

NEIL ABERCROMBIE
GOVERNOR

DEAN H. SEKI
COMPTROLLER



ALOHA STADIUM

An Agency of the State of Hawaii

SCOTT L. CHAN
MANAGER

LOIS M. MANIN
DEPUTY MANAGER

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

November 20, 2013

Members Present:

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

Staff

Scott L. Chan	Liane S. Nakagawa
Lois M. Manin	Samantha Spain
Russell Uchida	Chuck Beck
Stephen Lee	Ron Tsuzuki
Andrew M. Chang	Shelly Shoji

Others:

Dean Seki, State Comptroller
Randall S. Nishiyama, Deputy Attorney General
Carl Clapp, University of Hawaii (UH) Athletics.
Davy Murayama, Centerplate
Krysti Peacock, Centerplate
Glen Higa, Aloha Sports Properties
See Exhibit A (Sign-in Sheet)

I. CALL TO ORDER

A quorum being present, Chairman Charles Toguchi called the meeting to order at 10:03 a.m.

II. APPROVAL OF MINUTES

Approval of minutes of the October 31, 2013 Regular Session and Executive Session.

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

A MOTION WAS MADE BY MEMBER TAMAYOSE AND SECONDED BY MEMBER LONG TO ACCEPT THE MINUTES OF THE EXECUTIVE SESSION. THE MOTION WAS UNANIMOUSLY CARRIED.

Chairman Toguchi invited testimonies by the public. There were none.

III. MONTHLY REPORTS

A. Chairman's Report (Charles T. Toguchi)

We (Manager Chan and I) have been meeting with the UH and the Governor to see what we can do to help with the Philippine Disaster Relief situation. We would like to be a part of this effort if the logistics can be worked out. We will keep the Board apprised as we move forward.

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

Events

The Hawaii High School Athletic Association (HHSAA) State Championship will be held on November 23, 2013 (Kaiser vs. Kauai and Punahou vs. Mililani). The football season will end with the UH vs. Army game on November 30, 2013.

Administration

Tour with Lt. Governor Shan Tsutsui

A tour is scheduled with Lt. Governor Tsutsui and his staff on Monday, November 25, 2013. The purpose is to inform him of the health and safety projects that have been completed or are in progress.

Tailgating

Manager Chan informed the Board that some complaints were made by tailgaters at the last UH football game. It is the stadium's policy to encourage people to start packing up prior to kick-off and to not loiter in the parking lot once the game starts. During this process we also invite people to leave if they are not planning to attend the game. In the process of doing this, and because our staff, HPD and sheriffs had many tailgaters to address, they started earlier than normal which upset some of the tailgaters. Our intent was to get the fans in the stadium on a timely manner. It was never our intent to prematurely end the experience and enjoyment by our fans in the parking lot. We will further evaluate the situation.

Non-Profit Organization.

Manager Chan said throughout the year we participate in many fundraising activities to support non-profit organizations. Manager Chan said he was proud of the stadium staff for their efforts in raising over \$2,000 (highest amount collected) for the Aloha United Way and placing third in twenty divisions.

Honolulu Authority on Rapid Transportation (HART)

A meeting was held with representatives from HART and DAGS to go over the layout of the Kam parking lot design. There were four major adjustments that we would like to see implemented in the final design. We are waiting for HART's written response, at which time the Board will be informed of the final outcome.

Budget – First Quarter Report

Chairman Toguchi inquired if there is anything in the report that should be brought to the Board's attention.

Mr. Uchida said there is nothing significant and we are relatively at the same level that we were at last year. We have experienced a slow decline in revenues over the past two years as a result of UH events. Although not reflected in the report, maintenance costs and utility expenses (i.e. cost of electricity going up) are also slowly increasing; otherwise it is relatively stable. We continue to be mindful of expenses, relative to our revenue stream.

Mr. Uchida also reported that there is a current freeze on hiring (part of the overall State system) and that the stadium is unable to fill full-time civil service positions at this time. The freeze started in October 9, 2013 as the result of the Federal shut-down. It has not impacted our operations.

Sale & Marketing (Samantha Spain)

- Currently working on new ideas for the 2014 calendar of events (January – August 2014) with Glen Higa, Centerplate and Stephen Lee.
- Prior to shifting to an entirely new website, we hope to gradually begin the process next month. This month we have seen over 9,000 new visitors and our pages include about 25,000 visits.

C. Approval of Events (Stephen Lee)

None

D. University of Hawaii Athletic Department Monthly Report (Carl Clapp)

On behalf of the Board, Chair Toguchi extended best wishes to Ben Jay for a speedy recovery from injuries he sustained in an incident at the Stan Sheriff. Mr. Clapp reported that Mr. Jay has been released from Straub Clinic and is currently working from home.

Discounted Tickets

- In an effort to get as many people as possible to the remaining two football games of the season, UH is offering 50% off the price of all tickets purchased.

2014 Parking

- Mr. Clapp suggested to Manager Chan that within the next 30-60 days they should begin discussions on the adjustments that will take place at the stadium and eventually impact UH. Manager Chan responded that the changes will result in the loss of several hundred parking stalls at the Kam Lot. He also noted that the stadium staff has had brief conversations regarding the parking adjustments. Mr. Clapp said they

are ready to participate so that a successful parking situation can be created for the fans.

Ticket Sales

In answer to Member Bukoski's inquiry about ticket sales with the 50% discount, Mr. Clapp said attendance was a little over 23,000 at the turnstiles and about 26,000 tickets were issued. He said they sold about 2,000 of the 50% tickets and believes it helped to drive additional attendance and their revenues were about the same because there were twice as many people at half the price on their walk-ups.

Navy Game – November 9, 2013

Member Odetta said there were approximately 400 Hawaii supporters at the game and said UH does a good job in getting them there. Mr. Clapp credited a group in the travel industry that does a great job in putting packages together, as well as having a good strong following.

Chair Toguchi asked Mr. Clapp if the road games generate any revenues for UH. Mr. Clapp said it does indirectly (i.e., people buying merchandise or tickets to the games).

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

- Total October attendance decreased - 2%
- Total Stall Count decreased - 3%
- D,E,F, rows stall count decreased - 8%
- A,B,C, rows stall count increased - 12%

Mr. Murayama said there were no significant changes to this month's report and noted that the 3,033 amount reflected the coupons issued at the hotel concierge desks.

About two months ago Mr. Murayama said he reported the need to focus on the local market; however, due to an increase of 12%, it will not be necessary. Instead, they will continue to monitor the market before making any rash decisions.

Marketing Report (Krysti Peacock)

- Ms. Peacock provided a copy of the holiday ad to the Board. She said they are basically promoting the extended holiday hours (with free admission), as well as the swap meet being open on December 24,

2013 (Sheraton Hawaii Bowl). They are encouraging more vendors to sell on that day.

- Ads will be running in the Honolulu Star Advertiser and Holiday Gift Guide on November 27, 28, December 8, 11 and 15.
- A Vendor Meeting is scheduled for December 4, 2013. They will do a recap of what has taken place, as well as future plans.
- Mr. Murayama said discussions continue regarding the hours of operation on December 24, 2013. They are hopeful that they will be allowed to stay open until kick-off, which is very beneficial for the vendors. The parking can be an issue, but by opening until kick-off and doing the contraflows, it does alleviate some of the traffic.

Member Marcus said it has been a long time since the Board has been updated on any feedback from the vendors and requested that Deputy Manager Manin provide a report of the Vendors' quarterly meetings. Ms. Manin said she will report on future meetings, but she will not be able to attend the December 4, 2013 meeting because she will be out of town. In her absence, Ms. Spain said she will provide the report.

(Member Marcus temporarily chaired the meeting in Chair Toguchi's absence for an important telephone call.)

F. Aloha Sports Properties Monthly Report: Glen Higa

- Since the football season is ending, Mr. Higa said they are focusing their attention on the next season.
- They are starting off 2014 with about \$1.0 million as a result of agreements being locked in through June 2015 and beyond.
- There are about 17 agreements that are up for renewal. Out of those 17, about 4 agreements account for 70% of the total renewal amount. They focus on the 4 initially.
- As Ms. Spain mentioned earlier, they are working on plans for the off season: 1) Creating new events; and 2) Drive more revenue.

- Ms. Spain and I met with a start-up tech company last week. We were impressed with some of their ideas and hopefully they will bring in revenue and create a better atmosphere for events.

In answer to Member Marcus' question, Mr. Higa said the \$1.0 million reflects the July 2014-15 period.

IV. UNFINISHED BUSINESS

1. Stadium Optimization Plan

Report by Member Bukoski, Chair of the Optimization Committee (OC)

Member Bukoski's report pertained to the letter that was sent to David Siegenthaler of the National Park Services (NPS) regarding the Deed Restriction (DR) and his email response (a copy of which was provided to the Board) as well as the Stadium Authority's response:

- Yesterday a meeting was held at the Attorney General's office and was attended by members of the Stadium Authority, Manager Chan, and Deputy Attorney General Linda Chow. Member Bukoski said he was unable to attend that meeting and that Chair Toguchi will provide the Board with some feedback.
- Currently the primary focus by the OC is on the DR and to do what we can to help those efforts.
- We have met with the staff from Senator Brian Schatz's office to seek his support in our efforts and Chair Toguchi can expound on that as well.
- Member Bukoski said he attended the meeting with representatives from the Honolulu Authority for Rapid Transportation (HART). It was a very informative meeting and said the plans that Manager Chan and staff have been working on looks good. At the appropriate time, he does have questions for Manager Chan.

Chair Toguchi acknowledged and thanked Members Marcus and Inouye, Deputies Attorney General Randall Nishiyama and Linda Chow, Comptroller Dean Seki and Manager Chan and others who have worked with the National Park Service and did a good job. He further said:

- As mentioned by Member Bukoski, we received a positive response from Mr. Siegenthaler which was very encouraging.
- I think Member Marcus will agree that the point that they were making with reference to the replacement can be acreage for acreage, as opposed to value. Mr. Siegenthaler said in his letter "we are inclined to agree that the legislation allows replacement of land of at least equal acreage," which is a very important point. All of the work that you put into this effort has paid off.
- NPS would like to work with us to discuss the next steps, especially regarding the replacement land; and our response to him was basically to tie in the Aloha Stadium property with what the City is doing. Yesterday, Rhea Suh, Assistant Secretary for Policy, Department of Interior (recently nominated to the position of Assistant Secretary for Fish and Wildlife and Parks --and will be in charge of NPS) was in town and met with Dale Hahn, who is the Senior Policy Advisor for Senator Schatz. The Senator also met with her and he is supportive of everything we are trying to do.
- Chair Toguchi said everything is starting to fall into place and hopefully we can get this done by the end of the year. He also said Manager Chan also had an email from Mr. Siegenthaler. Manager Chan said it was related to the easement that we are working on with HART which is not finalized. The only thing we worked on was to allow them the right-of-entry to begin construction. Chair said we are trying to encourage them to move as soon as possible and I think that would put us in a better position to continue our discussion with the City.
- Member Marcus said the one thing to keep in mind in terms of corresponding with Mr. Siegenthaler is to make sure that the door is left open for the argument that the condition for the release of the DR has already been satisfied and all we are doing is offering them something on top of what we are obliged to do in order to make things go more smoothly. He should cooperate to allow us to keep that rail project on track. Chair Toguchi said it was a good point.

V. NEW BUSINESS

None

VI. EXECUTIVE SESSION

AT 10:45 A.M., A MOTION WAS MADE BY MEMBER HASEGAWA AND SECONDED BY MEMBER TAMAYOSE 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 FEDERAL DEED RESTRICTION, THE STADIUM OPTIMIZATION PLAN, AND STADIUM OPERATIONAL ISSUES. THE MOTION WAS UNANIMOUSLY CARRIED.

The meeting reconvened at 11:56 a.m.

VII. NEXT MEETING

December 19, 2013

VIII. ADJOURNMENT

AT 11:57 A.M. A MOTION WAS MADE BY MEMBER FUJIMORI AND SECONDED BY MEMBER HASEGAWA TO ADJOURN. THE MOTION WAS UNANIMOUSLY CARRIED.



CHARLES T. TOGUCHI
Chairman

Recorded by: Diana C. Ho

Date: December 19, 2013

Stadium Authority Board Meeting

Sign-In Sheet (please print)

Event Date: November 20, 2013

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
Glen Hige	ASP	808 348 2767	glen.hige@cbcs.csp.com
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			
Krysti Plouoch	marketyt	295 7197	Krysti.moxie@hawaii.gov
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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