



Ke'ena Kuleana Ho'opipa O Hawai'i  
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**SPECIAL BOARD MEETING  
HAWAII TOURISM AUTHORITY  
Wednesday, December 13, 2023, at 1:30 p.m.**

Hybrid In-Person & Virtual Meeting

**Hawai'i Convention Center**  
Parking Level | Executive Boardroom A  
1801 Kalākaua Avenue  
Honolulu, Hawai'i 96815

**MINUTES OF THE SPECIAL BOARD MEETING**

**MEMBERS PRESENT:**

Blaine Miyasato (Chair), Mahina Paishon Duarte (Vice Chair), Kimberly Agas (Zoom), David Arakawa (Zoom), Dylan Ching (Zoom), Mufi Hannemann, Stephanie Iona (Zoom), James Tokioka (Ex Officio, DBEDT Director), Mike White (Zoom)

**MEMBER NOT PRESENT:**

James McCully, Sherry Menor-McNamara, Sig Zane

**HTA STAFF PRESENT:**

Daniel Nāho'opi'i, Ilihia Gionson, Iwalani Kaho'ohanohano, Maka Casson-Fisher, Carole Hagihara-Loo

**GUEST:**

Rebecca Crall, Patrick Dugan, John Manahan

**LEGAL COUNSEL:**

John Cole

**1. Call to Order**

Chair Miyasato called the meeting to order at 1:35 p.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. Gionson did the roll call, and all members were confirmed in attendance except for Mr. McCully and Ms. Menor-McNamara, who were excused. Members who attended via Zoom were by themselves.

## **3. Opening Protocol**

Mr. Casson-Fisher did the opening protocol and encouraged everyone to spend time with family and loved ones during this time.

## **4. Board Chair Report**

Chair Miyasato stated that this was the fifth time he had officiated over a meeting of the HTA Board. He read the following statement to his fellow board members to clarify the reasons for arriving at this personal decision.

Having spent almost four decades at Hawaiian Airlines and having effectively grown up in the company, most of Chair Miyasato's relationships were deeply rooted in this 95-year-old stand-alone airline. He was proud to have contributed to this iconic brand. Hawaiian Airlines was to be acquired by Alaska Airlines in a deal that was expected to take between twelve and eighteen months to complete. Within that time, several regulatory approvals and other protocols would be required. In the meantime, Hawaiian Airlines must continue to operate as a separate entity. During this time, Chair Miyasato felt compelled to channel all his energy and passion and focus on his longtime employer. He needed to do his part to ensure that the transaction would be successfully completed.

With mixed emotions, Chair Miyasato must step down from the role of Board Chair, which he has served for the past six months. He had committed to serving on the HTA board in support of their critical mission and the related values that the Board represented. He would not renege on that commitment and would, with the support of his fellow Board members, remain on the Board and fulfill his kuleana for the remainder of his term, assuming that he would be confirmed as a Board member in the upcoming legislative session.

Chair Miyasato sincerely thanked the Board members for their vote of confidence in placing him in the Chair position. He assured them that he had done his level best to represent the collective interests of the authority, including emulating a regenerative stewardship model where contributions far outweighed extraction. The past six months on the Board had taught him the essence of regenerative tourism. He had always intended to leave the HTA in a better

place than he had found it, and this would not change in the future. From the beginning, serving on the HTA Board had been an opening for him. He would step down during the first order of business at the special meeting on Wednesday, December 13, 2023. He assured the Board members that it had been an honor to serve side by side with them.

Chair Miyasato has now officially stepped down as Chair of the HTA Board. The function of the Chair of the Board meeting was passed to Vice-Chair Paishon Duarte.

Ms. Paishon Duarte asked Mr. Cole whether a motion was needed to accept Chair Miyasato's resignation. Mr. Cole responded that it would be helpful while not strictly necessary.

Mr. Arakawa thanked Chair Miyasato for his service and hard work and for sharing his thoughts and vision for the HTA. Mr. Arakawa made a motion to accept Chair Miyasato's resignation. The motion was seconded by Ms. Iona and passed unanimously.

Ms. Paishon Duarte stated that the floor would be open to the Board members for their mana'o. She thanked Chair Miyasato for demonstrating and exercising authentic leadership with aloha. She had now spent one and a half years on the Board with Chair Miyasato, and the law of aloha had been evoked many times. She thanked Chair Miyasato for leading and speaking with aloha and making decisions aligned with aloha. She thanked him for his tenacious determination to make the HTA embrace and elevate regenerative tourism and destination stewardship management. She thanked him for entrusting the function of Vice-Chair to her to support the collective effort of the Board and the hardworking HTA staff.

Mr. Hannemann stated that he had called Chair Miyasato to attempt to dissuade him from resigning. During his term, Chair Miyasato had put the HTA on the right path with the right intentions; the consolation was that he would still be a Board member and the work would continue. Chair Miyasato has been engaging and inclusive as a Board chair. His continued service on the Board would be good for the state and good for the tourism industry.

Ms. Iona stated that for Chair Miyasato to be Board Chair was the icing on the cake. She had been so proud of him when he shared his family at the Kona Convention; this had been a special experience for everyone in the audience. She was happy that Chair Miyasato would continue to serve on the Board, and she believed that the legislature would have no difficulty confirming him because his personality was full of what aloha was all about. Chair Miyasato's action demonstrated his heart and priorities, and she respected his decision. She believed that he would continue to contribute to the Hawaiian tourism industry.

Mr. Ching recounted that he had not known Chair Miyasato before serving on the HTA Board, but within a short time, he had gotten to know him and gained much respect for him. He appreciated what Chair Miyasato had already accomplished and looked forward to continuing his service on the Board.

Mr. Arakawa stated that he and Chair Miyasato had been colleagues and friends at Hawaiian Airlines. He valued his friendship and knew that he always had the best interests of Hawai'i and tourism in mind. As Chair of the Budget and Finance Committee, Mr. Arakawa appreciated his support in organizing the budget. Mr. Arakawa expressed his hope that Chair Miyasato would do his best to support the Hawaiian Airlines staff during this transition. He looked forward to continuing to serve with Chair Miyasato on the HTA Board.

Mr. Nāho'opi'i stated that he and the HTA staff had gotten to know Chair Miyasato over the past six months and looked forward to continuing to interact with him on the Board. In particular, the HTA staff had been inspired on two occasions, first during the October conference in the HCC when he had talked about "kākou" and that everyone needed that inspiration and energy, and secondly at the CNHA conference in Maui when he inspired the audience with the story of his family, making them see that tourism reached everyone in Hawai'i, even those who had not grown up there.

Dir. Tokioka stated that this was a sad moment. The acquisition of Hawaiian Airlines by Alaska Airlines had been the best-kept secret in Hawai'i, and even the governor was unaware until the day before it was announced. He thanked Chair Miyasato for stepping into the position of Chair and noted that his heart was always in the right place. He recalled the occasion when the governor, CEO Ingram, and the Senate President had been part of the request for Chair Miyasato to join the HTA Board, and he thanked CEO Ingram for allowing him to serve on the Board. He looked forward to continuing the working relationship.

## **5. Nominations, Selection and Appointment of the Board Chair of the Hawai'i Tourism Authority**

Ms. Paishon Duarte asked for nominations for the Board Chair.

Ms. Iona nominated Mr. Hannemann, and Ms. Agas seconded the motion.

No further nominations were received. The Vice-Chair opened the floor for discussion of the motion.

Dir. Tokioka asked why a special meeting had been scheduled when a regular meeting was to take place in one week. Mr. Arakawa responded that he had requested a special meeting to

complete deliberations on the budget before the start of the legislative session. Discussion of the budget had not been completed during the previous meeting. Mr. Arakawa had expected that the special Board meeting would primarily deal with budgetary and administrative matters, although a discussion of the Board Chair appointment might also have occurred.

Dir. Tokioka and Mr. Arakawa expressed their surprise that the budget was not on the agenda of the present special Board meeting.

Dir. Tokioka asked for further information about Mr. Hannemann's intentions as Board Chair. Dir. Tokioka was concerned that there were members of the legislature who did not support the prospect of the HTA hiring a President and CEO, and he asked for more details about the future plans of the HTA Board. He noted that since the HTA was bound by the Sunshine Law, there were certain issues that could not be discussed offline.

Mr. Hannemann stated that he had been taken by surprise by Chair Miyasato's announcement and had hoped that he would remain as Chair. However, this had been a personal decision. Board colleagues had asked Mr. Hannemann to step forward, and he hoped to continue the processes that Chair Miyasato had strived to carry out. There was a strong case to embark on a process by which a CEO and a Brand Marketing Manager would be identified and hired. This task had been assigned to the Administrative and Audit Committee, chaired by Mr. White, of which he, Mr. Hannemann, was Vice-Chair, and a lengthy discussion on the subject had taken place. The present hiring freeze necessitated further discussions, and Mr. Hannemann had already spoken to the governor.

Mr. Hannemann was firm in the necessity for the HTA to have a Brand Marketing Manager. Already, one person had been carrying out two jobs, and the HTA now had the Chair doing the same thing. It was important to remember that the HTA was responsible for marketing and destination management stewardship. He hoped that it would be possible to work with Dir. Tokioka, the Budget Chair, and the governor to obtain an exemption from the hiring freeze. Other areas at the HTA were also short-staffed, with even the Board Chair carrying out two functions. Mr. Hannemann believed that this should be a priority. Mr. White had researched the going rate for CEOs in Hawai'i and other areas. Discussion would take place, and a consensus would be needed. Operating in an interim capacity connoted "temporary" and "your future is doubtful."

Mr. Hannemann stated that if elected as Chair, he would expect Vice-Chair Paishon Duarte to continue in her capacity so that there would be continuity. He hoped that, if elected, he would continue as Chair Miyasato had previously done. Funding was always an issue for the legislature; Mr. Hannemann already discussed this. It would be undesirable for the HTA to find

itself again in a situation of zero funding and having to appeal to the executive branch for necessary funds.

Mr. Hannemann stated that the Maui crisis was a priority, but it was important to strike a balance between Maui and the rest of the state. He appreciated the \$2.6m recovery campaign but was conscious of the need to balance destination management/stewardship and marketing. The time for second-guessing was over, and the legislature and the administration expected decisiveness.

If elected, Mr. Hannemann stated that his intention would be to make everyone part of the process and to speak with one voice. In the past, one segment had blamed another with mixed messages being emitted. He hoped that the legislature, the administration, the tourism industry, and the community would work together with a consistent message across the Board.

Mr. Arakawa commented that he had requested a special meeting to finalize the budget, but the budget did not appear on the agenda of the present meeting. He asked for an explanation.

Mr. Nāho'opi'i pointed out that several members of the Board had asked for a special meeting to be scheduled, and most of these were focused on putting a new Chair into place as soon as possible because of issues that had to be decided, such as the budget, before the next legislative session. Many Board members had observed that a further week would place the schedule too close to the end of the year and would conflict with the holidays, so the material to be presented to the legislature would not be ready before the beginning of January.

Ms. Iona was one of those who asked for a special board meeting. When she saw Chair Miyasato's message, she became concerned that the HTA had been plagued by failure to follow good business practices in the past and the inability to convince the legislature to allow them to do what was necessary. The hiring freeze had been discussed in the previous meeting. Commenting on postponing the budget discussion until the regular meeting on December 21, Ms. Iona felt that it was inadvisable to go into the new year with both an interim CEO and an interim Board Chair. Starting afresh on December 21 with a new Board Chair was important to enter the legislative session in good business order and move positively.

Mr. Arakawa had consulted his original email request for a special meeting. He noted that he had not mentioned the selection of a Board Chair but had hoped that the special meeting would resolve essential matters, including the budget, in time for the next legislative session.

Dir. Tokioka stated that when Mr. Hannemann's name was mentioned for nomination for the new Board Chair, he received several phone calls. Because of the chain provision of the Sunshine Law, he could not call Mr. Hannemann to discuss the nomination offline. He and Mr.

Hannemann had worked together for a long time, and his colleague was well-known in the community.

Ms. Paishon Duarte reminded Board members of the importance of allowing each member to complete their contribution before a discussion could begin.

Dir. Tokioka continued that his statement was in no way a personal reflection on Mr. Hannemann and that he always welcomed comments from colleagues, even if these appeared negative, to test whether decisions were appropriate. Dir. Tokioka felt that the nomination of a new Board Chair could have been deferred to the next regular Board meeting on December 21.

He pointed out that when the hiring freeze had been mentioned at the previous meeting, some Board members claimed not to have been aware. However, Dir. Tokioka stated that as head of DBEDT, he was responsible for sixteen different agencies, and all of them were subject to the same hiring freeze, not only the HTA. Some departments had submitted requests for hires, which were being passed up the administrative chain.

Mr. Hannemann stated that he had already discussed with the governor the possibility of an exemption from the hiring freeze. As discussed at the Administrative and Audit Committee, other staff positions also remained unfilled, and many staff members carried out too many responsibilities. This situation was bound to take its toll eventually. He understood that the hiring freeze was effective all over the government, but in the HTA, too few people were doing too many things. An appeal would have to be made to the governor, the legislature, the tourism industry, and the community.

Speaking historically, Chair Miyasato pointed out that the intention had always been for the CEO issue to be placed on the December 21 Board meeting docket. His announcement had caused the situation to change, and he had not realized that some Board members assumed the present meeting would concern the budget. Many Board members felt that it was important to establish leadership. He appreciated the frankness of the current discussion and explained that there had been no intention to fast-forward decision-making. The budget and the CEO appointment would be on the agenda for the meeting on December 21, but leadership was important to allow work to be effectively carried out.

Mr. Arakawa stated that the Board has many great leaders, particularly Mr. Hannemann and Dir. Tokioka. He suggested that the nomination of the Board Chair be deferred to the following week's meeting to allow time for Mr. Hannemann and Dir. Tokioka to discuss matters, if necessary, involving others, such as the governor, in the discussion. They would have a week to meet together and discuss the issues that had been raised.

Ms. Paishon Duarte stated that there was a proposal for deferral and Dir. Tokioka was in favor of this, but Mr. Hannemann disagreed. He stated that he and Dir. Tokioka had a difference of opinion. If the vote were delayed after the present meeting, it would imply that DBEDT controlled the HTA, whereas Dir. Tokioka's opinions had to be respected, but he was just one of twelve Board members. It was important not to give the impression that the HTA was confused and did not know what they were doing. Mr. Hannemann explained that there was no need for himself and Dir. Tokioka had to have extra time to discuss because the responsibility of the Board was to respond to the majority of Board members.

Vice-Chair Paishon Duarte called for a two-minute recess to consult with Mr. Cole.

At the end of the recess, the Vice-Chair called the meeting to order and checked that there was still a quorum. Mr. Cole suggested that the Vice-Chair ask for the nomination for the Board Chair to be withdrawn to allow the Board to consider deferring the nomination.

Ms. Iona stated that she would withdraw her motion to nominate Mr. Hanneman for the Board to continue a deferral, but she pointed out that she did so with the understanding that she would not nominate a person she did not believe was fit for the job. Ms. Iona withdrew her motion.

Mr. Arakawa moved to defer the nomination of the Board Chair for one week so it could be placed on the agenda of the next meeting. Dir Tokioka seconded the motion.

Mr. White stated that he was not in favor of the deferral because the present meeting had been called to maintain a situation of continuous leadership.

Ms. Agas asked what was expected to be accomplished during the one-week delay. Mr. Arakawa responded that it was for Mr. Hannemann and Dir. Tokioka to resolve specific issues before the following week's Board meeting. They could discuss issues in private, which had not previously been possible.

Dir. Tokioka explained that he had not intended to splinter the Board, and he hoped that Mr. Hannemann had not taken his comments personally. He also regretted causing stress to Ms. Agas. He requested Mr. Arakawa to rescind his motion for deferral so that he would also rescind his seconding.

Mr. Hanneman stated that he and Dir. Tokioka had known one another for a long time, and his comments had been strictly professional, amounting to a difference of opinion between two mature individuals. He recalled that he had supported the nomination of Dir. Tokioka for DBEDT Director.



Ms. Agas expressed the hope that the same conversation would not be held again at next week's board meeting. There were always concerns about what Board members were permitted to discuss outside Board meetings. She asked whether this deferral was merely to have the same conversation at the subsequent Board meeting. She believed that both Dir. Tokioka and Mr. Hannemann were tremendous assets to the HTA's work. At times, disagreements were inevitable, but moving forward was important because there was much to be accomplished. Several important decisions had to be made at the next Board meeting, especially those related to the budget.

The Vice-Chair pointed out that the two members concerned have come to clarity.

Mr. Arakawa withdrew his motion to defer the nomination.

Ms. Iona proposed a motion to nominate Mr. Hannemann for the Chair of the HTA Board, and Mr. Ching seconded the motion. The motion was passed unanimously.

Vice-Chair Paishon Duarte congratulated the newly appointed Chair Hannemann.

## **6.Adjournment**

Ms. Paishon Duarte adjourned the meeting at 2:35 p.m.

Respectfully submitted,



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Sheillane Reyes