

Statement of Linda J. Gomes

On April 18, 2007, Linda J. Gomes, employee of Bureau of Conveyances (BOC), Department of Land and Natural Resources (DLNR), State of Hawaii (SOH) was contacted by Hilton J. Lui. Upon contact Gomes was informed by Lui that he has been retained as an Investigator for the Hawaii State Ethics Commission whose Executive Director is Dan Mollway. Gomes advised her current address is 837 Kainoa Place, Honolulu, HI 96821 and her work telephone number is 587-0134/0135.

Gomes advised she has worked at the BOC since 1993. She became the Senior Cashier in 2001. Her duties are like any cashier except when other cashiers have problems they come to her and if she can't solve the problem she goes to see her supervisor. At one time Gomes advised she was under Land Court and Sharon Togashi and Keala were under Regular System. Gomes advised sometime during last year, Harriet Enrique agreed to take all the Cashiers under her until they found somebody.

Gomes advised as a cashier one of her functions is to take in monies. Gomes advised that there were about twelve companies who use the LCAT system. Gomes added they send out invoices to them at the end of the each month when they close. This is done on their computer when you go to LCATs and print out LCATs for that. Gomes added this billing is then mail out to the users. Gomes added some of the LCAT users pay \$150 and some \$100. Gomes did not know why some are billed \$150 and others \$100. Gomes advised that she had heard that there were agreements between the BOC and users but had not seen the documents. Gomes advised she was told by Carl Watanabe, "Don't worry about it, there's an agreement on it." Gomes added aside from the initial fee of \$150 or \$100 the users are billed by

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minute depending on the amount of usage by the cashiers. Gomes added unless there is an outrageous amount, where it comes out to a thousand something they know they are not using it for that. Gomes then would contact her supervisor who was Carl Watanabe at the time and he would tell her what to bill at that time. That was when Watanabe showed her how to run the LCAT report that he Lange Group had set this up. This report showed each title company and how much they used on the computer. Gomes knew this because Iris and Nani from the Lange Group would call her up. Gomes was told by Watanabe that Title Guaranty did not log off and a bill came out about \$7,000. Gomes added Watanabe fixed those bills accordingly. This happened not only with Title Guaranty but with other companies also who left their computers on. This was told to her by Watanabe. Gomes who did not actually know what happened to cause the amounts of usage. In January 2006 Gomes learned that there were new names added to the list of LCAT users. Gomes did not know the standard fee for each minute of usage. Gomes added awhile back it was \$.25/minute but times have changed. Gomes added she thought the Lange Group currently maintains the BOC website. Checks for payment were made out to the BOC by users, but Title Guaranty used to make it payable to Carl Watanabe/BOC. This changed when Watanabe was assigned to the Special Unit. For a few weeks after Watanabe was assigned to the Special Unit several checks were similarly made out but after awhile it was just made out to the BOC. Gomes advised that the cashiers make the deposits of the checks, by turning them over to their Fiscal Office right across the hall where their deposit bag is given. An armoured truck then comes to pick it up. The armoured truck attendants sign for the bag when it is picked up. Gomes had not seen any checks with only Watanabe's name was on. The girls who worked on Regular System however, when they started to

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open the mail when the backlog was accumulating from the ending of last year to now have noticed some of the checks only had Watanabe's name on it. They noticed that there some "weird, weird mail in there." The girls in turn reported this to Harriet Enrique. The girls who opened the mail were Michelle Pang, Kaiulani Lambert, Kathy Dela Cruz, Kerian Onishi, and Emelda Libao.

Gomes were not aware of any policies or procedures that were present in place relative to revenues.

Gomes advised she heard comments that should Watanabe go to any Marriott Hotel he could stay for free and that Watanabe's son got a job with Marriott without filling out the application form.

Gomes advised during the first Christmas that she was working at the BOC she alarmed that there were many gift baskets that were given to them by customers. At that time Sandy Furukawa was in charge and she never checked with the Ethics Commission about the gifts. Some of the types of gifts included gift baskets, cakes, donuts, manapua, pork hash, pepeyao, noodles, Liliha Bakery Cream puffs, Kauai Cookies, Big Island Candies, Long's gift certificates, and a certain restaurant where certificate was given. Gomes added these gifts during Christmas was always raffled off and made sure everybody got something.

Gomes advised once she was working under Nicolene Gega-Chang and Gega-Chang explained they were shorthanded and asked if she could just ring the projects up. When she came in they had breakfast and lunch provided for all of them. Gomes was informed by the other girls who normally work the projects that other title companies also do that when they have projects.

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Gomes advised about three years after she first started working at the BOC she came over to the indexing side and Title Guaranty (TG) had a whole group of employees that went there to work every day and scan the documents and this was authorized by Carl Watanabe. The first computer that TG had was a big elaborate computer and all four were set up in there when she first started. Recently the computer got changed to where Alan Smith currently sits. Gomes was aware that the computer in question scans all of the BOC documents and make it into images. The BOC used to charge customers for that. Gomes added since 2004 Watanabe had stopped the billing. Since 2004 he had stopped all the microfilming and images and that's thousands and thousands of dollars of revenue to the BOC. Gomes advised they have asked Watanabe to reinstate that and Watanabe have indicated that he would get to it and next things he has lost the folder and could find the folder and now he doesn't know where it is.

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