing in so much fuel to run everything, especially to sustain the camp. She understands vehicles need a certain amount of fuel but she does not think that fuel should be brought in to run generator that has more capacity than what is needed. It can be scaled down tremendously in just fuel alone. Mr. Brundage asked her if she was speaking about just minimizing the amount of what needs to be brought to the island to support the operations. She stated yes and a lot of those buildings should just be torn down and spaces provided for people should be outdoors. They should be large and airy. People should sleep pretty much outdoors or under a roof but does it need to have air conditioning and enclosed buildings. The Kaho‘olawe experience should be immersed in the

elements. She understands that the full-time staff needs some things. People who come to visit should just stay in the elements as much as possible. She really feels that those barracks are just horrible and it does not give people the Kaho‘olawe experience that she knows and values. She has never once slept in the barracks.

ED Nāho‘opi‘i asked the Commission what level of intensity should the work be. Should it be scaled down to support 20-30 people on a regular basis? KIRC has the ability to scale up or scale down. Right now the generator size is to handle the RO unit and carry the kitchen. There was a lengthy discussion on where on-island operations should be, what projects should continue, and at what level of intensity - continue with restoration or maintain what has been done so far. It was noted that for the scenario “B” being discussed, staff would be reduced to 12 to 14 from the current 21 and the cost savings would be approximately \$1.9 million.

Vice Chair Whitehead suggested that staff write down all of the services the KIRC provides in a really specific way -- fish surveys, faunal restoration, taking care of the kanaloa plant -- and prioritize them. She feels that problems come up when there is an attempt to prioritize whole programs over other whole programs or too many things are lumped together. If we make that long list maybe we can see what rises to the top. She feels it is okay to slow down a little; continue to do the same kinds of things that we are doing; maintain what has been done and improve slowly.

ED Nāho‘opi‘i asked the Commission to help staff head in the right direction. If changes are not made in FY12 and no new money brought in, the \$10 million would last maybe five years. Chair Neff stated KIRC does not want to get to that point. There are two ways of thinking: what can the KIRC do to survive on \$10 million; and, how much to spend each year to protect the resources and get our priorities done. We need to know what can be done at \$1 million a year for 10 years; if we can survive for 10 years the sovereign entity will come. Vice Chair Whitehead thanked the staff for putting together the scenario hand-out. Chair Neff suggested that they review the scenarios.

Commissioner McGregor commented that there is supposed to have been a \$10 million reserve. Now the expectation is to not to have a reserve. Commissioner Arakawa stated that he knows we are looking at the budget but he thinks the goal is that we want to have the island improved. He knows that the KIRC is taking a chance but it may be a little too early to do large scale cutting at this point.

DD McLean stated that the KIRC needs to have a new budget in place by July 1, 2011, so staff needs to have a very good idea about the different funding options in order to plan for the implementation of a new budget. Staff is not saying KIRC should continue spending \$3.5 million a year until the money is gone; funding efforts need to continue. Chair Neff stated that he thought that KIRC was going to stop at the \$10 million amount. Commissioner McGregor stated that she thinks that concept is not being taken seriously by the staff. There is a policy that the Commission was going to reserve \$10 million. DD McLean stated that the \$10 million was the premise for the fund development action plan where money could be raised and spent without dipping into the \$10 million. That was going to be the safety net or nest egg. It was the goal to keep revenue in line with spending and that was when the KIRC had an annual \$5 million budget. That interpretation puts the KIRC in the position of having to ask for outside funding – whether from the governor, the legislature, our Congressional delegation, or private donors – while we still have \$10 million that we are unwilling to spend. This would make financial support difficult.

Commissioner McGregor stated DD McLean was not being realistic. She said that KIRC has to start planning now because it will take time to get money set aside from the conveyance tax. She asked how long the \$1.1 million federal appropriation would last. DD McLean responded that the federal appropriation is just for the one fiscal year. Commissioner McGregor asked about the next year, saying that long term funding is needed. Otherwise, the KIRC is not looking at operations beyond five years. Her predecessor made it clear to her that there was an agreement that \$10 million was going to be reserved. That was his understanding.

ED Nāho‘opi‘i stated that the \$10 million reserve was the goal when the staff developed the fund development plans. If KIRC stops operating and stops spending, then the KIRC could become a target for anyone to raid the trust fund. The legislature has raided a lot of trust funds. As long as the KIRC shows that we are making progress or doing improvements and using the money in a very effective way the legislature has been supportive of the KIRC. The KIRC needs to continually show progress; that we’re moving forward on the island and that the trust fund is being utilized effectively.

DD McLean stated that it is the Commission’s vote—if, in a couple of months we are approaching the \$10 million without any new funding on the horizon, staff can be directed to cut the remainder of the FY11 budget. Then in FY12, the staff can be directed to give the Commission a nominal budget so that KIRC does not dip into the \$10 million. This would be scenario “C” where all on-island operations and all staff are terminated, except for a part-time ED. If that is what the Commission needs to see, then staff should be so directed it. Chair Neff stated that he would like to see that budget. Last year he thought the Commission requested a really small budget, \$1.5 million or something. He is at a point where he cannot actually use this money with a clear conscience.

ED Nāho‘opi‘i stated that staff’s recommendation is not to have the \$10 million reserve but it is ultimately the Commission’s decision. The staff will go in whatever direction the Commission directs it. Vice Chair Whitehead stated that KIRC needs to seriously start thinking about scenario B. KIRC needs to plan for a major shift in the way it operates and a major reduction in the budget. If we can find other sources of funding then maybe it will buy the KIRC some more time in terms of planning. She reiterated that KIRC cannot wait for federal funding; we need to come up with a plan. It would be great if more funding is found, but we need to plan for reduction.

ED Nāho‘opi‘i stated that the staff can start planning the reduction but stated that it will be painful. There will be a lot of work to figure out because staff has nothing to base operations on. There will be periods when staff cannot go on island, or discover this is not working, or this is not happening. He hopes that the expectations will not be as they are now—we want to go next week, can you get us an extra boat. It will be painful for everyone.

Commissioner McGregor stated she resented that because PKO has a contract that allows support for cultural activities. When we buy into this it is right across the board. There is no leveraging or bargaining and making sure PKO does not take a beating because of a position KIRC has taken to be responsible in how the operations should be reduced. ED Nāho‘opi‘i stated it is more being able to respond to quick requests. Commissioner McGregor stated she wanted to be sure that we are going to go in this together. We going to all agree and we will understand what the resources are and they are available to anybody.

DD McLean said that regardless of the funding opportunities the KIRC still wants to look at a reduction scenario. Commissioner McGregor said definitely because those funding opportunities are short-term and she came into this wanting to reserve the \$10 million.. She stated that the staff is not taking the Commission seriously and continued that ED Nāho‘opi‘i has a justification that the KIRC is going to be raided.

DD McLean summarized that even if all these funding opportunities come through the KIRC would still be looking at a reduction scenario for next fiscal year. Vice Chair Whitehead stated that the additional funding helps the KIRC do it in a smart way. If the KIRC is going to start a reduction scenario in July 2011 the staff needs to start preparing for it - shutting down, decommissioning vehicles, removing things from the island. It will take planning for KIRC to incrementally move to this smaller operating scenario.

Commissioner Murphy asked if that means staff would submit plans for what the reduction looks like to the Commission. DD McLean responded that the staff would start with a timeline between now and July 1, 2011.

Eric Brundage (Zapata) added that the KIRC would have to revise the scope of the contract with Zapata. Commissioner Machado asked when this would be effective. ED Nāho‘opi‘i responded that it would start in the next fiscal year. KIRC would shut down the camp and only open it maybe 10 days a month. Eric stated that KIRC will need to start in January 2011. Commissioner Machado asked why. Eric replied in terms of spending, that routine repairs might not be made if a vehicle will be decommissioned, or replacement purchases may not be made.

Vice Chair Whitehead stated that to her the KIRC is talking about two issues. One is about the budget and the immediate reduction that the KIRC needs if it is going to continue to operate for the next 5-6 years. The other issue is long-term vision for what ideally does the base camp look like when it is passed on to the sovereign entity. They are related but not the same thing. Hopefully the CIP Committee puts together a plan of what the base camp will look like when making these decisions about reduction, finding ways that align with the future vision of Kaho‘olawe. ED Nāho‘opi‘i agreed and said that that is probably the next task for the CIP Committee.

Eric asked if the \$10 million reserve is the base that the KIRC does not go below; if so, then he thinks there needs to be actual dollar amounts set for budgeting purposes for the rest of 2011 and 2012. .If we start looking at the reductions in camp, we cannot get to scenario B based upon not dipping into the \$10 million reserve.. If that is the case, then we are at scenario C already – the full shut-down scenario. Commissioner McGregor stated yes, we should stop spending at \$10 million and leave it as a reserve. Eric said he has to do his part to support the KIRC’s plan and met its financial goals in terms of how Zapata does staffing and expenditures between now and then. It does not make sense to keep bringing in groups two or three weeks each month with the full staffing Zapata has now if KIRC is going to close Base Camp on July 1. KIRC is not going to gain anything in the next six months and maybe the money saved between January and June will allow the KIRC do more in 2012.

ED Nāho‘opi‘i stated that scenario B is something we could drive towards today. The KIRC will probably have to go below the \$10 million to get to Scenario B.

Commissioner Machado asked Commissioner Arakawa for his thoughts because he and Emmett served on the financial committee. Commissioner Arakawa stated that this was last discussed two years ago and the idea for the \$10 million was with the assumption that there would be grants and of course the economic climate back then was much different than today. People just wanted to make sure there was a reserve because they did not want to run out of money. He thinks that the KIRC should go very carefully on cutting. There needs to be a long term plan. Money is going to be a very important factor, but it should not be the sole factor. His thought is that the Commission should give it some time. The vision of where the KIRC wants to go is still hazy. If the KIRC cuts, it needs to be sure of what is being given up. If at some point the KIRC wants to do something in the future, the opportunity may not be there because staff will not be able to fulfill these types of requests—the infrastructure will not be there any longer. He can see doing some cutting but a lot of cutting has already been done, too. He is really leery of doing more wholesale cutting.

ED Nāho‘opi‘i stated that the KIRC has been able to extend \$44 million over 15-16 years. The KIRC was getting more than \$1 million in interest for a very long period of time until interest rates crashed in 2009. The peak of the trust fund was a little over \$30 million in 2003 and 2004. In that time period the KIRC took over the whole operation of Kaho‘olawe, which is when the decline in the trust fund really started. He stated that the staff has to develop a plan to show what it can execute come FY 2012. Staff will have to lay that out, hopefully by December or. It is possible that the KIRC will have to operate at the level of scenario B for a while to see how it works. Then a decision will have to be made the following year to stay at that level or move on to Scenario C or somewhere between there.

DD McLean added that the Commission will also have to vote on the KIRC’s FY 2012 budget if the KIRC is looking at a reduction scenario of \$2 million. If at that time none of these funding opportunities pan out and no new funding comes in, then the Commission can direct staff on what they want to do.

Commissioner Machado asked if there are any contractual obligations that extend beyond the FY 2011. DD McLean stated that the NOAA clean up grant could still be fulfilled. Rent and everything is year by year. Commissioner Machado asked if there are any outstanding consulting contracts. DD McLean responded that they are service based. With the office lease there is a provision there that is tied to the budget.

Vice Chair Whitehead stated she hopes the KIRC does not go to scenario C at the beginning of the next fiscal year. She wants KIRC to reduce to something more sustainable in the long-term, but she thinks the KIRC will have to go below the \$10 million. She wants KIRC to be able to make the decision to reduce—how we reduce, what is important to continue instead of being forced into it when there is no money.

Commissioner McGregor’s view is that if we keep up at \$3.5 million then the KIRC only has three more years of operation. If KIRC reduces to \$2 million then we have five more years of. She asked if it is preferable to have three years at current levels or five years at a reduced level. She thinks that the KIRC should come into next year at scenario C. Nobody seems to have taken that as a serious proposition. By year four, KIRC would have to be looking at scenario C since it would take \$2 million to shut down unless there is a change in income and revenue generation.

ED Nāho‘opi‘i stated that giving the staff at least a year to operate at scenario B staff would give them a better idea of what the actual cost is. Staff is projecting—it could be a lot less. Vice Chair Whitehead stated that at least the KIRC will find a way to operate at a reduced level before going to one or two staff.

Commissioner McGregor stated that another part of this exercise was to also put together a budget for the general fund. What is it that we need in terms of the legislative package? We need to go in with different scenarios of why we need to have so much money because the impact will be such and such. If we do not know what the impact is going to be then we cannot speak to the necessity to have federal monies. Regarding the conveyance tax, she is not sure whose feet would be stepped on. ED Nāho‘opi‘i stated that the KIRC would not be taking from other recipients, but they wouldn’t be getting as much.

Chair Neff asked for greater details on the specifics. ED Nāho‘opi‘i stated that he thinks staff could come up with a time table. Chair Neff stated that he thinks the Commission and staff should really see the road that we want to be on. ED Nāho‘opi‘i stated that now the staff can concentrate on a single scenario as opposed to three, and can come up with what our capabilities are going to be.

Commissioner Murphy asked for clarification on priority lists. KIRC staff Saito explained that first there is a need to know what the Commissioners’ priorities are. Vice Chair Whitehead stated she believed at one of the workshops last year the Commission did something like that and that the Commissioners’ priority was culture.

For next month the staff will at least try to put together a time table when certain key events have to happen to get to scenario B by July 2011. Eric stated he was willing to come to Maui or wherever to help with planning meetings. Program people need to look at what are their capabilities under this scenario—what capabilities would the programs still have under scenario B? They also need to speak to their Commission advisors about priorities. Chair Neff also added there is a need to figure out what direction the KIRC needs to go.

Commissioner McGregor asked if staff was going to make a budget proposal for general funding—looking at the budget, what is going to be cut and going to the legislature in order to prevent the cuts from happening. Chair Neff asked if the KIRC still has a financial committee. ED Nāho‘opi‘i stated it is not a committee but a working group. It was stated Commissioner Arakawa was on it and Commissioner McGregor previously.

## **VIII. PROGRAM UPDATES**

Program status updates were accepted as written.

## **IX. ANNOUNCEMENTS**

Items to be discussed at the next meeting are the budget discussion, EO language, the transition packet to be sent to the new DLNR Chair, and the adze project.

Chair Neff stated the date for the next meeting is October 28 on O‘ahu.

## **X. ADJOURNMENT**

**MOTION:** Commissioner Machado moved to adjourn the meeting, seconded by Commissioner Arakawa.

**ACTION:** Motion approved by all Commissioners present.

Meeting adjourned at 3:35 pm.