

**State of Hawai'i
Office of Hawaiian Affairs
560 North Nimitz Hwy.
Honolulu, HI 96817**

**Minutes of the Office of Hawaiian Affairs Board of Trustees Meeting
Tuesday, January 3, 2017, 10:00 am**

I. CALL TO ORDER

Chair Rowena M. Akana called the Office of Hawaiian Affairs Board of Trustees Meeting to order at 10:05 am. Those present were as follows:

Attendance

Trustee Rowena M. Akana, Chair
Trustee Leina'ala Ahu Isa, Vice Chair
Trustee Dan Ahuna
Trustee Keli'i Akina
Trustee Peter Apo

Trustee Robert K. Lindsey, Jr.
Trustee Carmen Hulu Lindsey
Trustee Colette Machado
Trustee John Waihe'e IV (left 1:02 pm)

Excused

-None-

Staff Present

Dr. Kamana'opono Crabbe, CEO
Robert G. Klein, Board Counsel
Lora Lee Contreras, Chief of Staff
Nathan Takeuchi, Board Secretary
Kay Watanabe
Imiola Gora-Aina
Kauikeaolani Wailehua
Claudine Calpito
Davis Price
U'ilani Tanigawa
Lehua Itokazu
Dayna Pa
Laurene Kaluau-Kealoha
Paul Harleman
Maria Calderon
Liana Pang
Makana Chai

Albert Tiberi
Alice Silbanuz
Francine Murray
Gwen Valbuena
Hawley Iona
Joanne Medeiros
Jonathan Ching
Kawika Riley
Laura Kamalani-Paikai
Lisa Victor
Lisa Watkins-Victorino
Mehana Hind
Merlyn Akuna
Miles Nishijima
Momilani Lazo
Raina Gushiken
Sterling Wong
Treena Miyamoto

Others Present

Keali'i Makekau
Rupert Rowe
Michelle Kauhane
Jordyn Danner

Tarita Tehotu
Noelani Kaleopaa
Keolahoa Smith

II. APPROVAL OF MINUTES

Chair Akana said we have no minutes to approve today.

III. COMMUNITY CONCERNS / BENEFICIARY COMMENTS

Chair Akana said alright, number three on our agenda is community concerns and the first speaker we have is Keali'i Makekau.

Keali'i Makekau discussed two items: (1) A document titled: "State laws for OHA's BOT to consider governing and procurement power and administrative positions" which he submitted for the record; and (2) Posting of agendas on the OHA website.

Trustee Machado said could I get a copy of your testimony?

Keali'i Makekau said yes ma'am, it's submitted.

Trustee Machado said individually?

Keali'i Makekau said oh, I am sorry.

Trustee Machado said you submitted it for the record.

Keali'i Makekau said I'm under costly budget like every other...

Trustee Machado said you know how to make copies. You ask them at the front desk.

Chair Akana said Trustee Machado.

Keali'i Makekau said okay.

Trustee Machado said no but he's familiar with how to proceed. He raises some issues there that I think if we had it before us to follow; it'd be more helpful than just a verbal...

Chair Akana said I will have the staff make you a copy.

Keali'i Makekau said I'm not expecting an answer now though. It's not necessarily my ideas, it a collaboration of people that actually couldn't be here.

Trustee Machado said it's important for the Trustees. You've made some strong allegations on the conduct of the Board. That's why I needed to look at that. That had some legal implications. That's why you read it.

Keali'i Makekau said that's why I'm saying I don't expect an answer right now, but at least an open forum, I can go on the record. I think that's what they wanted me to basically do.

Chair Akana said thank you. Trustee Machado, I'll make sure staff gives you a copy. Tarita Tehotu.

Tarita Tehotu prayed a blessing to bring OHA together in unity.

Chair Akana said mahalo. Thank you so much. Rupert.

Rupert Rowe stated that he would like OHA and the Department of Hawaiian Home Lands to make solving the houseless Hawaiian situation a high priority. He also stated his opposition to the blood quantum requirement of the Hawaiian Homestead Act.

Chair Akana said Michelle Kauhane.

Michelle Kauhane, on behalf of the Board of Directors of the Council for Native Hawaiian Advancement and their policy working group, stated that they have confusion about the direction of OHA since there have been reports in the media about OHA that don't align with the current OHA Strategic Plan. She also stated that if OHA is moving towards providing more direct services, CNHA would like to have a discussion, including beneficiaries, and learn more about that. She cautioned that CNHA and OHA should not become competitors and should instead find ways to become partners if OHA is moving in a new direction. She finally cautioned the board against knee-jerk reactions such as the consideration of a contract coming up later on the agenda and that CNHA is supportive of the current CEO and his leadership team.

Chair Akana said that concludes the people signed up for community concerns. If there are any others that would like to speak, now is the time. If not, then we go to number four in unfinished business on the agenda.

IV. UNFINISHED BUSINESS

Chair Akana said there is no update to report from the Chair.

V. NEW BUSINESS

There was no new business.

Chair Akana said so under new business, we're going to go into executive session.

CEO Crabbe said point of order Chair.

Chair Akana said yes?

CEO Crabbe said I requested from the Board Counsel as my right to have this meeting in open session as afforded in HRS.

Board Counsel Klein said executive session on the contract issues can't be waived, but the personnel portion can be. That's why we had people come, you know, people can testify. You can testify. But as far as the Board's deliberation on the contract, that can't be public because it's legal advice.

CEO Crabbe said under HRS 92-5(a)-2, a board may hold a meeting closed to the public pursuant to section 92-4 for one or more of the following purposes. To consider the hire, evaluation, dismissal, discipline of an officer or employee or of charges brought against the officer or employee where considerations of matters effecting privacy will be involved, provided that if the individual concerned requests an open meeting, an open meeting shall be held. So I understand, Justice Klein, when there's matters of the Board that need legal consultation from you, that it can be conducted, but also I'm interpreting this as, if there are matters regarding, specifically, to hiring, evaluation, dismissal or discipline, which is in Contract 3147, I have the right for it to be held in open session.

Board Counsel Klein said so you're waiving? You have to actually waive, Kamana'o. You're going to waive your right to a confidential discussion. Is that what you're saying?

CEO Crabbe said that's correct.

Board Counsel Klein said but the decision making will be in executive session.

CEO Crabbe said that's correct.

Recess

Chair Akana called a recess at 10:34 am and reconvened the meeting at 10:40 am.

Chair Akana said okay, we're back in order. Thank you for the recess. Alright, Kamana'o, you've chosen to do this in open session, so I'm going to ask the members if they have anything to say. If they don't, then let me be the first. One of the reasons we're looking at your contract, Kamana'o, is that the majority of the Board feels that you've created a venomous kind of atmosphere at OHA. The division officers or the LOB's or the managers, whatever they're called, they're not allowed to talk to Trustees. They're written-up if they talk to us. We don't get the cooperation from the staff, unless you okay this. This has become a very difficult kind of atmosphere for the Trustees to work in and it's been very, very hard, as I can only speak for myself. This has been done to me, many, many times. The out-of-control spending that has gone on at OHA. The trips to Europe, to New Zealand, Australia, all over the place, that the Administration has taken. Taken other people who don't belong to OHA. The cost is outrageous. The budget for Trustees to travel has been minimal, and yet staff has traveled all over the place. No curtailing of this kind of thing and when we complain, nothing is done. Instead, Trustees are chastised and blamed for the spending. Trustees are the ones that are elected by our people and we are the people that face our communities when OHA makes mistakes or when OHA overspends or when OHA is chastised in the community for doing things. But it isn't the Trustees that do these things. It is Administration who's responsible. You have not reined in your people. You have given them carte blanche on a lot of things and made excuses for them and when Trustees have come to you, you don't do anything about it. Employees have come to you, and nothing is done. We have people who have left OHA. Many, many people have left OHA, because you've allowed hiring of people who are not qualified for divisions and people who have been here for a very long time have been overlooked. We're paying for people who are not qualified that are hired to be trained. We're spending beneficiary money to do that, when all we have to do is hire the people that are qualified. But that's not happening. We're allowing people who are not qualified to be hired and the Trustees have gotten complaints so many times from employees about this and I know that some of them have spoken to you personally, but nothing has been done and so these are my reasons for wanting a change and wanting to do something about it. I've just seen too many things happen and the atmosphere at OHA has never been the way it is now. Never. I've been through six Administrators here at OHA, six, and the atmosphere has never been this bad, where staff is afraid to talk to Trustees. They're threatened to be written-up if they're caught talking to Trustees. That's a terrible thing and so for me, speaking for me, I don't like this and I think that somebody better speak up and do something about the atmosphere that permeates in this OHA offices. And we, as Trustees, we have a responsibility, not just to the Trust, but the people who work for us and look to us for help and when they come to us and they tell us that their complaints are torn up or given to their supervisors and they are chastised and we do nothing? No, it's time to take a look at what is going on, internally, at our offices and try to fix it. And these are my reasons for wanting to take a look at your contract. I open it up to other Trustees who have anything to say.

Trustee Akina said Madame Chair, may I ask a question?

Chair Akana said yes.

Trustee Akina said thank you. Thank you for sharing your perspective and I believe that each Trustee here would have a perspective on the CEO, but I want to ask a question about context. The agenda item mentioned that this will be a consultation with our Board attorney and while each Trustee may have a perspective on the performance of the CEO, the first question I'd ask is whether this actually is an evaluation in which we're talking about his performance or whether perhaps there is some other matter that you wish to address here.

Chair Akana said we were going to talk about this in executive session, but the CEO has elected to discuss it in open session and that's why we're talking about it in open session. Trustee Ahuna.

Trustee Ahuna said okay, I have a question for Justice Klein. In your opinion, is there anything that would make this contract invalid?

Board Counsel Klein said no.

Trustee Ahuna said then why are we revisiting this contract?

Board Counsel Klein said that's not a legal question.

Trustee Ahuna said I don't understand why we're doing this. This is simply self-driven. This has nothing to do with the beneficiaries. This is all about somebody that wants to get rid of somebody else. This has nothing to do with what we do here at this table. Everything you said, everything you said is a complete lie. Complete lie. Complete lie.

Trustee Robert Lindsey said Madame Chair, I want to say that the CEO is our only employee. When it comes to the running of the daily operations of the Office of Hawaiian Affairs, that is the kuleana of our CEO and I have had the honor and privilege of working with Dr. Crabbe for two years and in those two years I have never experienced what you just shared at this table. I have found him to be an honorable man, a fair man, a good man. And, you know, we keep talking about our house needs to be unified. I look at our calendar for 2017. On the first page of this calendar, this is what it says: "Unity is a precious possession." And I reflect on the talk that Dr. Crabbe gave at Investiture where he talked about the need for our house to be united and earlier we heard from the wonderful lady who came with other ladies and offered up that Aloha prayer for our going forward in launching our new year. Aloha. That's what we need and that is what I worked with Dr. Crabbe on for two years. To bring peace and harmony to our hale and I firmly believe that we achieved that. By working together as a team to do what was best, to Ho'oulu Lāhui, to build a beloved nation. That is what our people need at this time in our history. We need to show them that we can be united as a board of trustees. If we are not united, and what you are proposing, is insanity. It is utter insanity.

Chair Akana said thank you.

Trustee Robert Lindsey said you're very welcome.

Chair Akana said let me say this, Mr. Lindsey. You are right. A house divided cannot stand. If this house is not pono, we are not the light for our people. If this house is divided between the Administration and the Trustees, we are not the light for our people. If we cannot fix what is inside this house, then we cannot leader our people. Why should our people believe us? If we cannot, around this table, be one? It's okay to disagree with each other. It's okay, as long as we are principled about it. Mr. Lindsey, you

got along very good with this Administrator, but did the rest of us? No. No. You have been with blinders.

Trustee Robert Lindsey said we have heard you. What about everyone else? Give them a chance.

Chair Akana said why are they quiet? Why?

Trustee Robert Lindsey said I don't know.

Trustee Ahuna said I want to speak.

Trustee Akina said I have a question, not a statement. Madame Chair, may I clarify my question?

Chair Akana said yes, of course.

Trustee Akina said I may not have been clear enough in my question earlier, so please forgive me. So let me give a little context and ask my question again. We are here in public session, and we have a man whom we have esteemed, our CEO/Ka Pouhana sitting here with the public present and I asked earlier whether the purpose was to evaluate him and whether to speak for him and against him in public. I wasn't aware that that was our purpose to come here today and so I do have a question that I'd appreciate you directing to our attorney if you would and it has to do with something that's very simple, we have a new president in the United States. People serve at the pleasure of the president or not. It's not a question of whether they are qualified or good or pleasing. It's a question of whether they serve at their pleasure. I understand that our one employee, as Trustee Lindsey has pointed out, our one employee serves at the pleasure of the board, and that's a simple matter. That's simply a matter of votes. How many members of the board believe he should continue to serve in this role and how many do not believe that? It's a mathematical thing. So if it is a time for change as you have spoken of, Madame Chair, I would suggest that it's not necessary to evaluate the CEO in public, but instead I wonder if you could direct a question to our attorney as to how many votes would be needed for the CEO to be removed or to continue. How many votes are needed? And if we could make this simply a matter of serving at the pleasure of the Board.

Chair Akana said I would ask the Counsel that perhaps we discuss this in executive session. We should go into executive session to discuss this in detail.

Trustee Akina said thank you.

Chair Akana said Trustee Ahuna.

Trustee Ahuna said I just want to comment on comments that were made earlier. First of all, five Trustees made a decision to vote to make you Chair in exchange for a promise to oust K.P. but we have a contract that was extended only two months ago. Can't just undo a contract. This would be costly in many ways. Attempting to undo K.P.'s contract after it was signed and executed just two months ago. Why? Why? That's the same thing I asked.

Trustee Ahu Isa said can I say something.

Trustee Ahuna said I'm not done. And how do you suppose that attempting to undo this contract will impact the agency? It will likely lead to a lawsuit that would surely cost us money. It would be bad publicity. It would create heavy scrutiny. This is not how to govern a \$400 million trust. And Trustee Akina, you agreed to vote with her to be Chair so you support undoing a two month old contract that

would result in us paying him out and hiring a new CEO, essentially flushing \$450,000 down the toilet. Is that fiscally responsible? I hear you talk about that all the time. According to you, your entire purpose for being here is to address fiscal responsibility issues, yet the first major vote you are a part of would cost us at least \$500,000. Your words are still not adding up to me. How do you reconcile this? You cannot waste. You cannot waste. It's waste. It's just waste. Everything you're doing is unilateral. You're doing it by yourself. You're telling it like how do we be a part of it? You're doing it by yourself. That's what's happening.

Chair Akana said Lei.

Trustee Ahuna said there are things that need to be fixed. Yes, I agree, but you have to work through processes to make those fixes. We need to be committed to our mission and work within the policy framework to move things forward. Thinking we can just undo legally binding agreements is beyond foolish. This all continues to baffle me. Baffle me. Just baffle me. I'm just baffled. You talk about staff, staff morale and departures. Contrary to what Trustee Akana has told a few of us and all of us here, Hawley Iona is not leaving because of Kamana'o, she's leaving because of Trustee Akana. Did you folks know that there was thirty-three staff complaints against Trustee Akana?

Chair Akana said all by her.

Trustee Ahuna said relating to harassment, abuse of power, and bullying staff, especially Hawley and her staff.

Chair Akana said all by her.

Trustee Ahuna said and that is the type of attitude that really, really brings us down. Right there. Right there.

Trustee Ahu Isa said Chair can I say something?

Trustee Ahuna said I'm going to speak up for the staff and our people over here. I'm here to bring people together. Are you here to do that? But I know that there were...

Trustee Ahu Isa said Trustee Ahuna, you don't have to yell.

Trustee Ahuna said to protect us...

Chair Akana said you're out of order.

Trustee Ahuna said then let me finish then. You don't have to interrupt me when I'm speaking.

Chair Akana said don't, look...

Trustee Ahu Isa said I'm addressing the Chair.

Chair Akana said listen, Dan.

Trustee Ahuna said why do you speak when I'm speaking?

Chair Akana said Dan.

Trustee Ahuna said address the Chair when she's speaking.

Chair Akana said Dan.

Trustee Ahu Isa said can I say something, Trustees?

Trustee Ahuna said well let me finish.

Chair Akana said Dan, lower your voice please and sum up so she can speak.

Trustee Ahuna said okay, then please don't speak when I'm speaking. Got it?

Trustee Ahu Isa said excuse me.

Trustee Ahuna said we have to stick with the policy when making decisions. We are a trust.

Trustee Ahu Isa said our agenda says to consult with Robert Klein because of...

Trustee Ahuna said again.

Trustee Ahu Isa said we're not talking about the Chair.

Trustee Ahuna said it is about the Chair. She gave me the time to speak.

Chair Akana said let's have a recess.

Trustee Ahu Isa said we're talking about Ka Pouhana. We're not talking about the Chair. We're talking about Ka Pouhana. Why are we yelling?

Chair Akana said let's have a recess. We can't talk civilly. Let's have a recess. Two minutes. Compose yourselves.

Recess

Chair Akana called a one minute recess at 10:57 am and reconvened the meeting at 10:58 am.

Chair Akana said Lei, go ahead. We're out of recess. Go ahead. Speak.

Trustee Ahu Isa said thank you, Chair. All of the concerns that Trustee Ahuna brings to the table, we've heard before. This is a repetition. We don't need to be "brainwashed," with all due respect the Trustee Ahuna, because our beneficiaries, they hear, they know how you feel and everybody is watching us. We're livestream and last time I felt kind of funny because you stood up and addressed the Chair. When we're in session at the leg(islature), when we're speaking at a hearing, we do not stand up and speak. I mean it's like going above to talk down to people. So we're all equally elected here and I wanted to just say Trustee Akina and even the public was not privy, myself also, to what happened, because I wasn't here, I was at the graduation for our PID, our homeless children, when your five-year contract, Ka Pouhana, was discussed and voted, so I didn't vote on any of that and I'm listening to Trustee Ahuna going on when I really want to hear from Justice Klein why we're here, to consult with us or give us our responsibilities and, you know, our privileges and immunities. So it's almost like. Yeah, okay, let Trustee Ahuna finish and then we can go. I just wanted to say that I wasn't here. Thank you, Chair.

Chair Akana said I think Kamana‘o wanted to say something. Kamana‘o.

CEO Crabbe said thank you, Chair, but before I begin, is there any other Trustee that would like to speak to my contract? Any issues regarding evaluation, performance, conduct or disciplinary action before I speak?

Chair Akana said anybody else?

Trustee Ahuna said I’d like to comment to what she just said to everybody here.

Chair Akana said alright.

Trustee Ahuna said because the legislature is watching us, you guys, watching all of us. There is fallout from Trustee Akana being named Chair. There are bills in works that would make Trustee positions appointed, rather than elected. That is basically a message to us that this board is incompetent. They did it to the BOE when you were on the board. Right, Trustee Ahu Isa? Right? There are people in the community that are rallying to support this type of legislation. If we do not address all of these issues surrounding this issues, and I don’t want to make it two in a row.

Trustee Machado said Justice Klein, there’s a provision in his contract identified as roman numeral nine, it says termination of employment of contract. Should we save that discussion when we go into executive session? Is there a certain limitations on how we can resolve the early termination, if that’s possible.

Board Counsel Klein said I’m going to explain the contract, you know, to the extent that Trustees have questions. The contract and the options available under the contract. That would be legal advice which should be given in confidence in executive session. It’s more about performance, evaluation, Trustees’ care, concerns about Kamana‘o and his performance. That’s why he has a right to waive and be, have this discussion, part of it, in open session.

Trustee Machado said in support of the performance review of Kamana‘opono Crabbe as our Ka Pouhana. We hired a professional service provider to review and then we also evaluated him individually and then they did a 360 with staff. We weren’t involved with all the details because I’m concerned under this leadership, the word micromanagement. We have to be cognizant about what that implies, micromanagement. We cannot manage or micro-cover all of the staff. Some of that has to be delegated to the executive officer; in this case it’s K.P. So I feel that for those that participated in his evaluation, he received reasonable, not outstanding, but it was what they call passing grade. And based on that, that’s considered the evaluation and a performance review. But that was done professionally where they took it out of the hands of the Trustees in trying to do all the details. A professional did that. She reported back to us what the outcome was. So I thought that was a very fair approach. Not subjected to nine individuals that is responsible for his supervision. So on that performance aspect, I feel we’ve done that. So when the contract was coming down to a deadline, it was our responsibility to see whether or not we wanted to extend it or not. The offer to extend made it through the approval of board on a majority. The offer to terminate did not make it. So this is the value of this contract 3147 is what was prepared. The offering of the amount and the period of time when the commitment to hire him back. So I find it like, as Trustee Ahuna, very frustrating we’re coming back now after a signatory thing has been done and reviewed. That this contract, you folks was, well I would say the current Chair is seeking early termination and we know what that outcome would require. We would have to buy out the, legally we’re obligated to purchase the remaining balance. The amount he is offered, everybody knows is a \$150,000 times three years. That’s how Trustee Ahuna came up with that \$450,000. That’s the weight of the responsibility if we wanted to seek early termination of this contract. So that’s a big weight on all nine of us. It’s not that simple.

Trustee Ahu Isa said I didn't know that and Trustee Akina didn't that

Trustee Ahuna said but you spoke for it.

Trustee Machado said no, but...

Trustee Ahu Isa said I didn't say anything. I'm waiting to go into executive session.

Trustee Machado said that's why Trustee Lei Ahu Isa I raise the contract because I went through roman numeral nine, there are provisions that talk about early termination and I just wanted to add, on the record, that there was a successful review of his performance, not on the high end, the curve was just right there, but yet he was able to get the support to continue, so it's not like, you know, this should be a surprise to everybody based on that outcome we moved to develop a three-year contract that was prepared by Robert, our Board attorney. We had discussions, we agreed on certain terms. So, you know, I sit here and I listen to Keali'i Makekau who attacks us by saying that no contract was voted on by the BOT as required by Chapter 10-10. Whether he agrees that this is fully his testimony, but nonetheless it says that we did not do a good job. So that kind of stuff weighs too on the process here, but that's all I wanted to say and I getting kind of ha'a lulu about all of this. I don't like this excitement. Oh my goodness. We just had prayers to kind of open up our thoughts to bring together some unified front but there is a contract in place. Early termination will require some buyout or we're going to have to find the money for half-a-million dollars to pay him out.

Trustee Robert Lindsey said Madame Chair? You know, for us, we're not starting out 2017 on a good foot and again I will say what the Chair is proposing is insanity. I want to add on to what Trustee Machado just shared. If the push is to terminate Kamana'o's contract, we will be engaged in a severe litigation that's going to cost us money. And then to bring in a new CEO? That's going to cost money too. Maybe \$800,000 at the end of it all? That money could be spent on education. It could be spent on health. It could be spent on housing. You have cost us hundreds of thousands of dollars, Madame Chair in a lawsuit.

Chair Akana said you have.

Trustee Robert Lindsey said and Mr. Akina, you as well and your Grassroot Institute. One point three million dollars collectively. And you folks talk about fiscal sustainability? Your rhetoric does not match your actions.

Chair Akana said okay, everyone has spoken. I'm going to move in executive session now. Can we have a motion.

Trustee Ahuna said is there an action, going in?

CEO Crabbe said point of order. I believe I was given the privilege of speaking to the Board. I was going to address some of the points Chair Akana had with regard to her issues about Trustees being prevented from interacting with mostly directors and the Chief Operating Officer as well as personnel hire and performance of managers. Trustees, in May 7, 2009, BOT Action Item #09-01, in September 10, 2009, BOT Action Item #09-03, and in December 17, 2009, BOT Action Item #09-05, were action items that you approved for the adoption of strategic priorities for the Office of Hawaiian Affairs Strategic Plan and the re-organization of the Office of Hawaiian Affairs to its current organizational framework and structure, which includes specific lines of businesses in advocacy, research, asset management, and media at the time, but we have restructured it into community engagement, which was also approved by this

Board. What these action items also called for was the amendment of the 2007 Board governing documents that not only inserted the approval and confirmation of this structure, but also granting the authority, which you approved, of the Board, to move to a CEO managed system. What that system calls for is the direct interaction of the conduit of the CEO and the Chairman of the Board. For the Board Chair to handle affairs and activities of the oversight of the organization, while the Chief Executive Officer's responsibilities of implementing those policies and directions of the Board to accomplish the Strategic Plan and Priorities and Results through the line of business directors and managers on down. By proposing some of the actions, as Michelle Kauhane expressed from the CNHA, I believe you will be in breach of your own policy if you move away from these action items. Number one. Number two, prior to the elections, and in August of when the Board voted to approve of my three year contract, which is legally binding, in discussions with the previous Board Chairman Robert Lindsey, who requested of me from the 2015 goals that you, this Board, asked me to do, there were seventeen goals with respect to organization alignment, policy implementation, financial sustainability, organizational morale, unity, and leadership development. He asked me what was the status and I provided him that status. Here it is. I can proudly say that ten of the seventeen have been completed, five of the seventeen are in progress or are proposed for implementation and two requires future action by the Board of Trustees. He further asked me for my accomplishments and achievements over the past duration and term since 2012. I previously shared this in my discussions with you over a year ago but did not have the opportunity to fully explain or articulate what that means. And as an example of that rather than going through the plethora of achievements that many of you Trustees criticize me about, the Chief Operating Officer, Pou Nui, Directors have graciously developed a simple video to clearly articulate, under my administration, what I committed to do and what we are currently doing now. So therefore, by direction of newly elected Chair Akana, she has placed my employment contract on the agenda for this morning's discussion with no specifics. I would like to inform all Trustees, since her official appointment on December 8th until present, she has not discussed this matter with me or my attorney and for a matter of fact has not discussed it with Board Counsel, Justice Klein, nor former Board Chair, Trustee Robert Lindsey. I raise this issue as a critical and important consideration that any legal and/or professional discussions should have been conducted in executive session as well as ahead of time, consistent with proper management and professional etiquette. However, given no formal or informal notice was given to me, I am compelled to request for this open session. I am troubled by the leadership as well as due diligence to handle such a matter without concern for the integrity and credibility of OHA as a whole and as a matter of character obtuse in the approach of managing affairs during this time of transition. Why, you ask? For several reasons. Firstly, any questions or concerns Trustees had regarding the validity of the contract, there was ample time and opportunity to discuss such matters with Board Counsel, Justice Klein. To my knowledge, this was neither offered nor acted on by Trustees present this morning. Secondly, I have ascertained Chair Akana's demand to terminate me, actually I am not surprised, but more disappointed how the Board leadership has chosen to handle this matter without proper communication with myself or office. To recap very briefly, this past June the Board voted, approved, and confirmed to offer me a new contract for three years and the terms of that contract were negotiated and signed on November 1st by myself, former Chair Robert Lindsey and Board Counsel, Justice Klein. Thus, it is a legal, binding, and enforceable contract. Under these circumstances, and Trustee voting to terminate a contract, which was approved by you the Board, is guilty of a gross breach of your fiduciary duties of good faith and loyalty. I reiterate, Trustees, the terms of the contract are binding and enforceable in a court of law. Furthermore, there is no provision to terminate my employment without clause. The only way the Board can terminate me is with cause. Each Trustee has a fiduciary duty to OHA of loyalty and due care accordingly under Hawaii Revised Statutes sections 567-302. To vote to terminate contract 3147 for cause, when the contract has only existed for two months, is again a gross breach of fiduciary duties under HRS section 54(c)-5. However, because of the omission of termination without cause provision, which was not included in the signed contract, I actually do understand the need for clarification from Trustees with regard to my performance, my conduct, and my discipline. However, what I am appalled by is the lack of due diligence by Board leadership to reconcile the merits or issues of the contract in the manner in which

it has acted on this morning. There are specific requirements in the contract that directs the Board as fiduciaries to, A., comply with the provisions to conduct an annual performance evaluation appraisal with guidance of a professional consultant. Subsequently, after this agenda was filed, coincidentally, the professional consultant who was assisting myself and former Board Chair Lindsey, highly recognized HR attorney Anna Elento-Sneed, her contract was abruptly halted before indicating a departure from previous board commitments and thus a repetitious cycle of lack of board continuity and consistency in prior arranged obligations. Is that true? That we discussed about working with Anna Elento-Sneed on performance? B. The disregard to comply with an explicit procedure for dispute resolution outlined in the process as steps for handling such matters as termination presented before the Board this morning. It appears Board leadership may be premature in acting on their motives by circumventing certain tenants of the contract, calling into question the Board's fiduciary duty and responsibilities to manage such serious matters without a spectacle. Thirdly, from what I have ascertained is that Chair Akana, in complicity with Trustees Hulu Lindsey and Keli'i Akina, have prepared to offer me a buy-out of my contract. I want everybody to know here, everybody, and I want our beneficiaries out there in the State of Hawaii and across the United States and everywhere, no matter what you offer me as a buy-out, I will adamantly decline. My reasons for rejecting any such proposal is attributed to my unwavering commitment to OHA's vision and mission, plain and simple. I also want you to know, is that I had two job offers with, Chair Lindsey asked me why would you want to stay here and put up with this chaos? I had two offers, who offered me salaries much higher than what I am receiving now and declined. In essence, this is what I shared with him. When I came to OHA in 2010 as a practicing clinical psychologist at the Waianae Coast Comprehensive Health Center, it was to make a difference in shaping the very lives I touched throughout my years of working in Hana, Maui, Kaunakakai, Molokai, Waimanalo, Kaneohe, Kahalu'u to Laie, and Oahu. It was all about improving the conditions of Hawaiians who had no health care insurance, afflicted with terminal diabetes, with chronic thrombosis, inflammation of extremities, preventing third generation young girls from being pregnant, and going on welfare or impacting systemic discrimination of countless aspiring Native Hawaiian students at the university system or it was also about helping the Hawaiian brother who was locked up for twelve years who turned out with no probation officer, no job, no health care insurance, no nothing, and asking me if he could have \$3 to get something to eat. That is why I came to OHA. To improve the conditions of our people. The challenges they face in the educational system that oppresses cultural identity, the high mortality and morbidity due to disparities of health, and the desire to move up in society, to strive, to improve economic self-sufficiency. I came to OHA to tell our story, through our voice, by our people, as the vehicle to uplifting ourselves as proud Kanaka Maoli. As great people of this 'āina, for this 'āina. As indigenous people. As native peoples. Not as Americans, as assimilated coconuts, or 'uala kahiki, but as na kama, or royal subjects of our birth sands, Hawai'i. It always was and always will be, for me, for our executive team, our employees striving to make a difference, one beneficiary at a time. For example, like our Native Hawaiian Revolving Loan Fund, who recently awarded our second Hua Kanu loan for half-a-million dollars to a Native Hawaiian business owner or the 'ōpio who attended Boys and Girls Club in Paukukalo to improve their reading and writing scores as a result of tutorial services benefiting from our grants program. You see, it's about advocating for the return of heirloom treasures such as Kalani'ōpu'u, in collaboration with Bishop Museum and Hawaiian Airlines, which reached three-point-five million people around the world that we told our story and, contrary to what Chair Akana says, we went to the Board approval for \$100,000, we were under budget by \$40,000. So we stayed in our fiscal restraint and it's about the hard work of our accounting team, who for the past five years have attend exemplary clean audits in the more than 250 contracts completed by our procurement office. OHA is on the path of fiscal sustainability, evidenced by our commercial properties hui who have increased revenue three folds since our inception at Kakaako Makai, and have accomplished a 97% occupation rate here at Na Lama Kukui since our purchase over six years ago. And yes, it's about advocating for the most controversial topics like Mauna Kea, Papahānaumokuākea, and self-governance. While our staff has been working day in and day out, trying to uplift, build, inspire, elevate and enrich OHA's image of what the possibilities are and could be, I heard sister them talk about what their hopes are for us, as OHA. A few trustees have been

tearing our image down. Eroding what integrity we have and dismantling our honor as mandated in HRS Chapter 10, the core of what OHA was established to do. Because of the obsessive, insatiable need for power and politics, it has driven us to such a deplorable state of morale and insanity that it severely undermines the very core of who we are. Thus in spite of the Board's history of waxing and waning, what you have not extinguished and never will diminish is our voracity, our devotion, our dedication, and our Aloha for the Office of Hawaiian Affairs, our mission. How many of you know our mission? Trustee Akina, you know our mission?

Trustee Akina said yes, Ka Pouhana. Thank you for asking.

CEO Crabbe said let me state it just in case. Our mission commands us to mālama Hawai'i's people and environmental resources and OHA's assets, towards ensuring the perpetuation of the culture, enhancement of lifestyle, and the protection of entitlements of Native Hawaiians while enabling the building of a strong Hawaiian people and nation, recognized nationally and internationally. This is not just my concern but it is also the trepidation of our employees who are subjugated to erratic, inconsistent, indecisive decision-making and behavior unbecoming of servant leaders that continues to erode the integrity of our agencies, the credibility of our achievement by our Advocacy, Research, Asset Management, Land Management and Community Engagement lines of businesses. Trustees, our beneficiaries, as well as the broader public, is looking for the Board to lead our people, our lāhui, into the twenty-first century. "Inā pa'a 'ole ka pōhaku i ka paia, ha'ule ka hale," if the walls of the foundation are not fixed and firm, so shall the house fall. What is required, as I shared in my investiture testimony, is sound, upright and just leadership, which is knocking at the footsteps of our hale and is of paramount and grave concern to our staff, to the Hawaiian community, and the broader public throughout the state. As I discussed during my testimony, which I shared, it's not just any leadership, because we get all kinds of models of leadership. We have pressure-data leadership, we get haole leadership, we get American leadership, but you know what we no more? Hawaiian leadership. We're looking for Hawaiian leaders who do behave in a Hawaiian manner with Hawaiian characteristics. And that means pono leadership. When people of old cried out, "O wai ke ali'i pono'i." They responded with great pride, it is kahiko who is the benevolent chief. When people of old cried out, "O wai la ke ali'i e hana 'ino." They responded with great dismay, it is Waia who is the malevolent chief. He is the retched, the cruel, the greedy and the self-indulged. "O wai la o Waia," are we to be Waia? If then, who so shall it be? I came to OHA despite my ohana and close friends' astonishment. I came to OHA because I possessed not only experience of working with our people in our communities, but I also bring hope for the future by being the bridge, and that bridge is bringing two worlds and four generations together. The bridge that has trained, practiced, it has matured at being the conduit that connects people to believe in themselves and to find purpose in OHA. As far as I'm concerned this is not about Kamana'opono's contract, nor is it about this Board's leadership dysfunction. This is about Gwen Valbuena and Thelma Shimaoka who has thirty-four years of service with OHA. Many of them who have been here before all of us. It's about Merlyn Akuna, twenty-seven years. Joanne Medeiros, twenty-five years. Laura Kamalani-Paikai, twenty-one years. You may ask, why these people? Because they were here before any of us and they were at the genesis when OHA was just a baby and infant. Why them? Why not? They deserve better from you and I. We not only owe it to them, but we're obligated to bringing to them and all the employees of OHA what we deserve to fulfill our potential of what we could be, what we can be, and what we will be. We are not the OHA we were ten, twenty or thirty years ago. We are not. As a result of your approval to transition, as I mentioned in BOT action #09-01, #09-03, and #09-05, from 2010 until present 2017, we have hoped to aspire to greatness, but what we know now, that remains to be determined by this Board leadership. What does this mean? OHA is much more complex and sophisticated in a planning for success. We have grown, but we have also had a few stumbling blocks along the way, but it doesn't mean we stop growing. What it means is we pick ourselves back up and keep on trudging the OHA way. The question is, has the Board kept up with the changes since 2009 to 2010 until present? More so, does the Board support our Administration as much as we support the Board? I quote Marc Bloch: Misunderstanding of the present

day grows fatally from the ignorance of our past. If we don't know who we are today, it is because we have neglected to understand where we came from. This is about fighting for what is pono. What is right for OHA and what is not right for OHA. What is right for OHA, right now, is to cease all of this madness, because if we don't, the huluhia will begin and we will enter a dual era of OHA. Thus, we can either pick up our weapons and start aiming at one another or we can choose to work together in solidarity and unity for our people.

Chair Akana said Mr. Administrator can you sum it up?

CEO Crabbe said now you know how I feel. The question is, do you care? With that I would respectfully close, Chair, and have Ka Pou Nui and the staff review this video which I did not direct.

Chair Akana said could I ask a question? Is this the video you asked the staff in the newspaper or in PIO to put together last week Thursday? Did they do this on office time? Is this on OHA's Facebook?

CEO Crabbe said I didn't ask them anything. I didn't ask them.

Chair Akana said is No? Okay.

At 11:36 a.m., CEO Crabbe played a video by Ka Pou Nui and Administrative staff members that reviewed the accomplishments of OHA's Administration in 2016.

At 11:48 a.m., the video ended.

CEO Crabbe said therefore, Trustees, this is just one year of work. One year of work. So OHA is about doing the work that our mission commands us to do and I submit to you what we have been striving day-to-day and what we will continue to do for 2017 with your cooperation. I humble myself before thee and I ask for your forgiveness if my words or actions have offended you and therefore I mihi, I ask for your forgiveness and repent, for it was not out of spite, but more out of frustration, to sit in this chair and to endure the kind of trepidation I have to go through. To be quite honest, I'm fed-up with it, but I continue to pick myself up and to touch the shoulders of my brother and keep on fighting for the mission of OHA. Respectfully, my testimony.

Chair Akana said thank you. I'd like to move into executive session now.

VI. EXECUTIVE SESSION

Chair Akana asked for a roll call vote:

Motion

At 11:53 am, Trustee Ahu Isa moved, and Trustee Waihe'e seconded, to go into Executive Session to consider the following:

VII. Executive Session

A. Consultation with Robert G. Klein, Esq. re: questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities regarding ongoing legal and personnel matters involving Contract Number 3147. Pursuant to HRS 92-5(a)(4) and 92-5(a)(2)

TRUSTEE	1	2	'AE (YES)	A'OLE (NO)	KANALUA (ABSTAIN)	EXCUSED
TRUSTEE LEINA'ALA AHU ISA	1		X			
TRUSTEE DAN AHUNA				X		
TRUSTEE KELI'I AKINA			X			
TRUSTEE PETER APO			X			
TRUSTEE HULU LINDSEY			X			
TRUSTEE ROBERT LINDSEY				X		
TRUSTEE COLETTE MACHADO			X			
TRUSTEE JOHN WAIHE'E		2	X			
CHAIR ROWENA AKANA			X			
TOTAL VOTE COUNT			7	2	0	0

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

Motion passed with seven (7) YES votes, two (2) NO votes, no (0) abstentions, and no (0) excused.

The Board went into Executive Session at 11:53 am and exited 1:02 pm.

Trustee Waihe'e left the meeting at 1:02 pm.

VII. ANNOUNCEMENTS

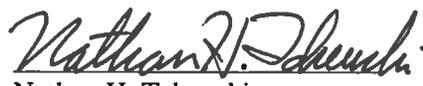
There were no announcements.

VIII. ADJOURNMENT

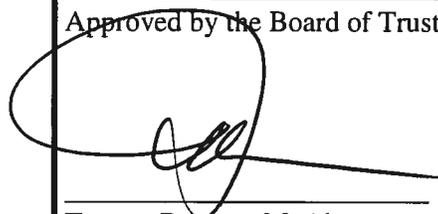
Trustee Hulu Lindsey moved to adjourn.

Having no further business, Chair Akana adjourned the meeting at 1:05 pm.

Respectfully Submitted,


 Nathan H. Takeuchi
 Board Secretary

Approved by the Board of Trustees on February 9, 2017:


 Trustee Rowena M. Akana
 Chair, Board of Trustees