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Vice-Chair
WILLIAM J. AILA, Jr.
COLETTE Y. MACHADO
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KŪKULU KE EA A KANALOA
KAHO'OLAWE ISLAND RESERVE COMMISSION

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Michael K. Nāho'opi'i
Executive Director

MINUTES MEETING

Tuesday, January 18, 2011

8:30 am

Office of Hawaiian Affairs
Board Conference Room, 5th Floor
711 Kapi'olani Blvd.
Honolulu, Hawaii

COMMISSION MEMBERS

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

EXCUSED: William J. Aila, Jr.

KIRC STAFF: Michael Nāho'opi'i, Executive Director (ED); Ka'ōnohi Lee, Administrative Officer (AO); Terri Gavagan, Commission Coordinator (CC)

GUESTS: Keoni Fairbanks, Protect Kaho'olawe 'Ohana (PKO); Eric Brundage, Zapata, Inc.; Jonathan China (PKO); Blake LaBenz (PKO); Kylee Mar (PKO), Manuel Kuloloio (Kuloloio 'Ohana)

I. CALL TO ORDER

Chair Neff called the meeting to order at 9:25. A quorum was established with six commissioners present.

II. APPROVAL OF AGENDA

There was a discussion on changing the order of the agenda action items. Item V.E. - Develop and Approve Legislative Plan of Action to be placed ahead of Item V.D. - Review and Accept Draft of Annual Report for 2010.

MOTION: Commissioner McGregor moved to approve the agenda with the above amendment. Vice-Chair Whitehead seconded the motion.

ACTION: Motion approved by all Commissioners present.

There was also a discussion to add an executive session in accordance with Chapter 92-4 and 92-5(a) (2) to discuss personnel matters prior to taking action on Item V.D. -Review and Accept Draft of Annual Report for 2010.

Vice-Chair Whitehead withdrew her second and Commissioner McGregor withdrew her original motion.

MOTION: Commissioner McGregor moved to add the executive session before Item V.D. Review and Accept Draft of Annual Report for 2010. Commissioner Machado seconded the motion.

ACTION: Roll call vote was conducted: Chair Neff: Yes, Vice-Chair Whitehead: Yes; Commissioner McGregor: Yes; Commissioner Murphy: Yes;

Commissioner Machado: Yes. Commissioner Aila: Absent.
Motion approved based on roll-call vote.

III. APPROVAL OF MINUTES

MOTION: Vice Chair Whitehead moved to approve the minutes of October 28, 2010. Commissioner Machado seconded the motion.

Discussion: Commissioner McGregor stated that on page 3 it would be clearer to replace the phrase “was addressing a cultural review” (in line 4) with “had provided a cultural review”. She questioned whether DAG Somerville was referring to Hawaii Administrative Rules (HAR) or the KIRC’s Right of Entry (ROE) process during the discussion in the same paragraph of whether cultural practitioners need to be consulted with regard to the Dr. Mills’ research permit request. She believes that it was in reference to the Right of Entry Request. Staff explained that DAG Somerville did review the minutes. Staff is to double check with DAG Somerville about her intention in the discussion.

MOTION: Commissioner McGregor moved to defer the approval of the October 28, 2010 minutes. Commissioner Machado seconded the motion.

ACTION: The motion to defer action was approved by all Commissioners present.

There was a discussion regarding the KIRC’s Right of Entry Permit and the Hawaii Administrative Rules (HAR) and whether it is applicable when reviewing permit requests. ED Nāho‘opi‘i stated that the access process is based upon HAR 13-261-13.

MOTION: Vice-Chair Whitehead moved to approve the November 30, 2010 minutes. Commissioner McGregor seconded the motion.

Discussion: Commissioner McGregor requested that “if” be added to the 3rd line on Page 4 to read: “Commissioner McGregor asked how the decision is made for spending the rest of the contract and if it factors into the budget.” Chair Neff asked about the purpose of the highlighted words on page 14. CC Gavagan responded that the highlights were left in error. Highlights will be removed.

ACTION: The motion with the above changes was approved by all Commissioners present.

IV. COMMUNITY and PUBLIC COMMENT

None were made.

V. ACTION ITEMS

A. Adopt Resolution for Milton M. Arakawa-In Recognition of His Contributions Toward the Healing of Kanaloa, Kaho‘olawe

Staff was unable to contact former Commissioner Arakawa regarding this meeting. The resolution was not read out loud since former Commissioner Arakawa was not present. Chair Neff noted that a copy of the resignation letter was included in the packet. Chair Neff also stated that he was contacted by former Commissioner Arakawa who expressed that he enjoyed serving on the Commission. Chair Neff added that there was a gift that will be given to him on behalf of the Commission.

Commissioner McGregor pointed out that there was a spelling error in the line “**WHEREAS**, with a successful career as a principle in a private planning firm . . .” should state “**WHEREAS**, with a successful career as a principal in a private planning firm . . .” Commissioner McGregor suggested that “members of the Protect Kaho‘olawe ‘Ohana” be changed to “Protect Kaho‘olawe ‘Ohana” so that only one copy of the resolution needs to be sent to the ‘Ohana. The corrections will be made and the resolution circulated for signatures before it is given to former Commissioner Arakawa. It was also noted that all of the Trustees of OHA would be sent a copy of the resolution.

MOTION: Commissioner McGregor moved to approve the resolution for former Commissioner Milton Arakawa in recognition of his contributions toward the healing of Kanaloa, Kaho‘olawe with the above corrections and changes. Commissioner Machado seconded the motion.

ACTION: The motion was approved by all Commissioners present.

B. Review and Approve changes to Previously Approved Amendments to Governor’s Executive Order No. 3963 Setting Aside Lands in Kamaole, Wailuku, Maui TMK: (2) 3-9-004: Por. 001 & 061

ED Nāho‘opi‘i stated that DLNR Land Division advised that the public purpose clause was not broad enough to include revenue generating. It was suggested that the commission approved amendments be revised to include “revenue generating” as another purpose. Should the Commission approve adding the term “revenue generation” to the request a letter signed by Chair Neff will be forwarded to DLNR Chair Aila.

MOTION: Commissioner McGregor moved to approve changes to the previously approved amendments to the Governor’s Executive Order. Commissioner Machado seconded the motion.

ACTION: The motion was approved by all Commissioners present.

C. Approve Contract for Helicopter Transportation Services for Personnel and Cargo with Pacific Helicopter

The recommended motion is to authorize ED Nāho‘opi‘i to enter into a contract with Pacific Helicopter Tour, Inc. to provide transportation for personnel and cargo for the period of February 1, 2011 through January 31, 2012 in the amount of \$100,675.00. There was only one qualified bidder which was Pacific Helicopters. The estimate for one year was \$100,000 to cover transportation services for marine debris from NOAA marine debris removal project, ‘Ale‘ale plant monitoring as well as emergency services such as medical natural disaster evacuation. Part of the cost is included in the approved FY2011 budget and the remainder will be included in the FY 2012 budget proposal.

MOTION: Commissioner McGregor moved to authorize the Executive Director to enter into a contract for helicopter transportation services for personnel and cargo with Pacific Helicopter. Commissioner Machado seconded the motion.

Discussion: Commissioner McGregor asked if the KIRC is limited only to those services presented here. Staff responded that it includes all services that are in the budget.

ACTION: The motion was approved by all Commissioners present.

E. Develop and Approve Legislative Plan of Action

The legislative initiatives which the Commission has been discussing for the past 4-5 months are 1) conveyance tax revenue, to add the Kaho‘olawe Rehabilitation Trust Fund as a recipient of 10% of the conveyance tax revenue, 2) capital improvement funding for sustainable energy for Kaho‘olawe, 3) the addition of asset forfeiture to the KIRC statutes, and 4) general fund request.

Staff referred commissioners to the document labeled “Legislative Plan of Action 2011” and discussed the four phases of the plan.

- a) Phase 1: Having the bill drafted, introduced and heard by the Senate committee
- b) Phase 2: Gathering the votes to pass the committee hearing
- c) Phase 3: Gathering the votes to pass the crossover hearings
- d) Phase 4: Gathering the votes to pass full senate and house votes

Senator English and Representative Carroll will be introducing the conveyance tax and asset forfeiture bills in their respective houses. Senator Galuteria is willing to co-sponsor asset forfeiture.

ED Nāho‘opi‘i discussed with Chair Neff that there is a need to garner large and broad public support in the form of testimony and numbers at the upcoming committee hearings. After some discussion, Legislative webpage will be added to the KIRC website by the end of this week similar to our volunteer page. An e-mail will be sent to all distribution lists and all the other available list serves that announces our proposals click on a link that will be embedded into the e-mail that will redirect them to our webpage if they want to support the KIRC’s initiatives. The webpage will have a separate sign-up sheet on which a person can enter their name and e-mail address. This will place the person on a separate legislative list which will update them as the legislation progresses. The webpage will have: 1) drafts of the bills, 2) the status of the bills, 3) draft testimony, 4) how people can submit their testimony and to whom. This week an e-mail will be sent to encourage people to prepare draft testimony. A Word template will be provided. When the bills are filed and placed on a hearing notice an e-mail will be sent requesting that testimony be submitted. The key is a cross-section of supporters, not just the ‘Ohana.

Vice-Chair Whitehead suggested that staff meet with the current recipients of the conveyance tax to inform them of the KIRC conveyance tax proposal. ED Nāho‘opi‘i stated that staff will be doing that next.

The CIP and General Fund requests are being inserted by Senator English into his CIP request for his district and he will insert the General Fund amount into the budget when he reviews it. Administrative and operating costs will be the amount requested to be funded with General Funds. Most grantors do not want to fund infrastructure, maintenance or administration. They generally fund the actual projects.

Commissioner McGregor suggested that a link be placed on the KIRC webpage to the PKO website.

ED Nāho‘opi‘i reminded the Commission that the real push for this legislative session is the conveyance tax proposal. Even if KIRC receives only 1-2% of the conveyance tax, it opens the door for a sustainable revenue source. The KIRC could offer to cap its portion

of the conveyance tax at \$4 million if the legislature requests it. It is anticipated that the lowest amount collected from conveyance taxes would be \$20 million, but it should increase as the housing market improves. DLNR Chair Aila has been brief on the proposals.

It was suggested that a working group of not more than 2 Commissioners be assigned to work with staff and participate in meetings with legislators. Chair Neff assigned commissioner McGregor along with himself. Commissioner Murphy was assigned as an alternate in the event that either of the other Commissioners could not make the meetings.

Commissioner Machado voiced her concern regarding information being sought by legislators and cautioned the Commission on its actions and non-actions. It was decided that Chair Neff and Commissioner McGregor meet with Senator Kidani and address her concerns; she seems supportive of the KIRC's mission but has concerns about the management of the Reserve.

A discussion followed regarding information that was requested from ED Nāho'opi'i and the response was not provided in a timely manner. ED Nāho'opi'i explained that the request was made prior to Christmas and a response was submitted on January 14, 2011. Commissioner McGregor's concern was that Commissioners were not informed about the request so that they could provide input. She also stated that these are policy issues, not administrative issues. Policy issues are under the purview of the Commissioners. ED Nāho'opi'i pointed out that numerous requests for documents are received from the Legislature and staff is not given a lot of time to respond. The request in question was quite unexpected. The Commissioners were provided copies of the cover letter sent to Senator Kidani which contained a summary of the following documents:

- 1) Access Request Process;
- 2) Correspondence relating to PKO accident on August 2009;
- 3) KIRC and PKO Safety Plans;
- 4) On-Island Subsistence Use Catch Report; and
- 5) Stewardship Agreement

DLNR Chair Aila also contacted ED Nāho'opi'i via e-mail on January 3, 2011 with similar concerns which were brought to his attention. ED Nāho'opi'i provided the information requested. It was agreed that the Legislative Working Group should meet with DLNR Chair Aila to clarify these issues.

Chair Neff stated that he feels Senator Kidani is a supporter of the KIRC's mission, but she wants to be sure that she can answer questions regarding the KIRC when KIRC legislative bills are introduced. He thinks there is a mole.

Manuel Kuloloio asked to make some comments. He reminded the Commission about the daughter of a famous Maui union heavy hitter named Mr. Yagi who was adamant about abolishing the Commission many years ago. Mr. Kuloloio and several Maui gentlemen formed a *hui* with Tony Takitani and one of those gentleman is now the President of the State Senate, Mr. Shan Tsutsui. If the Commission does not want to speak with him, let him know right now. He knows who went on the OHA-sponsored Brickwood radio program to Kaho'olawe—Kidani, Kokobun, Carroll, English and Galuteria. Shan could not make it but had made the trip the year before. It was a shock to Mr. Kuloloio that it was Kalani English's first trip to Kaho'olawe. It was shameful to him and reminded him of why he supported the ouster of Peter Young. At the last UXB "rah-rah" Mr. Young

had the gall to go up and say that he had never been to Kaho‘olawe. Mr. Kuloloio added that he had the privilege of taking every DLNR Chair to Kaho‘olawe with the exception of Mr. Young. Mr. Kuloloio may be the only mole here, but there are no secrets. He has never been shown the public packet. Commissioner McGregor pointed out that one was given to him at the last meeting. He stated that it was given to him unwillingly. He remembers back in the old days at the Maui County Council Planning Commission he saw packets that were handed out where Aunty Hoku was which stated bluntly “you are not to talk about sovereignty.”

He has heard about some pretty heavy issues regarding Pualele. He urged Chair Neff not to let Uncle Bobby “hang.” He heard that it was Chair Neff’s best friend who got hurt. He feels that there was a break down in the system. He asked about the issue of Maka and Chair Neff. He had a long talk with the head of DLNR Enforcement. All he heard was that the judge threw the charges out due to lack of evidence. Was that the truth? Commissioner McGregor responded that Maka was charged. Mr. Kuloloio stated that he hits the KIRC hard but that he still loves the KIRC. When someone screws up it affects everything Mr. Kuloloio has fought for.

The Kuloloios have offered their place to meet with Dr. Mills. He does not want to see the KIRC program go down. The Commission paid for him to travel with Momi Lovell and DAG to represent the Commission prior to the clean up and he was proud to do so. Commissioners Machado, McGregor and former Commissioner Aluli sent Uncle Les Kuloloio to Federal Facilities Environmental Dialogue Committee and their lives have never been the same. He thanks the KIRC. Chair Neff pointed out that everyone—the KIRC, the ‘Ohana, and the Kuloloios are all trying to do the same thing—malama Kaho‘olawe. Mr. Kuloloio stated he loves Kaho‘olawe and that it has plenty of promise, but cautioned that there are enemies of the KIRC out there. An Executive Order can be taken away as fast as it can be given.

Commissioner McGregor acknowledged that all the concerns brought up by Senator Kidani were valid and deserved a response. Speaking as a PKO representative on the Commission she wanted the Commission and staff to know that the PKO remains committed to the partnership with the KIRC and will work with the State to best protect the island. Also, as members of the PKO we are accountable for our actions on the island. It should be clarified that the Commissioners did respond to these issues responsibly and that the role of the ‘Ohana is a positive contribution to the management of the island. We also provide an important and critical function to the island operations. The following concerns were addressed by Commissioner McGregor:

The Makena accident: The KIRC was present. The Safety Officer was on the boat when the incident happened. Commissioner McGregor did not submit a sanitized PKO report. It was the first major accident that the ‘Ohana ever had to deal with. PKO followed the KIRC guidelines in providing the necessary information. There was full disclosure of all relevant information. It was suggested that a safety briefing had not been done. In fact, the safety briefing had been done for the ‘Ohua because PKO had been transported to the island on the ‘Ohua. Given the storm conditions and that the ‘Ohua staff were unavailable because it was a Sunday; PKO did ask Uncle Bobby Lu‘uwai for help evacuating the participants on the Pualele. There was not a specific briefing for how to unload from Pualele until the boat reached Makena. In retrospect the PKO acknowledges it was an issue in which corrective action could have been taken to prevent it from happening.

PKO did work with the KIRC staff and the AG's office in the stewardship meeting to change the departure and arrival process on Maui so that the PKO is at a harbor and they do not run into a situation where there is off loading from the back of the boat without zodiac support. Landing and returning from either Maalaea or Kihei has substantially reduced the risk. PKO is not insured. Whatever is charged just covers the cost of food and equipment as well as for the maintenance of the zodiac and access supplies in the warehouse. Some months PKO breaks even and sometimes it does not. Hopefully this shows that the PKO are acting responsibly and that we are fully cooperating with the state with regard to safety issues. Our utmost concern is safety. We do have a good safety record.

Fishing violations: It is unclear if the fishing violations have ever been put on the Commission's agenda although it is referred to in the ED's report so she was unclear if it was appropriate to address it now or during the ED's report.

Commission membership: There are questions regarding Commissioners who are PKO members, the number and who are they. By state statute, one person is a representative and two who are appointed. Commissioner McGregor asked staff to start the appointment process to fill the Chair's position; Chair Neff's term will expire June 30, 2011. The Governor needs to appoint and the Senate confirm someone to fill that position beginning July 1, 2011. Commissioner McGregor is in the representative position. Staff is to send a letter to the PKO, attention to Kylee, requesting a list of candidates. Commissioner McGregor continued that there is a question of whether the Commissioners who are PKO members are advocating for the State or for the PKO. She added that she thinks it is clear that they are advocating for the interests of the Kaho'olawe Island Reserve Commission and the appropriate role of the state in that. All Commissioners take an oath to uphold the state laws and regulations.

Other stewardship agreements: It has always been an open invitation. Invitations have been extended to Polynesian Voyaging Society and others in the past. This is provided for in state law.

Financial situation: It is the KIRC's main concern going into this legislative session. The legislative package is centered on securing the financial future of the management of the island by the State of Hawaii. The state did take on this responsibility when it signed the Memorandum of Understanding with the Navy to receive the island.

Financial or Legislative Audit: The Commission needs to address whether the KIRC is open to a legislative financial audit. It should be pointed out to the legislature that when the trust monies run out the Island will need to be shut down if there are no monies coming from the state.

Vice-Chair Whitehead commented that she liked the ED's initial response to the concerns from DLNR Chair Aila although she was unsure if the process was correct. She knew that there was not enough time for him to wait for a Commission meeting. She felt it focused on the larger issues and highlighted positive aspects of questioned relationships. Perhaps there is a Commissioner he can bounce his thoughts off of in the future.

After some discussion, it was decided that should issues which need to be addressed arise, it should be referred to the Legislative Working Group to provide input with a timeframe to respond. Chair Neff added that there is also a need to meet with DLNR Chair Aila and Senator Kidani regarding the concerns. Senator Kidani has requested a

meeting with ‘Ohana representatives to discuss some issues. Commissioner McGregor clarified with Senator Galuteria that she and Chair Neff would be meeting with the Senators as KIRC Commissioners. In response to the question whether KIRC has ever been audited, staff response was that there is an annual financial audit of the department. The legislative audit was not presented as a request by the senators but as a requirement if the KIRC is going to receive State funding. Staff was directed by the Commission to have DAGS look at the issue to see whether a legislative audit, particularly since the monies in the trust fund federal funds. The Commissioners think that a legislative audit should be discouraged as it will take up Staff time at a time when it is already short-handed and provides the perception that there is some corruption. Staff stated that if there is a legislative audit it probably would not be brought down to staff level because all the records are at the DLNR Fiscal Office and are available on-line.

It was decided that if the Legislative Working Group is asked about the above concerns by the legislators the responses should be based on Commissioner McGregor’s responses and ED Nāho‘opi‘i’s written response.

Commissioner McGregor provided responses to the Senators’ questions regarding the following:

- ❖ Fishing violations—the KIRC Chair was cleared of all charges; only one person was charged; the PKO has also sanctioned the individual from fishing in the Kaho‘olawe Island Reserve for 1 year beginning 11/29/10.
- ❖ Stewardship agreement - The agreement is based on the rights of the ‘Ohana established with the U.S. Navy under a court mandated consent decree. It outlines all the responsibilities assumed by the ‘Ohana and the services it will provide to the general public. The ‘Ohana’s right to access is also recognized under federal law (under the American Indian Religious Freedom Act and the Religious Restoration Act), state law (HRS 1-1 and 7-1) and the state constitution (Article XII Section 7). It is regulated through the Palapala ‘Aelike Kahu ‘Aina or Stewardship Agreement. It also allows for violations to be sanctioned. There is no need to terminate the agreement because it provides a process for disciplining its members for rule violations. At the Stewardship Agreement meeting on 12/15/10 with the KIRC it was made clear that the sanction was being imposed.
- ❖ Subsistence report violations—the Commissioners were just informed of the undersize taking as documented in the minutes of the November 30, 2010 public meeting. The ‘Ohana informed the KIRC at the 12/15/10 meeting that it was developing corrective actions arising from lessons learned from that report. It will be developing a management plan and seek input from Mac Poepoe of Hui Malama O Mo‘omomi who developed the Pono Fishing System on Moloka‘i. Commissioner McGregor will be distributing fishing calendars given by Uncle Mac so that the ‘Ohana members know when it is the proper time to take.

Commissioner McGregor is to e-mail the above responses to the CC.

MOTION: Commissioner McGregor moved to continue the implementation of the legislative plan of action with the additions discussed; the formation of the Legislative Working Group consisting of Chair Neff and Commissioner McGregor with Commissioner Murphy as an alternate. Commissioner Machado seconded the motion.

ACTION: The motion was approved by all the Commissioners present.

- F. Executive Session pursuant to HRS 92-4 and 92-5 (a) (2) to consider the higher, evaluation, dismissal, or discipline of an officer or employee or charges brought against an officer or employee where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting; an open meeting shall be held.**

ED Nāho‘opi‘i requested that the discussion be held in open session. Chair Neff stated that this discussion is to ensure that the ED’s responses to concerns from the DLNR Chair and legislators represent KIRC policy as viewed by the Commissioners and to ensure that the lines of communication are open between the ED and the Chair as well as the other Commissioners. It was stated that Commissioners were caught off guard that there was a legislative package and that the ED was making courtesy visits. The Commissioners did talk about it in theory, but the lesson learned is that the Commission may always need a Legislative Working Group that is prepared to work with the ED. ED Nāho‘opi‘i responded that he tried to keep his responses at a very high level and positive while keeping details at a minimum. He will always give a positive response and encourage support of the KIRC. Commissioner Machado suggested that ED Nāho‘opi‘i work with Commissioner McGregor since there is no longer a DD or an assigned DAG to work with him regarding details. ED Nāho‘opi‘i responded that he does communicate with Chair Neff before releasing information but that some questions come out of the blue and need to be answered right away.

The Commissioners stressed that ED Nāho‘opi‘i should keep everyone in the loop.

D. Review and Accept Draft of Annual Report for 2010

A PowerPoint presentation was done showing the layout of the KIRC Annual Report for 2010. The text is still being worked on. The Commission requested that a draft of the text for the Annual Report be e-mailed to Commissioner McGregor for review and then e-mailed to the rest of the Commissioners. The main message which was the need for a sustainable future was read. Commissioner McGregor stated it was a beautiful statement. ED Nāho‘opi‘i then reviewed the focus of the sections on the individual programs:

- a) Restoration: faunal restoration, update on the Kanaloa plant and the triops
- b) Ocean: the NOAA grant for Marine Debris Removal, monitoring of the ocean reserve, development of relationships with other agencies
- c) Cultural: Pu‘u Mo‘oula, the Kaneloa Stone restoration, the integration of cultural practices into the Volunteer Program, Kukulu Ke Ea A Kaneloa, Planting and Rain Ceremony, stewardship support in Kihei
- d) Reserve Operations: looking at the reduction of activity in FY2012 to conserve funding, long term planning, sustainable infrastructure
- e) Volunteer Program: statistics (where volunteers are from, etc.), planting, the dollar value that the volunteers provide
- f) Commissioners: Commissioners’ pictures with the exception of former Commissioner Thielen and biographies

Commissioner Machado was excused at 11:50.

- g) KIRC Staff: accomplishments of the staff

h) Financial report: information about the trust fund and funding update

The front cover will have a photo of the koa butterfly and the back cover will have a photo of the Kanaloa flower. The main color for the cover is green. The Commissioners complimented staff on the draft. Commissioner McGregor asked if the PKO members who come in as KIRC volunteers be mentioned in a sidebar. It was pointed out that all volunteers from all programs are included in the Volunteer statistics found in the Volunteer Program section. Commissioner McGregor also asked if ethnicity statistics could be included. Staff explained that by law the KIRC cannot ask about ethnicity. People can provide ethnic information if they wish in an anonymous evaluation form.

There was a break from 11:55-12:05.

VI. A. Executive Director's Report

It was decided to review only changes that need to be brought to the Commissioners' attention rather than going over the entire report due to time constraints.

Administration, Staffing and Personnel:

The following tasks have been reassigned since the KIRC no longer has a Deputy Director as follows:

- A) NRS V Paul Higashino will be responsible for the welfare and care of the volunteers on the Island and the logistics of the Restoration Program
- B) UXO & SS Bart Maybee will be responsible for transportation logistics to the island Base Camp and maintenance of transportation equipment and facilities.
- C) AO Ka'ōnohi Lee will be taking over the budget and helping ED Nāho'opi'i with the legislative agenda
- D) NRS V Paul Higashino and NRS III Lyman Abbott will be responsible for the billing and reporting requirements for the NRCS grant
- E) ORS III Dean Tokishi and ORS II Cheryl King will be responsible for the billing and reporting for the NOAA grant
- F) PIS Scott Broadbent will provide back-up and oversight for the NRCS and NOAA grants' billing and reporting

Each program manager is now responsible to review items being purchased within their budget area. They will have to sign off on their purchasing and forward it to ED Nāho'opi'i. AS III DeMark will be coordinating the purchasing and contracting processes. The second P-card (state charge card) will be assigned to NRS V Paul Higashino. ED Nāho'opi'i will continue to have final purchasing authority. Staff recommends that the position of Deputy Director not be filled at this time given the budget shortfall.

Strategic Planning:

The annual meeting with KIRC Staff and PKO representatives, including Commissioner McGregor as one of the PKO representatives was held on December 15, 2010. Highlights of the meeting were already mentioned during the discussion on the legislative plan of action.

Governmental Relations:

The Navy will be conducting its post-clearance review of the Navy installed Land Use Controls, (i.e., carsonite markers) and institutional controls during the week of March 28, 2011 during a volunteer access. They will observe all facets of the access including orientation, on-island operations and inspect the status of the carsonite markers.

The commission suggested that the Legislative Working Group speak to Representative Denny Coffman (North Kona) or his staff about his proposed Kaho‘olawe Gambling Bill and how it would be contrary to the purposes and intent of HRS Chapter 6K.

B. Review and Accept FY 2011 Expenditure Reports for November and December 2010

The KIRC is currently running 7% under budget.

MOTION: Vice-Chair Whitehead moved to approve FY2011 Expenditure Report for November 2010. Commissioner Murphy seconded the motion.

ACTION: The motion was approved by all the Commissioners present.

VII. A. Continue Discussion on Preliminary Budget and Reorganization Plan for FY2012 with Proposed Budget Cuts

The proposed FY2012 budget totals \$2.7 million, which is based upon the current staffing and without filling the any vacancies. KIRC meetings would be reduced to every other month. The largest cost savings would be achieved by reducing volunteer trips each month. The Island would be open 2 weeks and closed 2 weeks monthly. The boat runs would be on Mondays and Thursdays for 2 weeks and only on Mondays during closed weeks. Eric Brundage of Zapata, Inc. emphasized that planning the accesses way in advance would allow his staff to pre-stock ahead of time that would result in a cost savings by not requiring the use of the walk-in freezers which are currently needed as accesses are not confirmed early enough. It would also reduce food waste and help in scheduling large maintenance programs. The scheduling would consist of preliminary schedule at 9 months, confirm 6 months ahead of the scheduled access and set the access schedule at 3 months prior to date of access. ED Nāho‘opi‘i acknowledged it would involve looking at the schedule of the stewardship organization. It would not impact Hakioawa. The caretaker status would call for 2 Zapata staff on island and changes in Base Camp management. This scheduling would require changes in how vacations are handled by Zapata and require a reduction in administrative hours provided by Mr. Brundage. Mr. Brundage also stated he would try to have an energy plan for Base Camp at the next Commission meeting.

Staff clarified that the DAG position listed under Commission in the FY2011 budget was not carried over into the FY2012 budget draft and the Commission Coordinator is included under Administration personnel budget line item. Also, the Culture Program FY2011 personnel budget may have included the Cultural Specialist II position which was not filled. The FY2012 Budget Draft for personnel reflects the current filled positions only. The organizational chart will need to be revised. It was also clarified that AS Tina Keko‘olani will remain part of Reserve Operations but report administratively to the AO.

The General Funding request will include Administrative, Operations and Commission costs totaling approximately \$2.4 million which is based on the budget for FY2011. The draft budget for FY2012 is bare bones; there is no back-up provided for personnel who may be out due to illness, emergency vacation, etc. Commissioner McGregor asked if that is a contradiction to what was decided in previous Commission meetings; there would be a \$2.5 million budget and if there was money from the legislature it would go into the trust fund. ED Nāho‘opi‘i responded that staff’s recommendation is to ask for \$2.5 million and that staff would raise everything else above that. Discussion continued and it was suggested that the Commission should reconsider their decision about the budget. Staff’s recommendation is to go with the \$2.6 million budget (FY2012 budget). The General Fund request of \$2.5 million could be a separate backup to the request for a portion of the Conveyance Tax. Vice-Chair Whitehead stated that she believes that the KIRC should ask for as large a funding amount as it thinks it can get in the general fund request. The conveyance tax request and general funding request should be put in at that same time because if we wait to see if the conveyance tax goes through and it does not it will be too late to submit a general funding request. She continued by saying she thought the general fund request, based on the FY2012 \$2.6 million budget, should be a full back up to the conveyance tax request. Commissioner McGregor stated that DLNR Chair Aila should be consulted and go with what he suggests. ED Nāho‘opi‘i was directed to consult with the Legislative Working Group to discuss the approach to the legislature regarding funding.

IX. ADJOURNMENT

MOTION: Vice Chair Whitehead moved to adjourn the meeting as quorum was lost. Commissioner Murphy seconded the motion.

ACTION: The motion was approved by all the Commissioners present.

Meeting was adjourned at 12:50 pm.