

<p style="text-align: right;">Page 1</p> <p>1</p> <p>2</p> <p>3 COUNTY OF MAUI, STATE OF HAWAII</p> <p>4</p> <p>5</p> <p>6</p> <p>7</p> <p>8 BOARD OF ETHICS</p> <p>9 REGULAR MEETING</p> <p>10</p> <p>11</p> <p>12</p> <p>13</p> <p>14</p> <p>15 Held at the Planning Department Conference Room,</p> <p>16 250 South High Street, Wailuku, Maui, Hawaii, commencing</p> <p>17 at 12:30 p.m., on Wednesday, April 11, 2018.</p> <p>18</p> <p>19</p> <p>20</p> <p>21 Reported by: Tonya McDade, CSR, RPR, CRC</p> <p>22 CSR Maui, Inc.</p> <p>23 Wells Street Professional Center</p> <p>24 2145 Wells Street, Suite 302</p> <p>25 Wailuku, Hawaii 96793</p> <p>(808)244-3376</p> <p>reporters@csrmaui.com</p>	<p style="text-align: right;">Page 3</p> <p>1 (Wednesday, April 11, 2018, 12:30 p.m.)</p> <p>2 * * *</p> <p>3 CHAIR MACARIO: (Gavel.) Calling the April</p> <p>4 11th, 2018 meeting of the Maui County Board of Ethics to</p> <p>5 order.</p> <p>6 First item on the agenda is review and approval</p> <p>7 of the March 14, 2018 Minutes. Is there a motion to</p> <p>8 approve those Minutes?</p> <p>9 MEMBER GADARIAN: I move to approve the Minutes.</p> <p>10 MEMBER PHILLIPS: Second.</p> <p>11 CHAIR MACARIO: Second. Okay. All in favor?</p> <p>12 (Response.)</p> <p>13 CHAIR MACARIO: Carried.</p> <p>14 Do we have any public testimony today?</p> <p>15 MS. KAHUHU: Yes, Chair, we do. We have Bill</p> <p>16 Haywood.</p> <p>17 CHAIR MACARIO: Mr. Haywood, would you mind</p> <p>18 coming up to the podium and just again state your name and</p> <p>19 spell your last name? And go ahead and speak.</p> <p>20 MR. HAYWOOD: Say what I got. It's Bill</p> <p>21 Haywood, H-A-Y-W-O-O-D. I am the Operations Manager for</p> <p>22 Maui Jim Sunglasses in Lahaina.</p> <p>23 And the subject I wanted to bring up, last</p> <p>24 year's disclosures on gifts and such. It was brought to</p> <p>25 my attention, upon reading the notes a year ago, that the</p>
<p style="text-align: right;">Page 2</p> <p>1 ATTENDANCE</p> <p>2 BOARD MEMBERS PRESENT:</p> <p>3 Matthew Macario, Chair</p> <p>4 David Courson, Vice-Chair</p> <p>5 Sara Gadarian, Secretary</p> <p>6 Donna Clayton, Member</p> <p>7 William Curtis, Member</p> <p>8 Napua Greig-Nakasone, Member (In, 12:42 p.m.)</p> <p>9 Rachel Phillips, Member</p> <p>10 David Weiss, Member</p> <p>11 STAFF PRESENT:</p> <p>12 Gary Y. Murai, Deputy Corporation Counsel</p> <p>13 Lisa Kahuhu, Supervising Law Technician</p> <p>14</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p style="text-align: right;">Page 4</p> <p>1 Councilmembers, Maui County Councilmembers, were going</p> <p>2 back and forth about our Maui Jim Invitational basketball</p> <p>3 tickets at the Civic Center. And the gist of it was, you</p> <p>4 got tickets, how come I didn't, what's the deal, why did</p> <p>5 you get them, et cetera, et cetera. And they're fairly</p> <p>6 high value items.</p> <p>7 I wanted to state categorically that Maui Jim is</p> <p>8 the principal sponsor of the tournament, which we plan on</p> <p>9 being for many years to come, and I think everybody is</p> <p>10 familiar with it here, does not and never has given away</p> <p>11 tickets to the invitational to the public, to government</p> <p>12 officials, never. We use it internally for our accounts</p> <p>13 as a business-to-business gift, internally and to</p> <p>14 employees. That's it. That's all we do. I just want to</p> <p>15 get that very clear.</p> <p>16 Now, we're the title sponsor, but we don't run</p> <p>17 it. KemperLesnik runs the tournament and they do get</p> <p>18 tickets and they do as they wish with them. And I think</p> <p>19 there are cases where the Mayor would get them and he does</p> <p>20 what he feels is proper with them. But in no way, only in</p> <p>21 banner form, are we associated with the disbursement of</p> <p>22 those tickets. So it's kind of one of those show me your</p> <p>23 friends and I will tell you who you are. Apparently,</p> <p>24 these tickets are getting around and everybody goes, "Oh,</p> <p>25 it's Maui Jim." Well, that is not the case.</p>

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1 So for an example of how we give out the
 2 tickets, we'll have a great account that's a good business
 3 partner, "Hey, how about taking your employees, I got four
 4 tickets for you on this day, there you go." It's just a
 5 spiff for internal use only, is what it is. It's, by no
 6 means, a leverage piece for us to accrue new business or
 7 influence people in the public sector. So pretty simple.
 8 CHAIR MACARIO: Mr. Haywood, would you agree to
 9 answer just a couple questions from me on that?
 10 MR. HAYWOOD: Yes.
 11 CHAIR MACARIO: I'm sorry. Again, what is the
 12 name of the organization you're with?
 13 MR. HAYWOOD: Maui Jim Sunglasses.
 14 CHAIR MACARIO: Maui Jim.
 15 MR. HAYWOOD: We're manufacturers of sunglasses.
 16 CHAIR MACARIO: Is the gist of what you're
 17 telling us, to the extent public officials receive tickets
 18 to the tournament, they receive those from other parties
 19 rather than Maui Jim?
 20 MR. HAYWOOD: Absolutely. Perfect.
 21 CHAIR MACARIO: I just wanted to make sure I
 22 understood. Thank you.
 23 MR. HAYWOOD: Thank you. I'm going to get back
 24 in traffic.
 25 CHAIR MACARIO: Thanks for your testimony.

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1 MR. HAYWOOD: Thank you.
 2 CHAIR MACARIO: All right. Next item on the
 3 agenda is Agenda Item A.4. Welcome to new Members William
 4 Curtis, Jr. and David Weiss. I just would like to give --
 5 well, thank you both for joining the Board, first of all.
 6 And give you both an opportunity just to say a little bit
 7 about yourselves, introduce yourself to the rest of the
 8 Board. Why don't we start with Mr. Curtis?
 9 MEMBER CURTIS: Okay. Bill Curtis is fine.
 10 That's just the name on the driver's license. So I --
 11 CHAIR MACARIO: Okay.
 12 MEMBER CURTIS: -- filled out the paperwork that
 13 way. I live in Makawao. I moved to Maui in the late
 14 eighties. So have lived in Haiku and Kahana before moving
 15 to Makawao. Met my wife here. Both my kids were born and
 16 raised here. They're now on the mainland. And I work for
 17 a local trucking company. I've been a general contractor,
 18 basically, for the last 30 years on Maui. I got my
 19 license in the late nineties. And I work for an employer
 20 that encourages civic participation, so I am on the State
 21 Board of Tax Review. And this is my first County
 22 position.
 23 CHAIR MACARIO: Great. Well, thank you for
 24 volunteering. Welcome.
 25 All right. Mr. Weiss.

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1 MEMBER WEISS: Likewise, I moved here, actually,
 2 in the very early eighties. I like to say it was in the
 3 seventies because I got here New Year's Eve 1979, but
 4 we'll take 1980. Raised my family, three boys, met my
 5 wife here. She just retired as a teacher after 25 years.
 6 Very involved with coaching and she was the Lokelani PE
 7 teacher. Every kid through Kihei went through her
 8 programs, track. I work on the west side. I work for a
 9 company that's been in business there since the late
 10 seventies. It originally started Maui Jim Sunglasses.
 11 Jim Richards was the owner of the company and that we
 12 worked for, but we were, also, sail, luau, spa, water
 13 sports company. So they throw a big net in the tourist
 14 world. And I was -- somebody recommended that I apply,
 15 but I had no idea how the -- it was appointed as
 16 application. I applied quite a while ago and forgot about
 17 it, and someone called me. And I thought, well, I've
 18 spent 40 years here, spent a lot of time coaching when my
 19 kids were younger. They're all -- my oldest is 30. And I
 20 thought it was about time I did something in return. I
 21 just live right up the street, so --
 22 CHAIR MACARIO: All right. Thank you very much.
 23 Welcome. I am sure we all look forward to working -- this
 24 Board generally works, historically, very well together.
 25 It's a very collegial group. So we're happy to see the

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1 new folks. Thanks, again, for your time.
 2 Okay. Next item on the agenda, Old Business,
 3 5.a., Financial Disclosures, none.
 4 5.b., Communication Items, none.
 5 Agenda Item 6.a., Financial Disclosures. There
 6 are, looks like -- one, two, three, four, five, six --
 7 seven nomination or elected disclosures, and then a number
 8 that follow. I am not sure that I need to list them
 9 individually, but is there a motion to acknowledge receipt
 10 of all of the Financial Disclosures listed in the agenda
 11 on Item 6.a.?
 12 MR. MURAI: You know what -- I'm sorry,
 13 Mr. Chair -- actually, traditionally, because -- well,
 14 because the court reporter is taking this down, we should
 15 probably read into the record the names of the filers in
 16 Item 6.a.
 17 CHAIR MACARIO: Okay.
 18 MR. MURAI: In other words, it will be for
 19 Caparida-Schnackenberg, Crivello, Hawkes, Kaiwi, Lee,
 20 Paltin and Sugimura.
 21 CHAIR MACARIO: Okay. Thank you. Is there any
 22 reason for the demarcation between these two?
 23 MR. MURAI: Yes. The first set are candidates
 24 for elective office. In fact, sometimes you may even see
 25 the same person filing twice, once as a candidate and once

<p style="text-align: right;">Page 9</p> <p>1 as a sitting Councilmember. It looks like they are all 2 filing as candidates. 3 CHAIR MACARIO: Okay. So is there a motion to 4 acknowledge receipt of the Financial Disclosures that Gary 5 Murai just read off publicly? 6 MEMBER CLAYTON: I move to acknowledge the 7 Financial -- receipt of the Financial Disclosures. 8 CHAIR MACARIO: Is there a second? 9 MEMBER PHILLIPS: Second. 10 CHAIR MACARIO: All right. Any discussion? 11 MEMBER GADARIAN: Yes. 12 CHAIR MACARIO: All right. 13 MEMBER GADARIAN: This is a matter of note, that 14 Stephanie Crivello, who had previously turned in her 15 Financial Disclosure as a Councilmember, that was last 16 month, and this time it's a nomination, a matter of note 17 that she had indicated, and this was -- this is her 18 terminology, that she received from the 2017 Maui Jim 19 Invitational 12 tickets to the NCAA 12 Tournament and two 20 all-tournament, November 13, 2017. And the estimate of 21 the value of that gift was \$2,238. 22 I have a question about Tamara Paltin. The 23 question was -- okay. She received a gift from Olukai 24 within the last 12 months of submitting this. And it was 25 three pair of footwear in the amount of \$250. I am not --</p>	<p style="text-align: right;">Page 11</p> <p>1 Yes. 2 CHAIR MACARIO: Oh, yes. 3 MEMBER CURTIS: So just a question in general. 4 She noted that this was a gift from this year. Isn't this 5 form for the previous year? Does she need to disclose 6 this -- 7 MR. MURAI: You're right. Technically, she did 8 not need to disclose it this year because she received it 9 in 2018. 10 MEMBER CURTIS: We're all looking at the 11 previous one, yeah. 12 MEMBER GADARIAN: Sorry. Sorry. The form on 13 gifts is those received -- according to the instructions, 14 it's received within the last 12 months of filling out 15 the -- 16 MR. MURAI: You're right. 17 MEMBER GADARIAN: -- disclosure form. Have you, 18 in the last 12 months, received -- filling out this form, 19 that Item 10, gifts, applies to 12 months before February, 20 whenever she signed the -- 21 MEMBER CURTIS: So just the income would be -- 22 MR. MURAI: Income is prior. 23 MEMBER CURTIS: Okay. 24 CHAIR MACARIO: Yes, Donna. 25 MEMBER CLAYTON: On this, under Item 5, Debt,</p>
<p style="text-align: right;">Page 10</p> <p>1 I just wondered what that organization is. 2 MR. MURAI: I know. 3 MEMBER GADARIAN: Go ahead. 4 MR. MURAI: Olukai is a slipper manufacturer. 5 MEMBER GADARIAN: Oh. 6 MR. MURAI: They produce footwear. I know this 7 because I sometimes deal with the Maui Fire Department. 8 What Olukai does is they donate footwear to our County 9 lifeguards. So, actually, in my opinion, she may not even 10 have needed to disclose this because I believe that the 11 gift is to the Fire Department and not to the individual. 12 MEMBER GADARIAN: Person. 13 MR. MURAI: Employees. But she received it not 14 because she's a candidate for public office. All 15 lifeguards got free slippers. 16 MEMBER GADARIAN: Right. Well, she was -- she 17 is a County employee, so she received this. And I guess 18 to be -- 19 MR. MURAI: Well, she did what -- well, 20 although, she probably did not need to disclose it because 21 she didn't get it for -- she didn't receive it from 22 Olukai. Olukai just drops off cases of slippers to the 23 Fire Department, and they hand them out. 24 MEMBER GADARIAN: Okay. Good. That helps to 25 have supplemental information to the -- to the Board.</p>	<p style="text-align: right;">Page 12</p> <p>1 she lists Mr. Cooper. And there's another form that 2 listed Mr. Cooper. And I have no idea who Mr. Cooper is. 3 CHAIR MACARIO: I, actually, had the same 4 question. I looked it up, I googled it. It's, actually, 5 like a lender, it's -- 6 MEMBER CLAYTON: Called Mr. Cooper? 7 CHAIR MACARIO: Called Mr. Cooper. 8 MEMBER CURTIS: I did the same thing. 9 CHAIR MACARIO: I hadn't heard it, either. 10 MEMBER CURTIS: I thought, who is this Cooper 11 guy. 12 MEMBER CLAYTON: More info here. 13 CHAIR MACARIO: It's a real lending 14 organization. 15 MEMBER CLAYTON: Oh, okay. 16 MR. MURAI: I've heard of them, too. 17 MEMBER CLAYTON: Thank you. 18 CHAIR MACARIO: Good question. 19 MEMBER CLAYTON: Thank you for looking that up. 20 All right. Any other discussion regarding those 21 disclosures? 22 MEMBER GADARIAN: I call for the question. 23 CHAIR MACARIO: Pardon me? 24 MEMBER GADARIAN: Call for the question, we're 25 ready to vote.</p>

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1 CHAIR MACARIO: Yeah, I think so. Okay. So all
 2 in favor of acknowledging receipt of the first category of
 3 disclosures under Item 6.a.?
 4 (Response.)
 5 CHAIR MACARIO: Okay. All opposed?
 6 (No response.)
 7 CHAIR MACARIO: All right. It's unanimous.
 8 Let's go on to the second category of Financial
 9 Disclosures in Agenda Item 6.a. Those are for Alan
 10 Arakawa, John Buck, Robert Carroll, Eleanor Cochran,
 11 Michael Miyamoto, Glenn Mukai, Jeffrey Murray, Keith
 12 Regan, William Spence, Yuki Lei Sugimura, Lance Taguchi,
 13 and Georgette Tyau. Is there a motion to acknowledge
 14 receipt of those Financial Disclosures?
 15 MEMBER GREIG-NAKASONE: So moved.
 16 CHAIR MACARIO: Is there a second?
 17 MEMBER PHILLIPS: Second.
 18 CHAIR MACARIO: All right. Any discussion?
 19 MEMBER GADARIAN: Yes.
 20 CHAIR MACARIO: Go ahead, Sara.
 21 MEMBER GADARIAN: Okay. This is, also, a matter
 22 of information, that Elle Cochran indicated a gift of \$100
 23 value of a swag bag. And let's see what company that she
 24 said it came from so we can clarify that.
 25 MEMBER CURTIS: KemperLesnik.

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1 MEMBER GADARIAN: That would be more correct.
 2 The formal title is -- that would be more correct.
 3 And then I do have a question about -- oh, yes.
 4 Also, as a matter of note, Mayor Arakawa indicated he
 5 received no gifts. Councilman Robert Carroll, that he
 6 received no gifts. And Councilperson Yuki Lei Sugimura,
 7 also, indicated she received no gift.
 8 I have a note about Keith Regan concerning his
 9 spouse. Oh, it's the addition in that his spouse is an
 10 attorney with Araki-Ragan & Associates. And this would be
 11 a question of any conflict of interest with her
 12 occupation. And Mr. -- is it Regan or Regan?
 13 MEMBER GREIG-NAKASONE: Regan.
 14 MEMBER GADARIAN: Regan. Sorry. Regan's duties
 15 as Managing Director, what -- what the clients of --
 16 VICE-CHAIR COURSON: Mr. Chair, I would like to
 17 respond to that. I had the same concern, Sara, but upon
 18 further review and consideration of this, I see no
 19 conflict of interest simply because of her employment,
 20 simply because of her position as an attorney for this
 21 particular association. I believe that this would be a
 22 matter for Board review if, in a particular situation,
 23 there was a clear violation of the parameters in which
 24 this Board of Ethics is to address itself. But at this
 25 point in time, I do not see any conflict of interest

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1 simply because of her employment, simply because of who
 2 she is employed by or her position.
 3 CHAIR MACARIO: Let me just add that I think as
 4 Chief of Staff for the County, the Mayor's Office,
 5 Ms. Araki-Regan will, undoubtedly, have to submit her own
 6 Financial Disclosure Statement.
 7 MEMBER CLAYTON: Yeah. She's, also, Chief of
 8 Staff?
 9 CHAIR MACARIO: Yeah. So I think, at some
 10 point, we will get one of these from her.
 11 MR. MURAI: No, I don't think she files one.
 12 She doesn't submit one.
 13 CHAIR MACARIO: Why not?
 14 MR. MURAI: She's not -- she has to be either an
 15 elected official, department head or first deputy.
 16 CHAIR MACARIO: Oh, okay.
 17 MR. MURAI: Chief of Staff I don't believe is
 18 considered a cabinet level position.
 19 CHAIR MACARIO: All right. Well, in any case, I
 20 think she, also, came before this Board, last year I am
 21 guessing, when she was proposing to become Finance
 22 Director or Budget --
 23 MR. MURAI: Budget Director.
 24 CHAIR MACARIO: Budget Director. And it was
 25 that very issue that came before us, whether she could

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1 fulfill that role in addition to serving as an attorney in
 2 her own private firm. And I believe we prepared some kind
 3 of opinion on that.
 4 MR. MURAI: We did issue an advisory opinion.
 5 It kind of rang a bell, so I asked Lisa if she did. And
 6 we recall that she did, but I can't recall what the --
 7 what -- what we said. I can only presume that we gave it
 8 our blessing because she went ahead and accepted the
 9 position.
 10 CHAIR MACARIO: She's now the Chief of Staff for
 11 the Mayor's Office, so I don't know what -- what else she
 12 would have to do in that context, if anything. But just
 13 for the record, I think she's been before us before for
 14 this -- for this issue.
 15 MEMBER GREIG-NAKASONE: When did she become
 16 Chief of Staff?
 17 MR. MURAI: Couple months ago.
 18 MEMBER GREIG-NAKASONE: So where is Herman
 19 Andaya?
 20 MR. MURAI: He became the, I guess, like -- I
 21 don't know what the title is now, but used to be like the
 22 Civil Defense coordinator.
 23 CHAIR MACARIO: Emergency Management.
 24 MEMBER GREIG-NAKASONE: Oh.
 25 MEMBER CURTIS: Anna Foust's previous position.

Page 17	<p>1 MR. MURAI: Yeah. Yeah, that's right. Anna</p> <p>2 Foust moved, so --</p> <p>3 MEMBER GADARIAN: Just know that -- okay.</p> <p>4 William Spence, his spouse is a realtor. And, again,</p> <p>5 that's -- is there a possibility of conflict because his</p> <p>6 spouse would be representing -- possibly representing</p> <p>7 companies that are trying to go -- that are going before</p> <p>8 the Planning Commission?</p> <p>9 VICE-CHAIR COURSON: Mr. Chair?</p> <p>10 CHAIR MACARIO: Yes.</p> <p>11 VICE-CHAIR COURSON: If I may respond to that.</p> <p>12 Once again, Sara --</p> <p>13 MEMBER GADARIAN: Yes.</p> <p>14 VICE-CHAIR COURSON: -- likewise, it caught my</p> <p>15 attention, but, once again, I believe that we have no</p> <p>16 reason to be concerned about that at this point in time</p> <p>17 simply because there has been no action that we are aware</p> <p>18 of that would cause this particular Board to investigate</p> <p>19 further. We should not, if I can use the word,</p> <p>20 discriminate simply on the basis of one's employment.</p> <p>21 MEMBER CURTIS: And, often, realtors aren't</p> <p>22 involved in zoning issues. They're just involved in</p> <p>23 reselling items that have already made it through the</p> <p>24 zoning process, so --</p> <p>25 CHAIR MACARIO: That's my experience as well. I</p>
Page 19	<p>1 MEMBER GADARIAN: No.</p> <p>2 MR. MURAI: You had to disclose all real estate</p> <p>3 you own?</p> <p>4 MEMBER CURTIS: If you go a couple years back,</p> <p>5 you put your primary residence as well.</p> <p>6 MEMBER GADARIAN: Yes. That was on the old</p> <p>7 form.</p> <p>8 CHAIR MACARIO: There was some confusion,</p> <p>9 certainly.</p> <p>10 MEMBER GADARIAN: List your residence and list</p> <p>11 the mortgage on your residence.</p> <p>12 MEMBER WEISS: Which I had never seen the old</p> <p>13 form. I just read this form. So I will have to revise</p> <p>14 mine.</p> <p>15 MEMBER GADARIAN: Mr. Attorney, perhaps you</p> <p>16 could elaborate again what that is. That's a state law or</p> <p>17 a national law concerning --</p> <p>18 MR. MURAI: It's our own -- it's our own rules.</p> <p>19 MEMBER GADARIAN: No. Concerning the law</p> <p>20 concerning your residence, is that a statewide basis?</p> <p>21 MR. MURAI: I don't know. I know that it's in</p> <p>22 our own rules.</p> <p>23 MEMBER GREIG-NAKASONE: So only list it if they</p> <p>24 owe on it?</p> <p>25 MR. MURAI: No, no, no. You do not need to</p>
Page 18	<p>1 would be more concerned if the wife was, you know, a</p> <p>2 member of an engineering/consulting/planning type firm.</p> <p>3 MEMBER CURTIS: Where that would be regular.</p> <p>4 CHAIR MACARIO: That might be a more concerning</p> <p>5 position. But thank you for flagging it, Sara. It's</p> <p>6 certainly good to know you notice those things.</p> <p>7 So is there any other discussion on the</p> <p>8 Financial Disclosures we've identified?</p> <p>9 MEMBER WEISS: I've reviewed all these and</p> <p>10 didn't really know what to look for. Most of it seems to</p> <p>11 be conflicts, but I have got a question. Because on this</p> <p>12 one right here, it's Keith Regan, two very high earners</p> <p>13 and no real property. You think that was just an</p> <p>14 omission, they just rent?</p> <p>15 MEMBER CURTIS: You don't need to put your</p> <p>16 personal property in, right?</p> <p>17 MR. MURAI: Primary residence does not --</p> <p>18 MEMBER GADARIAN: Residence.</p> <p>19 MEMBER CURTIS: It's just any additional. And I</p> <p>20 noticed that was a change in the form in the past year,</p> <p>21 where you used to have to put your primary residence and</p> <p>22 now you no longer do that.</p> <p>23 MEMBER GADARIAN: That is correct.</p> <p>24 MR. MURAI: No. I think -- didn't we always</p> <p>25 exclude your primary and --</p>
Page 20	<p>1 disclose real property -- you need to disclose all real</p> <p>2 property you own, but excluded from that is your personal</p> <p>3 residence.</p> <p>4 MEMBER GREIG-NAKASONE: Oh. Does it say that?</p> <p>5 MEMBER CURTIS: Yeah, on the top.</p> <p>6 MEMBER WEISS: Just read the small print.</p> <p>7 MR. MURAI: It's because --</p> <p>8 MEMBER WEISS: Which I didn't.</p> <p>9 MR. MURAI: If I had to guess, it is just a</p> <p>10 guess because I have not done the legislative research,</p> <p>11 it's because, you know, you do have a right to privacy in</p> <p>12 where you live.</p> <p>13 MEMBER CURTIS: So you have to include the</p> <p>14 mortgage on your personal residence, but not the property</p> <p>15 itself?</p> <p>16 MR. MURAI: Right.</p> <p>17 MEMBER GREIG-NAKASONE: I was just looking under</p> <p>18 debt portion.</p> <p>19 MR. MURAI: You'll see a mortgage listed under</p> <p>20 debts, but you'll see no property listed.</p> <p>21 MEMBER GREIG-NAKASONE: Ah.</p> <p>22 CHAIR MACARIO: I don't want to speculate, but I</p> <p>23 do believe that the reason for that is a privacy issue,</p> <p>24 because most of these are publicly filed and available.</p> <p>25 And you don't necessarily want your residence address on</p>

<p style="text-align: right;">Page 21</p> <p>1 public file. So you can identify the source, you know, of 2 any debt, but you don't necessarily have to put your 3 personal residence in a publicly-filed form. The first 4 page of the Financial Disclosure Statement only goes to 5 us, that's not something that gets filed. So let me know 6 if I am misspeaking. 7 MR. MURAI: That's correct. 8 CHAIR MACARIO: Okay. I did have one additional 9 discussion item for this category. And that was for Fire 10 Chief Jeffrey Murray. On Page 4 of his disclosure, 11 there's a reference to "see additional info" and "check 12 here if additional sheets are attached". I didn't see 13 any. 14 MEMBER GADARIAN: It's in the remarks. 15 CHAIR MACARIO: Is that what you think he was 16 referring to, the remarks? 17 MEMBER GADARIAN: Yes. Yes. 18 CHAIR MACARIO: Okay. It was a little confusing 19 to me because when I see something that says additional 20 sheets attached, I was looking for those. But I agree 21 there is -- there is a comment in remarks. So perhaps we 22 don't need to send that back for clarification. That was 23 a little confusing to me. All right. 24 Any other discussion for this agenda item? All 25 right. All in favor of acknowledging receipt of these</p>	<p style="text-align: right;">Page 23</p> <p>1 MEMBER GADARIAN: Yes. 2 CHAIR MACARIO: Okay. So why don't you just go 3 ahead and let us hear what you have to say? Thanks, Sara. 4 MEMBER GADARIAN: So I have five pages, Lisa. 5 Can you pass out, please? 6 MS. KAHUHU: Oh, of course, Dear. 7 MEMBER GADARIAN: Some of this is reference 8 material, basically. Okay. 9 Okay. So the first page -- to indicate how far 10 back this goes is that, the first page, I wrote a memo to 11 myself concerning what went on in 2016. And so I 12 summarized to say it was item on the agenda in 2016 and 13 we, the Board of Ethics, sent a letter to Mayor Alan 14 Arakawa, Councilmembers White, Guzman, Hokama, Crivello, 15 Couch, Cochran, Victorino, Carroll, Baisa, and Deputy 16 Director of Parks, Brianne Savage. The subject of the 17 letter was concerning gifts received from KemperLesnik 18 Maui Jim Invitational Basketball Tournament in conjunction 19 with the tournament held in November 2015. 20 Each year, elected public officials and 21 department heads and their deputies are required to 22 complete a Financial Disclosure Statement as prescribed by 23 the Board of Ethics. Such statements must be filed by 24 April 15, 2016, and report specified income and other 25 details for the previous calendar year.</p>
<p style="text-align: right;">Page 22</p> <p>1 Financial Disclosures, please say "aye." 2 (Response.) 3 CHAIR MACARIO: All opposed? 4 (No response.) 5 CHAIR MACARIO: All right. That's unanimous. 6 Next item, 6.b., Communication Items, none. 7 6.c., Lobbyist Registration, none. 8 6.d., Discussion on the acceptance of gifts. I 9 understand that Sara has a presentation to make on this 10 issue, but, just for the benefit of the new Members, 11 before we do that, let me just kind of give a little bit 12 of background. We had a public testifier here today to 13 talk about these tickets. And you may or may not be 14 aware, but this comes up every year. We get a series of 15 Financial Disclosures from Councilmembers, elected 16 officials who disclose receipt of Maui Jim Invitational 17 Basketball Tournament tickets. And last year, I believe, 18 this Board sent a proposed resolution to the County 19 Council suggesting a cap on the dollar value of gifts. 20 And that went nowhere. Essentially, it went -- it was 21 submitted to the Council and did not get brought up for a 22 vote, is my understanding. So we're now at the point 23 where the Board is considering whether it needs to take 24 further action on this issue. 25 Does that sound accurate, Sara?</p>	<p style="text-align: right;">Page 24</p> <p>1 Gifts received must be disclosed if the amount 2 exceeds \$50. There are specified exemptions to the gift 3 requirement, including if the recipient returns the gift 4 to the donor or donates it to charity within 30 days of 5 receipt without being claimed as a charitable contribution 6 for tax purposes. There is no dollar limitation on gifts 7 to be reported. 8 According to the County Charter, no officer -- 9 no officer or employee of the County shall solicit, accept 10 or receive any gift, directly or indirectly, whether in 11 the form of money, service, loan, travel, entertainment, 12 hospitality, thing or promise, or in any other form, under 13 circumstances in which it reasonably can be inferred -- it 14 can reasonably be inferred that the gift is intended to 15 influence the officer or employee in the performance of 16 the officer or employee's official duties or is intended 17 as a reward for any -- reward for any official action on 18 the officer or employee's part. 19 I have been a Member of the Board of Ethics 20 since April of 2015. Since that time, I have observed 21 several Members to comment on the amount and propriety of 22 gifts reported by public officials on their Financial 23 Disclosures, specifically gifts related to the annual 24 basketball tournament held at public facilities in 25 November of each year. These comments have been reported</p>

<p style="text-align: right;">Page 25</p> <p>1 in the minutes of public meetings. 2 Finally, it was determined that a cautionary 3 letter was drafted by Corporation Counsel. The draft was 4 approved by the Board at the June 7, 2016 meeting. A 5 sample copy of the letter is attached for reference. 6 Also attached is a listing of the gifts as 7 reported by the County officials in question, plus gifts 8 reported in the disclosure statements reported by those 9 candidates seeking election in 2016. 10 The cautionary letter which you have before you 11 indicates that the Board of Ethics review the Financial 12 Disclosure, and, during its review, the Board of Ethics 13 noted that several elected officials reported they 14 received tickets to the Maui Jim Maui Invitational from 15 KemperLesnik, the value of the tickets ranged in value 16 from \$1,590 to over \$2,000, and indicated the prohibition 17 against gifts. And stated the Board of Ethics has not 18 received, nor does it make any allegation that you or any 19 other elected official have taken official action in 20 violation of the Code of Ethics or that KemperLesnik 21 intended to influence any elected official in the 22 performance of their official duties or to reward them for 23 any official action taken. The Board of Ethics also notes 24 that the Code of Ethics does not place a dollar value on 25 the limits of acceptable gifts.</p>	<p style="text-align: right;">Page 27</p> <p>1 first filing, declared none under the gifts. 2 Now we have -- so far, as of April 11, 2018, we 3 have one Councilmember who has received \$726 worth of game 4 tickets and recycle bag, one Councilmember who has 5 received 12 tickets and two all-tournament for a total 6 value of \$2,238. And one Councilmember who has received 7 \$100 in swag bag. Other Councilmembers are declaring 8 none. And I believe that Councilmember Atay has still not 9 filed his Financial Disclosure, I am not sure, but, to my 10 knowledge, it has not been filed. 11 So does the Council -- as our attorney indicated 12 and as Matthew indicated, there -- there have been two 13 discussions face forward, one is the amount of any gift, 14 and the Board of Ethics tried to put -- tried to put 15 forward a resolution to go to the Council to go -- it 16 had -- you have to amend the Charter to prohibit gifts of 17 any value. So the proposed amendment went to Council 18 Chairman Michael White. It was not submitted to the 19 Council. Michael White received it. 20 And as a matter of note, Michael White indicated 21 that, in his 2017 filing, for 2016, that he distributed 22 the tickets he got to fellow staff members and some 23 basketball people, but, on the advice of counsel, 24 Corporate Counsel, that he disclosed those tickets. 25 So the practice among one person was to give the</p>
<p style="text-align: right;">Page 26</p> <p>1 However, based upon the reported value of the 2 Maui Jim Maui Invitational tickets, should KemperLesnik or 3 anyone else offer you gifts of similar value in the 4 future, the Board of Ethics urges you to consider whether 5 it can reasonably -- can be reasonably inferred that the 6 gift is intended to influence or reward you. Should you 7 conclude in the affirmative, the Board of Ethics 8 recommends that you decline acceptance of the gift. 9 You are encouraged to seek an advisory opinion 10 from the Board of Ethics on these issues should you 11 disagree with this cautionary letter or if you have 12 questions on specific circumstances. 13 This was signed by Randol Leach, Chair of the 14 Maui County Board of Ethics. 15 So these were the specific values that were 16 reported in 2016. And the letter was generated in the 17 spring of 20 -- the letter was generated in August of 18 2016. So in 2017, I made a listing of the public 19 officials who received gifts from KemperLesnik Maui Jim 20 Maui Invitational. So we had gifts for a number -- one, 21 two, three, four -- four Council -- Mayor and three 22 Councilmembers who reported \$2,210 worth of tickets and 23 including a gift -- \$100 -- plus \$100 in gift bag. One 24 Councilmember reported a swag bag, two Councilmembers 25 reported gift bags and three new Councilmembers, in their</p>	<p style="text-align: right;">Page 28</p> <p>1 tickets to staff members. Whether they are using them or 2 not using them themselves, it is largesse that it could be 3 given out, and widely known that -- that tickets are still 4 being issued by KemperLesnik. And we can hope that 5 they're being donated to charity, but this is still a 6 largesse because if a Councilperson has 12 tickets to the 7 game and that person gives to the Boys and Girls Club, as 8 far as the Boys and Girls Club, their concern, that came 9 from the Councilperson. That's my surmising. And I am 10 not accusing anybody of anything, but -- 11 MEMBER GREIG-NAKASONE: It should go straight to 12 the Boys and Girls Club. 13 MEMBER GADARIAN: Unseemly. The gift itself is 14 unseemly and can be construed, in my mind, for the last 15 three years, as being a reward for behavior. The County 16 of Maui sponsors this tournament in addition to the Maui 17 Visitors and all of that. The County of Maui, 18 KemperLesnik/Maui Jim, the sponsors do pay a large amount, 19 they pay a certain amount, but it's still that whole 20 activity is something that has to be included in the 21 Police budget, it has to be included in the Parks and 22 Recreation budget for the Councilmembers' year. So the 23 Councilmembers vote on these budgets and part of these 24 activities that take place. That's not a normal Police 25 matter or Parks and Recreation matter, where you close</p>

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1 down a recreational facility for -- for X-amount of days,
 2 and not available to the public. And tickets are very
 3 valuable, they're hard to get by the public. All of this
 4 is not proper.
 5 How do I summarize it? But that's my
 6 presentation.
 7 CHAIR MACARIO: All right. Thank you, Sara.
 8 Gary, is it appropriate to like mark this as an
 9 exhibit to our minutes for today?
 10 MR. MURAI: You can make Sara's memo part of the
 11 record.
 12 CHAIR MACARIO: I want to thank you for your
 13 hard work on this, Sara. Is this something you would like
 14 to have marked as an exhibit to our meeting today?
 15 MEMBER GADARIAN: Yes, please.
 16 CHAIR MACARIO: Why don't we do that?
 17 MR. MURAI: I don't know -- Lisa, just -- I
 18 think we can just identify it as --
 19 CHAIR MACARIO: Exhibit A or something.
 20 MR. MURAI: No. Just a memo from Board Member
 21 Gadarian, dated Tuesday, April 10, 2018 --
 22 CHAIR MACARIO: Okay.
 23 MR. MURAI: -- consisting of five pages. I
 24 think that's sufficient.
 25 CHAIR MACARIO: All right. And thank you again,

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1 Sara.
 2 I had asked Gary to be available with answering
 3 questions about what our options are. I am not suggesting
 4 that we need to do anything in response to this agenda
 5 item, but it's clearly an issue that keeps coming up and I
 6 know some of our Board Members in particular feel very
 7 strongly about it. So I want to make sure that we, as a
 8 Board, have an understanding of what options, if any, we
 9 have in moving forward now that we know that the County
 10 Council has not acted upon our proposed resolution. Any
 11 comments on that, Gary?
 12 MR. MURAI: You know -- well, I think the Board
 13 has proceeded cautiously with legitimate concerns. And
 14 the Board has written letters of caution to elected
 15 officials in the past. I'm not aware of any response to
 16 those letters. This Board has, also, submitted a
 17 resolution, that Sara has described, that the Council has
 18 chosen not to take up.
 19 Now, we hear requests for advisory opinions all
 20 the time. And, typically, advisory opinions are requested
 21 by County employees for actions that they intend to take.
 22 They are sometimes requested by employee supervisors who
 23 say, well, one of my staff is thinking about doing this,
 24 that or the other thing, and I am concerned about it.
 25 One other thing that the Board can do is we're

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1 in the business of educating and -- educating County
 2 employees about the Code of Ethics and ethical conduct.
 3 The Board can, on its own, render an informal advisory
 4 opinion on the matter. So, in other words, just like
 5 people can come to us to ask for guidance, we can -- we
 6 can initiate the request for the Board to issue an
 7 advisory opinion.
 8 Now, the difference between an advisory opinion
 9 and what the Board has done in the past, which is just
 10 issue a cautionary letter, is that if the recipients of
 11 the advisory opinion do not comply, then the Board has the
 12 option to take it to the next level and treat it as a
 13 formal -- I mean, the Board can issue a complaint based on
 14 the noncompliance. So I don't want to speculate as to
 15 what people would do, but, again, if the Board -- and I
 16 can understand -- I can -- I can -- I detect a tone of
 17 frustration.
 18 MEMBER GREIG-NAKASONE: Well, it seems like they
 19 already received cautionary --
 20 MR. MURAI: Yeah, they did. They did.
 21 MEMBER GREIG-NAKASONE: They are just
 22 disregarding.
 23 MEMBER GADARIAN: One. One.
 24 MR. MURAI: And, you know, cautionary letters
 25 are only worth, I guess, how seriously the folks who

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1 receive them take them. If the Board is so inclined, the
 2 Board could consider issuing a -- or initiating an
 3 advisory opinion.
 4 Now, in fairness to the folks who are affected,
 5 they would be entitled to notice of what the Board is
 6 contemplating so that they may submit their position, they
 7 may come to the -- our meeting to either express their
 8 position or answer questions the Board may have.
 9 So the Board has already done other things to
 10 address the Board's concerns, like I said, the cautionary
 11 letters, the resolution. There is a -- as I said, there's
 12 a third -- there's another option, which is an advisory
 13 opinion, which, while it is still advisory in nature, I
 14 think probably carries a little bit more weight than a
 15 cautionary letter because it would -- you know, it would
 16 result after giving the affected folks notice that the
 17 Board is doing this and an opportunity to respond.
 18 MEMBER WEISS: If I may, in this form, it seems
 19 like it's an inherent conflict of interest when Maui Jim
 20 Invitational seems to be the overwhelming lucrative gift
 21 that most of these applicants or filers are placing on
 22 their statements. And if the only avenue is to give it to
 23 someone in the Council, the Chair of the Council, to bring
 24 this in front of the Council, and they don't, that process
 25 just smells of conflict, anyway, because this seems to be

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1 the most lucrative gift of the year. And unless it's --

2 MEMBER GREIG-NAKASONE: It's a County-sponsored

3 event, you know. It's not like the County is not putting

4 in anything into the event.

5 MR. MURAI: Well, I am not -- I am not totally

6 conversant in how the Maui Jim is run. I am -- I do

7 believe, though, that when they use the Lahaina Civic

8 Center, I know they rent it. So I don't think they get

9 that for free. I don't know about things like if

10 additional police are needed for traffic control or crowd

11 security. That, I don't know.

12 I do believe that the Maui Jim Invitational gets

13 a grant from the Maui tourist -- I forget what the name

14 is -- the Maui Visitors --

15 MEMBER GADARIAN: Maui Visitors Bureau.

16 MR. MURAI: Maui Visitors Bureau gives them --

17 sponsors -- you know, in order to entice KemperLesnik to

18 bring the -- bring their event here and not Miami or, you

19 know, someplace else, they -- they give them incentives.

20 So I don't -- I am not -- and, again, so we don't know for

21 sure what -- whether there's any kind of quid pro quo.

22 And that's why the process of issuing an advisory opinion

23 gives folks, I guess, for lack of a better word, their due

24 process rights of notice of what the Board is

25 contemplating and an opportunity to come in tell their

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1 side of the story.

2 MEMBER GADARIAN: So I believe we need -- pardon

3 me. The Board does not have all of the facts on which to

4 surmise this. We have knowledge that there is additional

5 police, there is disruption to Parks and Recreation, there

6 is this going on. I believe that -- I am hanging this on

7 the budget type of thing that the Councilpeople work on.

8 So what -- what is the nature of the budget items that

9 they -- I mean, why -- why have they been giving --

10 getting this gift of tickets from the sponsor of this

11 tournament? Why? As a reward. It cannot be construed as

12 anything else, in my opinion. But a reward for what?

13 So can we have an official investigation on what

14 action the Council does take in this regard, or the

15 Councilpeople? I mean, what -- what generates this

16 generosity on the fact that the sponsor that --

17 MEMBER CURTIS: So I have had -- I am not sure

18 if this is the purview of the Board, but if you have

19 been -- run up against getting a response from the

20 Council, have you considered -- because it seems to be a

21 single entity -- just going to KemperLesnik and just,

22 "Would you volunteer to provide us a list of the gifts you

23 give?" And that way, it's an open book from the -- you're

24 not passing a law, but you're just saying, hey, you know,

25 you're participating with the County, we just want to make

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1 sure there's not a conflict, would you provide to us a

2 list of free tickets you distribute to employees of the

3 County.

4 MR. MURAI: You mean pose a question to --

5 MEMBER CURTIS: Pose the questions --

6 MR. MURAI: -- to KemperLesnik?

7 MEMBER CURTIS: Yeah, to the sponsor. Is the

8 goal to be open book or is the goal to eliminate the --

9 MR. MURAI: I believe the Board can ask, but I

10 don't know that they are compelled to respond.

11 MEMBER CURTIS: I don't think they would be

12 compelled, but the gentle approach, saying, "Would you be

13 willing to share this information" --

14 MR. MURAI: The Board does -- we do have -- I

15 hope I am not confusing myself with another board, but I

16 think this Board has subpoena power.

17 MEMBER CURTIS: I was thinking more of a

18 friendly -- I mean, this -- personally, I have attended

19 this event many times. I used to live in West Maui. My

20 son played basketball. It was a -- I took him and his

21 teammates to many of the games when I was over there.

22 It's a lot more busy now, I understand that, but it's,

23 also, a big visitor draw during the slower -- slower time

24 in the season. So unless you're driving through the

25 traffic in West Maui, it's a benefit to the County.

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1 MEMBER GREIG-NAKASONE: Well, I think what we're

2 looking at is Councilmembers getting gifts to ensure that

3 that benefit happens for a certain group. And if the

4 Charter says they shouldn't be accepting gifts -- accept

5 or receive any gift, directly or indirectly, whether in

6 the form of money, service, loan, travel, entertainment,

7 hospitality, thing or promise -- I am just thinking about

8 the poor girl from, what is it, Planning, that we drilled

9 about her gift of that flight that she actually earned

10 with her work that she put in. And we sat over here

11 drilling her about her \$500 flight. And here we are

12 giving these -- letting these people have gifts for giving

13 away our money. It's not their money. It's the people's

14 money. And that's all they're doing, is budgeting it.

15 Yet, they're getting \$4,000, \$2,000, these big gifts for

16 doing -- just doing it, you know. Like I don't think we

17 should be treating the employees different from the

18 elected officials. The elected officials should be under

19 even closer scrutiny than the employees. I am just

20 thinking about that girl, and we like drilled her, you

21 know, about like why, why did you even submit it, why did

22 you submit your good work, you know what I mean, but, yet,

23 we're like, oh, well, you know, four grand in tickets.

24 MEMBER WEISS: And equally as important, I

25 think, is not -- yes, the County Council is getting these

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1 tickets, they're probably not using them themselves, but
 2 where are they going? So they're not asked to disclose, I
 3 received \$3,000, \$4,000 in tickets and then I gave them
 4 out. To whom, to supporters, to people that could benefit
 5 me, to the Boys and Girls Club?
 6 MEMBER CURTIS: I am not disclosing because I --
 7 MEMBER WEISS: Because it could --
 8 MEMBER CURTIS: -- turned it over.
 9 MEMBER WEISS: Yeah, could have turned into
 10 another conflict because I've given it to someone that
 11 supports me or my gardener.
 12 MR. MURAI: To be clear, though, the only time
 13 that you can be excused from disclosing the gift is if you
 14 donated it, I think, within 30 days to a nonprofit. So,
 15 in other words, we had one former Councilmember who would
 16 receive this gift and he would promptly donate it to Boys
 17 and Girls Club, and so, therefore, he did not need to
 18 disclose it. So if you just gave it to your campaign
 19 supporters, your staff, you would still need to disclose
 20 it.
 21 MEMBER WEISS: Well, you would disclose your
 22 receiving it, not once you've given what you received.
 23 Because these are \$4,000 in tickets, maybe \$200 each.
 24 MR. MURAI: And I think that's a weakness in the
 25 way we ask the question.

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1 Now, this is not our rule that says that if you
 2 donate it, you don't need to disclose it. That's State
 3 law. So --
 4 MEMBER GREIG-NAKASONE: That's an interesting
 5 law, too.
 6 MEMBER WEISS: But that's -- I'm sorry.
 7 MEMBER GREIG-NAKASONE: I'm sorry.
 8 MEMBER WEISS: It's to a nonprofit. I mean,
 9 it's --
 10 MR. MURAI: To a nonprofit.
 11 MEMBER WEISS: That's a select group. If you're
 12 giving it to friends, family, supporters --
 13 MEMBER GADARIAN: You received it.
 14 MEMBER WEISS: -- you don't qualify as a
 15 nonprofit. You should have to disclose where they went
 16 because then it might -- you're buying favors, possibly.
 17 MR. MURAI: You know, I kind of get a sense of
 18 what the Board is thinking about. And I would suggest
 19 this. This matter is on the agenda for discussion only.
 20 If the Board is inclined to take any affirmative action,
 21 we can't do that today because the agenda just says we're
 22 going to talk about it, not necessarily act on it. If the
 23 Board would like to debate or consider whether the Board
 24 wants to do anything further than discuss the matter, I
 25 would suggest that, for the next meeting's agenda, we

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1 carry this matter over, but instead of just saying
 2 discussion of, you know, acceptance of gifts, we may say
 3 discussion and possible action regarding acceptance of
 4 gifts.
 5 MEMBER CURTIS: So just to get me up to speed,
 6 the history was we've reported these gifts, we asked the
 7 Council to set -- potentially consider setting a limit to
 8 the acceptable amount of gifts, is that what -- go ahead.
 9 MEMBER GADARIAN: Two different subjects, yes.
 10 MEMBER CURTIS: Okay. And there was no response
 11 to that, so this is a follow-up to, okay, well, maybe
 12 we'll come up with a new --
 13 MR. MURAI: Right.
 14 MEMBER CURTIS: -- internal cap?
 15 MR. MURAI: No, no, no. Well --
 16 MEMBER CURTIS: Or --
 17 MR. MURAI: No. Because our Charter does not
 18 specify a limit on the gifts, we asked the Council to
 19 place the matter for consideration of a Charter amendment.
 20 That did not happen. We've, also, tried the cautionary
 21 letters, which are --
 22 MEMBER GADARIAN: 2006.
 23 MEMBER CURTIS: Uh-huh.
 24 MR. MURAI: And I think we might have done it
 25 even more than once.

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1 MEMBER GADARIAN: I don't have any --
 2 MR. MURAI: I can't remember. But the other
 3 alternative that -- you know, since Matt asked me to think
 4 about what other options the Board has, the other option
 5 that is provided for in your rules would be the Board
 6 initiating a hearing on an advisory opinion so that the
 7 Board can state its position, you know, using a vehicle
 8 that has more -- more weight. But to do that, we would
 9 need to provide -- we would have to, I guess, frame what
 10 the request is, transmit copies to all of the affected
 11 people, I guess in this case Councilmembers and the Mayor
 12 and --
 13 MEMBER CLAYTON: Parks Director, too.
 14 MEMBER GADARIAN: That was -- that was 2016. No
 15 more, yeah.
 16 MR. MURAI: And --
 17 CHAIR MACARIO: Well, we don't know, though,
 18 right? We don't know if they're being offered, though?
 19 MEMBER GADARIAN: There's no --
 20 CHAIR MACARIO: Because I think that --
 21 MEMBER GADARIAN: Yeah, they're reporting none.
 22 CHAIR MACARIO: Some of these folks are probably
 23 being offered tickets, but are declining to receive them.
 24 We don't know that, but that seems to be the case. So --
 25 MR. MURAI: Yeah. And, again, I guess I need to

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1 remind myself that we can't paint all Councilmembers with
 2 the same brush. I would note that several Councilmembers
 3 reported receiving no gifts. I guess, you know, maybe
 4 they -- maybe they -- maybe they are the ones following
 5 the advice and not accepting.
 6 MEMBER CURTIS: Or accepting and passing on to
 7 the nonprofit, but that's not clear.
 8 CHAIR MACARIO: Or accepting and not reporting
 9 it, which is even a bigger problem.
 10 VICE-CHAIR COURSON: All of that is speculative,
 11 though.
 12 MEMBER CURTIS: That's why I was thinking, if it
 13 came from the other side and we just asked the vendor,
 14 it's not required, but we're just asking, would you be
 15 willing to provide a list of your donated tickets.
 16 MR. MURAI: Well, we can ask. And the worse
 17 they can -- the worse that can happen is they'll say "no"
 18 or they won't respond. But nothing ventured, nothing
 19 gained.
 20 MEMBER GADARIAN: Can we, as part of our
 21 discussion of possible action, next meeting, get some
 22 inclination of the budget items and where -- that are
 23 involved with -- with this -- I mean, how -- how
 24 Councilpeople and the Mayor are involved in producing this
 25 tournament?

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1 MEMBER GREIG-NAKASONE: That's public, though,
 2 yeah?
 3 MR. MURAI: Oh, yeah. Whatever public monies
 4 are spent are public information. So, Sara, what I hear
 5 you saying is you want to know how we can obtain that
 6 information, what County resources are provided to the
 7 tournament, is that what you're asking?
 8 MEMBER GADARIAN: Well, yes. If we're saying
 9 that -- I am saying that I consider it a reward for
 10 behavior. So what behavior are we rewarding, rewarding
 11 voting on this allocating money, allocating resources to
 12 this specific activity of the County?
 13 MR. MURAI: Well --
 14 MEMBER GADARIAN: What are you doing to get a
 15 reward? I can't make an accusation that it's -- in my
 16 mind, it's considered a reward for behavior, but I can't
 17 put my finger on it.
 18 MR. MURAI: So that's what the hearing is about.
 19 MEMBER GADARIAN: What's that?
 20 MR. MURAI: For the Board of Ethics, the hearing
 21 on the request for an advisory opinion, or even if it's a
 22 complaint, that's what is considered the investigation.
 23 MEMBER GADARIAN: Oh.
 24 MR. MURAI: In other words, when you say I want
 25 to know what the exchange is or what's the quid pro quo,

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1 you invite the folks down and ask them. That's how it
 2 works.
 3 MEMBER GADARIAN: Okay.
 4 CHAIR MACARIO: So if I am understanding, Gary,
 5 what happens is we can decide today to put on the agenda
 6 for next meeting this topic about whether we want to hold
 7 a hearing on an advisory opinion. I don't think we can
 8 decide to do that today. Is that what you're saying?
 9 MR. MURAI: Right. The decision to initiate a
 10 request for an advisory opinion on the Board's own motion
 11 is -- I don't believe it's adequately -- I don't believe
 12 the agenda item adequately encompasses that decision. It
 13 just says discussion.
 14 CHAIR MACARIO: So for a practical matter, we're
 15 looking at two meetings down the road, potentially, be the
 16 earliest time we could have a hearing per se, is that
 17 right? Okay.
 18 MEMBER WEISS: And if nothing is discovered as
 19 the quid pro quo, there potentially is a gift of
 20 privilege. Because even if they're not benefiting,
 21 they're benefiting more than you and I that aren't in a
 22 position of power. And they're getting something. Why
 23 are they getting it? Well, they may be getting a
 24 lucrative contract or support. If not, they're just
 25 getting something that they're not going through the phone

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1 book and picking out 12 people to give \$4,000 worth of
 2 tickets. They're specifically picking out people of power
 3 in the County that shouldn't have any privilege over, you
 4 know, any other person in the general public.
 5 CHAIR MACARIO: Yeah. The rule says direct or
 6 indirect, which is, of course, the key. So --
 7 MR. MURAI: And under circumstances in which it
 8 could be reasonably inferred. So, you know --
 9 MEMBER GREIG-NAKASONE: Because even if they
 10 gave it to like the Boys and Girls Club, we have sitting
 11 Councilmembers that sit on the board, we have -- you know
 12 what I mean? Like there's a way for them to do it without
 13 reporting it, yet it's still going to the same people.
 14 MEMBER WEISS: If I was KemperLesnik and I
 15 wanted more press, I would give them directly to the Boys
 16 and Girls Club and make sure I had pictures with them when
 17 they're in the best seats under the basket.
 18 MEMBER CLAYTON: Exactly.
 19 MEMBER WEISS: And bypass all the cronyism,
 20 possibly.
 21 MEMBER GREIG-NAKASONE: Yeah. Exactly.
 22 CHAIR MACARIO: It sounds like we're all in
 23 agreement that we should add this agenda item next
 24 meeting.
 25 MEMBER GREIG-NAKASONE: Yeah.

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<p>1 MEMBER CLAYTON: Yeah.</p> <p>2 MEMBER CURTIS: Many years ago --</p> <p>3 MEMBER GADARIAN: My motion -- sorry.</p> <p>4 MEMBER CURTIS: -- you used to be able to buy</p> <p>5 tickets through the Mayor's Office, but I don't think</p> <p>6 that's any longer the case.</p> <p>7 MR. MURAI: I have not heard of that. That must</p> <p>8 have been a long time ago.</p> <p>9 MEMBER CURTIS: That was maybe 15, 20 years ago.</p> <p>10 You could actually buy some of them.</p> <p>11 MEMBER WEISS: I don't buy anymore. I used to</p> <p>12 go when (inaudible) had them, but I understand it's very</p> <p>13 difficult if you live here because they give most to the</p> <p>14 schools. Extremely difficult to get tickets. And they're</p> <p>15 very expensive, too. It's -- mostly, one side is</p> <p>16 Wisconsin, the other side is Kansas, and very few -- you</p> <p>17 know, except for maybe the trickledown County gifts.</p> <p>18 MEMBER CURTIS: That must have been back when</p> <p>19 they were trying to fill the seats. Now they fill --</p> <p>20 MEMBER WEISS: And air conditioning, they had a</p> <p>21 tough time filling it.</p> <p>22 MEMBER CLAYTON: Yeah, that's it.</p> <p>23 CHAIR MACARIO: Okay. All right. So what do</p> <p>24 we -- what do we do? Can you and Lisa work on the agenda</p> <p>25 item for next month --</p>	<p>1 CHAIR MACARIO: It's unanimous. All right.</p> <p>2 (Executive Session, 1:39 p.m. to 2:32 p.m.)</p> <p>3 CHAIR MACARIO: Okay. Back in Regular Session.</p> <p>4 Is there a motion to adjourn our Regular Session for today</p> <p>5 and terminate the meeting?</p> <p>6 VICE-CHAIR COURSON: So moved.</p> <p>7 CHAIR MACARIO: Second?</p> <p>8 MEMBER GADARIAN: Second.</p> <p>9 MEMBER GREIG-NAKASONE: Second.</p> <p>10 CHAIR MACARIO: All in favor?</p> <p>11 (Response.)</p> <p>12 CHAIR MACARIO: All opposed?</p> <p>13 (Response.)</p> <p>14 CHAIR MACARIO: Unanimous. (Gavel.)</p> <p>15 (Meeting concluded, 2:33 p.m.)</p>
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<p>1 MR. MURAI: Right.</p> <p>2 CHAIR MACARIO: -- to capture what we've talked</p> <p>3 about?</p> <p>4 MR. MURAI: Yeah, we can.</p> <p>5 MEMBER GADARIAN: Mr. Chair, I make a motion</p> <p>6 that we put on the agenda for next meeting --</p> <p>7 MR. MURAI: No need.</p> <p>8 MEMBER GADARIAN: Thank you. Oh.</p> <p>9 CHAIR MACARIO: Yeah, I don't think a motion is</p> <p>10 required.</p> <p>11 MEMBER GADARIAN: Thank you.</p> <p>12 CHAIR MACARIO: We'll be sure it's on the next</p> <p>13 agenda. All right.</p> <p>14 Thank you again, Sara, for all your preparation</p> <p>15 on the issue.</p> <p>16 Agenda Item 7, Announcements, none.</p> <p>17 Agenda Item 8, our next meeting is here, on May</p> <p>18 9th, at 12:30.</p> <p>19 Is there a motion to adjourn Regular Session and</p> <p>20 go into Executive Session?</p> <p>21 MEMBER CLAYTON: So moved.</p> <p>22 CHAIR MACARIO: Is there a second?</p> <p>23 MEMBER GREIG-NAKASONE: Second.</p> <p>24 CHAIR MACARIO: All in favor?</p> <p>25 (Response.)</p>	<p>1 CERTIFICATE</p> <p>2</p> <p>3</p> <p>4 I, TONYA MCDADE, Certified Court Reporter of the</p> <p>5 State of Hawaii, do hereby certify that the proceedings</p> <p>6 contained herein were taken by me in machine shorthand and</p> <p>7 thereafter was reduced to print by means of computer-aided</p> <p>8 transcription; and that the foregoing represents, to the</p> <p>9 best of my ability, a true and accurate transcript of the</p> <p>10 proceedings had in the foregoing matter.</p> <p>11 I further certify that I am not an attorney</p> <p>12 nor an employee of any of the parties hereto, nor in any</p> <p>13 way concerned with the cause.</p> <p>14 DATED this 30th day of April, 2018.</p> <p>15</p> <p>16 /s/ Tonya McDade</p> <p>17</p> <p>18 Tonya McDade</p> <p>19 Certified Shorthand Reporter #447</p> <p>20 Registered Professional Reporter</p> <p>21 Certified Realtime Reporter</p> <p>22 Certified Broadcast Reporter</p> <p>23</p> <p>24</p> <p>25</p>