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

October 30, 2014

Members Present:
Charles T. Toguchi, Chairman
Keith "Kika" G. Bukoski
Wilbert C.F. Chee
Odetta Fujimori
Edward Hasegawa
Michael L. Iosua
Amoreena "Reena" Rabago
Ross Yamasaki

Excused Absence
Scot Long

Staff
Scott L. Chan
Lois M. Manin
Russell Uchida
Stephen Lee
Andrew Chang
Neal O. Sakamoto
Wesley Ueda
Samantha Spain
Charles Vitale
Liane Nakagawa

Others:
Randall S. Nishiyama, Deputy Attorney General
Davy Murayama, Centerplate
Glen Higa, Aloha Sports Properties
See Exhibit A (Sign-in Sheet)

I. CALL TO ORDER
A quorum being present, Chairman Charles T. Toguchi called the meeting to order at 10:02 a.m.

II. SWEARING-IN CEREMONY

Chairman Toguchi performed the swearing-in ceremony of new Board Member Amoreena Rabago, who then signed the official Oath of Office certificate in the presence of the stadium's notary public.

III. PUBLIC TESTIMONY

Shannon Wood said she was speaking as an individual and is a very strong supporter of the University of Hawaii (UH) intercollegiate athletics. She expressed the importance (within the next two to three months) that the Stadium Authority and the UH Board of Regents establish a formal relationship in order to strengthen the future of intercollegiate athletics within the next 10-20 years.

Member Bukoski said he was with the impression that the Stadium Authority already has a relationship with UH as an ex-officio member which delegates that role to the Athletics Director. He then clarified with Ms. Wood that she is mainly talking about a distinction between the day-to-day operations vs. future business.

IV. APPROVAL OF MINUTES

Approval of Minutes of the September 25, 2014 Regular Session.

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

Discussion

Manager Chan made a correction on page 21, paragraph 3, line 2 - the acronym "TIP" should read: TIF (Tax Increment Financing).

THE MOTION WAS UNANIMOUSLY CARRIED AS CORRECTED.

V. MONTHLY REPORTS

A. Chairman's Report

Chairman said he will be commenting on various items on the agenda.
The election next week will be subject to some changes in the administration and the manager and I will be interacting in the next month with the new leadership. He invited other members to join them if they are interested.

B. Stadium Manager's Report

Administration

Manager Chan announced the hiring of an Electrician II, effective November 3. The stadium has several vacant positions and they are in different stages of the hiring process (Electrician I, Janitor II, Assistant Events Manager, and Scoreboard Supervisor).

We had a pay adjustment effective October 1 for Part- Time Intermittent workers who will receive an increase in hourly rate based on the same amount received by positions in the related collective bargaining classes.

We are also completing an annual internal audit by Kobayashi, Kanetoku, Doi, Lum and Yasuda, CPAs LLC. They will be report their findings within a month or two.

Legislative Matters

Manager Chan informed the Board the General Funded programs were requested to submit three-level reductions for the upcoming session, which consisted of 5%, 7.5%, and 10% cuts. But please note for Fiscal Year 2015, they will be imposing a 5% reduction/restriction and a 5% contingency restriction that needs to be met in January. They are making some substantial reductions to the General Funded programs and, typically, Special Funded programs like the stadiums, will fall in line thereafter, but that is not to say it will.

For clarification, the Chair asked Manager Chan, if the reason why we have not been imposed with any restrictions is because we are special-funded? Manager Chan said that is correct. Chair said but in the past there were situations where it carried over into special-funded programs. Manager Chan said, or, we tried to comply to make sure we were falling in line as well.

Events

November is the stadium's busiest month – there are no breaks on the weekends. The Intercollegiate League of Honolulu (ILH) completed its season and will move on to the State Championship playoffs; and the Oahu Intercollegiate Association (OIA) championship games are scheduled for tomorrow. The state playoffs will take place during the next three weeks.

There are two games remaining for the University of Hawaii (UH). Please note the kick-off for this Saturday's game (UH vs. Utah) is at 5:00 p.m. The last home game we will be on Saturday, November 22, with kick-off at 6:05 p.m.

The Oahu Pop Warner games will begin on Sunday, November 1, 2014, and continue through the month of November. In addition, there will also be several Pop Warner games on a Saturday during the month of November.

The Hawaii High School Athletic Association (HHSAA) Championship games will be on November 7, 15, and 21. The calendar in your packet includes all of the events mentioned.

We have two band festivals scheduled, one on November 3, 2014 (Oahu Marching Band) and the other on November 10, 2014 (UH Band Festival). These events occur during the evenings.

The Color Vibe 5K Run is returning on November 11 (holiday) and we also have the UH Army Military Ohana Day on the 20th.

To summarize, Manager Chan said there are at least 20 events scheduled during the month of November (occurring during the days and evenings), a very busy month for our staff.

UH Games

Manager Chan reported there was an attendance of 23,000 at the Nevada game which was UH's Homecoming. When the attendance drops, the business surrounding the facility is highly affected; as an example, some of the concession subcontractors are not participating because business has been slow. In this regard, Centerplate has done an excellent job to fill in for the subcontractor shortage by providing a variety of new food options for our guests.

Hurricane Ana

We had a challenge this past month with Hurricane Ana. Board members were informed by email of the preparation that went on at the stadium. Manager Chan thanked his staff for their excellent work by foreseeing and initiating many of the things that had to be addressed prior to the storm reaching us. Our engineer will provide his report on our efforts.

Mr. Vitale thanked all the sections (General Services, Events, Security, Maintenance, and Parking) who were all involved in the preparation. We were concerned about high winds, so we stored all the carts, took down some banners, including the wedge area banners. All of the barrels were stored away. We also took down the tent at the north end. It turned out to be a rainier then windy event; however, Mr. Vitale said he is confident that the stadium was very prepared and it now has a procedure on file and will be well-prepared in the future.

Capital Improvement Projects (CIP)
Manager Chan called on Mr. Vitale to report on the slight adjustments we are making with reference to our request for funding. Mr. Vitale said we are not changing the total, but some of the items are being moved forward. The work that needs to be done will require some initial studies and reviews and assistance from experts (electrical and structural consultants) prior to moving forward. Manager Chan said there may be a slight adjustment in the original cost that we requested for 2016-17. We may shift several projects to the first year, which may require an increase, but lowering the amount in the second year of the biennium. We will keep you informed once the figures are confirmed.

Recycling Program
Deputy Manager, Lois Manin, has been working very hard with one of our clients, the Girl Scouts of America, who has done a lot for us. We have not had to provide very much financially, in terms of the additional recycling bins, the leaflets providing information to our guest on the procedures in disposing items. The flyers were on all of our counters. Manager Chan said the stadium is looking at going green all the way around – looking at other areas as well.

Sales & Marketing (Samantha Spain)

- On October 10, 2014, we did a radio campaign push where we rolled out the new Centerplate menu and did some radio interviews, promoting the remainder of the football season. We received a good response from the DJs on three radio stations.

- Regarding the Stadium Stars program, the High School football is wrapping up and this year we gained five new members. They are all sophomores and juniors and will continue on our program next year.

- Tours are doing very well. We're starting to see a lot more visitors from New Zealand. Trying to reach out to more tour companies to engage in more partnerships with tour of the stadium and a game package.

Optimization Plan – Request for Information (RFI) – The Board has been informed of the RFI submittals that were turned in and we will update you as we move forward.

Chairman Toguchi said he also wanted to echo Manager Chan by thanking him and his staff for the work they are doing. This is a very busy place with a lot of things going on. He said, in addition to the operational activities, we are working with board members on a number of other things. There is also the Honolulu Authority for Rapid Transportation (HART) guideway and rail station that is happening; there are meetings on Transit-Oriented Development (TOD); there is the Optimization Plan with Foley & Lardner (F&L);

and we are also working on two deed restrictions (City and State). The Chair said he thanks them for helping to keep track of things, and also providing the updates for Board members which have been very helpful.

C. APPROVAL OF EVENTS (Stephen Lee)

1. Hawaii State Jr. Prep Sports Association
   Youth Football Tackle Games
   November 28, 2014 (Friday)

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

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

2. Street Dreams Hawaii
   Car Show/Dog Show
   Lower Halawa Parking Lot
   December 13, 2014 (Saturday)

   Tommy Sampaga was present to answer questions by the Board. In answer to the Chair's question, Mr. Sampaga said the attendance at his last event was.

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

   Member Chee inquired if this is the same client that had a previous event with a noise complaint. Mr. Lee confirmed that it is and that the problem was addressed and resolved during the event with the help of our meters that register the decibel levels. The noise was from the music which was immediately adjusted.

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

3. i9 Sports Association
   Youth Flag Football Games
   December 14, 2014 (Sunday)

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

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

In answer to Member Fujimori's inquiries, Mr. Lee explained the flag football program that takes place at the stadium.

4. High School Graduation Ceremonies

a. Mililani High School	-	May 24, 2015 (Sunday)
b. James Campbell High School	-	May 28, 2015 Thursday)
c. Radford High School	-	May 29, 2015 (Friday)
d. Pearl City High School	-	May 30, 2015 (Saturday)
e. Aiea High School	-	May 31, 2015 (Sunday)

Mr. Lee said management is recommending approval of these events.

Chair inquired about the out-of-pocket expenses that are incurred during these events, as well as the high school sporting events. Mr. Lee responded (for the graduations) the schools are charged for the out-of-pockets expenses which run from $7,000 to $9,000. Manager Chan said the same situation exists for the high school sporting events.

A MOTION WAS MADE BY MEMBER HASEGAWA AND SECONDED BY MEMBER FUJIMORI. THE MOTION WAS UNANIMOUSLY CARRIED.

D. University of Hawaii Athletic Department Monthly Report

The Chair spoke on behalf of Member Long, that he periodically is in touch with Ben Jay, so they continue to meet and he will report at the next meeting.

Manager Chan reported that Mr. Jay apologized for not being present due to a medical issue.

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

- Total October attendance decreased -16%
- Total Stall Count decreased -17%
- D,E,F, rows stall count decreased - 3%
- A,B,C, rows stall count increased -55%

Mr. Murayama reported that the count shows they had 10,924 less in attendance as compared to last year which was the result of the Swap Meet being closed during two UH football games.

Member Bukoski inquired, "What did the two days equate to in dollars?"
Mr. Murayama said approximately $33,000 per day.

Marketing & Advertising
Mr. Murayama said they will be working on the schedule for the free admission days during the December holiday season; he should have a report on that at next month's meeting.

We are also working with the Hawaii Bowl to look into the possibility of opening during their event on December 24. We will provide more information and an update next month.

Member Fujimori thanked Mr. Murayama and Ms. Manin for arranging the swap meet informational meeting for the Board members, which proved to be very helpful.

F. Aloha Sports Properties Monthly Report: Glen Higa

- Football season is winding down for this year, so we are starting to work on 2015 advertising. They are currently meeting with the prospective corporate partners. There is a little change in some of their contracts; previously it ran during the fiscal year (July – June). This year because of their budget cycles, many of them are asking for calendar years, which will result in some adjustments, but will not affect the revenue.

- This is a big year for multi-year agreement renewals – there are four big agreements coming up this year, which they have started to work on and will continue through November.

  Member Iosua inquired who were the large multi-year companies.
  Mr. Higa responded, Geico, Bank of Hawaii, Heineken, and Oceanic Time Warner Business Class.

(Chair Toguchi announced to the Board that Ms. Manin is the voice on the radio, reporting on the traffic on game days. He thanked Ms. Manin and Manager Chan for doing a great job.)

VI. EXECUTIVE SESSION

A MOTION WAS MADE BY MEMBER CHEE AND SECONDED BY MEMBER HASEGAWA TO GO INTO EXECUTIVE SESSION AT 10:52 A.M., TO CONSULT WITH THE BOARD'S ATTORNEY ON QUESTIONS OR ISSUES REGARDING THE BOARD'S POWERS, DUTIES, PRIVILEGES, IMMUNITIES,

LIABILITIES PURSUANT TO SECTION 92-5(A) (4), HAWAII REVISED STATUTES, REGARDING THE STADIUM OPERATIONAL ISSUES, THE FEDERAL AND CITY DEED RESTRICTIONS ON ALOHA STADIUM, AND DISCUSSION OF RENT FOR NAN, INC.

The meeting reconvened at 11:47 a.m.

VII. UNFINISHED BUSINESS

A. Optimization Committee Report and Discussion

Member Bukoski
Member Bukoski reported that the deadline for submittals of the Request for Information (RFI) is today at 2:00 p.m. and we have received about five to date. There have been meetings regarding the City Deed Restriction (DR), with one that was on October 28, 2014 between HART, City Officials and the State and Stadium staff. The purpose was to discuss the City DR, and the process by which it might be lifted; in terms of whatever agreements come out of that. His understanding is that it is pending further input from corporation counsel and the Attorney General's office. Today, we will also be discussing HART's Letter of Intent and Letter of Consent to Entry which was also discussed on October 28, pending further review and approval by the Authority this afternoon.

B. Federal and City Deed Restrictions – Status Update and Discussion

Randall Nishiyama, Deputy Attorney General reported he spoke with Deputy Attorney General Linda Chow (who is handling the Federal DR). There is no change – everything is still status quo. For the City DR, it is my understanding that the stadium management will be requesting an opinion from the Department of the Attorney General (AG) regarding the scope of the City DR and what is necessary to remove the City DR.

Member Fujimori inquired as to who will be writing the letter. Manager Chan said the stadium (through the Comptroller) will be sending a letter to the AG's office, requesting a legal opinion on the Federal and City Deed Restrictions. Member Fujimori also inquired about the role of the stadium's Deputy Attorney General. Mr. Nishiyama replied, he does not work on land matters so when the AG receives the opinion request, the request will be directed toward a Deputy Attorney General who specializes in land matters.

VIII. NEW BUSINESS

A. Board Committee(s) - Discussion and Formation

Chairman Toguchi said a copy of a list of existing Board committees (existing and under consideration) has been handed out to the members for review and consideration. He said it is his understanding that some adjustments may be made to that list.

Member Rabago stated (for clarity), our existing four committees are: HAR, Legislative, Optimization, and the UH committee. So those are the 4 existing - Manager Chan responded, correct. With reference to "committees under consideration, Member Rabago suggested naming it the "Administrative Committee" with the following purpose and responsibilities:

1. Administrative Rules

2. Audit Committee
   (*This committee will also have to work closely with the Administrative Committee, but she suggests a separate committee for Audit.)*

3. TOD Steering Committee (a seat on DPP's Committee)
   (Add this to the Optimization Committee – work out details on the members later.)

4. Keep UH and Legislative Committees

Member Fujimori suggested that there are two distinct responsibilities for the Administrative Rules Committee (as it relates to the Legislative Rules vs. the Administrative Committee). *Chair Toguchi said we will take that into consideration.*

Member Chee - With respect to the TOD Steering Committee, since we have Brennon Morioka present, perhaps he can shed some light on this specific nomenclature - what exactly is the steering committee intended to do and the stadium's participation on that?

Mr. Morioka said this specific one is led by the City Department of Planning & Permitting (DPP) and HART is more of a support or participating agency with them. He believes the stadium's participation is similar to HART's (i.e., a collection of feedback and input on shaping ideas and concepts). What DPP is doing in other TOD plans for the various station locations is developing a final community or area plan that they can then go to the City Council for doing zoning overlays -- to increase density, like increase height restrictions in lieu of certain TOD height developments.

Mr. Morioka clarified questions by the Chair, Members Chee and Yamasaki on the steering committee:

- The TOD Committee takes recommendations to departments on specific related stations (like Aloha Stadium) -- DPP is looking for what kind of densities to take to the City Council.

- It is a DPP steering committee.

- It is more about recommendations.

- Stadium would be considered another primary stakeholder group.

Manager Chan recommended to have a Board member sit on the steering committee , to be directly involved.

The Chair concluded that they will take all of the suggestions/changes under consideration, try to finalize this bring it back to the Board.

B. NAN, Inc. – Request for Space Rental Agreement

Manager Chan introduced Mitchell Mizokami, Project Manager with Nan, Inc., along with Nick Swords (Project Engineer). They have made a request to rent a portion of the stadium property for staff parking and to house a field office for the next eighteen months. We invited them to share expectations and property use.

<u>Mitchell Mizokami</u>
As mentioned we are looking for some areas for our field office. We have been contracted by HART to relocate the utilities along Kamehameha Highway and the airport section. He said they are having some challenges in finding some areas. They are looking at possibly renting the boneyard area as a possible location for their use, if it is available. Mr. Mizokami said if the boneyard wasn't available, their second option would be the CDL lot.

In answer to Member Bukoski's question, Mr. Mizokami said they are contracted by HART.

The Chair inquired if they will be utilizing our space for office space only.
(Mr. Mizokami said they would be using it for office space and a couple of containers for their tools – minor storage. They would not bring fueling or hazardous materials. They may have a couple of fuel cans for their small tools – not a diesel tanker. He also indicated their staff will be parking at the stadium and shuttled off to a work location.)

In answer to further questions by Board members, Mr. Mizokami stated:

- *Small equipment may include chain saws, target saws and a couple of gas cans.*
- Most of their work will be on Kamehameha Hwy.
- Completion of their contract will be in 2016.

A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER YAMASAKI TO AUTHORIZE THE STADIUM MANAGER TO CONDUCT NEGOTIATIONS WITH NAN, INC. TO LEASE A PORTION OF THE STADIUM PROPERTY FOR PURPOSES OF HAVING A FIELD OFFICE AND STAFF PARKING FOR APPROXIMATELY EIGHTEEN MONTHS. THE MOTION WAS UNANIMOUSLY CARRIED.

Manager Chan informed Mr. Mizokami and Mr. Swords Mr. Uchida will be in contact with them to arrange a meeting to begin negotiations.

C. Laser Incident at the UH vs. Wyoming Game – Status Update and Discussion

For those of you who don't know, Manager Chan said we had an incident involving a laser during the UH v. Wyoming football game on October 11, 2014. We wanted to make sure the Board was updated on how the situation was handled and what we can expect moving forward. Our Events staff will be presenting their reports on this incident.

<u>Stephen Lee & Andrew Chang (Events); Neal Sakamoto (Security)</u>
Mr. Lee explained each of them work out of the Skybox in the Operations Booth; they also have members of the Honolulu Police Department (HPD) and the Honolulu Fire Dept. (HFD) at that location. The stadium staff is also in communications with UH through radio and telephone.

Mr. Lee explained what basically occurred during the game: During the first time out in the fourth quarter, we were watching the quarterback challenge where they bring a fan to toss a ball through a target (hole); at that time we recognized a possible laser beam being shown (pointed to the person throwing the ball). We were not sure, but had an idea because of what we saw. At that time Mr. Lee said he contacted Mr. Chang and Mr. Sakamoto, and they began looking around the stadium through their binoculars and cameras in search of the location from where the beam originated. They basically thought it was from the south side because the beam was on the back of the person throwing the ball at the north end zone. Shortly after that when the time-out ended and the game resumed, they did receive a call from the UH, informing them that the officials witnessed a beam on the Wyoming Quarterback; so at that time Billy V. came on the PA system and made an announcement; we continued to monitor the situation; but after that point it basically did not occur again.

Mr. Lee said as far as our procedures, right now the current procedures for laser pointers is on our prohibited items list; we do have flyers with the prohibited items listed that are issued to vehicles entering the parking lot. We also have bag checks. Security guards are trained to look for these prohibited items; and then the stadium also has a Guest Code of Conduct that includes removal without refund if they are interfering or holding up the progress of the event; and the Guest Code of Conduct is posted at all turnstile gates as you enter.

Mr. Lee said after the event, they added a laser public service announce (PSA) prior to the Nevada game. We also added laser announcements to our public address (PA) script and we reminded our staff and security to monitor the facilities for laser pointers.

Mr. Chang said, as a prohibited item, our security is aware and continue to look for those types of items during their inspections. It is also a violation of the law, so individuals who are caught are subject to arrest. We had two prior incidents at the stadium regarding lasers; the individuals were processed, issued trespass warnings and ejected. In these types of cases, you need a victim and if no one comes forward to prosecute, there is nothing the police can do to the individual who used that particular laser in a manner that is against the law. You need a complainant or a victim to prosecute. Aloha Stadium does have policies; if we do catch someone, and even if the victim does not want to pursue charges, we will take it into our hands – we will process them and issue trespass warning and eject them from our facilities. So we do have proper guidelines in place.

Member Iosua said it is a good point what Mr. Chang brought up at the end – even if the police aren't going to do anything, the stadium still has the right to eject them from the stadium and take away their lasers.

Chair Toguchi confirmed with Member Iosua that he did look into this and agrees that we have adequate policies to cover the situation with lasers and we can do the things we need to do to address the issue. Member Iosua said correct, and because it is on the prohibitive items list and the fact that you are adding the public service announcements and bringing out a little bit more (and people may not know that it is illegal to shine laser pointers) he thinks the current policy is sufficient. If there are more incidents, you may have to adjust and be a little bit more stringent on how we approach the situation. For now it seems like a sufficient policy.

Member Fujimori inquired if we maintain the same security system during the high school events. Mr. Chang said those two prior incidents did occur during the high school games -- one was a minor and the parents were contacted.

D. Honolulu Authority for Rapid Transportation (HART) – Status Update & Discussion

1. Letter of Intent
2. Letter of Consent to Enter – Decision Making

Brennon Morioka
Mr. Morioka stated HART is requesting approval of the two letters, which were sent in the past two days to Chairman Toguchi and Manager Chan.

Letter of Consent to Enter
As part of HART's construction activities for the Kamehameha Guideway (KG) portion, we have a Right of Entry (ROE) – a right to enter to use the Kamehameha Lot (KL) for storage activity, which is what you currently see at the site.

In the next phase, HART is seeking to go into the actual physical construction of the guideway itself in the KL, as well as in the main lot (the strips of guideway area in the main lot) because that is the next step for Kiewit's construction. Kiewit will be coming in to drill the foundations which are about 7-8 feet in diameter shafts; they will put rebar, concrete and that will be the foundation. They will return later with the orange forms; pour the concrete for the actual columns and then subsequent to that they will come with the large yellow truss (travelling truss that go from column to column) to put up the precast segments that will end up forming the actual guideway itself.

It is a sequential operation and construction method. Kiewit and our field staff have been working closely with the stadium staff, especially Charlie Vitale, providing an understanding of what's going to be done and what we are asking for in terms of what will be built, i.e., activities that will be going on, and the kinds of operations and equipment that will be in the location. We will continue to do the coordination as well as include various members of the Board at some of our regular meetings that we have here at the stadium with Manager Chan's group.

Mr. Morioka summarize that the first document is HART's request for Consent to Enter for the purposes of shifting from using the Kamehameha Lot for storage to actually doing some construction activities at the location.

Letter of Intent
This letter basically reiterates and reaffirms HART's commitment to the Stadium Authority to work with all of you in dealing with various issues, various departments and some of the things that are already outlined in the Memorandum of Understanding (MOU) that we've agreed to and basically reaffirming a lot of that and throwing some of the commitment, especially with HART already beginning the impacts of the traffic and

pedestrian impact study; and we have already done at least two counts for two of the home games. He opened the meeting to questions.

Member Bukoski said he attended a meeting a couple of days ago and thanked the stadium staff as well as the DAGS' staff for really staying on top of this and working with HART and just making sure that we support what HART is doing – and at the same time, looking out for the stadium's interest and make sure that we are covered.

Member Bukoski asked Mr. Morioka, "Is there a reason why they are separate and not part of a subcontract – NAN, Inc.

Mr. Morioka said they currently have a contract for the KG section and that goes basically from Pearl Highlands/Sam's Club, down Kamehameha Hwy. (KH) all the way to Aloha Stadium, (and just past Aloha Stadium). Those are Kiewit's contractual limits.

As a part of our rail system, we continue down into Ala Moana Shopping Center which consists of four segments:

- West Oahu & Farrington Hwy
- Kamehameha Hwy. Guideway
- Airport Section
- The City Center Section.

Note: The Airport section is where Kiewit's contract ends just past the Aloha Stadium and it goes down Kam Hwy, along H-1 the airport viaduct into airport property, then it goes down to Lagoon Drive, down Waiwai Lp. Into Kehei Park and then down to Dillingham. It terminates at the Middle St. transit center where Dillingham is. That is the airport section and that is the contract's limits for NAN's utility relocation.

Member Chee noted to Mr. Morioka that on April 1, 2013, the Board granted permission to allow Kiewit's laydown at the KL. At that time, certain conditions were requested by the stadium that remains unfulfilled.

Mr. Morioka said HART is satisfying all the needs that are stated in the MOU, but actual fulfillment will not occur until later. An example is the pedestrian traffic/parking analysis, which they will observe when it is in full operations to see what the demands are. They would then work and coordinate their findings with the stadium's Optimization Report.

Member Chee responded that HART already has some of those answers from their ridership projections and the stadium's usage to provide a best case scenario. He also said the stadium does not have any confirmation that these things are being looked at and it would be helpful for the Board to have an agreement in principle that these things are necessary.

Mr. Morioka said the stadium has had the opportunity to review and approve the scope and timeline of the study and was also included in all of the reviews for both the guideway and station designs. He added, if the stadium wants HART to make a commitment to pay for a pedestrian overpass or additional parking structures, that is not going to happen. A lot of those are pre-existing conditions.

One of the requests made by the stadium is to meet with the State Department of Transportation (DOT) on re-routing and potentially closing down Salt Lake Blvd. Mr. Morioka said HART has assisted in the coordination of those discussions. He added, information from their study will also help document the need or how that will actually happen.

Mr. Morioka said most recently HART helped to facilitate the meeting with the Mayor's office, DPP and the stadium, with reference to the City's DR. It was beneficial because it fleshed out the different interpretations or misunderstandings. As a result, the Stadium will be sending a request to the AG's office for an opinion on the DR. Mr. Morioka said HART has definitely been at the table in trying to push a lot of discussions, going forward.

Member Chee asked Mr. Morioka, with respect to requests that DAGS conveyed regarding a parking structure and pedestrian overpass, I am reading that your answer is "no." Mr. Morioka said, "not in the immediate future." He said the original request was for a pedestrian overpass from KL into the main lot, but if the DOT agrees to close Salt Lake Blvd., there will not be a need for an overpass over Salt Lake Blvd.

In terms of parking, Mr. Morioka said (even if it is interim) he feels HART has gone well beyond the requirements by helping to facilitate and seek out on their own the parking for stadium employees during the UH football games. He state HART is paying for the employee parking at Aiea Elementary and the additional buses that the stadium is utilizing on game days; as well as for the graduation events that have occurred.

Manager Chan stated to Mr. Morioka that the stadium is not asking HART to take full responsibility; instead, we are asking for a joint effort by way of this Letter of Intent to make sure that we have a strong joint commitment to move forward. We realize some items may take place later. Manager Chan said part of this commitment is expressed in the Letter of Intent and not just being discussed in meetings. He noted to Mr. Morioka

that he doesn't necessarily agree with his point of view on several of his comments, but at the end of the day, we are here to try and find what we can do collaboratively.

Member Bukoski said he does understand what Member Chee and Manager Chan are saying, and what is before us today is an attempt to try to bring all the parties together in good faith and move the project forward with the understanding that we are going to continue to address the concerns of the stadium as outlined in our MOU. We will also continue to outline some of what was shared by Member Chee today; but, I have to agree that those obligations, the way he interprets it, are being met. He feels this is a good faith effort on all parties to try to continue the discussions without putting anyone in a position to commit to something that realistically speaking they are not obligated or not able to commit at this time. He stated everyone brings something to the table; i.e., the Stadium brings the site; HART brings the project, along with the various other agencies. He stressed that DAGS has been very committed to keeping the best interest of the stadium at heart in their discussions and being a part of drafting the documents that are before us; and although it is not everything that we would like to see at this point in time, I think it is a step in the right direction and it is keeping the dialogue open and is not putting anyone in a position that might jeopardize their interest.

Chair Toguchi summarized by sharing his experiences at the Legislature in finalizing the passing of bills. In the final hours, and in an effort to arrive at common grounds, the parties begin to horse trade because each party needs something from each other. He sees the same thing happening in this situation because we need the City DR and HART needs the guideway. He believes it will result in a give-and-take situation in order to accomplish what we need for our respective organizations. The Chair said he doesn't fault the members because we are going to fight hard to take care of the stadium, which is our fiduciary responsibility and he has always said that if what HART is doing with the construction impacts our operations, then you will have to help us mitigate and address the issues, which is what Member Chee is saying. He also supports Manager Chan in saying we do not want to hold up the project, but at the same time we are looking for assurances. It may not be 100%, but hopefully in good faith, we can help each other and successfully address our problems and challenges.

Mr. Morioka said that was HART's intent with the "Letter of Intent," to reaffirm their commitment, but he is also hopeful that their efforts in getting everyone together concerning the City DR, will be regarded as a sign of good faith on their part and will contribute to the stadium's level of support with their Right to Enter request.

The Chair told Mr. Morioka that the one thing the stadium is struggling with is that we understand that HART (from your perspective) is different from the City and TOD, but at the same time, it is still the same project that is causing challenges for us.

Mr. Morioka said he likes to think it as an opportunity. He did note that HART has a vested interest in the stadium achieving its goal of removing the deed restrictions to be successful and if there are things they can do to help, they will be happy to do that.

Chairman said for the benefit of the members, if you feel there is still the need to change the language, it is still open for consideration.

Member Chee suggested to the Chair the following language as a possible revision to the letter:

- HART will collaborate with the stadium to develop other opportunities that are doable for both parties

Member Chee said he understands if some improvements are done on Salt Lake Blvd. that the hazardous situation will go away, but, parking issues will not. He recommends HART adding language to the letter to provide options that the stadium will need in the course of TOD.

Mr. Morioka responded that they were trying to capture what the stadium is looking for in paragraph two of the letter. The Chair said he sees that there was an attempt by HART to accomplish that on the second page of the letter. Member Chee said those things HART can do at no cost; but things like expanding utilities, they are not "no cost alternatives" for HART.

Mr. Morioka said if it is not specific to the rail system, they are prohibited from paying for betterments. Even under our contract with the Federal government, it restricts from spending money on things that are not directly related to the transit system itself.

Member Fujimori inquired about the logistics in the bus lot for construction of the guideway. Mr. Morioka said they will be seeking an easement (the guideway will be elevated); there will be no entrance once the construction starts. Once construction is completed, the stadium will have access in and around the guideway.

Member Fujimori inquired if HART is planning to purchase any property that is being used. Mr. Morioka said they only seek easements or land that is transferred over to the City.

Manager Chan said the stadium has not closed the door to future conversations in terms of fair compensation.

> In answer to Member Fujimori's question, Nan will be done in time for the 2015 UH football season, but HART is requesting a duration through 2016 and believes the guideway portion will be done.

Manager Chan noted to the Board that there is one important item that needs to be added to the letter (if accepted by the Board), which will state that HART will accommodate usage of the Bus Lot for events occurring through February, 2015.

Manager Chan expressed appreciation to Mr. Morioka for initiating the meeting with the City regarding the City DR. We are grateful for the effort to bring us together to begin the process of resolving the City DR issue.

Member Chee asked Mr. Morioka if they were subletting space to HECO, Hawaii Gas and American Electric at the KL. Mr. Morioka replied no.

Manager Chan acknowledged Liz Scanlon for her efforts in working closely with the stadium staff. The Chair also thanked Mr. Morioka.

Chair Toguchi requested that a motion be made with reference to the "Letter of Consent to Entry."

Manager Chan provided the proposed language for the motion:

> "The construction of the Guideway commences as soon as possible and will continue through December 2016, with the exception of the Guideway section between Pier 403 and Pier 207, as shown on Drawing No. GP019A, sheet 8, which will commence after February 23, 2015. HART acknowledges that this area is critical to the Great Aloha Run and further agrees not to enter into this area whatsoever until event completion or after February 23, 2015, whichever is later. HART will continue to coordinate with DAGS and the Stadium Authority officials on-site for the duration of construction activities, especially to schedule construction periods that will minimize impacts on the Aloha Stadium facility operations."

A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER HASEGAWA TO APPROVE THE "LETTER OF INTENT" AND "LETTER OF CONSENT TO ENTRY" WITH THE EXCEPTIONS THAT WERE STATED BY THE STADIUM MANAGER.

<u>Discussion:</u>
Member Chee suggested that stronger language be added to Paragraph 2 in the Letter of Consent to Enter: "continue beyond coordination"

Manager Chan informed the Chair that the motion currently on the table (with exceptions) is referring to the "Letter of Consent to Entry," not the Letter of Intent.

The Chair requested that the motion on the table be withdrawn by Members Bukoski and Hasegawa. Board unanimously approved to withdraw the motion.

1. A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER HASEGAWA TO APPROVE THE "LETTER OF INTENT."

   Discussion
   Before the vote takes place, Manager Chan verified with Member Chee that his intention is to add comments to the "Letter of Intent." Member Chee agreed.

   THE MOTION WAS UNANIMOUSLY CARRIED "AS IS."

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2. A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER HASEGAWA TO ACCEPT THE "LETTER OF CONSENT TO ENTRY" TO INCLUDE THE AMENDMENTS PREVIOUSLY STATED BY MANAGER CHAN.

   Discussion
   Member Chee stated, "In the second paragraph of this letter, he would like to amend the motion to include language that goes beyond just to continue to coordinate with DAGS and the Stadium Authority officials to the extent that HART will also consider other options for the benefit of the stadium." Member Chee requested assistance in simplifying the language.

   The Chair asked Member Chee if he feels his added language will improve what is already stated. Member Chee said, yes, as long as it states "beyond coordinate" because, in principle, it permits them to consider other things.

   Member Iosua suggested, "Explore other options that may be beneficial to the stadium that fits within their guidelines."

   Manager Chan stated the "Letter of Consent to Entry" refers to the guideway only; where the "Letter of Intent" refers to the entire process. He questioned if Member Chee's amendment fits in this motion.

   Member Chee stated this is where they offer to continue to coordinate with DAGS and the Stadium Authority and he just wants to go one step further; and it is not mentioned in the "Letter of Intent."

Member Bukoski noted to the Chair that he doesn't know if it addresses some of Member Chee's concerns because the "Letter of Consent to Entry" does not relieve them from the obligations in the MOU, which is what Member Chee may be speaking about.

Member Chee asked, "Since he doesn't have the MOU available, is there a problem with reiterating it in this letter? Member Bukoski said his point is that all of this discussion is based on what was in that MOU, as far as what everyone is obligated to."

After further discussion, the Chair said it is his opinion that what Member Chee is suggesting should go into the "Letter of Intent" which makes reference to the MOU between DAGS and HART.

Mr. Morioka said the "Letter of Consent to Entry" is basically a "Right of Entry" to do construction on the final design that has already been approved – and not to add anything to the current construction. If the stadium would like to provide the language to add to the "Letter of Intent," HART would be happy to issue a supplemental letter to attach to the "Letter of Intent."

Manager Chan inquired with counsel, "Upon accepting the Consent to Entry, do we have to come up with a new Right-of-Entry?" Mr. Nishiyama responded, yes.
Mr. Morioka said DAGS still has to issue the official document and this is HART's request for the Right-of-Entry.

After consulting with Mr. Nishiyama, the Chair and Board agreed to do a reconsideration of the previous motion taken on the approval of the "Letter of Intent."

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3. A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER HASEGAWA TO RECONSIDER THE PREVIOUS MOTION TAKEN ON THE APPROVAL OF THE "LETTER OF INTENT."

Discussion

Member Rabago said she understands Member Chee's position, in that each time HART comes back to us, we want to make sure we are reiterating what we are trying to accomplish here as a Board and although we understand their limitations, we still want it out there that we are trying to do what's best for the Stadium Authority and for everyone who uses the stadium. The Chair said we will state the action on the reconsideration and then go back and make the motion to incorporate Member Chee's statement.

THE MOTION WAS UNANIMOUSLY APPROVED.

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4. A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER YAMASAKI TO APPROVE THE "LETTER OF INTENT" AS DRAFTED.

Discussion
Member Chee requested to amend the motion to include language that states the Stadium Authority would like HART to consider other options available that could be "beyond" just HART's pledge to coordinate actions between DAGS and the Stadium Authority and themselves.

THE AMENDMENT WAS SECONDED BY MEMBER HASEGAWA.

Discussion
The Chair asked Member Chee, "What is it that you are trying to accomplish with that motion?" Member Chee commented that Member Rabago did a good job in summarizing his intentions. He feels there are things that HART can initiate on behalf of the Stadium Authority, such as their help with the DR or facilitating things that need to be done on the site that are unrelated to HART – like horse trading. He wants stronger language that is documented in writing and commits them to do things for us, so in the future, we can hold them to those commitments. We need to be more forceful instead of just standing behind words. Right now Member Chee said we see uses and inconveniences for the stadium and nothing in return.

The Chair said he understands his intentions and is searching for the right language. Member Chee said now is our opportunity to put it in words; three days prior to a project laydown leaves us with no options at that point because we are not obstructionists.

Member Chee asked Mr. Morioka what can he do for the stadium relative to its request for the pedestrian overpass and parking structure. Mr. Morioka said he is at a loss as to what requirements have not been fulfilled in the short term. Relative to the parking structure, the whole purpose of a transit system and station at a stadium is to avoid the need for parking, which all studies across the country show that you will probably get 20% of all patrons coming by rail transit and not driving to the stadium. He stated that the stadium may experience some inconveniences now, but the future opportunities that will come with TOD and future developments and the lifting of the DR, are far beyond what anyone can possibly think of today, because currently those opportunities are not available.

(Recess at 1:30 p.m.)

Meeting reconvened at 1:45 p.m.

Recap of Motion No. 4 on the Floor

- A motion was made by Member Bukoski and seconded by Member Yamasaki re: Letter of Intent.
- Discussion: Member Chee proposed an amendment. Member Hasegawa seconded the Amendment.
- Discussion: Chair requested what Member Chee wishes to accomplish with the proposed amendment.

Chair Toguchi asked Member Chee for the language to the amended motion.

Member Bukoski inquired, (for everyone's frame of reference), how much involvement did Manager Chan and DAGS have in drafting these two documents?

Manager Chan said Mr. Morioka and Ms. Scanlon were kind enough to allow their input in editing the letters. He said DAGS played a significant role in helping us to review and contribute to the language that best supports our position.

The Chair stated we have the amended motion, it was seconded and we are in discussion of that amended motion. Are there further amendments?

Member Bukoski inquired, if this is approved and the amended version is approved, would it then need to go back to DAGS and HART for further review because the letter is signed by Mr. Grabauskas.

Member Fujimori had a parliamentary question regarding the procedure to change the letter since it is signed by Mr. Grabauskas.

Mr. Nishiyama said the Board will be suggesting a change. It is his letter for his consideration.

Board members entertained a lengthy discussion on possible amendments/versions to be included in the Letter of Intent and the Letter to Consent to Entry.

The Chair then asked (in the interest of time and in support of the project) that the Board consider delegating the responsibility of finalizing the changes to the Chair and Manager Chan.

Member Bukoski inquired if it could be delegated to the Optimization Committee with more members? Mr. Nishiyama said if it was done that way, then the Committee would have to report it at a Board meeting.

Member Chee said he is comfortable with the Chair and Manager finalizing the letters because they understand everyone's position on this matter.

A MOTION WAS MADE BY MEMBER FUJIMORI AND SECONDED BY MEMBER YAMASAKI TO TABLE ALL APPROVED AND PENDING MOTIONS RELATIVE TO THE "LETTER OF INTENT" AND THE "LETTER TO CONSENT TO ENTRY. THE MOTION WAS UNANIMOUSLY CARRIED.

A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER IOSUA TO DELEGATE THE RESPONSIBILITY OF THE "LETTER OF INTENT" AND THE "LETTER OF CONSENT TO ENTRY" TO CHAIRMAN CHARLES T. TOGUCHI AND STADIUM MANAGER SCOTT L. CHAN. THE MOTION WAS UNANIMOUSLY CARRIED.

Member Fujimori expressed concern about the timeliness of the letters from HART and (for the future) the possibility of perhaps the Optimization Committee meeting prior to the Board meeting to avoid spending three or more hours at a Board meeting.

IX. EXECUTIVE SESSION

A MOTION WAS MADE BY MEMBER BUKOSKI AND SECONDED BY MEMBER CHEE TO GO INTO EXECUTIVE SESSION AT 2:15 P.M. THE MOTION WAS UNANIMOUSLY APPROVED.

The meeting reconvened at 2:45 p.m.

X. NEXT MEETING

November 20, 2014

XI. ADJOURNMENT

A MOTION WAS MADE BY MEMBER HASEGAWA AND SECONDED BY MEMBER YAMASAKI TO ADJOURN THE MEETING. THE MOTION WAS UNANIMOUSLY CARRIED.

Meeting was adjourned at 2:46 p.m.

Charles T. Toguchi

CHARLES T. TOGUCHI
Chairman

Recorded by: Diana C. Ho

Date: November 20, 2014

Exhibit A

Stadium Authority Board Meeting

Sign-In Sheet (please print)

Event Date: October 30, 2014

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
Nick Swords	Nan Inc.	285-7192	nswords@nanhawaii.com
Are you providing public testimony? ___ Yes X No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Russ Grocki	SCIC	888 4593	grockihawaii@gmail.com
Are you providing public testimony? ___ Yes X No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Shannon Wood	WAA	224-4486	[illegible]
Are you providing public testimony? X Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Thomas Sampaga	Street Dreams HI	426-6307	[illegible]@gmail.com
Are you providing public testimony? ___ Yes X No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Glen Higa	CBSCSP	348-2767	glen.higa@cbscsp.com
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Mitchell Mizokami	Nan Inc	630-1100	mitch.mizokami@nanhawaii.com
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	
Are you providing public testimony? ___ Yes ___ No	If "Yes": ___ Beginning	___ Will Follow Agenda	