

DAVID Y. IGE
GOVERNOR

DOUGLAS MURDOCK
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

May 28, 2015

Members Present:

Charles T. Toguchi, Chairman
Keith "Kika" G. Bukoski
Wilbert C.F. Chee
Odetta Fujimori
Edward Hasegawa
Scot Long
Ross Yamasaki

Members Excused

Michael Iosua

Staff

Scott L. Chan	Liane Nakagawa
Russell Uchida	Samantha Spain
Charles Vitale	Neal Sakamoto
Andrew Chang	Wesley Ueda

Others:

Randall Nishiyama, Deputy Attorney General
Davy Murayama, Centerplate
Glen Higa, Aloha Sports Properties
David Matlin – University of Hawaii Athletic Director (UHAD)
David DePonte, Department of Accounting & General Services (DAGS)
See Exhibit A (Sign-in Sheet)

I. CALL TO ORDER

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

II. PUBLIC TESTIMONY

Shannon Wood informed the Board that she is in touch with a potential "significant" donor for international sports (namely soccer) at Aloha Stadium, within the next 5-7 years. She offered her assistance in this endeavor if the stadium is interested.

APPROVAL OF MINUTES

Approval of Minutes of the April 30, 2015 Regular Session and Executive Session.

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

Discussion:

The following corrections were made by Member Fujimori:

- Page 19, paragraphs 4 and 5, replace "Odetta" with "Member Fujimori."
- Page 20, paragraph 11, replace "Fujimoto" with "Fujimori."

THE MOTION WAS UNANIMOUSLY CARRIED AS CORRECTED.

- A MOTION WAS MADE BY MEMBER FUJIMORI AND SECONDED BY MEMBER HASEGAWA TO ACCEPT THE MINUTES OF THE EXECUTIVE SESSION. THE MOTION WAS UNANIMOUSLY CARRIED.

III. MONTHLY REPORTS

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

Chairman Toguchi said he will be involved with several discussions as we move through the agenda.

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

Administrative

1. Personnel

- The vacancy for the Janitor II position has been filled by Qin Y. Lin, effective May 18, 2015.
- Recruitment to fill the vacancy for the Assistant Events Manager's position has been posted with The Department of Human Resources as of April 25, 2015. Currently, Andrew Chang is in that position as a temporary hire, and Neal

Sakamoto is in Andrew's position as the Stadium's Security, also as a temporary hire.

- The vacancy for the Electrician I position is pending a second list of applicants.
- Recruitment for the Welder I position has been put on hold -- reorganization of that position is in progress.

We are currently recruiting for part-time intermittent employees for the upcoming football season.

2. Quarterly Budget Report (by Russell Uchida)

Mr. Uchida presented a report on the two financial reports that were provided to the Board:

a. Revenue Over(under) Expenses

Report is prepared on a cash basis, compiling all revenue and expenditure transactions through March 31, 2015. Revenue received after the cut-off date is recorded in the following period. Through March 31, 2015, stadium received \$4.9 million from various revenue sources. It also expended \$5.4 million, addressing all of its operating expenses.

b. FY2015 Operating Budget Full Year Actual/Projected Amounts

Mr. Uchida presented a projection that would take into account where the stadium expects to be at the end of the FY2015:

FY 2015 Projected Revenues -	\$7,118,135
FY 2015 Projected Expenses -	<u>6,975,279</u>
Revenues over (under) Expenses =	\$ 142,856

The spreadsheet represents a full year perspective with actual and projected data through June 2015. When factoring in actual and projected revenue and expenses, Mr. Uchida said they are able to see (incrementally) where the stadium is on a monthly basis and where it will be at the end of the fiscal year. It allows them to make mid-year adjustments as needed. He proceeded to review and explain some of the items in the report:

Parking - Projected Income FY 2015 = \$703,255 (includes \$36,400 from HART for their use of the Kamehameha (Kam) Lot; plus six (6) additional days of the 50th State Fair.

Other Sources of Revenue

- COWS (Cellular on Wheels Service) – \$38,400
- Sky Box Rental -- \$33,500
- Nan, Inc. - \$21,500 (6-month rental for a portion of the Lower Halawa Parking Lot) – or annually \$42,000

Mr. Uchida said some of the factors that affected the stadium's budget this year have been: Attendance at the University of Hawaii (UH) football games, which directly impacts food and beverage; and marketing and advertising revenues. With reference to the expenses, the number of increases that the stadium has to absorb (for which are not funded) includes collective bargaining increases, step movements, increase in utility costs, ongoing repair and maintenance, equipment replacement, utility carts, heavy equipment, and vehicle replacements. Every attempt is being made to make ends meet.

In answer to where the stadium goes from here, Mr. Uchida said:

Revenues

- Aggressively pursue increased business;
- Increase rates and fees through the Administrative Rules' changes;

Expenses

- Control our expenses and keep it within a reasonable ratio to our revenues.

Manager Chan said the stadium is evaluating its part-time intermittent (PTI) employees, which is the area that would make a significant impact in savings. We are working with Charlie Vitale and his group to see where we can streamline the use of PTI employees. We will also reevaluate our in-house repair and maintenance projects in an attempt to cut back on expenses.

Member Yamasaki inquired if Manager Chan's statements are in reference to the "personal services" line item to see how the stadium can modify that to match projects/budget, etc.

Manager Chan responded, yes, it is important that we evaluate the costly line items.

Member Yamasaki had follow-up questions relative to the repairs and maintenance/utility costs and Health & Safety (H&S) issues:

- Do we understand the relationship between the repair and maintenance (R&M) cost and the utilities (noted we have no control on utility costs)?

Suggested doing efficiency measures on both. As an example, if certain measures are done with R&M, they may have an impact on utilities.

- Relative to our analysis and assessment comparison on cost to maintain a facility (i.e. H&S), there will be an excess to some of the work that is done. Although some are not connected to line items, they will appear in the budget and the question is, have we looked at some of those associations, specifically to utilities (more so than personal services)?

Engineer Charles Vitale responded that everything that is being done will not compromise H&S issues. With reference to energy efficiency, LED lighting is being installed in all of the ongoing new construction areas. We continue to look at areas where we can be more efficient and are cutting down on things that are not needed – resulting in a cost revenue benefit.

In response to Member Yamasaki's statement, Mr. Uchida said that there does not appear to be a direct correlation between utility costs and repair and maintenance costs as utility costs are fixed costs. We looked at variable expenses (the most responsive ones with the quickest impact).

Manager Chan stated most of our utility costs are passed on to the client as a charge-back.

Mr. Uchida said, realistically, we have gotten to the point where we have to make these changes because there is no alternative.

Member Bukoski inquired if the 4% reflected the increase in collective bargaining -- Mr. Uchida responded yes. Member Bukoski also requested a brief description of what is included in the increase in supplies and miscellaneous, which Mr. Uchida said he will follow up and provide.

In answer to Member Chee's question, Mr. Uchida said the Foley & Lardner consultant fees are not included in "personal services." Instead they are taken out of the Capital Improvement Projects (CIP), administered by DAGS.

The Chair asked Mr. Uchida if the stadium will fiscally be okay through the end of the year. Mr. Uchida said yes, and that management's current goals are to make adjustments that will place the stadium in a more comfortable financial position. Since our revenue stream has decreased, we need to look at adjustments that will improve our working capital (cash) position. This matter will be discussed in Executive Session.

Manager Chan said there is the concern that unless we find ways in which to support our bottom line, we may be faced with tough times sooner than later. The Chair said he understands that to mean that we need to work hard to meet the projections that have been presented.

In answer to the Chair's question relative to fiscal year 2014, Mr. Uchida reported the stadium was in the black (between \$100,000 and \$200,000).

Member Fujimori inquired if the proposed amendments to the Administrative Rules (increasing parking and rental fees) will help the stadium in the fiscal year 2015-2016. Manager Chan said, yes, it will help.

Member Yamasaki entertained discussions to clarify some of the following items with input from the Chair and Mr. Uchida:

- The stadium is not general-funded;
- Operational expenses are covered by self-generated revenues;
- The collective bargaining increases are covered by revenue-generated funds;
- Budget appropriations that are made through the Legislature and administered by DAGS are for capital improvement projects; and
- The impact to "personal services" line item, to some degree, is not controllable by stadium.

Member Fujimori inquired if the stadium could acquire general funds through the Legislature to cover such costs as collective bargaining? Manager Chan responded that the stadium has always been self-sufficient and has never requested funding to support its operations. However, if we are unable to generate necessary revenues, our only alternative would be to request for support from the Legislature. The Chair concurred.

The Chair asked Mr. Matlin about UH's funding situation. Mr. Matlin responded that they do receive some funding, but it is basically self-generated and said UH is similar to the stadium as far as generating their own operational funds.

3. Engineer's Report (Charles Vitale)

Manager Chan reported that there is a lot of construction work going on at the stadium; he added that it is an opportune time to get things done prior to the start of the football season. He said Mr. Vitale has attended all of the meetings with him and will be sharing what has taken place since last month regarding

Phases 3 and 4; the luxury boxes; the electrical communication system's master plan; and the HART Deed Restriction.

Health & Safety – Phase 3

Currently under construction. Work at the south end has been completed: sandblasting, painting of the upper beams and lighting replacements.

A new concrete deck was placed at the north - mauka side, and the project moved to the makai side (sandblasting the deck beams). Placement of this concrete deck is scheduled for June 15.

We have been assured that everything will be completed and ready for the football season. Some work will continue in the lower level (not near the field) during the season, and should not affect the ongoing activities.

Storefront modifications on the south side are in progress. There has been a slight delay with the arrival of the glass. Completion is anticipated by the end of June.

Health & Safety- Phase 4

Currently the consultants are doing some investigative work.

Skybox

We are currently waiting on price quotations from the architect for the proposed luxury skybox (Loge Sections E and M). Construction will be done in-house. Once the numbers are in and approval is received, the permit process will begin.

Manager Chan said, as mentioned, this was put on hold due to budget constraints; but preliminary work is being done to obtain the costs involved and will be shared with the Board. In answer to Member Bukoski's question, Manager Chan said funding for this project will come out of the operating budget.

The Chair informed the Board that a full discussion will take place under Unfinished Business with reference to the process for approving events and major contracts (including the skybox).

Turf

Mr. Vitale reported process for the installation of a new field turf will begin in June, 2015. The target date for completion is prior to the 2017 Football Season.

Manager Chan reported the funds provided through a trust fund were set up solely for the purpose of replacing the field in 5-7 years. The planning process will take approximately 6-8 months, and the installation another 3-4 months of work will be done during the off-season. In answer to Member Chee's inquiry, Manager Chan confirmed that the funds for the new turf were generated by the naming rights contract.

Hurricane Preparations

Mr. Vitale said the stadium set up its hurricane procedures (prior to last year's anticipated hurricane) and our staff did a great job preparing for it -- although it resulted in just a rain/wind event. We will be reviewing that process to make sure we are prepared again this year. In light of what happened today with the power outage, we are going to be checking our emergency generators, etc. and can assure the Board that we will be fully prepared for the hurricane season.

Events

Manager Chan reported a busy month for events, with five graduations occurring that overlapped with two major events -- the Swap Meet and the 50th State Fair. The first graduation was on Sunday, which presented several challenges. Adjustments were made to prepare for tonight's James Campbell High School Graduation. The 50th State Fair began on May 22, 2015 and will continue through July 5, 2015.

50th State Fair

Client has informed the stadium that the pledge of banning wild animal acts in Hawaii has prompted various organizations to step forward to boycott some of the events that are going on at the fair. Our client has informed us that they met the necessary requirements (because this is not the first time that they have had animals performing at their events). Unfortunately, these are the challenges that come along with having these animal acts as part of their event.

Legislative Update

House Bill 318 (HB318) is pending the Governor's review/decision. It deals with exempting the rights to place one or more names on state or county buildings. The deadline for a decision is July 14, 2015. That is the only Bill that is being considered from this past session. In answer to the Chair's inquiry, Manager Chan said, yes, it does exempt the stadium.

Sales & Marketing (Samantha Spain)

- We are currently in the recruiting process and coordinated a press release through Human Resources.

- Working with a school as part of their STEM and after-school program. Working. Mr. Vitale assisted in a presentation on the mechanics of running this facility, which will include a tour.
- Aloha Stadium's 40th Anniversary.
The Star-Advertiser will be publishing (and funding) a 16-page special edition insert on Wednesday, September 2, 2015 (prior to the first UH football game on September 3, 2015). Six pages will be dedicated to the stadium with editorials and seven pages will have advertisements. Entertainment on Game Day – Tentative plans are being made to provide entertainment for the south and north plazas, as well as a stage area near the volcano area. We are also working with UH's marketing department to promote these activities.

C. APPROVAL OF EVENTS (Andrew Chang)

Mr. Chang informed the Chair that the date on the agenda is incorrect and it should be August 11, 2015.

1. Lauren Mori
dba 808 Crafts & Gift Fairs
Lower Halawa Parking Lot
August 11, 2015 (Tuesday)

Ms. Mori was present to answer questions by the Board. She said the stadium is a good central location with ample parking and would like to hold the Craft Fair on a Tuesday from 3:00 – 7:00 p.m. If the event is successful Ms. Mori would like to have it as a weekly event with the swap meet within 3-5 years.

Board members expressed their concerns on how this event would impact or be in conflict with the swap meet with its current arrangements.

Manager Chan said they have had lengthy meetings concerning this matter with the swap meet management team and they are receptive to having this event (to be evaluated thereafter). Manager Chan said this is a way of introducing a new event and attempting to support our revenue. He stated they will evaluate the first event and report back to the Board prior to considering scheduling it again.

Swap Meet Manager Davy Murayama said they are in support of this event (on a non-swap meet date) and said they previously scheduled a craft

fair/dog show during a swap meet day which proved to be unsuccessful. The vendors were unhappy with it and claimed it took away some of their business.

After further discussion, Board members suggested that if this event becomes successful, independent of (or possibly together with the swap meet), that it could prove to be a good partnership with more people attending the swap meet. They also said that food vendors who frequent the shopping centers may, in time, become interested in setting up at the swap meet.

A MOTION WAS MADE BY MEMBER LONG AND SECONDED BY MEMBER CHEE TO APPROVE THIS EVENT.

Discussion:

Member Bukoski apologized to Ms. Mori and although he enjoys going to craft fairs, he said he had some reservations and feels this event may open some things that he is not sure he can support. He said he is open to hearing the Chair's opinion.

The Chair said, because Centerplate is willing to allow this event as a one-time event for now, and although he has some reservations, he will support the motion with the understanding among the members present that: 1) We can evaluate the results of the event; and 2) We will solicit Mr. Murayama's opinion after the event.

THE MOTION WAS UNANIMOUSLY CARRIED.

2. Monsanto Company
Defensive Driver Training – Classroom Instructions
Lower Halawa Parking Lot & Hospitality Room
August 10-13, 2015 (Monday – Thursday)

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

Member Hasegawa noted a conflict in the August 11, 2015 date with the craft fair. Mr. Chang said they will work with the two licensees to resolve that matter.

A MOTION WAS MADE BY MEMBER HASEGAWA AND SECONDED BY MEMBER FUJIMORI TO APPROVE THESE EVENTS. THE MOTION WAS UNANIMOUSLY CARRIED.

3. Saint Louis School
Pre-Season Varsity Football Game
August 29, 2015 (Saturday)

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

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

D. The University of Hawaii Athletics Department Monthly Report (David Matlin)

Mr. Matlin reported he is working with Manager Chan on the UH contract for the 2015 UH football season; our goal is to have it finalized by July 1, 2015, (prior to the start of the season).

Due to the cancellation of Kansas University, they have one game to fill for 2016. He said the longer you wait, it becomes more difficult and they lose leverage as far as what they have to pay for those types of things. They are, however, in negotiations with one school and have a few backups if that doesn't go through. They hope to finalize it within the next month or two.

UH's schedule is locked in through 2020 in most cases. Mr. Matlin said he will review 2017 to see if any adjustments can be made that might be mutually beneficial.

Mr. Matlin said he has gone on record by saying the whole issue of scheduling 13 games in 13 weeks without a bye, is not in the best interest of student athletes. He added that some of the decisions have already been made and he does not want to renege on a prior commitment, but will give that some thought for the future.

Mr. Matlin concluded that there are opportunities for win-win scenarios for both the Stadium Authority and the UH, and he and Manager Chan have had many conversations and will continue to have them from a proactive standpoint. He said they not only want to do a good job, they want to also do it the right way and asked that they be contacted if there are any issues.

The Chair asked Member Long for a status on their monthly meetings with UH. Member Long said the priority is to settle the contract for the 2015 season.

The Chair said prior to this meeting, he and Manager Chan met with Mr. Matlin and reviewed the initiative we are working on with reference to the optimization plan for the stadium. Mr. Matlin said they do want to be involved with that as appropriate.

E. Swap Meet Monthly Report: Centerplate (Davy Murayama)

- Total February Attendance increased 5%
- Total Stall Count decreased -3%
- D,E,F, rows stall count decreased -3%
- A,B,C, rows stall count decreased -3%

Mr. Murayama reported the number of swap meet days for the month were the same as last year's, with a 5% increase in attendance. They did experience a decrease in vendor stall sales, which was due to monthly vendors being on vacation. Another difference was that Easter occurred earlier this year. They will continue to monitor the situation for future months.

There are no new items to report from the marketing department.

Vendor Quarterly Meeting

The modification/reconfiguration plans were introduced to the swap meet vendors and they were very receptive to the idea. Some of the concerns they expressed were already addressed and adjusted in the new configuration plans (to their benefit). They did bring up additional items which will be adjusted accordingly. The new configuration will be effective in June, 2015. It was a very productive meeting. Certain vendors may have to be relocated in the A-B-C Rows, and Centerplate is meeting with each one individually to let them know what their options are. They were receptive to the changes that will occur in September and have been given ample time to make a decision.

With reference to the modification plans, Manager Chan said we did not compromise any of the vendors located in that area. The new plan created an opportunity to address north tunnel safety issues; increase revenue for everyone concerned; and push more foot traffic to the area. The route will lead business into the plaza area that provides a comfort zone. We are pleased that the vendors reacted positively at their quarterly meeting. It is a win-win situation for everyone and another area to increase our bottom line.

Member Bukoski addressed the Chair and said that perhaps the market for craft fairs at the swap meet is untapped and should be looked into as a way to increase revenues and decrease expenses; it could also be a growth opportunity for the swap meet.

Mr. Murayama informed the Board that the swap meet did have a craft fair during a swap meet event and experienced a lot of confrontation and complaints from the vendors. It was set up in the Circle East area, together with a dog show. The vendors did not like it because it competed with their businesses, which is the reason it is not being scheduled

on a swap meet day. Mr. Murayama said they did not venture out on a non-swap meet day because it was not feasible for the vendors at the time.

Member Fujimori expressed appreciation to Mr. Murayama for Centerplate's cooperation with reference to the Auditor's report, which resulted closure to several items.

F. Aloha Sports Properties Monthly Report (Glen Higa)

- Continuing their process with phone calls and emails.
- Setting up face-to-face meetings.
- Presenting proposals on a daily basis.
- They currently have over \$500,000 in committed business.
- They are making progress in closing their larger renewals.
- Since time is short, they are working harder than ever to close their new business and reach their revenue goals.

(Break at 11:25 a.m.)

UNFINISHED BUSINESS

A. Federal and City Deed Restrictions – Report/Discussion (Deputy Attorney General)

Deputy Attorney General Randall Nishiyama reported that Linda Chow is the Deputy Attorney General who is handling the Federal and City Deed Restrictions. She has indicated that she is working with the Department of Land & Natural Resources (DLNR) in filling out the paper work that the federal government has required regarding the transfer. She did not provide him with a timeline as to when she expects that paper work to be completed by DLNR. With respect to the City Deed Restriction, she has been unable to make progress of that because of her other work obligations.

Member Fujimori inquired if Ms. Chow needs someone to assist her. Mr. Nishiyama asked that the Board make a request to the Attorney General to move it up on the priority list. The Chair asked Member Chee to discuss this with the Optimization Committee and set it up as a priority.

Member Long asked Mr. Nishiyama to contact Ms. Chow and let her that the Board would very much like to meet with her. Mr. Nishiyama confirmed that he would contact Ms. Chow.

B. Optimization Committee Report/Discussion

Member Chee reported that the Optimization Committee met on May 21, 2015, with all members in attendance. They discussed the following:

- The new member to the committee, Ross Yamasaki, was chosen as the committee vice-chair
- They revisited the issue and asked the question: When the committee was formed, what was it intended to do? One of the conclusions mentioned was, "to optimize the use of the stadium facility and lands." That was the theme throughout their discussions.
- The committee agreed that issues of the Honolulu Authority for Rapid Transportation (HART); Transit-Oriented Development (TOD); the Deed Restrictions that we just discussed and interface with DLNR and DAGS; and our dealings with Foley & Lardner (Irwin Raij), at this point in time, are the committee's purview.

The following points were made:

- (1) A Vision . We need to have a vision, not solely within the context of the committee, but also extending beyond the committee into the Board in general. Mr. Chee said we have to have a vision of what this facility and the lands are going to be before we move forward; especially as we move into the next phase with our consultant, and the preparation of the Request for Proposal (RFP).
- (2) Developing the Vision. In developing the vision, we must be mindful of the demographic that we now serve, (not to lose sight of it, in the pursuit of getting a facility). The types of people that do come to the stadium now, that probably in the model of a Levi stadium, are not going to be able to afford to go to a facility like that, (with the cost and expenses being what they are at those types of facilities). That is going to be a big pull in the whole vision as we move forward.
- (3) The committee members and the Board in general need to become more knowledgeable about what the possibilities of this facility and the property are (to capture the vision). There are experts out in the general public (in town) who can be resources for us. In the coming weeks, we plan to invite speakers to come in and brief us on what the potential is of a property like this (and what developments).

One of the key elements in this is whether or not to involve our consultant Foley & Lardner (Irwin Raij) in these kinds of discussions. There is a real fine line that the committee has agreed on -- between allowing our consultant to guide us and determine what this vision is and what we would like to have in the RFP vs. our telling him what we think we should have and then have him guide the parameters that paint out; but, we have our parameters, (things that we want). He can then help us translate that and fashion the RFP, based on his vast experience in these kinds of things.

If we find that this is somewhat out of Mr. Raij's scope, and he views this as over and above of what he was going to do for us and wants to charge us more, then our alternative method of gaining this input is to look to our DAGS staffers who can help us collate and go through this information that hopefully we get from invited speakers. We need to ask DAGS if we are able to get that kind of support.

(4) Committee's Duties/Responsibilities (internal).

For issues that deal primarily with HART, Member Long will take the lead and responsibility in attending meetings and dealing with the HART personnel and staff (with Member Chee filling in). For TOD issues, that would be Member Yamasaki. For issues dealing with DLNR and maybe with Linda Chow, that would be Member Bukoski's focus. He could also be an alternate in filling in if some of us can't attend our respective meetings for our areas of responsibility.

(5) With respect to our consultant Foley & Lardner (F&L), the distinction is to not have them drive this vision. Although Mr. Raij has been very influential in doing that (the subject expert), I think going forward we would want to get other input and come up with our own ideas; then have F&L tell us what may or may not work. Prior to that, we believe it is best that we take the initiative, form this vision, and set parameters for him.

Member Chee said the above is what the committee accomplished in their meeting.

Member Yamasaki offered his comments by clarifying his understanding of the roles/responsibilities of Board members as committee members. The Chair responded to Member Yamasaki that what he is saying is that he is still a committee of the Board. Member Yamasaki said yes, but because the Board is involved with so many different things and in trying to be efficient and effective, we want to make assurances to the whole Board that part of

the committee's charge is not to try to discuss everything, but focus on their respective committee issues (i.e. the Optimization Committee).

The Chair informed David DePonte, that the Board may need DAGS' input in terms of how we are going to mesh what F&L is suggesting, with what the Optimization Committee (OC) would like to do.

The Chair said his understanding is that the OC is recommending that we take the initiative, rather fully depending on F&L, by contacting resource people to provide us with different perspectives. Mr. Chee concurred.

In moving forward, Member Chee noted the following:

- The committee needs to get educated and invite expert resource people to their meetings. Inviting other Board members would conflict with the Sunshine Law, per his conversation with Mr. Nishiyama.
- The reason for not involving F&L at this time is because the committee does not want to expend the budget. It may result in time spent without reaching a decision point.
- To assist in collating information and documenting its direction, the committee is seeking permission and support from DAGS.
- The committee will move forward as soon as they can schedule the things mentioned.

Member Fujimori said it appears that we are now ready for optimization discussions. She suggested that the Board could extend its meetings to an afternoon session and listen to the resource people, which would take care of the Sunshine Law issue. She also stated she is pleased with the direction of the committee.

The Chair stated, what Member Fujimori has indicated is that the Board needs to start making some hard decisions that will lead into the Request for Proposal (RFP) process. He suggested that the Board could also schedule a special session (open meeting) to have an educational workshop. The Board will need to make a decision and a timeline is needed.

Member Chee responded that the committee does not have a timeline and it is something they will need to start addressing. The Chair suggested scheduling another OC meeting and possibly an extension of the June meeting with the

resource people as soon as possible. We also need to inform F&L on where we are with the process and their involvement. Member Chee said he will prepare a memo addressed to F&L (circulated to the committee), then forwarded to the Chair for distribution.

Manager Chan expressed the need to be cognizant and aware that timelines need to be developed immediately, because the issues that need to be addressed will impact decisions regarding the facility itself. Determining how we need to proceed is a top priority, including developing the RFP committee under the guidelines set forth by the State Procurement Office. The Chair agreed and said we need to be aware of the other stakeholders that we work with and the timing of the other activities, including the session.

Member Yamasaki requested follow-up information relative to the stadium not obtaining funds from this past session and how does it impact our projected Life Cycle building cost, etc. He said that information might impact the urgency of their timeline. With more information/activity, they could tie it together.

Manager Chan said we do have some idea with what we were faced with (no funds received at the past session) and understand the level of work that needs to be done. We also know we will never be able to catch up with addressing repair/maintenance items with the funding we have received in the past.

Member Chee stated, in a planning perspective, the worst case scenario is if the current no-funding situation continues. He feels that would be the most prudent way to move forward. Member Yamasaki agreed.

The Chair stated, with the path we are following, some kind of decision should be made soon. In terms of the Legislature, they may be anticipating that we are planning to move ahead with the project and is beginning to cut off some of the funding. It may be necessary to communicate (even during the transition) that the stadium will need a little funding to get through the transition.

C. Honolulu Authority for Rapid Transportation (HART) – Report/Discussion

Liz Scanlon spoke on behalf of Brannon Morioka who was unable to attend today's meeting. She introduced the HART staff: Lorenzo Gorrido (last meeting – will be relocating to the mainland); Charles "Sam" Carnaggio, Project Director, will be engaging with stadium matters; Matt Scanlon, Project Engineer for Guideway and Brent Scheele (Project Manager with Kiewit. Lorenzo will be giving a brief construction and traffic update and discuss various things they have been working on.

Report by Lorenzo Gorrido

Mr. Gorrido said it has been an honor and privilege to work with the Stadium Authority, the stadium staff, and the DAGS staff over the years.

Mr. Gorrido reviewed a power point presentation with the Board which included:

- Rail Operations Center – 71% Complete.
- Rail Operations Center track work located between Waipahu High School and Leeward Community College (HART is in the process of laying the track work for the area that will store and service the trains.) The first trains or car shells are being fabricated in Italy and the plan is for the first train (with four cars) will arrive and delivered to the Rail Operations Center within a year.
- West Oahu Farrington Highway Guideway – 62% Complete
The main milestone at this location is that they have reached the third mile of guideway completion.
- The Balanced Cantilever Work (bridge over H-1 is coming together). By early July the connection will completed.
- Kamehameha Highway Guideway - 38% Complete
Noise complaints from the residents are being addressed; Kiewit has erected temporary sound barriers to mitigate some of the impact. Ongoing construction continues from Acacia to Waimano Home Rd.
- Kamehameha (Kam) Lot – Completed foundations in the lot are 50 feet. The few more foundations left have been well coordinated with the teams.
- Airport Section Advanced Utilities – Construction Completion by Nan, Inc. -10%
- Airport (Seven Foundations) – Construction Completion – 100% by Hawaiian Dredging.
- Traffic Update – Brennon Morioka is coordinating the necessary measures to be taken with respect to traffic due to the many graduation ceremonies that are occurring this week. Kiewit is delaying lane closures to 10:00 p.m. due to tonight's graduation ceremonies. Ms. Scanlon said they will continue to monitor the situation and make adjustments as necessary.
- Kamehameha Highway in Aiea – A lot of work is being done at different intersections. The highlight is at Pali Momi – they are impacting that intersection

with a work zone, (contra-flow which is moving in the westbound lanes to the other side so they can free up that work zone).

- Pearl Kai Shopping Center Aiea – Ongoing lane closure 24/7.
- Airport Section – Kamehameha Highway – Nan, Inc. currently has daytime lane closures from 8:30 a.m. to 3:00 p.m., depending on the location.

Ms. Scanlon announced they will be meeting with the stadium on June 3, 2015 to discuss the design of the stadium station and the park-and-ride; also the right-of-entry for construction later this year or early next year.

Ms. Scanlon also informed the Stadium Authority that their plans for the bus and rail integration have already begun. They are also reviewing their planned interim opening; the Aloha Stadium station will be a temporary end-of-line station until Ala Moana opens. They are also looking at how buses will interface with the station and then how they will eventually transition to the mid-line station once they go to Ala Moana. HART anticipates sharing these plans with the stadium within a couple of months.

D. Administrative Rules Committee – Report/Discussion

Manager Chan reported on behalf of Deputy Manager Lois Manin who was not able to attend this meeting.

The proposed amendments to the Administrative Rules have been forwarded for review and approval to Governor David Ige, the Department of Business Development & Tourism (DBEDT), and the Department of Budget & Finance. We have had conversations with DBEDT and were informed that our proposed amendments will be heard by the Small Business Review Board in June, 2015. A public hearing will then follow. DBEDT has been helpful in allowing us the opportunity to try to complete the process and implement the new rules prior to the start of the 2015 football season (although a difficult task).

E. Approval of Events/Contracts Process – Discussion

A MOTION WAS MADE BY MEMBER FUJIMORI AND SECONDED BY MEMBER HASEGAWA THAT THE BOARD DELEGATES THE APPROVAL OF THE REPEATED EVENTS TO THE STADIUM MANAGER AND THAT THE BOARD SHALL BE RESPONSIBLE FOR APPROVING NEW APPLICANTS; ALSO, THAT QUARTERLY UPDATES OF THE PAST EVENTS, INCLUDING RECOMMENDATIONS, SHALL BE PROVIDED TO THE BOARD.

Discussion:

Member Fujimori said the purpose of her motion is to suggest that the Board reviews and approves only new applicants and not the repeated ones; also, instead of management providing a monthly report, that a quarterly report be provided with the pertinent information highlighted. The Chair asked Manager Chan for comments and Manager Chan said he is fine with the motion as stated.

Concerning the one-time event for the Crafts Fair, Member Bukoski inquired if it would be an administrative decision if the client requests approval to have a repeat event? Member Chee responded it was his understanding that the Board would have the opportunity to revisit the decision to allow that event to continue on a regular basis. He suggested that the motion be amended accordingly. There will also be some instances, such as the Crafts Fair, where the Board will want to revisit the results of the first event; and in that case it would not be an automatic repeat by the Manager.

In answer to Member Bukoski's question, Mr. Nishiyama said the motion would not be a contradiction to our Administrative Rules. He also said if you are specifically delegating the authority to the Stadium Manager, that's fine, but it takes a Board action to delegate. Member Bukoski asked if this would pertain to other rules, and Mr. Nishiyama said it would depend on the nature of the rule.

Member Hasegawa said his understanding is that the initial request was approved as a one-time event and there is a request to do multiple events, it becomes a new proposal. The Chair and Member Yamasaki concurred.

Manager Chan shared with the Chair that since they meet only once a month, whatever adjustments are made by the Board will help to streamline the work that needs to be done. He feels there are some things that management can get through without having to go to the Board. Manager said he is just grateful that the Board is discussing and considering the possibility of event approval changes.

Member Yamasaki inquired if the current process allows the stadium to lock in a contract for several years. Manager Chan said, yes, we currently allow E.K. Fernandez to a multi-year contract.

Further Questions/Comments by Board & Management

Several members questioned the difference between a repeat event, and a previously held event. Mr. Nishiyama said he does not feel there is a difference. The Chair concluded that it is one of the same.

For clarity purposes, Member Bukoski asked, "Going forward, can any event we approve, be approved administratively and only entirely new events by the Board?" The answer by Board members was yes. He also inquired if there a logistical problem or reason with the way we have been doing things?

The Chair responded:

- The basic intent is: If it is better done administratively, the Board can make better use of its time and focus more on policy-type issues.
- We can delegate to our Stadium Manager and make better use of our time and let them do what they do best.
- There have been a lot of questions in past discussions about what is the Board doing for this approval process. This is an attempt to sort out things that can be handled by management since we meet just once a month. He feels that the Board should not be involved with the repeat events and it should be delegated to the Stadium Manager.
- We are not trying to delegate anything pertaining to the Board's responsibilities.

Member Fujimori commented the Board is just going through the motion with the repeat events.

Member Long commented, "We hire the Manager for that purpose – to run the business and he is not sure why we would restrict him."

Member Bukoski commented that he doesn't think the Board is restricting him; but in reading the rules, it specifically mentions the responsibilities of the Board in relation to approving events. We are trying to do what is being asked of the Board in the rules; and if it means saying it is a repeat event, we can motion it as a slate. The Board does not have to look at each event individually. However, if it is the Board's pleasure to go ahead and delegate that authority, he will support it, but is trying to understand why.

The Chair said he thinks many of the people present understand why we are delegating to Manager Chan. The question is whether the Board can do what the motion is suggesting. Member Bukoski said Mr. Nishiyama stated there is no problem with that action, but Mr. Bukoski questioned, "What unintended consequences might that delegation of authority present down the road, that we are not thinking of today?"

The Chair asked the Board if there has been enough discussion on this matter.

Member Chee suggested an amendment to the motion, to accommodate those instances where events like the Crafts Fair, where we would like to review the request for an event that is a repeat. The Chair approved.

Member Chee asked Secretary Diana Ho to read the motion, as follows:

"A motion was made by Member Fujimori to allow the Stadium Manager to review and approve repeat events and the Board to review and approve new events."

Member Chee requested the following amendment to the motion:

A MOTION WAS MADE BY MEMBER CHEE TO INSERT IN THE MOTION (AFTER STADIUM MANAGER), "UNLESS IN INSTANCES WHERE ADDITIONAL REVIEW OF SUCH APPROVAL OF REPEAT EVENTS IS REQUESTED BY THE BOARD OR THE STADIUM MANAGER DETERMINES THAT BOARD REVIEW IS APPROPRIATE."

The Chair stated there is a motion to amend the original motion.
MEMBER FUJIMORI SECONDED MEMBER CHEE'S MOTION TO AMEND.

Discussion

Member Bukoski said he understands the idea of streamlining and does support the Board; and asked if Manager Chan intends to include the previously held events that were approved administratively in his monthly manager's report.

Manager Chan stated he will provide that information in his manager's report. He also noted that evaluations of all events that have taken place are provided to the Board in their packets every month.

The Chair called for a vote on the amendment to the motion.

THE AMENDMENT TO THE MOTION WAS UNANIMOUSLY CARRIED.

The Chair repeated the general language to the main motion for the Board's benefit, "repeat events will be delegated to Manager Chan and new events will go to the Board. There was also an amendment by Member Chee adding to that motion that repeat events can be brought to the Board by the Manager as well as by individual Board members. There is also another part to the main motion that states a quarterly update of the past events, including recommendations, shall be provided to the Board.

THE MAIN MOTION AS AMENDED WAS UNANIMOUSLY CARRIED.

CONTRACTS

The Chair announced there is a second part to this section, which is to address contracts. He suggested in the interest of time that perhaps it can be pushed back. The purpose is to have a full discussion on what you would like to have brought before the Board as it relates to contracts. It could relate to such projects as the skybox which may utilize operational monies; and if the dollar amount went to a certain amount that Manager Chan would bring it to the Board for approval.

The Chair asked the Board, "Do you want contracts brought before the Board, and at what level or what amount - for discussion/information/approval? He said it is his understanding that this responsibility was delegated to Manager Chan by previous Boards.

The Chair suggested a quick discussion.

Member Chee asked Manager Chan to describe some of the contracts. Manager Chan noted there are 18-19 standard service contracts that involve escalators, air conditioning, etc. The major contracts that we craft are: Swap Meet, Food & Beverage and Advertising. Those are the top contracts that we prepare through the State Procurement (SPO) process. I need to understand what the Board is requesting and what are the expectations.

The Chair asked if the Board would be interested in seeing the Centerplate food and beverage contract. Member Chee said he would be interested in seeing that contract.

The Chair said he didn't think they would be interested in the service contracts (i.e. Elevator Maintenance, Xerox Machine, etc.)

Member Chee suggested, if that is the process, then the committee should just make a report to the Board.

The Chair asked the Board if they would be open to Manager Chan coming back to the next meeting and suggesting maybe which contracts we should be involved in?

Member Yamasaki stated, before we go there, the prime procedure allows for (or has) Board involvement through the selection committee? Manager Chan replied yes.

Member Long inquired if the contracts are all settled at this time; thus the reason why no activity has come through the Board. Manager Chan said yes.

Manager Chan said those are set in place. The only ones that the Board may have questions with, are projects like the skybox (that is done in-house). Those are projects that we engage in and decide on as a management team.

The Chair inquired about the contract for the skybox project. Manager Chan said it is not so much of a contract, but understanding the steps we take to select the project, determine cost, and the available funding program. In answer to the Chair's question, the cost of that project ranged between \$80,000 - \$100,000.

The Chair asked Board members if they want to be involved with the contracts (i.e. before it happens) and do they want to be a part of the decision making process.

Member Yamasaki stated if there is a process where the Board has involvement and a way to communicate to the Board that would be sufficient for him.

In answer to the Chair's inquiry, Manager Chan said the advertising and swap meet are contracts crafted by an approved committee (that includes Board members). To review a contract before the process actually begins, could provide valuable input that could assist the selection committee for the next contract.

Member Bukoski asked Manager Chan, for clarification purposes, "Since his budget is approved by the Board, and if he operates the stadium within that budget, it is discretionary and you don't have to go back to the Board for approval? Also, if projects fall within that budget, it is discretionary?" Manager Chan said that is correct.

The Chair added, "Unless there is a replacement of items taking a reallocation."

Manager Chan said that the Chair brings up a good point, and we should mention that our seat replacement project is on hold until a decision is made regarding the future of Aloha Stadium. We wanted to invest our money in prioritized Health & Safety projects for now. For the time being, the seats are not a priority .

Member Fujimori said she agrees that improvements to the skybox and the dugout could be discretionary, but they were pleasantly surprised with the changes in place which generated more revenue for the stadium. She expressed that if the Board was made aware of the changes prior to its completion, rather than walking into a new skybox, it may have alleviated some other concerns.

Manager Chan said the planning of the skyboxes were initiated with the previous board. There were some timing issues, which required them to pull back on the project until they knew what the particulars were in terms of adding anything more to the facility. At the same time, decisions were being made on building a new or renovating the existing

facility; and it would have been difficult to accept if decisions were being made to build a new facility immediately and our project was in the process of being done. All of this activity delayed us from sharing it at that point.

Manager Chan said he just wants to reassure the Board that all these issues would normally come to the Board in terms of the bigger projects that we would take on, (outside of repairs and maintenance)— that's adding value to the facility itself. That is the second time we've done that – the only other time it occurred before was making use of the dugout – it provided no service once we locked it in position, so we wanted to make sure we could maximize our opportunities by creating something down there – all it was doing was harboring fugitives down there, looking for people that are hiding, or taking in the game when they shouldn't be down there.

The Chair asked the Board if they were ready to make a decision on the contracts.

Responses by the Board

Member Chee suggested voting on this matter.

Member Long said his preference to the Chair is to table it to next month, but it would be at the Board's discretion. Perhaps Manager Chan can be more specific about the large contracts again and the overall timing of them. On the matter of negotiating events, we trust the Manager to make a lot of those decisions, and if there is something that needs some oversight, he is willing to entertain, but he has none.

Manager Chan assured the Board that SPO guidelines are followed and must be enforced when representing any contract.

Member Fujimori said she can live with the process that is in place now.

Member Chee inquired if Manager Chan is being questioned on decisions made on the major contracts because he does not know what the genesis of this issue is.

The Chair replied no to Member Chee's question. He said it is more in terms of the Board having knowledge of certain decisions by a certain time, rather than after-the-fact. The Chair informed the Board that he feels a little more enlightened after listening to Manager Chan and if it's okay with the Board he would like to leave the contract situation the way it is and ask that Manager Chan continue to keep the Board **informed** of any changes or information that he feels is important to the Board; it could be measures to balance the budget – just for the Board's information. The Chair asked if there were any objections – there were none.

F. Transit-Oriented Development (TOD) Subcommittee Report/Discussion (Charles Vitale)

The Chair asked Mr. Vitale to explain the difference between the two committees.

Mr. Vitale explained there are TOD committees for each station that cover public/private stakeholders. Their meetings are open to the public and one was held at the stadium.

In addition, the state under the direction of Senator Susan Chun-Oakland has a committee to specifically discuss development of state-owned properties.

In March, Senator Chun-Oakland asked that a subcommittee be formed for each station covering specifically state-own properties.

We have had two meetings with state entities and also representatives from TOD, and City Department of Transportation Services. All area Senators and Representative were also invited, as well as area City Council and the Neighborhood Boards

Basically there are three state entities in this area that have land:

1. Aloha Stadium – 90 acres
Stadium Authority is looking to form a committee to solicit an RFP for the development of the stadium. The committee will have to be selected and approved by the Comptroller.
2. The second piece of property is owned by Public Housing; unfortunately Public Housing wasn't able to attend either meeting. Hakim Ouansafi, Executive Director of Hawaii Public Housing Authority mentioned that they are looking to increase capacity of the Puuwai Momi Nursery Development.
3. DLNR owns the third piece on the makai side of Kam Hwy. It is a very small property that they may develop for an office building.

The DOE has no current plans for redevelopment. They are studying areas where they might be able to redevelop land where the schools are relocated. They are looking at three areas – but, currently, the Halawa area is not one of them.

The state lands that we do develop here should provide synergy for adjacent private land development.

Regarding the current and future infrastructure (water, sewer, drainage, road, power, telephone cable), we have to look at the capacities now and in the future to make sure that they maintain what is needed for future development

The Chair asked Franz Kraintz how does this fit in with what TOD is doing?

Franz Kraintz (City & County – Department of Planning & Permitting [DPP])

Mr. Kraintz said the C&C would like to be a part of what was previously discussed – as you move forward and create a vision. We are creating or preparing the TOD not only at the station area, but also within the half-mile area. As Mr. Vitale mentioned, the State TOD's efforts are important to them, as well, because they are working and speaking with the Public Housing Authority, trying to understand their plans for the future, as well as DOE and any of the other state agencies. In trying to coordinate all these efforts (and certainly there's a lot of moving parts), he thinks the more we can partner and communicate together the better a plan for this station area can be created.

The Chair said to Mr. Kraintz, with all the entities involved, there is good effort to try to communicate with each other and hopefully we can all come together.

Member Chee asked Mr. Kraintz inasmuch as there is a half mile radius that's centered on the stadium station, is the City's TOD planning contingent on what is done here? Or is the City independently looking at what it wants to do on a global basis within this half-mile radius and hoping and trying to influence what happens on the stadium site? Who is the dog and who is the tail?

Mr. Kraintz replied by saying this is the state's property and as far as the TOD's planning goes, they are going to defer to the stadium's vision first. If it is in conflict, he thinks they would make a point of it, but said they really want to work in partnership with the Stadium Authority and the state. He doesn't view that there will be a conflict and thinks they will be dependent on what the stadium comes up with. They want to be aware and want to know how it meshes with the surrounding areas as well and how can they optimize it.

Member Chee, said from a planning perspective, I can see the down the road issues there may be competition for the resources, because there is only so much sewer, water, etc. The City may have an agenda for something that's essentially off-site of the stadium, but very important to its own vision of what the area should be; but, we in turn propose something and uses up all that capacity (whatever it is). If we are the dog, then that's great for the stadium, but he suspects that there's going to have to be a little give and take, and there may be a critical point where a responder to the RFP may say this is key factor for us to get involved and we can't get this to the full extent that we want it; then we can't afford to participate.

Mr. Krintz said at the last TOD subcommittee meeting (Senator Chun-Oakland's group), they did supply a draft infrastructural report that their consultants provided to the Stadium Authority and shared some information at that point. He thinks they made the point that if there are those kinds of issues that perhaps we look to the developer to help pick up some of those costs because of the additional requirements. Everything is on the table at this point.

Mr. Vitale said they brought that up at the very first meeting of our committee. The developer can do everything he can on site, but that sewage must be treated off-site which is out of the developer's control. Harrison Rue of C&C DPP, said they are looking at all the developments and are coming up with rough numbers of what is needed.

Member Yamasaki said that information (case in point) is what part of the Optimization Committee is focused on, so we better understand the constraints that shapes the vision, then which is reasonable.

Member Bukoski asked Mr. Krintz, "At the end of the day when we go through this whole TOD process, public meetings, stakeholders meetings, etc., the finished product that comes out of TOD (City), and I just want to get it clear in my head, is it pretty much a zoning overlay of the area. Is that the end product.

Mr. Krintz said the answer is yes and no. The first thing they want to do with the plan is to create the vision. He thinks that is going to dovetail real closely if not exactly to that plan. To implement that vision (those land uses that are in that vision), then the City will create the zoning that will allow it; and that's what they are seeing now in Waipahu and Aiea where those plans have been done. In fact, yesterday a Planning Commission meeting was held on the proposed zoning to help implement those plans.

Member Bukoski inquired (at the end of the day) if the Stadium Authority comes up with the vision, and that vision basically says for the acreage that we have here at the stadium's facility site, we just want mixed use. Could the entire stadium area be zoned "mixed use"? Mr. Krintz said yes.

Member Bukoski inquired if the zoning overlay could simply be Business Mixed Zoning (BMX). Mr. Krintz said they want the zoning to match the vision, so it encourages that development. Member Bukoski asked the Chair (I just want to clarify this in my head, and correct me if I'm wrong) you mentioned and I think this might be critical down the road, but in your discussions with Chun-Oakland's committee on state TOD's use of development of state lands, I think we want to make sure we don't forget that the 10 acres (approximately) on the Kamehameha

Lot site is still available at our discretion to develop; therefore, it should still be included in the total acreage, so that would be closer to 99. Mr. Vitale said he will just note it as 100 acres as all the Stadium Authority land.

Member Yamasaki asked Mr. Krintz (for the benefit of the Board), to state what TOD's mission is since TOD is organizing around something that is very specific.

Mr. Krintz said TOD (Transit-Oriented Development) is really as the name implies. Around the new rail stations, they want to leverage the public investment in transit to create a more dense type of development, more mixed uses. It facilitates fewer (from a transit perspective) vehicular movement by the automobile and increases pedestrian transit uses and also creates more walkable in today's language "livable communities that are sustainable." You are making a more compact development and creating more synergies that as we live creates vibrant communities, more livable and more recreational/entertaining. These are all around the transit stations, so a lot of it is dependent on market; you can dream all you want, but the market has to create it. We do think there is a viable market here, because of the kinds of activities at the stadium, and also you've got almost two million visitors at the nearby Pearl Harbor Visitor Center, which could create that synergy and more of that livable type of community around here. They are also hearing from the Public Housing Authority and how much they want to increase density of the units here for public housing – there is quite a bit.

Member Yamasaki asked Mr. Krintz, "Is it basically a planning exercise to understand the impact of the rail stations and looking at its full potential which may result in rezoning. Mr. Krintz said yes.

The Chair asked Mr. Krintz, in terms of priority and importance, how would you describe the stadium's station? Mr. Krintz said in his opinion it is a key junction with a number of important generators going on – you have Pearl Harbor and the airport but it all seems to come to this direction. He thinks if HART does the park-and-ride, people are going to come around here and they may use it as a stopping point to go into town, especially if they are coming from central Oahu or the other side of the island. Rather than get into all the congestion it should be pretty easy and convenient for them to stop off here, go into town or vice versa...or to come out of here as well for the two things that we talked about ..the stadium events and Pearl Harbor.

Member Bukoski informed Mr. Krintz (for his information) it is a surface level park-and-ride. Mr. Krintz agreed and said he thinks there are only about 200-300 spaces.

The Chair said there is something to be said for a parking garage if you want to maximize the utilization of the space that you have here. Mr. Krintz said the other half to that answer is this site represents something unique that other stations don't have – it's sports related possibilities we talked about. There are many sports activities that a stadium site generates.

In conclusion, the Chair said to Mr. Krintz, from the City's perspective, what the City is looking for is density around the stations and you are willing to help facilitate what the community wants for those sites; so it is important that the landowners and the people around this area let you know what they'd like to see as their vision for this area and you are willing to help facilitate the implementation of what the community would want. Mr. Krintz agreed and said they have been working with their consultants to develop some possible scenarios – that by the end of summer or early fall they plan to have their next TOD workshop to unveil those scenarios. They will be coordinating all these types of things with the Stadium Authority and DAGS as they move forward.

The Chair asked Mr. Krintz, does the City see themselves more as a facilitator, rather than the agency that's going to be making decisions about what's going to be here? Mr. Krintz said the initial phase, the facilitator's advocates; and in the final phase, as the land permittee, they will be regulating it as well. He said he thinks the idea of coming up with new zoning is to help facilitate the vision and the land uses by creating the zoning.

G. State Auditor's Report No. 15-05 (May 2015)
Pushing Boundaries: Follow-up on Recommendations made in Report No. 12-02,
Investigation of the Stadium Authority's Swap Meet Operations

Manager Chan will report on behalf of Deputy Manager Lois Manin.

Manager Chan said the Board was provided with a copy of the Auditor's Report which was distributed to the media and the general public regarding recommendations to the Investigation of the Stadium Authority's Swap Meet Operations.

We are pleased to know that out of ten recommendations, seven were closed. Three are still open and in progress for several reasons. One is due to the transition that we had with Board members -- we're trying to address some of the concerns of those three open recommendations that dealt with the contract administrator in regards to policies and procedures, and accountability etc. that needs further discussion.

I also want to mention that it has been a long haul – for the past five years; he and his staff have been very cooperative with the Auditor's office through the entire process.

We made every effort to accommodate the requests that were being made and there were many. We continue to work directly with the people that are concerned -- more specifically with the Department of Interior (DOI), to ensure that we receive the proper guidance as we seek opportunities that will help support the sustainability of this facility and the operations of Aloha Stadium. And if they mean pushing boundaries is being proactive in looking at ways to bring or address these issues then so be it. Manager Chan said he feels it would be our fiduciary responsibilities to continue to look at ways that we can support the operations of this facility and is confident that we have shown that within the last three or four years in terms of our response to the auditors. We did not agree with every item, but we were willing to look at it as an opportunity to help us better serve our vendors and visitors.

Member Long stated when it comes to addressing the deed restriction, this Board has made the biggest moves.

The Chair commended and thanked the Audit Committee, Board members, Manager Chan and staff for their patience and really trying hard to address the concerns expressed by the auditor's office. He said they have done a great work and it is reflected in the results of the report. We've done everything possible to address the outstanding items. It will now depend on what kind of responses we get from the National Park Service (NPS) and the others. The Chair thanked everyone for their great work.

Member Fujimori said, with reference to the Federal and City Deed Restrictions), we need to plead with the Attorney General's office because Manager Chan has done more than what we needed to do in terms of communicating with the Federal Government and the City & County of Honolulu. She suggested the idea of attaching the Auditor's Report and sending it to the Attorney General's office to remind them that we need their assistance to move that agenda.

Member Long expressed appreciation to Deputy Manin for the work that she did in addressing all of the concerns and preparing the responses and forwarding the requested documents to the auditors in a timely manner.

Manager Chan informed the Board that the Star-Advertiser published an article regarding the Auditor's Report with no notification to us. KHON 2 also requested an interview, but we did inform them that it wouldn't be appropriate for the stadium to appear on camera, since informed Mr. Jim Mendoza of Hawaii News Now that we would provide him with only a statement and supporting documents. Manager Chan said he also made it clear to the gentleman at our meeting today that we would provide him with the same statement and information that we gave the other stations in all fairness to Mr. Mendoza who made the request earlier.

IV. NEW BUSINESS

None

V. EXECUTIVE SESSION

At 1:35 P.M. A MOTION WAS MADE BY MEMBER LONG AND SECONDED BY MEMBER YAMASAKI 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. THE MOTION WAS UNANIMOUSLY CARRIED.

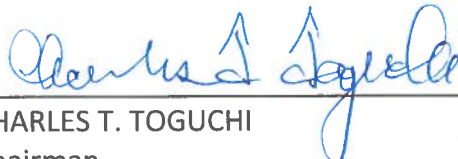
The meeting reconvened at 2:20 p.m.

VI. NEXT MEETING

June 25, 2015

VII. ADJOURNMENT

A MOTION WAS MADE BY MEMBER HASEGAWA AND SECONDED BY MEMBER LONG TO ADJOURN THE MEETING AT 2:20 P.M. THE MOTION WAS UNANIMOUSLY CARRIED.



CHARLES T. TOGUCHI
Chairman

Recorded by: Diana C. Ho

Date: June 25, 2015

Stadium Authority Board Meeting

Sign-In Sheet (please print)

Event Date: May 28, 2015

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
Lauren Mori	808 Craft + Gift Fair	479-5528	808craftandgiftfairs@gmail.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			
David DePonte	DAGB-PWD, Planning	580-0492	david.c.deponte@hawaii.gov
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			
Shannon Kook	WKA		getitall
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			
FRANZ KRAINTZ	DPP	768-8046	
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			
Glen Higa	ASP	348-2767	glen.higa@outfrontmedia.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			
SAM CARNAGGIO	HART	464-5544	ccarnaggio@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			
MATT SCANLON	HART	783-0475	MSCANLON@HONOLULU.GOV
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