



FINAL

MINUTES OF SPECIAL MEETING HAWAII TECHNOLOGY DEVELOPMENT CORPORATION (HTDC) BOARD OF DIRECTORS

Date: **Thursday, February 6, 2020**
Time: 3:00 p.m. – 5:00p.m.
*Location: DBEDT
250 S. Hotel Street Room 436
Honolulu, HI 96813

Call-in Number: (712) 775-7031
Access Code: 545753

PRESENT

Martin Zorn, Chair
Elijah Yip, 1st Vice Chair
Bella Hughes
Mark Anderson
Linda Rosehill
Vassilis Syrmos
Mike McCartney
Craig Nakanishi

STAFF PRESENT

Len Higashi, HTDC Acting Director
Wayne Inouye, INNOVATE Hawaii
Ray Gomez, HTDC
Dave Molinaro, HCATT
Sophia Lam, INNOVATE Hawaii

COUNSEL

Jodi Yi, Deputy Attorney General

ABSENT

Creighton Arita

1. Call to Order

The meeting was called to order by Chair Martin Zorn at 3:04 pm

2. Action with respect to hiring a consultant**

Martin Zorn asked Len Higashi to update the board on the legislature and activity relating to funding in regard to hiring a consultant. This discussion will be kept in open session and if at any point personnel matters are discussed, it will be moved into Executive Session.

Len Higashi commented that this session, compared to last, has been quiet Len Higashi commented that HTDC works very closely with the Chamber of Commerce Hawaii. Chamber of Commerce Hawaii is the voice of a collection of businesses. For the past three years, their



innovation package included the MAP and SBIR programs. Last year, the funds of these core programs decreased significantly. We are requesting funds again, as well as for the Sandbox and the Tech Park Coordinator position. HTDC has the opportunity to do more with the programs we have in place and data that shows that these programs work. Senator Wakai informed the board that he needs someone standing next to him. Len Higashi believes that it's not a consultant, but a request from HTDC.

Martin Zorn asked Linda Rosehill for her perspective as to what the agency needs to do to get the funding needed.

Linda Rosehill commented that Senator Wakai was very clear in what he suggested. The Administrative budget is having a tough time at the legislature, so we need to consider what the Senator said. If we try it and HTDC doesn't get anything, at least we did something.

Mark Anderson commented that this is a difficult situation to sort through as it is unusual for departments to hire a consultant for legislative work.

Martin Zorn commented that there is justification to hiring a consultant given that the technology economy is important, and we need to ensure we are doing the best we can for this agency and feel that the Administration budget is not adequate to be successful.

Linda Rosehill commented that the Chamber of Commerce Hawaii does a lot of heavy lifting, but it might not be enough.

Elijah Yip questions what critique will the agency receive from hiring a consultant?

Linda Rosehill comments that there will be talk on how the agency is using state funds to hire a consultant. However, if we have justification and this is a temporary solution given the lack of staff and budget.

Vassilis Syrmos commented that he has no issue hiring a consultant, if the agency is using special funds and not general funds.

Len Higashi commented that Senator Wakai was voicing his concern with how we communicate with the legislature and our requests. Len Higashi thought that HTDC following closely with the Administration was the right thing to do. This agency has credibility and person-to-person communication. Len Higashi appreciates what a consultant has to offer but is not sure that is the right route.

Linda Rosehill commented that this request is not only coming from Senator Wakai, but from others as well. Linda Rosehill understands Len Higashi's reluctance.

Mark Anderson commented that the board needs to think about the extensive process of procurement.



Martin Zorn questioned Len Higashi and Ray Gomez on the flexibility of HTDC's special funds.

Ray Gomez commented that there are limited special funds available.

Linda Rosehill commented that the agency needs to take risks.

Vassilis Srymos commented that the Board's budget may be different from the Administration's budget and that in the future, the Board should prepare its own.

Len Higashi commented that the legislature has complained about the different requests. HTDC does not want to create more confusion.

Martin Zorn commented that the responsibility of the board should have been to speak up when they saw what DBEDT requested knowing it was not enough and that this agency needs more. If we spend the money on the consultant and it results in the agency receiving no funds, then at least we tried.

Bella Hughes commented that she is less concerned about others and wants to ensure that this agency is ready in the current session. We need to be transparent and move effectively. Hiring a consultant is a temporary solution.

Mike McCartney questioned what would the scope of this consultant be?

Linda Rosehill commented that this consultant would be at the legislature.

Mike McCartney commented that he is familiar with hiring a consultant for legislative work but is more focused on how we can achieve this to avoid future problems. Hiring an employee to do these tasks by using a vacant position may be a better route.

Martin Zorn commented that the board does not want to micromanage the process and just want to make sure the agency gets the help they need.

Mike McCartney commented that hiring a consultant may raise ethical issues, as well as issues that the agency is using state funds to get state funds. We need to understand what may happen and how will these actions be explained.

Bella Hughes commented that hiring a consultant is the best immediate solution for HTDC to have a chance at the legislature.

Martin Zorn commented that the agency needs further advocacy for the funding it needs.



Vassilis Syrmos commented that the board should not be involved in the process, but instead Len Higashi should be authorized to find the resources he needs to help him at the legislature and report back to the Board.

Motion to enter into Executive Session was made by Linda Rosehill and seconded by Vassilis Syrmos. None opposed. Unanimously passed (7-0) at 3:48 pm

Staff and Executive Director left the Board Room while Board is in Executive Session.

Craig Nakanishi joined Executive Session at 3:58 pm

Motion to exit Executive Session was made by Elijah Yip and seconded by Linda Rosehill. None opposed. Unanimously passed (8-0) at 4:01 pm

Staff and Executive Director re-entered the Board Room.

Martin Zorn requested Len Higashi to work with Chair to hire a consultant or resource to assist in the current legislature.

Len Higashi thanked Martin Zorn and the board. Len Higashi commented that he will execute the request.

3. Approval of Executive Session Minutes – December 16, 2019 and January 2, 2020**

Motion made by Craig Nakanishi to approve the minutes of December 16, 2019 and January 2, 2020, and seconded by Elijah Yip. None opposed. Unanimously passed (8-0)

4. New Executive Search**

Motion to enter into Executive Session was made by Elijah Yip and seconded by Vassilis Syrmos. None opposed. Unanimously passed (8-0) at 4:09 pm

Staff and Executive Director left the Board Room while Board is in Executive Session.

Motion to exit Executive Session was made by Elijah Yip and seconded by Vassilis Syrmos. None opposed. Unanimously passed (8-0) at 4:21 pm

Staff and Executive Director re-entered the Board Room.

Motion to release Executive Session minutes of December 16, 2019 and January 2, 2020 with the names and identifying information redacted and transmitted to the requester with a cover letter from the AG instructing the same protections as the board was made by Vassilis Syrmos and seconded by Mike McCartney. None opposed. Unanimously passed (8-0) at 4.22 pm



Motion to enter into Executive Session was made by Linda Rosehill and seconded by Vassilis Syrmos. None opposed. Unanimously passed (8-0) at 4:22 pm

Staff and Executive Director left the Board Room while Board is in Executive Session.

Bella Hughes left Executive Session at 4:23 pm

Motion to exit Executive Session was made by Elijah Yip and seconded by Vassilis Syrmos. None opposed. Unanimously passed (7-0) at 4:32 pm

Staff and Executive Director re-entered the Board Room.

5. Next HTDC Board Meeting: March 5, 2020

6. Adjournment

Motion to adjourn was made by Linda Rosehill and seconded by Vassilis Syrmos. None opposed. Unanimously passed (7-0). The meeting adjourned at 4:33 pm

**An executive session may be called to consider the hire, evaluation, dismissal, or discipline of an officer or employee, where consideration of matters affecting privacy will be involved; provided that if the individual concerned requests an open meeting, an open meeting shall be held pursuant to Section 92-5(a) (2), HRS.

**An executive session may be called to deliberate concerning the authority of persons designated by the board to conduct labor negotiations or to negotiate the acquisition of public property, or during the conduct of such negotiations pursuant to Section 92-5(a) (3), HRS.

**An executive session may be called to consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities, and liabilities pursuant to Section 92-5(a) (4), HRS.

*The public may attend the meeting at any of the locations specific above.

The public meeting is accessible for individuals with disabilities. Auxiliary aids and services are available upon request by calling the Hawaii Technology Development Corporation offices at: (808) 539-3615. A request for an auxiliary aid or service should be made no later than FIVE working days prior to the public meeting.