



KA HĀLĀWAI KŪMAU A KE KŌMIKE MO'OHĒLU KĀLĀ, 'OIHANA KĀLĀ,
A ME KE KIKOWAENA HĀLĀWAI O HAWAII'
KE'ENA KULEANA HO'OKIPA O HAWAII'

**BUDGET, FINANCE, AND CONVENTION CENTER
STANDING COMMITTEE MEETING
HAWAII TOURISM AUTHORITY**

HĀLĀWAI KELEKA'A'IKE
VIRTUAL MEETING

Pō'aluā, 19 Nowemapa 2024, 1:30 p.m.
Tuesday, November 19, 2024, 1:30 p.m.

E ho'olele 'iwa'ia ka hālāwai ma o ka Zoom. Meeting will be live streaming via Zoom. E noi 'ia paha 'oe e kāinoa me kou inoa a leka uila paha. E 'olu'olu, e ho'okomo i kou inoa piha akā hiki nō iā 'oe ke ho'ohana i ka inoa kapakapa e like me kou makemake. You may be asked to enter your name or email. The Board requests that you enter your full name, but you may use a pseudonym or other identifier if you wish to remain anonymous.

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Kelepona / Call In: 1 719 359 4580
Helu Hālāwai / Webinar ID: 861 4151 3251

Hiki i ka lehulehu ke hō'ike mana'o ma o ka palapala a i 'ole ma o ka waha. E kau palena 'ia ka hō'ike mana'o waha (ma ke kino a i 'ole ma o ka Zoom) he 'elima minuke ka lō'ihī no kēlā me kēia kumuhana. E kāinoa no ka hō'ike mana'o waha ma ke pākaukau ho'okipa ma ka lumi hālāwai. E kāinoa no ka hō'ike mana'o waha ma o ka Zoom ma o ke pihi "Q&A."

Members of the public may provide written or oral testimony on agenda items. Oral testimony (in-person or via Zoom) will be limited to five minutes for each testifier per agenda item. Signup for oral testimony via Zoom will be accepted through the Q&A feature on Zoom.

E ho'ohui 'ia nā palapala hō'ike mana'o i hiki ma ka pū'olo hālāwai. E leka uila 'ia nā palapala iā Carole Hagihara-Loo ma carole@gohta.net, a i 'ole, e lawe kino 'ia i ke ke'ena. No nā palapala hō'ike mana'o i hō'ea mai ma hope o ka pa'a o ka pū'olo hālāwai ('elua lā ma mua o ka hālāwai), e kāka'ahi 'ia nā kope i ke kōmike a e mākaukau no ka 'ike 'ia e ke anaina ma ka hālāwai.

Written testimony received ahead of the preparation of the committee packet will be included in the packet. Email written testimony to Carole Hagihara-Loo at Carole@gohta.net or hand-deliver or send via postal mail to the Hawaii Tourism Authority office, 1801 Kalākaua Avenue, 1st Floor, Honolulu, HI 96815. Written testimony received after the issuance of the committee packet (two business days before the meeting) will be distributed to the committee.

AGENDA

1. *Wehena a Ho'omaka*
Opening Protocol and Call to Order
2. *Kikolā*
Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic
3. *'Āpono Mo'olelo Hālāwai*
Approval of the Minutes of the August 6, 2024, August 20, 2024, August 26, 2024, and September 12, 2024 Committee Meetings
4. *Noi, Hō'ike'ike, Kūkā, a Ho'oholo No Ka Mo'olelo Kālā*
Motion, Discussion, and Action on the Hawai'i Tourism Authority's (HTA's) July 2024 and August 2024 Financial Reports; Recommend Approval
5. *Hō'ike'ike, Noi, Hō'ike'ike, Kūkā, a Ho'oholo No Ka Mo'olelo Kālā*
Presentation, Motion, Discussion, and Action on the HTA's September and October 2024 Financial Report; Recommend Approval
6. *Noi, Kūkā a Ho'oholo No Ka Mo'olelo Kālā Kikowaena Hālāwai O Hawai'i*
Motion, Discussion, and Action on the Hawai'i Convention Center's (HCC's) July 2024 and August 2024 Financial Reports; Recommend Approval
7. *Hō'ike'ike, Noi, Kūkā a Ho'oholo No Ka Mo'olelo Kālā Me Ka Papahana Ho'oponopono O Ke Kikowaena Hālāwai O Hawai'i*
Presentation, Motion, Discussion, and Action on the HCC's September and October 2024 Financial Report and Update on the Hawai'i Convention Center's 6-Year Repair and Maintenance Plan; Recommend Approval
8. *Ho'oku'u*
Adjournment

*** *'Aha Ho'okō: Ua hiki i ka Papa Alaka'i ke mālama i kekahi hālāwai kūhelu i kū i ka Hawai'i Revised Statutes (HRS) § 92-4. E mālama 'ia kēia hālāwai kūhelu nei ma lalo o ka § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) no ka pono o ko ka Papa Alaka'i kūkā a ho'oholo 'ana i nā nīnūnē a nīnau i pili i ko ka Papa Alaka'i kuleana me ko ka Papa Alaka'i loio. He hālāwai kūhelu kēia i 'ole paulele 'ia ka 'ikepili a i mea ho'i e mālama kūpono ai i ko Hawai'i 'ano, he wahi i kipa mau 'ia e nā malihini.*

*** **Executive Meeting:** The Board may conduct an executive meeting closed to the public pursuant to Hawai'i Revised Statutes (HRS) § 92-4. The executive session will be conducted pursuant to HRS § 92-5 (a) (2), § 92-5 (a)(4), § 92-5 (a)(8) and §201B-4(a)(2) for the purpose of consulting with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities; to consider hiring and evaluation of officers or

employees, where consideration of matters affecting privacy will be involved; and to discuss information that must be kept confidential to protect Hawai'i's competitive advantage as a visitor destination.

Inā he lawelawe a mea like paha e pono ai ke kīnānā, e ho'oka'a'ike aku me Carole Hagihara-Loo ma (808)-973-2289 a ma ka leka uila e like me ka wikiwiki i hiki, 'a'ole ho'i a ma 'ō aku o ka 'elua lā ma mua o ka hālāwai. Inā 'ike 'ia he noi i ka lā ma mua o ka hālāwai, e ho'ā'o mākou e 'imi i ka lawelawe a mea like paha, 'a'ole na'e ho'i e hiki ke ho'ohiki 'ia ke kō o ua noi lā. Ua noa pū kēia ho'olaha ma nā kino 'oko'a e like me ka mea pono.

If you need an auxiliary aid/service or other accommodation due to a disability, contact Carole Hagihara-Loo at (808) 973-2289 or carole@gohta.net as soon as possible, preferably no later than 4 days prior to the meeting. **Requests made as early as possible have a greater likelihood of being fulfilled.** Upon request, this notice is available in alternative/accessibile formats.

E like nō me ka 'ōlelo o ke Kānāwai Hawai'i i ho'oholo 'ia māhele 92-32.7, e mālama ana ke Ke'ena Kuleana Ho'okipa o Hawai'i i kekahi wahi e hiki ai ka po'e o ka lehulehu ke noho a komo pū ma nā hālāwai ma o ka ho'ohana 'ana i ka 'enehana pāpaho (ICT). Aia ana kēia 'enehana pāpaho ma ka papahale mua o ka lumi ho'okipa i mua o ke Ke'ena Kuleana Ho'okipa o Hawai'i ma ke Kikowaena Hālāwai O Hawai'i. 'O 1801 Kalākaua Avenue, Honolulu, Hawai'i, 96815 ka helu wahi.

In accordance with HRS section 92-3.7, the Hawai'i Tourism Authority will establish a remote viewing area for members of the public and board members to view and participate in meetings held using interactive conference technology (ICT). The ICT audiovisual connection will be located on the 1st Floor in the Lobby area fronting the Hawai'i Tourism Authority at the Hawai'i Convention Center at 1801 Kalākaua Avenue, Honolulu, Hawai'i, 96815.

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**Approval of Minutes for the
September 12, 2024
BFCC Standing Committee Meeting**



Ke'ena Kuleana Ho'opipa O Hawai'i
1801 Kalākaua Avenue
Honolulu, Hawai'i 96815
kelepona tel 808 973 2255
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**BUDGET, FINANCE, AND CONVENTION CENTER STANDING COMMITTEE MEETING
HAWAII TOURISM AUTHORITY
Thursday, September 12, 2024, at 10:45 a.m.**

Virtual Meeting

MINUTES OF THE BUDGET, FINANCE & CONVENTION CENTER STANDING COMMITTEE MEETING

MEMBERS PRESENT:

David Arakawa (Chair), Kimberly Agas (Vice-Chair), James McCully, Blaine Miyasato, James Tokioka (Ex Officio, DBEDT Director), Mike White

HTA STAFF PRESENT:

Daniel Nāho'opi'i, Kalani Ka'anā'anā, Isaac Choy, Talon Kishi, Caroline Anderson, Iwalani Kūali'i Kaho'ohanohano

LEGAL COUNSEL:

John Cole

1. Opening Protocol and Call to Order

Chair Arakawa called the meeting to order at 10:49 a.m.

2. Roll Call to Announce Name of Participating Board Members and to Identify Who Else is Present with Board Member if Location is Nonpublic

Mr. Kishi conducted the roll call. All confirmed their attendance and said that they were by themselves except for Chair Arakawa, who was in the HTA conference room.

3. Motion, Presentation, Discussion, and Action on the Hawai'i Tourism Authority July and August 2024 Financial Reports; Recommend Approval

Chair Arakawa deferred Agenda 3 and went on to Agenda 4.

4. Report on the Branding Standing Committee Meeting Held on September 9, 2024, Relating to the Proposed Final Draft of the Fiscal Year 2026 and 2027 Hawaii Tourism Authority Operating Budget for Branding and Marketing (BED114)

Chair Arakawa proposed the motion to approve the recommendation of the Branding Standing Committee Meeting about the FY26/27 HTA Operating Budget for Branding and Marketing, BED114.

The Chair noted that this corresponded to a total budget for the HTA for FY26/27 of \$80 million. It did not correspond either to the \$70 million plus Supplemental 1 of \$10 million or to the proposal for \$70 million, \$10 million, and \$10 million.

The proposal was seconded by Mr. Miyasato.

Chair Arakawa added that many of the members present had also taken part in the earlier meeting of the Branding Standing Committee. He asked Mr. Miyasato whether he had any points to add or to emphasize.

Mr. Miyasato responded that emphasize was a good word because he believed that the issue boiled down to terminology. In his mind, the words Supplemental and incremental implied a loss of priority. He recalled the robust conversation about Form A at the Branding Standing Committee meeting. The form was to be used as a vehicle to obtain a budget that would reflect the funds the staff said were needed to complete the mission of the agency.

Mr. Miyasato reminded members that the HTA was the only revenue-generating entity in the State, even though housing and construction had a large economic impact. In reality, tourism was the only economic driver, and the deficits in the council revenues forecast demonstrated the downturn in tourism and the associated drop in tax collection. These considerations led to the development of a \$70 million plus \$10 million plus \$10 million budget or an \$80 million base budget.

Chair Arakawa expressed his appreciation for Mr. Miyasato's explanation. He also apologized for not informing committee members of his recent discussions with staff of the Department of Business, Economic Development, and Tourism (DBEDT) and the Department of Budget and Finance (DBF) regarding Form A. They had confirmed that Form A could be submitted with a base budget and, on the same document, Supplementals 1 and 2 of \$10 million each. The DBEDT and DBF staff confirmed that these requests could all be submitted in a single document, which DBEDT, DBF, the Governor, and the Legislature would then review.

Chair Arakawa reminded members that this had been the question posed by Vice-Chair Agas at the recent meeting of the Branding Standing Committee.

Mr. McCully asked whether Chair Arakawa suggested a starting point or a \$70 million, an \$80 million, or a \$90 million recommendation from the Board.

Mr. Arakawa responded that Mr. McCully had correctly identified the issue upon which the final vote was to be taken. The Branding Standing Committee had recommended an \$80 million budget request.

Mr. McCully replied that he had been trying to clarify how far the conversation still had to go.

Chair Arakawa assured him that the issue would be clarified.

Mr. Miyasato pointed out that this was not a new conversation. He recalled that the previous year, during his tenure as Chair, he had asked if the independence of the HTA included the budget process. Along the way, Board members learned that the autonomy of the HTA, including budgeting, had been stripped away. Other recent conversations had propounded the notion that budgets were built, and the departments had to shoehorn their activities to fit the budget. The committees with *kuleana* for any function should be given the authority and the ability to ask for what was needed in consultation with, and at the direction of, the HTA staff. That should be how the budget was built. Mr. Miyasato repeated that this was not a new conversation, and all discussions could be reviewed by the public.

Chair Arakawa thanked Mr. Miyasato for his comments.

Mr. White thanked the Chair and expressed his opinion that it was important to ask for as much money as possible. He agreed that the HTA needed to give a more effective account of the financial benefits to the coffers of the State that would result from their incremental spending. Such an explanation would address the choice between a \$70 million base budget with two \$10 million Supplementals, an \$80 million budget alone, or an \$80 million budget with a \$10 million Supplemental. The case to be made to the Legislature and the Governor depended on the projected return on investment (ROI). Studies based on more limited marketing programs were available, and it was important to revisit these statistics to persuade the Legislature of the ability of the HTA to rescue the State from its bad situation. This would make clear that the HTA was the best place to invest money.

Mr. White asked whether it was possible to submit an \$80 million plus \$10 million budget instead of a \$70 million, \$10 million, \$10 million budget, or an \$80 million budget alone.

Chair Arakawa responded that this might be possible, but there was no second \$10 million since the \$10 million of Supplemental 1 had been included in the \$80 million budget. He understood that there was no additional \$10 million.

Mr. Nāho'opi'i pointed out that the \$80 million was specifically related to branding and marketing, and together with items recommended by the Ho'okahua Standing Committee, the total would amount to \$80 million.

Chair Arakawa responded that there was \$4.3 million in the budget for Supplemental 2, thus becoming Supplemental 1. This meant that there would be an \$80 million base budget proposal from Branding and Marketing with \$4.35 million Supplemental. He explained that this was

described in the handout, with the base budget of \$69.9 million on page 51, Supplemental 1 of \$9.9 million on page 52, and Supplemental 2 of \$4.35 million on page 53.

Chair Arakawa stated that Mr. White's question was possible and would be voted on during the meeting about the BFCC recommendation.

Dir. Tokioka apologized for being late and reminded members about the message they had received at the previous Board meeting from Director Luis Salaveria of DBF. Dir. Tokioka had been meeting with the Cabinet and the Governor to examine the five-year plan and how the income tax cut could be financed. Like Mr. Miyasato, Dir. Tokioka also wished that there was autonomy and that the budget was more than \$100 million, but this was not the case. Over the years, they have seen how the Legislature has adjusted the expenditure of the HTA, up to the previous budget cycle in which program IDs were defined. This restricted what could be done when some program IDs concerned items that had to be paid for first.

Dir. Tokioka believed that the budget suggested by the Chair, of \$70 million with an additional \$10 million with priorities, was a good way to present the budget to the Legislature. He reminded committee members that the budget submission process was from HTA to DBEDT, DBEDT to DBF, and then DBF to the Governor. Anywhere along the line, there would be opportunities for members of the public to appeal to DBEDT, DBF, the Governor, and, when the legislative session started, the Legislature. The present meeting was not the end but the starting point for the budget submission to the Legislature. The legislators would be aware of their fiscal restraints and the availability of extra money. Dir. Tokioka believed this was the best way to present the budget and thanked Chair Arakawa for allowing him time to speak.

Asked for his comments by the Chair, Mr. McCully requested clarity that the present motion was to accept the recommendation of the Branding Standing Committee for an \$80 million budget. Chair Arakawa confirmed that this was the case and stated that after the present motion, there would be a succession of subsequent motions intended to conclude. Mr. McCully called for a vote on the motion.

Chair Arakawa called for a vote on the motion to approve the recommendation from the Branding Standing Committee for the FY26/27 HTA Operating Budget, identifying specific amounts of \$80 million.

The Chair asked Mr. Kishi to conduct the roll call vote. Votes were cast as follows:

Chair Arakawa, Nay
Vice-Chair Agas, Nay
Mr. McCully, Nay
Mr. Miyasato, Aye
Dir. Tokioka, Nay

Mr. White voted Aye but stated that he would rather vote on the \$80 million-plus budget, and Chair Arakawa reminded him that this was still to be tabled.

Mr. Kishi reported that the motion had not been carried.

5. Report on the Ho'okahua Hawai'i Standing Committee Meeting Held on September 12, 2024

a. Discussion and Action on Fiscal Year 2025 Budget BED 116 – Destination Management – DMAP (Destination Management Action Plans) Implementation Use

Chair Arakawa stated that Agenda 5a considered using and implementing Destination Management Action Plans.

Ms. Anderson introduced the presentation and referred committee members to the information handout that had been circulated. The present agenda item referred to the FY25 budget, BED 116, relating to destination management action plan implementation.

Ms. Anderson explained that she would define the proposed use of the funds and seek the committee's approval for this program. It was proposed that the funds be used for information gathering, thus providing opportunities for the visitor industry and community stakeholders to provide input. The program would facilitate meetings to further the development of the DMAPs. The information would also help to inform the tourism strategic plan and the tourism functional plan. This program was in alignment with the governance study's recommendations. Ms. Anderson requested that \$400,000 be used from the \$500,000 line item assigned for this activity.

Chair Arakawa explained that the Ho'okahua Standing Committee had approved this proposal in a meeting earlier that day, and it was consistent with the line item to implement the DMAPs, for which this type of planning was required.

Chair Arakawa proposed a motion to approve the FY25 budget BED116 Destination Management, destination management action plans (DMAPs), and implementation use as described by Ms. Anderson. The motion was seconded by Mr. McCully.

Mr. Miyasato asked whether a vote had taken place on the FY26/27 budget at the same meeting of the Ho'okahua Standing Committee.

Chair Arakawa replied that this would be the next agenda item

There was no further discussion.

Mr. Kishi conducted the roll call vote, and the motion was carried unanimously.

b. Discussion and Action on the Proposed Final Draft of the Fiscal Year 2026 and 2027 Hawaii Tourism Authority Operating Budget for Destination Stewardship (BED115, BED116, BED117)

Chair Arakawa pointed out that this was the issue Mr. Miyasato had referred to.

Chair Arakawa proposed a motion to approve the recommendation of the Ho'okahua Standing Committee concerning the FY26/27 HTA Operating Budget for Destination Stewardship (BED115, BED116, BED117).

Chair Arakawa explained that when added to the proposal of the Branding Standing Committee, this would give a total budget of \$80 million,

The motion was seconded by Mr. Miyasato.

Mr. McCully asked for the page reference in the handout, and Mr. Kishi explained that pages 51 and 52 gave a total of \$80 million.

Mr. McCully commented that this was \$69.9 million, and Chair Arakawa responded that it was the same idea as the branding budget.

Chair Arakawa asked Ms. Paishon for highlights and clarified that all the itemized requests from the Ho'okahua and Branding Standing Committees were detailed in the base budget plus Supplementals 1 and 2 that had been circulated with recommendations of staff during the previous meeting.

Ms. Paishon responded that there were no particular highlights since the budget requests stood on the justifications presented by staff and Ho'okahua committee members. They believed that the budget reflected what was needed, not what was wished for. Ms. Paishon believed that the budget would allow the HTA to move forward in their responsibility for destination stewardship management as newly codified in the statute.

Chair Arakawa asked for further discussion and noted that the staff had done an excellent job. During the preceding meeting, sports, signature events, the sports opportunity fund, and workforce development programs had been mentioned, and these were all very important for the success of tourism in Hawai'i. The Chair thanked Ms. Paishon and her committee. All these items were in either base budget, Supplemental 1, or Supplemental 2 under the \$70 million, \$10 million, and \$ 10 million plan.

The Chair called for a vote on the motion to approve the proposal of the Ho'okahua Standing Committee, which gave a total budget request of \$80 million.

The Chair asked Mr. Kishi to conduct the roll call vote. Votes were cast as follows:

Chair Arakawa, Nay
Vice-Chair Agas, Nay

Mr. McCully, Nay
Mr. Miyasato, Aye
Dir. Tokioka, Nay
Mr. White, Aye

Mr. Kishi reported that the motion had not been carried.

Chair Arakawa reminded members that Dir. Salaveria had asked for ROIs to be provided. He pointed out that some items did not include ROIs under the change from \$70 million, \$10 million, \$10 million to \$80 million. That might mean further work for the staff. The Chair thanked the staff for preparing ROIs for the other items.

6. Motion, Presentation, Discussion, and Action relating to HTA's Fiscal Year 2026 and 2027 Legislative Budget, Process, Issues, and Request

Chair Arakawa introduced the motion related to the HTA's Fiscal Year 2026 and 2027 Legislative Budget. This referred to the \$70 million base budget plus \$10 million Supplemental 1 plus \$10 million Supplemental 2 request. The information handout showed a request of \$4.35 million for Supplemental 2. The Chair noted that the detailed documentation was part of the record, with the \$69.9 million base budget on page 51, Supplemental 1 of \$9.9 million on page 52, and Supplemental 2 of \$4.35 million on page 53.

The Chair explained that the motion was to approve the \$70 million base budget plus \$10 million plus \$10 million, to include all the updated information that the staff had developed for the Ho'okahua and the Branding Standing Committees. Committee members were reminded to ensure that their information had been updated. Chair Arakawa commented that he believed that this would give the greatest probability of approval of the budget, including all the Supplemental requests.

The motion was seconded by Mr. McCully.

Mr. Miyasato clarified that, notwithstanding the two votes just taken, notwithstanding the subject matter committees having carried the motions with yes votes, this motion was to replace the recommendations of the subject matter committees and was \$70 million, \$10 million, \$10 million, and not an \$80 million base budget.

Chair Arakawa responded that this had been the original recommendation by the BFCC, and it would now include additional new information from the Branding and Marketing and Ho'okahua Standing Committees.

The Chair asked Mr. Kishi to conduct the roll call vote. Votes were cast as follows:

Chair Arakawa, Aye
Vice-Chair Agas, Aye

Mr. McCully Aye
Mr. Miyasato, Nay
Dir. Tokioka, Aye
Mr. White, Nay

Mr. Kishi reported that the motion had been carried.

Chair Arakawa thanked everyone for their time.

The Chair asked the staff to include all the descriptions and information developed in individual committees in the \$70 million, \$10 million, and \$10 million packets.

Mr. Miyasato asked whether the entire process would be reviewed during the meeting of the full Board for the benefit of those who were not present. He hoped to reconcile what had been recommended by the subject matter committees with what was to be presented to the full Board.

Chair Arakawa responded that the BFCC committee recommendations would be up for a vote by the full Board at the Board meeting. He believed that the recommendations from the Ho'okahua and Branding Standing Committees could also be discussed.

Mr. Nāho'opi'i stated that it was not on the agenda but could be included in the discussion.

Chair Arakawa asked for further questions.

Mr. McCully wanted to be recorded as stating that the members of every committee shared the same goals. Their differences did not concern principle but related to the best process of getting to the HTA's shared goal, which was a well-funded effort to improve tourism in the State of Hawai'i. It had pained him to vote "No" to a good thing, but he believed that his ultimate goal was best served by the vote that he had been able to support. He thanked Chair Arakawa for allowing him to speak.

Dir. Tokioka echoed Mr. McCully's comment. As Director of DBEDT, he understood that the position of DBF was to keep the budget at the status quo, but he had just voted for a budget that was \$7 million higher than the status quo. The HTA had been advised to create a status quo budget but intended to request a larger amount. The Legislature and the Governor would have the opportunity to increase it if they saw fit, with whatever finances would be available, either at the time of submission of the budget or at the time of the final vote on the budget.

Mr. Miyasato responded that there was no suggestion that Board members were not acting in good faith or did not wish to ensure the viability of the HTA. That was the responsibility of Board members. There might be a to-and-fro debate about the process. Mr. Miyasato found it hard to understand the notion of starting lower with the hope of obtaining more funds. He had never witnessed this. He pointed out that if the Board stated that this was the amount needed, and the subject matter experts had justified the request, the requests were submitted through

DBEDT, and the Governor decided to cut the budget request, well and good. However, Mr. Miyasato did not believe that cutting should occur at the Board. He was looking forward to a full Board conversation. He believed that the issue did not concern different interests, but it concerned the mechanics by which the goals of the HTA were attained. He failed to understand starting with a low request, especially when the subject matter committees had given justified requests. In his opinion, the arbitrary reduction of these justified requests defied logic.

Chair Arakawa referred to the statements made by the State Director of Budget and Finance during the previous Board meeting. He believed that everyone had received the proposed minutes from the Executive Session. He commented that this process was not easy for anyone. The staff had justified their recommendations, intending to obtain every dollar necessary to make the HTA successful. Everything had been prioritized, and items could be justified. He pointed out that some disagreements related more to style than substance. The substance was the same, but the mode of proposal was different. Everyone was searching for the best chance for the HTA to obtain what was needed. People might differ on methods. Dir. Salaveria had reminded the Board of the importance of providing ROIs to justify requests.

Mr. White echoed the earlier comments. All three proposals moved the HTA in a positive direction. The issue was about the method of requesting funds most likely to give the required result. Mr. White looked forward to a robust discussion the following day and expressed his hope that the discussion would end in a unanimous vote. He explained that it was undesirable for a budget vote to end on a slim margin. The vote should have been unanimous.

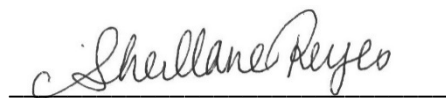
Dir. Tokioka thanked Chair Arakawa for his hard work. Everyone knew that his job was not easy. Chair Arakawa had put in much work with the staff, and Board members appreciated his efforts, even if everyone did not agree with his conclusions. However, everyone agreed that he had worked hard on today's proposals.

Mr. McCully stated that Chair Arakawa was the hardest-working Board member, carrying out his duties with brevity. Mr. Miyasato commented that this was the first time there had been brevity.

7. Adjournment

The meeting adjourned at 11:33 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Sheillane Reyes". The signature is written in black ink and is positioned above a horizontal line.

Sheillane Reyes
Recorder