



KŪKULU KE EA A KANALOA
KAHO‘OLAWE ISLAND RESERVE COMMISSION

811 Kolu Street, Suite 201, Wailuku, HI 96793
Telephone (808) 243-5020 Fax (808) 243-5885
Website: <http://kahoolawe.hawaii.gov>

COMMISSION MEMBERS

MICHELE MCLEAN
Chairperson
AMBER NĀMAKA WHITEHEAD
Vice-Chair
C. KALIKO BAKER, Ph.D.
SUZANNE CASE
HŌKŪLANI HOLT
JOSHUA KAAKUA, Ed.D.
CARMEN HULU LINDSEY

Michael K. Nāho‘opi‘i
Executive Director

PUBLIC MEETING MINUTES

Monday, May 16, 2016

8:30 am

Department of Land and Natural Resources Boardroom
Kalanimoku Building, 1151 Punchbowl St, Room 130
Honolulu, Hawai‘i

COMMISSION MEMBERS

PRESENT: Michele McLean, Chairperson; A. Nāmaka Whitehead, Vice Chair; Suzanne Case; Joshua Kaakua, Ed.D; Carmen Hulu Lindsey (arrived at 8:40 am)

EXCUSED: C. Kaliko Baker, Ph.D; Hōkūlani Holt

KIRC STAFF: Michael Nāho‘opi‘i, Executive Director (ED); Ka‘ōnohi Lee, Administrative Officer (AO); Daniel Morris, Deputy Attorney General (DAG) (arrived at 9:50 am); Terri Gavagan, Commission Coordinator (CC)

GUESTS: None

I. CALL TO ORDER

The meeting was called to order at 8:30 am. Quorum was established with four Commissioners.

II. APPROVAL OF MINUTES

A. Minutes of March 22, 2016 Regular Commission Meeting

The Commission requested a name correction on page 1 of the minutes and that CC Gavagan check with Commissioners Baker and Holt to see if they had any typographical corrections to the minutes.

MOTION: Vice Chair Whitehead moved to approve the minutes of March 22, 2016 with the name correction and any typographical corrections Commissioners Baker and Holt might have. Commissioner Kaakua seconded the motion.

ACTION: The motion was approved by all Commissioners present.

III. COMMUNITY AND PUBLIC COMMENTS

No community or public comments were made.

IV. ADMINISTRATIVE BUSINESS

A. Legislative Update

ED Nāho‘opi‘i reported that HB2034, Appropriation to Kaho‘olawe was awaiting the Governor’s signature. There was a possibility that the Governor would be coming to

Approved December 1, 2016

Maui to sign bills related to Maui. SB2035, Desalinization Pilot Project, did not pass. WAM did not pick it up. Hopefully, the bill will be picked up next session. HB2200, Public Land Trust Fund, did pass the House by was deferred by the Senate Committees on WLA and Hawaiian Affairs. SB2761, Native Hawaiian Burials, was deferred. None of the bills from the last session were picked up this session.

ED Nāho‘opi‘i reported that the KIRC will need to submit a financial stability plan to the Legislature. He stated that the financial plan that the Commission reviewed was a good start.

Chair McLean asked who was not happy with the financial plan. ED Nāho‘opi‘i responded that mostly the members of the House Finance Committee and Senate WAM had questions as a result of the auditor’s report, specifically about financial sustainability.

Commission Lindsey stated Senator Dela Cruz commented that the Kīhei property had a lot of commercial potential. Commissioner Lindsey also stated she did not think the Kīhei property could bring in enough revenue to totally sustain the KIRC. There was discussion about the money that would initially be needed to start up any revenue generating programs at the property and that revenue generated would need to support both the Reserve and the Kīhei property.

ED Nāho‘opi‘i stated that the KIRC has received funds to design and plan an education center at the Kīhei property. Money has been set aside to conduct an economic study. He suggested that the Commission assign one or two Commissioners to a working group to steer the project at the next Commission meeting.

B. Executive Director’s Report

ED Nāho‘opi‘i reported that there were no variances in the budget and that the KIRC was still running under budget. He anticipated that the KIRC should end the current fiscal year under budget.

ED Nāho‘opi‘i provided an update on the status of pending current grant applications and current grants. The KIRC did not receive a continuation of the DOH grant. Staff was arranging a debriefing with DOH regarding the denial. The KIRC did receive a grant from Hawai‘i Community Foundation (HCF) to work on coastal restoration at Honokanai‘a and to start coastal restoration at Kealaikahiki. Other current grants included:

- 1) Hawai‘i Tourism Authority (HTA) --“KIRC Virtual Museum web interface, mobile application and oral history project”
- 2) Office of Economic Development, County of Maui--“Sustaining Community Access to Kaho‘olawe: the ‘Ōhua”—staff is currently working to change the scope of this grant from reverse osmosis photovoltaic system to attaching the photovoltaic system to the island’s computer network to keep the network running and installation of security cameras to relay information back to Maui and which could be used as off-site classrooms; no response has been received for that request. the County has also awarded a grant to the KIRC for the replacement of the trailer for the ‘Ōhua

- 3) National Fish and Wildlife Foundation-the KIRC is a partner with Island Conservation (IC) for developing a faunal restoration business plan
- 4) Alu Like-“Hui Kāpehe Program”-the KIRC has received funding for the third year of this program and there was a possibility for a fourth year of funding
- 5) Hawai‘i Invasive Species Council-“Biosecurity Implementation Plant for the Island of Kaho‘olawe” will be finished at the end of this fiscal year
- 6) HTA-grant to provide funding educational signs along the Kīhei property

Staff was currently trying to find grants for the Ocean Program. Vice Chair Whitehead suggested contacting Conservation International and the Castle Foundation for Ocean Program projects. ED Nāho‘opi‘i replied that he has been in touch with the Castle Foundation.

ED Nāho‘opi‘i commented that staff is involved with the upcoming IUCN conference. Jan Becket was currently working with Kīhei Charter School to create a photographic show at the Legislature and will have a viewing area at IUCN. Both will focus on Kaho‘olawe. IC was also providing a presentation on faunal restoration focusing on Kaho‘olawe. The KIRC will also be part of the preconference providing two site visits to the island. Mr. Walter Kanaumu will also be presenting a short documentary about the ties between Kaho‘olawe and Kahikinui. The Kaho‘olawe segment of the Standing on Sacred Grounds series will also be shown at IUCN.

ED Nāho‘opi‘i stated that staff will begin scheduling accesses for the next fiscal year in the long range schedule.

The Commissioners were provided with a copy of the informal letter from the Attorney General’s office regarding commercialization and the administrative rules process. The Commission had no questions or comments about its content.

ED Nāho‘opi‘i reported that Commissioners Kaakua and Ching were both confirmed by the Senate. Commissioner Holt will continue to serve as a carry-over until a confirmation hearing can be held during the next legislative session.

ED Nāho‘opi‘i reported that the latest auditor’s report had the same finding as the previous report. Staff pointed out that the findings did not pertain to the original resolution which was to verify that the money being spent in the Kaho‘olawe Rehabilitation Trust Fund was being used for the purposes set forth in HRS §6-K.

ED Nāho‘opi‘i commented that the staff was putting together a measurable restoration plan based on information from previous restoration grant projects. The timeline will be dependent on levels of funding.

Chair McLean suggested describing the different types of environment on Kaho‘olawe in the plan and base the cost on staff experience. She also suggested going into detail about all of the innovative approaches which have been taken for restoration projects on island.

There was a discussion between Commissioners and staff about different types of restoration, priorities, links to sustainable agriculture and marine debris.

ED Nāho‘opi‘i stated there would be a summary of a cost analysis and demonstrate cost effectiveness.

Commissioner Kaakua commented that it seemed as if the KIRC got beat up in the audit report. He thought the auditors were not resource management specialists. He thought they were focusing on self-sustainable practices. He did not understand the auditors’ comment that the Commission was not responding to their two previous recommendations. Staff responded it was a matter of interpretation.

Commissioner Lindsey commented that the auditors were being unrealistic in their expectations.

Commissioner Case commented that her opinion was that the KIRC was in transition. The KIRC needs to show that the trust fund has been spent down or perhaps make a new endowment.

Staff explained that the auditors found no violations of procurement or spending rules so that they could not hang their hat on the original legislative direction. Additionally, the auditors did not look at the KIRC as a state agency. However, it is a state agency.

Commissioner Lindsey commented that the auditors want the KIRC to maintain the island without asking for state funding.

There was a discussion between staff and Commissioner Case on how the Trust Fund could have been converted to an endowment at the very beginning.

ED Nāho‘opi‘i explained that the KIRC does not have the authority or expertise to manage an endowment.

Commissioner Case suggested that the Commission could make a policy not to spend the capital of the trust fund and develop a “Friends of the KIRC” model.

Commissioner Kaakua stated he saw three pots of money the KIRC has available-trust fund money, state funding and grant funding.

Commissioner Case commented that the State sees the KIRC as a quasi-state agency and that it sees the damage done to Kaho‘olawe as committed by private entities and federal entities. Therefore, the State does not think it should be responsible for repairing the damage. She thought that the KIRC received as much funding as it did because of ED Nāho‘opi‘i’s effective management.

Commissioner Kaakua stated that time needed to be spent to plan for the Kīhei facility carefully and include economic forecasting.

Vice Chair Whitehead stated it was a great idea to start an endowment with the balance of the trust fund.

Staff commented that the current law would probably need to be changed.

Commissioner Kaakua commented that OHA was waiting for a budget from the KIRC. Perhaps something could be worked out with OHA and the State or partner with OHA for endowment funding. Commissioner Lindsey replied that she did not see how that would work since the KIRC was administratively attached to DLNR. She stated that both the KIRC and OHA needed to be united and not divided.

ED Nāho‘opi‘i reported that the solicitation process for the CIP project in Honokanai‘a has begun. The project’s priorities were 1) photovoltaic system for Base Camp, 2) replace the reverse osmosis system to make it more energy-efficient, 3) replacing the roofs of five buildings to make them more energy-efficient, 4) renovation of the galley to make it more efficient and 5) build a portable charging station for electric vehicles. The proposals are due by May 27. Staff is hopeful to encumber the funds by the end of this fiscal year. The contract of \$70,000 for marine debris cleanup was awarded to T&M Engineering. Staff has submitted a request to release funds for the Kīhei CIP project. Separate funds were being requested for economic planning and engineering drawings. The Legislature was interested in providing some CIP funding for building the Kīhei facility.

V. ACTION ITEMS

A. Review and Approve Budget for FY17

Staff explained that the budget planning started with \$1.45 million in general funds. The three priorities in compiling the budget were: 1) ‘Ōhua repairs, 2) return the entire staff to full time effective July 1, 2016 and 3) the Base Camp contract not included in the budget because the Base Camp contract will be awarded for 13 months starting in June 2016 which will encumber the remainder of general funds for this fiscal year.

The general funds are currently not in the correct account to encumber the Base Camp contract. The Commission can authorize the Executive Director to award it. The signing of the contract can be delayed until excessive personnel funding is transferred into operational funding. Staff requested that Budget and Finance move the excess personnel funding (\$185,000) to the appropriate account.

The cost of personnel was almost \$1 million. The balance of the \$450,000 was transferred to operations. Staff is asking Budget & Finance to move excess personnel funds to other categories. The excess funds were a result of over-budgeting by Fiscal since staff took a cut in pay last fiscal year.

Staff asked to start the Base Camp contract in June so funds could be encumbered and therefore not need to be included in the FY17 budget. The budget for FY17 is lower than the budget for FY16. Most of the other spending was on grant projects, most of which is reimbursable. Another factor is that there was no DOH project which was

usually a high material and supplies grant. Most of the current grants are labor intensive.

All of the General Funds money needs to be spent by the end of the fiscal year or it gets returned to the State.

Commissioner Kaakua asked how grant revenue affects the budget. Staff explained that reimbursements are not shown in the expense reports. Staff was still working on getting that incorporated into the reports.

MOTION: Commissioner Lindsey moved to accept and approve the FY2017 budgeted amount of \$1,558,888; comprised of \$1,000,000 appropriated by the 2015 State of Hawaii Legislature in ACT 240 and \$450,000 appropriated by the 2016 State of Hawaii Legislature in House Bill 2034, awaiting Governor's signature, and \$108,888 from the Kaho'olawe Rehabilitation Trust Fund. Commissioner Kaakua seconded the motion.

Commissioner Case was excused from 9:40 am to 10:05 am.

ACTION: The motion was approved by all Commissioners present.

B. Authorize Executive Director to Enter into Contract for Base Camp Management from June 1, 2016 through June 30, 2017

ED Nāho'opi'i discussed the terms of the Base Camp management contract with Zapata, Inc. which requires that the Base Camp be open for the same amount of time as the previous contract as shown in the operations table of the memo. Zapata staff will mobilize with NRS Higashino on Mondays. The first group of volunteers and staff will be on island from Wednesdays to Fridays and the second group will mobilize on Fridays and stay through Tuesdays.

Vice Chair Whitehead stated it was important to note that staff only has ¼ time on the island under the current operation system.

MOTION: Vice Chair Whitehead moved to authorize the Executive Director to award the Base Camp Management Contract to Zapata Incorporated, for the period June 1, 2016 through June 30, 2017 in the amount of \$180,040.85.

ACTION: The motion was approved by all Commissioners present.

C. Adopt Resolution for Amber Nāmaka Whitehead-In Recognition Of Her Contributions Toward the Healing of Kanaloa, Kaho'olawe

ED Nāho'opi'i read the following resolution for Commission consideration:

Recognizing the Outstanding Contributions and Dedication of Commissioner Amber Nāmaka Whitehead

Towards the Healing and Restoration of Kaho‘olawe

WHEREAS, the term of Amber Nāmaka Whitehead as the Protect Kaho‘olawe ‘Ohana (‘Ohana) representative on the Kaho‘olawe Island Reserve Commission (KIRC) will come to an end on June 30, 2016 after serving eight noteworthy years; and

WHEREAS, Commissioner Whitehead’s first trip to the island of Kaho‘olawe was in 1994 as a student of former KIRC Commissioner Dr. Charles Burrows while attending the Kamehameha Schools; and

WHEREAS, Commissioner Whitehead then attended the University of Hawai‘i at Mānoa and graduated with a bachelor’s degree in Hawaiian Studies and Botany in 2002 and received a doctorate Botany in 2015; and

WHEREAS, Commissioner Whitehead as a student at the University of Hawai‘i returned to the island of Kaho‘olawe to become an active member of the ‘Ohana, progressively assuming more responsibilities to include supervising and directing participants who accessed Kaho‘olawe with the ‘Ohana as well as for the overall operations of the ‘Ohana and caring for the island itself - duties as varied as reconstruction of the traditional pili and ‘ōhi‘a Hale Hālāwai (meeting house) at Hakioawa to intensive access guide training; and

WHEREAS, Commissioner Whitehead represents the younger generation beginning to assume the mantle of leadership of the ‘Ohana and the Kaho‘olawe Island Reserve Commission - continuing the vision of kūpuna such as Uncle Harry Mitchell, and mākua such as George Helm - who laid the groundwork for the restoration of the island’s cultural and natural resources; and

WHEREAS, Commissioner Whitehead participated as a representative of the commission along with KIRC staff, Protect Kaho‘olawe ‘Ohana and Office of Hawaiian Affairs representatives and other stakeholders, to develop a new plan, *I Ola Kanaloa*, for the future of Kaho‘olawe, Kanaloa that consisted of numerous statewide public meetings and community focus group sessions that developed a pathway for the island’s continued restoration and use; and

WHEREAS, Commissioner Whitehead has dedicated her time to personally sit on the steering committee for the design and development of the Hakioawa Hale Project, the first major construction project to support on-island volunteers in the remote valley of Hakioawa, Kaho‘olawe; and

WHEREAS, Commissioner Whitehead has brought about a stronger working relationship and understanding between ‘Ohana, various conservation organizations and the KIRC;

NOW, THEREFORE BE IT RESOLVED by the Kaho‘olawe Island Reserve Commission, gathered in a public meeting on Monday, May 16, 2016 in Honolulu,

Approved December 1, 2016

O‘ahu, that it recognizes the leadership of Amber Nāmaka Whitehead who has contributed to the restoration of Kaho‘olawe as a rich, cultural and environmental resource for all of the people of Hawai‘i, but especially as a model of Native Hawaiian stewardship, management and governance; and

BE IT FURTHER RESOLVED that Amber Nāmaka Whitehead has served the KIRC with dignity and dedication; and

BE IT FURTHER RESOLVED that Amber Nāmaka Whitehead in her service to the KIRC, has provided continuity in its vision for the future of Kanaloa; and

BE IT FURTHER RESOLVED that copies of this resolution be transmitted to Hawai‘i’s congressional delegation, the Governor of the State of Hawai‘i, members of the Protect Kaho‘olawe ‘Ohana, the Mayor of the County of Maui, and the Chairperson and Trustees of the Office of Hawaiian Affairs.

Chair McLean noted that Vice Chair Whitehead had seen a crazy time of transition in the KIRC. Vice Chair Whitehead was very scrupulous regarding the KIRC’s budget and she advocated very well from a natural resources perspective as well as from a PKO perspective. She would be sorely missed.

Vice Chair Whitehead stated she was honored to serve Kaho‘olawe and tried her best. She was excited that Jonathan Ching would be succeeding her.

ED Nāho‘opi‘i thanked Vice Chair Whitehead for her years of service and presented her with lei.

MOTION: Commissioner Lindsey moved to adopt the resolution for Amber Nāmaka Whitehead-In Recognition of her contributions toward the healing of Kanaloa, Kaho‘olawe. Commissioner Kaakua seconded the motion.

ACTION: The motion was approved by all Commissioners present.

VI. PROGRAM STATUS UPDATES

A. Status Update on current and planned Restoration Program Projects: DOH III Reducing Excessive Sedimentation in the Hakioawa Watershed of Kaho‘olawe by Restoring Native Ecosystems; Hawai‘i Invasive Species Council (HISC) - Kaho‘olawe Island Reserve Biosecurity Project; KIRC/IC Kaho‘olawe Island Seabird Restoration Project II; Hawai‘i Community Foundation (HCF) Kealaikahiki; Ka Palupalu O Kanaloa

ED Nāho‘opi‘i reported that work was continuing on the faunal restoration plan. Acoustic monitors have been placed on island for bat monitoring. Staff has also been drafting a biosecurity plan for both the Kīhei property and the Reserve. One main concern has been prevention of fire ants from entering the Reserve.

Vice Chair Whitehead suggested that native and nonnative insects and plants be noted within the plan.

B. Status Update on current Ocean Program Projects: ‘Opihi Surveys; Google Street View Mapping; ‘Ōhua Crew; Permitted Trolling Vessel Registration

ED Nāho‘opi‘i reported that there had been improved monthly catch report submission.

VII. ANNOUNCEMENTS/FYI

There were no announcements by the Commission.

VIII. NEXT MEETING AND FOLLOW-UPS

Chair McLean noted that an evaluation of ED Nāho‘opi‘i has not been done in some time. She will work on getting evaluation forms sent to the Commissioners. Staff will send her a sample of the state evaluation form.

Staff needed to check on what is needed to make an endowment of the trust fund balance and provide information on how much the trust fund was increased during FY16.

Commissioner Kaakua noted Senators English and Shimabukuro recognized the 40th Anniversary of the Protect Kaho‘olawe ‘Ohana. He also asked for an update regarding the Trilogy accident litigation. DAG Morris explained he is not handling the litigation but would provide public record of the status via email.

The Commission decided that the next meeting may be in the second or third week of August. Chair McLean will submit potential dates to CC Gavagan so that the Commissioners can be polled.

IX. ADJOURNMENT

The meeting was adjourned at 10:45 am.