

NEIL ABERCROMBIE
GOVERNOR

DEAN H. SEKI
COMPTROLLER



CHARLES T. TOGUCHI
CHAIRMAN, STADIUM AUTHORITY

SCOTT L. CHAN
MANAGER

LOIS M. MANIN
DEPUTY MANAGER

An Agency of the State of Hawaii

Stadium Authority Meeting
99-500 Salt Lake Boulevard
Honolulu, Hawaii 96818

June 26, 2014

Members Present:

Charles T. Toguchi, Chairman
Keith "Kika" G. Bukoski
Wilbert C.F. Chee
Odetta Fujimori
Edward Hasegawa
Scot Long
Kenneth B. Marcus
Alan S. Tamayose

Staff

Scott L. Chan	Shelly Shoji
Lois M. Manin	Andrew Chang
Russell Uchida	Ron Tsuzuki
Stephen Lee	Wesley Ueda
Neal O. Sakamoto	

Others:

Randall S. Nishiyama, Deputy Attorney General
Davy Murayama, Centerplate
Krysti Peacock, Centerplate
Glen Higa, Aloha Sports Properties
Chris Kinimaka, Department of Accounting & General Services
David DePonte, Department of Accounting & General Services
Ruth Limtiaco, TLC PR
Maria Carl, TLC PR
See Exhibit A (Sign-in Sheet)

I. CALL TO ORDER

A quorum being present, Chairman Charles T. Toguchi called the meeting to order at 10:04 a.m.

Public Testimony

Shannon Wood – Re: Newspaper article entitled “Is the future of Aloha Stadium Examined?” To get the public involved, Ms. Wood strongly recommended that a discussion on this subject be held sometime in the evening to accommodate the people who are unable to attend the 10:00 a.m. meetings.

Chairman thanked Ms. Wood for her suggestion and said they are looking at that possibility.

II. APPROVAL OF MINUTES

Approval of Minutes of the May 29, 2014, Regular Session and Executive Session.

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER HASEGAWA TO ACCEPT THE MINUTES OF THE REGULAR SESSION. THE MOTION WAS UNANIMOUSLY CARRIED.

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER HASEGAWA TO ACCEPT THE MINUTES OF THE EXECUTIVE SESSION.

Discussion:

Member Marcus made the following corrections:

1. Page 6, paragraph 3, line 1: Replace “clauses” with considerations.
2. Page 6, paragraph 5, end of line 1: Delete “the” (duplicated in line 2)
3. Page 7, paragraph 1, line 1: Rephrase sentence to read “...but if it is the stadium,... (deleted “not”).

THE MOTION (AS CORRECTED) WAS UNANIMOUSLY CARRIED.

III. MONTHLY REPORTS

A. Monthly Reports

A. Chairman’s Report Charles T. Toguchi)

1. The Stadium Manager's evaluation will be discussed at the next meeting. Chair said he has requested Members Hasegawa and Fujimori for their assistance in putting together the evaluation.
2. Correspondence was received from DAGS that a pay increase of less than \$200 per month is due the Stadium Manager and Deputy Manager -- at the Board's discretion (for discussion at the next meeting).
3. A report on the Administrative Rules will be provided today.
4. Update on the Deed Restriction (DR). The Maui project is progressing and near completion. We will then work with the Department of Interior (DOI) to have the DR lifted from the stadium property. We are working with the State administration and are being assisted by the offices of the Attorney General and Lt. Governor.

Member Marcus addressed the Chair and clarified (for those who are not too familiar with this subject), that we are talking about the Federal DR (and not the City DR). The Chair concurred and thanked Member Marcus and the Board members who worked very hard on this project for 4-5 years.

B. Stadium Manager's Report (Scott L. Chan)

Health & Safety Improvement Project – Phase 3

Construction will begin in 2015 and the estimated cost is \$12.5 million. The project will include the outer concourses at the mauka/makai sidelines and alternative work at the north/south stands. It will address rust and mitigation issues and the replacement of walking decks.

In answer to Member Bukoski's inquiry, Manager Chan announced the two bidders for the project were: Abhe & Svoboda and Ralph S. Inouye.

Administration

In an effort to improve the stadium facilities, we have initiated the following in-house projects prior to the 2014 football season:

- 1) Renovations to the Skybox and Football Press Box – creating more value; and
- 2) Renovation of the Hospitality Room.

Events

The high school graduation ceremonies occurred through the end of May and were all successful, including Mililani High School (which was postponed to the next day due to inclement weather).

The 50th State Fair will continue until July 6.

Media Day is scheduled for August 1, 2014, which is our kick-off for the upcoming football season.

B. APPROVAL OF EVENTS (Stephen Lee)

1. JN Group, Inc.
dba JN Automotive Group
Two-Day New Car Displays
Lower Halawa Parking Lot
September 20-21, 2014 (Saturday/Sunday)

Bill Clutter was present to answer questions by the Board.

Mr. Lee said management recommends approval.

A MOTION WAS MADE BY MEMBER FUJIMORI AND SECONDED BY MEMBER MARCUS TO APPROVE THE EVENT. THE MOTION WAS UNANIMOUSLY CARRIED.

2. Hawaii Department of Transportation
Construction Career Day
Lower Halawa Parking Lot
October 2-3, 2014 (Thursday/Friday)

Melanie Martin was present to answer questions by the Board.

Mr. Lee said management is recommending approval of this event.

A MOTION WAS MADE BY MEMBER HASEGAWA AND SECONDED BY MEMBER TAMAYOSE TO APPROVE THE EVENTS. BY A 5 TO 1 VOTE, THE MOTION CARRIED. MEMBER BUKOSKI ABSTAINED.

3. Hawaii Sugar Mama
5K Run/Walk (Halloween –themed event)
Parking Lots, Spirals, and Top of Stadium Spirals
October 17, 2014 (Friday)

Wendy Atabay was present to answer questions by the Board.

Mr. Lee said management is recommending approval of this event.

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER CHEE TO APPROVE THE EVENT. THE MOTION WAS UNANIMOUSLY CARRIED.

4. Pearl City High School Music Learning Center
39th Annual Oahu Marching Band Festival
November 3, 2014 (Monday)

Mr. Lee said management is recommending approval of this event.

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER BUKOSKI. THE MOTION WAS UNANIMOUSLY CARRIED.

5. Carole Kai Charities, Inc.
dba Great Aloha Run
February 16, 2015 (Monday)

Mr. Lee said management is recommending approval of this event.

A MOTION WAS MADE BY MEMBER TAMAYOSE AND SECONDED BY MEMBER HASEGAWA TO APPROVE THE EVENT. THE MOTION WAS UNANIMOUSLY CARRIED.

D. University of Hawaii Athletic Department Monthly Report (John McNamara)

John McNamara reported UH is starting its new season ticket advertising/marketing campaign on July 7, 2014, covering multiple platforms. After selling the season tickets, they will be selling mini-packs to accommodate fans who are unable to commit to a full-season package. After that campaign, they will be pushing for individual tickets.

UH will be launching its new merchandising store at the Ward Center, as well as a new merchandising website -- a new opportunity to generate revenue and support the athletes. They will also be expanding their merchandising operations at the Stan Sheriff and the Les Murakami Stadium to maximize the revenue potential.

Mr. McNamara announced UH and Centerplate finalize a merchandising agreement that will provide a nice line of apparel from which the fans will be able to select at the football games.

They are working closely with Glen Higa to coordinate their sponsorship efforts to generate revenue for the UH and stadium, as well as providing a good fan experience at the games.

Member Fujimori inquired about the status of the new football stadium study. Mr. McNamara said he is not directly involved with that, but was briefed that it is being coordinated with the Stadium Authority and that UH wants to work collectively to make sure whatever they are doing is in the best interest for the UH and the State of Hawaii. Chair Toguchi called on Member Long for an update of the meetings held with Ben Jay on this subject.

Member Long reported he and Manager Chan have been meeting once a month with Ben Jay and also met with Carl Clapp last week. They discussed the report in progress and cost/revenue sharing, but nothing has been finalized to date.

The first football game (UH/Washington) is scheduled for August 30, 2014, @ 4:30 p.m.

In response to Member Fujimori's inquiry, Chair Toguchi advised that he has requested Member Long and Manager Chan to meet with UH on a regular basis and said they are making progress.

Member Long said when they sat with Mr. Clapp, he has been more than gracious and willing to work together.

E. Centerplate's Swap Meet Monthly Report (Davy Murayama)

- Total May attendance (no significant change)
- Total Stall Count decreased -1%
- D,E,F, rows stall count (no significant change)
- A,B,C, rows stall count decreased -4%

Mr. Murayama reported the numbers for the month were flat – an increase in attendance of about 16 people per day.

Marketing (Krysti Peacock)

- Reported filming was done by Hawaii Life on Saturday, June 22. The date that it will air has not yet been determined.

F. Aloha Sports Properties Monthly Report (Glen Higa)

- June was their typically busy month. They created a lot of proposals and had a lot of meetings during the month.
- Activity is picking up, and they have a lot of meetings set up for July. They will be finalizing the proposals that have been submitted with their new business prospects.

IV. UNFINISHED BUSINESS

1. Comprehensive Site Summary (Foley & Lardner)

EXECUTIVE SESSION

Chairman Toguchi requested a motion to go into Executive Session.

AT 10:55 A.M. A MOTION WAS MADE BY MEMBER HASEGAWA AND SECONDED BY MEMBER FUJIMORI TO GO INTO EXECUTIVE SESSION TO CONSULT WITH THE BOARD'S ATTORNEY ON QUESTIONS OR ISSUES REGARDING THE BOARD'S POWERS, DUTIES, PRIVILEGES, IMMUNITIES, AND LIABILITIES PURSUANT TO SECTION 92-5(A) (4), HAWAII REVISED STATUTES, REGARDING THE STADIUM OPERATIONAL ISSUES AND THE ALOHA STADIUM COMPREHENSIVE SITE SUMMARY.

The meeting reconvened at 11:20 a.m.

Chairman Toguchi introduced the Optimization Committee: Chairman Charles Toguchi, Keith "Kika" Bukoski (Committee Chairman), Wilbert Chee and Scot Long. He stated they have been working with the consultant on the Comprehensive Site Summary (CSS), the Federal Deed Restriction, and with HART concerning the rail station.

A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER LONG TO ACCEPT THE COMPREHENSIVE SITE SUMMARY (FOLEY & LARDNER, LLP) DATED JUNE 26, 2014.

Discussion

Member Bukoski thanked Manager Chan and his staff who worked very hard with the Foley & Lardner group on the CSS, as well as the staff from DAGS (Chris Kinimaka and David DePonte). He also noted:

- This summary is a critical tool that he believes will be useful as the State, stakeholders and the public begin to discuss the future of Aloha Stadium, the facilities, and its surroundings.
- As the Chair of the Optimization Committee, Member Bukoski said he supports the acceptance of the Comprehensive Site Summary.

Member Long extended the Board's appreciation to previous Board Members Nelson Oyadomari and Kathryn Inouye; and Members Kenneth Marcus and Alan Tamayose for their great effort and support of this program -- the journey is nearing the end. He stated he supports the acceptance of the summary.

Member Chee concurred with Members Bukoski and Long. He stated it is a matter of subjective opinion on his part, but given what was provided to the consultant by DAGS, this type of report would not have been possible without their (DAGS') assistance. He also said he knows the amount of work and effort it takes to research these issues and to gather the information. He also expressed his support to accept the summary.

Member Long also recognized Manager Chan and his staff who had to compile a lot of material and information for F&L.

Chairman Toguchi added:

- The Board has also been working very cooperatively with the State administration, Attorney General's office, and DAGS.
- He and Manager Chan met with the leadership of the Senate (President Donna Mercado Kim) and House of Representatives (Speaker Joseph Souki) to brief them about this report. He did mention to them that it is going to take a cooperative effort on our part to take a look at where we are and where we are going.
- It will also include the collaborative effort by all of the stakeholders. We have spoken to them, including the UH. We also arranged for our consultant to meet with Ben Jay.
- We are grateful to the stakeholders for their contributions to this report.

Member Marcus stated, initially, he was extremely skeptical of F&L's ability to produce something useful in their study; however, he wished to commend the Governor and/or DAGS, and especially F&L. The study has brought out a

lot of very useful information, as well as a fresh analysis that he thinks is very valuable to the stadium.

Member Bukoski added:

- The stadium is a gathering place where the people enjoy athletic events, open markets, fairs, musical events, etc. Like the Hawaii Convention Center, we are trying to find the optimal use for the stadium and its facilities as a place to showcase what Hawaii has -- to the nation and to the world.
- The Pro Bowl gives us a lot of exposure. The stadium plays a large role in the tourism industry and can even play a larger role with talks about international events (i.e., sports and entertainment).
- Through the Lt. Governor's office, the current administration has implemented a sports commission to look at international opportunities to highlight the stadium and its facilities. There is also a lot of activity that is being generated, i.e., the rail, a transfer station at the stadium, talk of Trans-Oriented Development and whether to repair or build a new stadium -- and the lifting of the Federal Deed Restriction in the not-to-distant future.
- I want to reiterate the tremendous significance of the state having this facility and venue. He looks forward to working with all the stakeholders in making this a place that can really showcase Hawaii.

Member Marcus' suggestions:

- If we reach the point of designing a new stadium, we should be cognizant of the need to accommodate as many uses as possible.
- Part of the work of F&L is to uncover a second level of restrictions with the City which must be released as a condition to going forward with the Honolulu Authority for Rapid Transportation (HART). With the City needing critical cooperation from us, there is no reason (in his opinion) why they shouldn't be giving us the critical cooperation that we need to assure the future of the stadium.

Chairman Toguchi thanked Member Marcus and informed him that they are in discussions with the City on that DR.

In answer to the question by a Board member, Mr. Nishiyama stated the report becomes public information as soon as it is accepted by the Board.

THE MOTION WAS UNANIMOUSLY CARRIED.

2. Administrative Rules Report

Stadium Deputy Manager Lois Manin reported that the Administrative Rules Committee met several times and is working towards revising and submitting proposals to the Board.

V. NEW BUSINESS

None

VI. OUTGOING BOARD MEMBERS

On behalf of the Board, Chairman Toguchi expressed his appreciation and thanked Board Members Kenneth Marcus and Alan Tamayose for their outstanding contributions and service to the State of Hawaii and the Stadium Authority during their eight-year terms. Manager Chan also extended his appreciation for their assistance and support.

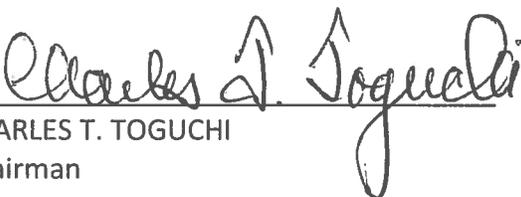
VII. NEXT MEETING

July 31, 2014

VIII. ADJOURNMENT

A MOTION WAS MADE BY MEMBER MARCUS AND SECONDED BY MEMBER TAMAYOSE TO ADJOURN THE MEETING. THE MOTION WAS UNANIMOUSLY CARRIED.

Meeting was adjourned at 11:40 a.m.



CHARLES T. TOGUCHI
Chairman

Recorded by: Diana C. Ho

Date: July 31, 2014

Stadium Authority Board Meeting Sign-In Sheet (please print)

Event Date: 6-26-14

Public Testimony Notice: Please indicate if you wish to provide oral, public testimony. If you are, please indicate if you wish to speak at the beginning of the meeting, or if you choose to wait until the agenda topic is being discussed. Please limit testimony to no more than 3 minutes.

Print Name	Organization	Phone #	Email Address
<i>Kristen Leavor</i>	<i>Muncity</i>	<i>2957197</i>	
Are you providing public testimony? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>J Williams</i>	<i>JN Auto Group</i>	<i>7916567</i>	
Are you providing public testimony? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>Chris Kinimaka</i>	<i>DBAS</i>	<i>566-0409</i>	
Are you providing public testimony? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>David DeRout</i>	<i>DAGR</i>	<i>586-0492</i>	
Are you providing public testimony? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>Don Fukuhara</i>	<i>DOT</i>	<i>587-6333</i>	
Are you providing public testimony? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>Melanie Martin</i>	<i>DOT</i>	<i>5872023</i>	
Are you providing public testimony? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>Jed Lam</i>	<i>STA</i>	<i>527-4820</i>	
Are you providing public testimony? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>Glen Higo</i>	<i>ASP</i>	<i>348-2767</i>	
Are you providing public testimony? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
<i>Wendy Atabay</i>	<i>Zombie Survival Run</i>	<i>479-9194</i>	<i>Hawaii Sugar Mama @ Gmail.com</i>
Are you providing public testimony? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes": <input type="checkbox"/> Beginning <input type="checkbox"/> Will Follow Agenda			
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