

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM (DBEDT)
MINUTES OF THE COMMISSION ON THE 13TH FESTIVAL OF
PACIFIC ARTS & CULTURE (FESTPAC) MEETING

WEDNESDAY, OCTOBER 23, 2019, AT 11:00 A.M.

HAWAI'I CONVENTION CENTER
1801 KALĀKAUA AVE., BOARD ROOM B
HONOLULU, HAWAI'I 96815

Commission Members Present were:

Snowbird Bento	-	Community Member At-Large
Māpuana de Silva	-	Community Member At-Large
Mehanaokala Hind	-	Office of Hawaiian Affairs
Kalani Ka'anā'anā	-	Hawai'i Tourism Authority Designee
Misty Kela'i	-	City & County of Honolulu Designee
Dennis Ling	-	Department of Business, Economic Development & Tourism (DBEDT) Designee
Monte McComber	-	Governor's Designee

Guests:

Jacob Aki	-	Senator English's Office
Donalyn Dela Cruz	-	Strategies 360
Maka Casson-Fisher	-	Hawai'i Tourism Authority
Honey Maltin-Wisot	-	Strategies 360
June Matsumoto	-	Pacific Islands Institute
LorMona Meredith	-	Pacific Islands Institute
Jay Rojas	-	PA'I Foundation
Vicky Holt-Takamine	-	PA'I Foundation
Darrett Tanno	-	Royal Hawaiian Center

Staff:

Margaret Ahn	-	Attorney General's Office
Jamie Lum	-	DBEDT
Selma Malcolm (Recording)	-	DBEDT

Apologies:

J. Kalani English, Chair	-	Senate President's Designee
Richard Onishi	-	House Speaker's Designee

CALL TO ORDER:

The meeting was called to order by Mr. Ka'anā'anā on Wednesday, October 23, 2019, at 11:14 a.m., who welcomed everyone present.

Moment of Contemplation was said by Mr. Maka Casson-Fisher.

APPROVAL OF OCTOBER 9, 2019 MEETING MINUTES:

Minutes of the meeting held on Wednesday, October 9, 2019, were approved on a motion by Mr. McComber and seconded by Ms. de Silva to accept the minutes as amended.

OLD BUSINESS:

A. DBEDT Report:

Mr. Ling presented DBEDT's report.

Allowable Features for FESTPAC Website:

Mr. Ka'anā'anā referred the Commissioners to their meeting packets for the details on allowable features for FESTPAC website. He asked that DBEDT and/or Ms. Ahn check with the State Procurement Office (SPO) on an item in the Ethics Commission's email regarding fundraising, as it states the Ethics Commission does not deal with Procurement. Ms. Ahn indicated that she would do so. Mr. Ka'anā'anā then suggested that in general, DBEDT should be responsible to follow-up with SPO on any matters.

Mr. Ling shared information he obtained informally from the State Procurement Office on solicitations for sponsorships. He noted that the State Procurement Office confirmed that DBEDT can solicit sponsorships through a Request for Proposal (RFP) and that exclusivity can be offered for more than one entity, if it is noted in the RFP. Mr. Ling also noted that the contractor is not required to do an RFP for sponsorships. During discussion, Mr. Ka'anā'anā reiterated that PA'I Foundation as a contractor, can solicit for donations as they deem fit as guided by the Commission.

PA'I Foundation Contract Renegotiation:

Mr. McComber presented a summary of the meeting with DBEDT and PA'I Foundation regarding the renegotiation of PA'I Foundation's contract. He updated the Commission on the budget priorities, i.e., delegate housing and meals, ground transportation, the Hawai'i Convention Center (HCC, as the main venue) and programs. He said that DBEDT's contract with HCC is confirmed (at cost) with a 50 per cent discount on the overall costs of HCC; and PA'I Foundation will be submitting to DBEDT a master list of the rooms which DBEDT will be using to finalize the contract with HCC. PA'I Foundation is planning to make a presentation to the Hawai'i Tourism Authority (HTA) Board of Directors at their board meeting on November 21, 2019, to request funding for

FESTPAC 2020. PA'I will present to the Commission at the next meeting on November 13, 2019 what their request to HTA will be, which will include a detailed budget with re-appropriations based on the budget priorities previously discussed, cash raised by PA'I and how it would be spent, and the in-kind donations. The next step will be for DBEDT to submit a revised overall budget to the Commission at the November 27, 2019 meeting. The Commission can then contemplate whether a request for an emergency appropriation to the Legislature is needed. During discussion, Mr. Ka'anā'anā on behalf of the Commission and DBEDT asked whether PA'I Foundation will be making the payments for delegate housing and meals, ground transportation, the HCC and programming since those items are already attached to their contract.

Ms. Kela'i stated that her team, i.e., police, first responders, fire fighters, ambulances, lifeguards, etc. is requesting a tentative event-by-event schedule so they can put together their plans. She also needs this so she can estimate the cost to the City and then send her recommendations to Mayor Caldwell so he can make a determination of the level of the City's support for FESTPAC. She will be meeting with Ms. Takamine to discuss the events including a detailed budget for programming.

Mr. Ka'anā'anā asked if DBEDT had prepared the letter on behalf of the Commission to Governor Ige requesting the release of the \$100,000 restriction from the 2019 appropriation for FESTPAC. Mr. Ling said the request, which is reviewed by Budget and Finance before going to the Governor, has been completed.

While discussing FESTPAC Revenues and Expenditures/Encumbrances from 2017 to 2019, Mr. Ka'anā'anā reiterated his request for a clear budget that reflects real amounts as it is important for the Commission to understand the cash flow. Mr. Ling stated that there is \$613,642 available to be spent (pending an invoice that was submitted by PA'I Foundation) and a total of \$816,042 is remaining in their contract. Mr. Rojas asked what the remaining balance is after the deposit of \$258,000 is paid to the University of Hawai'i for housing. Mr. McComber stated that the remaining balance is \$1,257,066.50, due on December 16, 2019. Ms. Matsumoto stated that she and Mr. Tanaka will be meeting with representatives of the University Hawai'i on Friday, October 25, 2019, to request an extension of the deadline from December 16, 2019 to February or March 2020. She also indicated that University of Hawai'i does not provide linens for the dorms, so these will have to be purchased. Mr. Rojas pointed out that with a balance of \$613,642 and \$1,257,066.50 owed to the University, DBEDT will be short by about \$643,000. Further with \$816,042 remaining in the PA'I Foundation's contract he questioned whether DBEDT will want PA'I to direct some of those funds towards paying the University. Mr. Ka'anā'anā suggested that PA'I Foundation and DBEDT work together to find out what portion of that total they would set aside for the budget priorities, i.e., (delegate housing & meals; ground transportation, HCC and programs). Mr. Ling stated that PA'I Foundation should determine what is available to be reprioritized. Mr. McComber then stressed the importance of reprioritization since it is a pre-requisite for the emergency appropriation with the Legislature and without that, the whole strategy would fall apart. Ms. Takamine stated that PA'I's suggested approach would be to ask the Legislature for an emergency appropriation to cover the priority categories, housing, transportation, etc., then PA'I Foundation would fund programming. She said she is currently working on a

detailed budget for programming and all the information gathered will be distributed at the next Commission meeting.

Ms. Bento suggested that the Commission could create and work with a backward map with a timeframe. She is very pleased that the actual dates are being placed on the events as that helps the Commissioners to know what they can assist with to help meet deadlines.

B. Other Reports:

PA'I Foundation

Ms. Takamine presented the Festival Director's report. She reported the following:

Ms. Takamine presented a draft job description for a Volunteer Coordinator position that she would like to hire for a six (6) month period beginning January 1, 2020 at a salary of \$20,000 and that the salary is included in their revised budget. During discussion, Mr. McComber said Royal Hawaiian Center/Helumoa, will take on the responsibilities of the FESTPAC Volunteer Coordinator position as he will be able to assign his staff to carry out all the duties of the position.

Mr. Ka'anā'anā asked if the Commission would be interested in adopting the Council of Pacific Arts and Culture (CPAC) Handbook as it lays out quite clearly, a framework that the Commission can implement, with certain adjustments. During discussion, Mr. Ka'anā'anā requested a revised list of FESTPAC organizing committee members and proposed that each Commissioner take one of the main sections in the handbook to work with in support of the Festivals, i.e., Artistic, Administration, Government Services, Media Marketing and Scholarship, Venues and Facilities, Support Services and Residential Ops. Ms. de Silva stated that Hawai'i will be the first country to use the handbook and that the Pacific Community (SPC) is requesting our feedback. She encouraged the Commissioners to add their comments as it will help SPC tremendously and also the countries that will host the Festivals in the future. Ms. Takamine will send the Commission an organizational chart for the organizing committees.

The Commission reviewed the sponsorship levels and benefits report Ms. Takamine presented. Ms. Takamine stated that she has been seeking sponsors to assist with various events, i.e., opening and closing ceremonies, queen's pageant, etc., and that she would like to work with Strategies 360 for levels of sponsors of \$50,000 and above. Mr. Rojas presented a PowerPoint presentation that PA'I Foundation has been using to solicit support/sponsors, etc. for FESTPAC. The Commissioners were impressed with the presentation. Ms. Takamine will send a copy of the presentation to the Commissioners.

The Commission also discussed the PA'I Foundation contract with DBEDT. Mr. McComber felt that PA'I Foundation should move forward and hire a fundraiser and follow their procurement policy but DBEDT would have to be notified beforehand.

There was a short break from 1:00 p.m. to 1:08 p.m.

Mr. Ka'anā'anā stated that DBEDT has some concerns about PA'I Foundation's procurements. He then proposed that the Commission approve a motion that would instruct DBEDT to amend PA'I Foundation's contract and anything less than the threshold of \$25,000, PA'I Foundation will be able to contract at will, in compliance with the contract. Anything above the \$25,000 threshold, PA'I will need an RFP with a minimum of three (3) qualified bidders and it will be opened to the public.

During discussion, Mr. Ling explained that the RFP he intended for PA'I is not like the State-issued RFP. Ms. Hind explained that better guidance is needed, because the standard for RFPs practice with the State is a fully written scope for exactly what it is that you want published for at least 30 days and common practice is that the offeror can call a conference and have questions answered.

Mr. Ka'anā'anā asked that DBEDT provide the Commission with a copy of the RFP that was issued previously for a fundraiser. Ms. Takamine stated that the RFP should have been in consultation with them before it was sent out. At this point, Mr. Ka'anā'anā stated that it's important to clarify that there is only one festival director, and it is Ms. Takamine whom the Commissioner and DBEDT hired to implement the festivals.

Mr. Ling requested a motion that for amounts of \$25,000 and below, the contractor will be allowed to contract at will and for amounts over \$25,000, an RFP will be issued that follows best practices for procurement. The motion was withdrawn due to the lack of clarity.

Mr. Ka'anā'anā encouraged PA'I Foundation and DBEDT to meet and clarify certain issues and report at the November 13, 2019 meeting.

Ms. Takamine updated the Commissioners on the status of its contract with Strategies 360. The proposal from media communications is moving forward, the website contracted for initially was done and that PA'I Foundation is still working with Strategies 360 regarding the media kit and sponsorship. Most of the items due on October 22, 2019, were submitted and there is nothing in dispute.

Report on the 29th Meeting of the Council of Pacific Arts and Culture (CPAC) September 10-13, 2019, in Honolulu:

Mr. McComber gave an update on the CPAC meeting. He noted that it was a great experience, a follow-up from the 28th meeting; they discussed the delegations, the Pacific plans for the nations in term of strategic plans that they are developing and continuing to move forward. There was a work session, and everyone worked on different parts of the strategic plan in groups. Ms. Takamine made a presentation. There was also a presentation from the biosecurity team. Ms. de Silva thanked everyone who assisted at CPAC, especially Mr. McComber and Ms. Takamine. She said the delegates were very happy with the information they received; the biosecurity team had a display; the site

visits were excellent; and the delegates were very pleased with all the services they received.

Ms. Takamine also thanked her group for all their support.

NEW BUSINESS:

Chair English received an e-mail confirming participation of 100 delegates from Nauru. Copies of the e-mail were distributed to the Commissioners.

DATE OF NEXT MEETING:

The next meeting is scheduled for Wednesday, November 13, 2019, at 9:00 a.m., at the Hawai'i Convention Center, Executive Boardroom A.

ADJOURNMENT:

The Meeting adjourned at 1:58 p.m., on a motion by Mr. Kalani Ka'anā'anā and seconded by Ms. Māpuana de Silva.

Motion was passed unanimously.

Respectfully Submitted,

Senator J. Kalani English
Chair

Date