

DAVID Y. IGE
GOVERNOR

DOUGLAS MURDOCK
COMPTROLLER



ALOHA STADIUM

An Agency of the State of Hawaii

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

June 30, 2016

Members Present:

Charles T. Toguchi, Chairman
Keith "Kika" G. Bukoski, Vice-Chairman
Wilbert C.F. Chee
Michael Iosua
Scot Long
Ross Yamasaki

Members Excused

Keith Y. Amemiya
Odetta Fujimori
Edward Hasegawa

Staff

Scott L. Chan	Neal Sakamoto
Ryan Andrews	Liane Nakagawa
Russell Uchida	Ivan Nishimura
Stephen Lee	Samantha Spain
Charles Vitale	

Others:

Randall Nishiyama, Deputy Attorney General (AG)
David Matlin, University of Hawaii - Athletics Department
Davy Murayama, Centerplate
Brennon Morioka, Honolulu Authority for Rapid Transportation (HART)
Chris Takashige, Honolulu Authority for Rapid Transportation (HART)
Chris Kinimaka, Department of Accounting & General Services (DAGS)
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 10:35 a.m.

II. PUBLIC TESTIMONY
None

III. APPROVAL OF MINUTES

A. Approval of the minutes for the May 31, 2016, Regular Session and Executive Sessions:

1. MOTION WAS MADE BY MEMBER CHEE AND SECONDED BY MEMBER YAMASAKI TO ACCEPT THE MINUTES OF THE REGULAR SESSION. THE MOTION WAS UNANIMOUSLY CARRIED.
2. A MOTION WAS MADE BY MEMBER CHEE AND SECONDED BY MEMBER YAMASAKI TO ACCEPT THE MINUTES OF THE EXECUTIVE SESSION.

Discussion:

Member Chee corrected page 8, first paragraph (4th line from the bottom) to read: ...someone gets "run" over...

THE MOTION WAS UNANIMOUSLY CARRIED AS CORRECTED.

IV. Monthly Reports

A. Chairman's Report

1. Chair reminded the members that the meetings will begin at 10:30 a.m. hereafter.
2. He expressed appreciation to Members Odetta Fujimori and Edward Hasegawa for their four years of dedicated service on the Board. A formal appreciation thank-you will be sent to them on behalf of the Board.
3. We welcomed the two newly-appointed Board members: John L. Fink of KFVE and David H. Uchiyama of Island Air. The swearing-in of these new members, including Scot Long, whose has been appointed to a second term, will take place at the July meeting.

B. Stadium Manager's Report

1. Administrative

The stadium is currently conducting its recruitment process for part-time intermittent employees for the upcoming season. As a result of it being slower than anticipated and to increase the numbers, we conducted a job fair. If the need arises, we will consider temporary hiring.

After forty-one years of loyal and dedicated service to Aloha Stadium, Box Office Manager Ainsley Paki retired. Our Assistant Box Office Manager, Trina Silva is doing an excellent job carrying on in the absence of the Box Office Manager. The recruitment process to fill this position began one month ago.

The graduations and the 50th State Fair ran smoothly. We are excited to see an increase in parking revenues.

3. Capital Improvement Projects (CIP)

Phase 4

Proposal received for the Health & Safety Phase 4 work was over budget. We are currently meeting with DAGS Public Works to determine how much we can negotiate for the base budget, along with considering additional alternates.

4. Skybox (Club Seating - Section E/Football Press Box)

This new seating area will be completed in time for the upcoming season. In addition, the improvements /upgrade to the football press box for the media and clients are soon to be completed.

5. Field Turf Replacement

This project remains on schedule.

Member Bukoski received an inquiry from a non-profit organization who is interested in acquiring some of the old turf. Manager Chan said interested parties can call the stadium office and information on the contractor (Applied Surface Technology) can be provided. He added the existing contract states that the contractor is responsible for the turf removal in its entirety; and unlike what the stadium previously experienced with Astro turf, there is necessary maintenance and upkeep to follow on a regular basis. The stadium did not wish to be involved with the liability aspect of it all.

The Chair said we have had to refer some of the schools that contacted us for the same purpose to the contractor.

C. Approval of Events

Manager asked Events Manager Stephen Lee to go over the responses received from Red Zone Games, Inc. as they related to the questions posed by Board members.

(The Chair explained this was an event that the Board approved regarding youth tackle ball but the Board had a lot of unanswered questions so Mr. Lee was asked to contact the licensee and get back to us.) He added, Member Fujimori had a lot of questions and we'll pass this on to her.

Mr. Lee shared the responses received from the licensee on the following items:

1. Insurance requirements.
2. Contacts for past venues.
3. Anticipated revenue.
4. Admission charge.
5. Promotion of their event.
6. Safety measures for the players.

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

Athletic Director David Matlin reported football practice is just around the corner. He spoke about the modifications to the Hawaii exemptions and said it will allow them the opportunity to start the season a week earlier and perhaps schedule teams that may help the tourist trade. He said they are excited and have already been contacted by four or five schools and they are also making contact with interested parties. It is a positive change and good for the state of Hawaii.

Manager Chan said he has met with Mr. Matlin on several occasions to discuss the following:

- Expanding the activity on the North Plaza area (still in the planning stages). Our staff, Ryan Andrews and Samantha Spain has been in touch with UHAD's marketing department to create a festive experience at that location for clients and fans.
- Finalizing the license agreement prior to the start of the season.

- Finalizing two other agreements: 1) Paciolan Agreement with Box Office; and 2) Parking permits (allowing UHAD to provide a convenient service to their clients and our guests).

Manager Chan said some of these items were time-sensitive and due to conflicting meetings was unable to include Members Long and Iosua (liaison committee); he will definitely focus on getting them back in the loop as soon as possible.

The Chair informed Mr. Matlin that Manager Chan has assured the Board that the new turf will be in place in time for the first UH football game. The target completion date is August 5, 2016. Mr. Matlin requested the opportunity to allow some of his coaching staff to view the field upon completion, which Manager Chan said he will arrange.

E. Outfront Media Monthly Report (Kenny Harrison)

On behalf of the Board and Stadium Manager, the Chair thanked Mr. Harrison for assisting the stadium, and also announced his departure as of July 15, 2016 (or after finalizing some unfinished business). The Chair wished him well in his future endeavor.

Mr. Harrison thanked the Board and Stadium Management. He reported that at this point they reached 85% of the budget for the season. He appreciates everyone's help.

Manager Chan mentioned to Mr. Harrison the outstanding issues regarding the jumbo Tron/scoreboard. Mr. Harrison said those items will be taken care of by July 1.

F. Swap Meet Monthly Report (Davy Murayama)

- Total May Attendance decreased -14%
- Total Stall Count decreased -14%
- D,E,F rows stall count decreased -13%
- A,B,C rows stall count decreased -20%

Attendance

Mr. Murayama reported there was one less day during this period, and although it shows a -14% decrease, the daily average is roughly 7%. Also a similar situation with the vendor attendance -- it shows -14%, and the daily average is -6%.

Regarding the shopper attendance (2015 vs. 2016), a few things occurred:

- In 2015 there were two additional days (the Hawaii Jr. Prep events) which reflects 1,600 per event (a loss of over 3,000);
- They were down on Saturdays by 400 (4x 400 amounts to 1,600).
- On Wednesday, they experienced a 100 average drop per day (totaling 400);
- Their worst experience occurred on the last two Sundays of the month (a total of 4,000 in attendance). After their research, they realized this was the result of the 50th State Fair starting one week later; also, during the Memorial Day weekend, they experienced heavy rains (flood) – resulting in the loss of 4,000 people

Mr. Murayama said, as previously mentioned to the Board, they are currently focusing on attracting more vendors, which in turn will eventually bring in more shoppers. He added they are waiting to hear the results of their bid today, which will then allow them to move forward with the media and vendor recruitment.

Marketing Report (Krysti Peacock)

Waikiki Trolley – Update

Ms. Peacock reported they engaged in this service effective April, 2016:

- Total ridership (the purple line) – stops at Pearl Harbor, Swap Meet and Pearlridge, allows pick-up/drop-off. For May the total ridership was 2,800 (1,700 dropped off at Pearl Harbor; 370 dropped off at the Swap Meet – averaging 29 per day; and Pearlridge averaged a drop-off of 10 per day).

Ms. Peacock anticipates an increase in numbers once they engage in more advertising opportunities. She noted that the swap meet brochures are in all the trolleys.

Mr. Murayama said they are also looking into advertising with the other trolley lines in the area, where you can purchase a 7-day pass and ride on any trolley with the ability to get on and off at different locations.

The Chair said the TV commercials are well done.

V. Unfinished Business

A. Transit-Oriented Development (TOD) - Report/Discussion

Report by Franz Kraintz

Mr. Kraintz said they are still working on the next community workshop, which is progressing and will happen soon.

Member Chee mentioned, with the current news about the route changing to Middle Street, is the City (internally) making any provision for the possibility of Middle St. being the terminus for the foreseeable future. Mr. Kraintz said currently they are committed to moving forward with the entire line. He added, the Ala Moana TOD plan is going to the Planning Commission in August.

Member Yamasaki inquired what are their plans for the Stadium TOD.

Mr. Kraintz said that would be included in the final draft, -- hopefully a public review draft. They plan to have the community workshop first, as a final draft; and if any changes are made as a result, those would be incorporated in the public review draft which will be disseminated to the other State, City and Federal agencies.

The Chair inquired, if the stadium will have another opportunity to look at both the stadium's and TOD's potential plans. Mr. Kraintz said yes, and to rest assured that the scenario from the last time has not changed. They are currently getting all the parts together.

The Chair inquired about existing activities that are occurring at the other stations and will any of it have an impact on the stadium. Mr. Kraintz responded that most important is to follow through with the implementation portion of the plan and not let the plan sit on the shelf. It is the beginning point; and as they move forward with the various locations, they are looking to engage the community in creating action plans. This is the start of short-term planning projects, making a quick impact, and then moving into the capital improvement projects (starting with medium and long-range improvements). He indicated this is a very transformative area which could change the landscape in the environment.

The Chair asked, "What is driving the TOD in other areas (you got the stadium here and the surrounding communities). Mr. Kraintz responded, at Kapolei is the UH. At Ho'opili, it would be the developer for that station. In Waipahu, the community is excited about the potential of creating a connection between the station and the plantation village. There is also some developer interest for the Iwilei and Kapalama station area.

The Chair inquired if the City is engaged with any community groups or neighborhood boards. Mr. Krintz said they have not been approached by these groups, but that at the appropriated time they will reach out to them with presentations and updates. He said the Federal government has been inquiring on the status of the project. He feels they have expressed the most interest due to their visitor center.

B. Honolulu Authority for Rapid Transportation (HART)

Monthly Report – Brennon Morioka

Mr. Morioka (accompanied by Chris Takashige and Jesse Souki), There are no major changes, but in their report (Exhibit B) they have updates on the progress of the Kamehameha Highway portion of the project. They completed over eight miles of the guideway installation. The rest of the report reflects traffic updates including traffic controls in and around the stadium area. The remainder of the presentation includes updates on some of their existing contracts.

Right of Entry (ROE) for Station Contractor/Memorandum of Understanding (MOU)

Mr. Morioka said HART's corporation counsel is currently doing a final review of the proposed draft from the stadium and they will soon be responding with their comments. He added he and his staff have already reviewed the draft and provided their comments internally. Their target date is sometime in July/early August to allow the contractors to have access to the site.

Chair informed Mr. Morioka that he will ask Manager Chan to coordinate a tour of the rail facilities for some time in August (to include the two new board members). Mr. Morioka said that would be fine.

C. Field Turf Replacement – Update

Manager Chan said the subject matter was included in his "Manager's Report."

D. Federal/City Deed Restrictions – Discussion

City Deed Restriction

Deputy Attorney General, Randall Nishiyama, reported: Linda Chow has the City Deed Restriction papers and is currently reviewing them.

The Chair explained that the policy decision was made by the City Council and we are discussing how we should finalize that administratively. Mr. Nishiyama said

that is correct. The Chair inquired if it is something that we have the Bureau of Conveyance finalize. Mr. Nishiyama said it would require our Land Board action and also would require action on the part of the City Administration.

Federal Deed Restriction

Manager Chan said we submitted and addressed all inquiries and concerns expressed by Mr. David Siegenthaler of the National Park Service and are awaiting his response for further direction.

The Chair said we did respond on June 3, 2016 and he had just a few questions about the utilization plan for the park on Maui and then he also had questions about endangered species and historical preservation.

Member Chee inquired, "Regarding the response given to Mr. Siegenthaler, are those responses referencing points that have been made and approved in documentation prior to his asking these questions?" Manager Chan said yes those are points that have been referenced and made.

EXECUTIVE SESSION

At 11:30 A.M., A MOTION WAS MADE BY MEMBER LONG AND SECONDED BY MEMBER IOSUA 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 URSUANT TO SECTION 92-5(A) (4), HAWAII REVISED STATUTES, REGARDING THE STADIUM OPERATIONAL ISSUES; HONOLULU AUTHORITY FOR RAPID TRANSIT MEMORANDUM OF UNDERSTANDING/RIGHT OF ENTRY – DISCUSSION/ACTION; SWAP MEET REQUEST FOR PROPOSAL – DISCUSSION/ACTION; FOLEY & LARDNER LLC AMENDMENT TO CONTRACT – DISCUSSION/ACTION; MANAGER'S EVALUATION/SALARY ADJUSTMENT – DISCUSSION/ACTION. THE MOTION WAS UNANIMOUSLY CARRIED.

The meeting reconvened at 1:12 P.M.

The Chair said he wanted to take this opportunity to thank everyone present, including the Optimization Committee, Evaluation Committee, and Swap Meet Committee for all the work they have done. He also thanked DAGS for their help with the MOU.

E. Swap Meet Request for Proposal - Discussion/Action

Member Iosua, Chair of the Swap Meet RFP Committee, said the recommendation by the Committee is to accept the proposal for the highest scored respondent.

A MOTION WAS MADE BY MEMBER IOSUA AND SECONDED BY MEMBER LONG TO APPROVE THE COMMITTEE'S RECOMMENDATION FOR THE SWAP MEET VENDOR. THE MOTION WAS UNANIMOUSLY CARRIED.

F. Optimization Committee - Report/Discussion

Foley & Lardner LLC Amendment to Contract – Discussion/Action

A MOTION WAS MADE BY MEMBER LONG AND SECONDED BY MEMBER IOSUA TO AUTHORIZE THE CHAIRMAN AND STADIUM MANAGER TO WORK WITH THE ATTORNEY GENERAL'S OFFICE IN AMENDING THE FOLEY & LARDNER LLC CONTRACT. THE MOTION WAS UNANIMOUSLY CARRIED.

The Chair announced there is a good possibility that very soon the City Deed Restriction will be finalized; and, hopefully, in a few months we will receive approval for the Federal Deed Restriction. He added, he will be moving ahead with the Request for Proposal (RFP), as well as with the RFP committee. He will be looking at the makeup of the committee and noted that some members are leaving and new members are joining us. He also said it is timely that they move forward with the RFP committee and start the training of the members. Further announcement on that will be made at the July meeting.

Member Chee mentioned to the Chair that they previously had a discussion that once the RFP Committee starts up, then the Optimization Committee rides off into the sunset. The Chair said yes.

G. Stadium Manager's Evaluation & Salary Adjustment – Discussion/Action

Member Yamasaki said in the absence of the Evaluation Committee members (Odetta Fujimori, Edward Hasegawa and Keith Amemiya), he would like to make a motion on their behalf.

A MOTION WAS MADE BY MEMBER YAMASAKI AND SECONDED BY MEMBER IOSUA TO ACCEPT THE 2015-16 EVALUATION OF THE STADIUM MANAGER (AS AMENDED BY THE BOARD'S COMMENTS), AS RECOMMENDED BY THE EVALUATION COMMITTEE. THE MOTION WAS UNANIMOUSLY CARRIED.

A MOTION WAS MADE BY MEMBER YAMASAKI AND SECONDED BY MEMBER CHEE TO APPROVE A SALARY INCREASE TO THE MAXIMUM ALLOWED FOR THE STADIUM MANAGER, AS NOTED IN THE GOVERNOR'S MEMORANDUM DATED MAY 27, 2016, EFFECTIVE JULY 1, 2016. THE MOTION WAS UNANIMOUSLY CARRIED.

Manager Chan thanked the Board and expressed his appreciation for their vote of confidence.

V. NEW BUSINESS

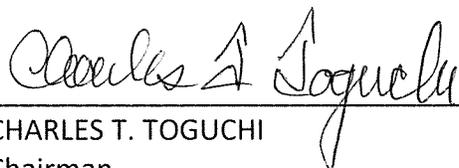
None

VII. NEXT MEETING

JULY 28, 2016

VIII. ADJOURNMENT

A MOTION WAS MADE BY MEMBER LONG AND SECONDED BY MEMBER CHEE TO ADJOURN THE MEETING AT 1:25 P.M. THE MOTION WAS UNANIMOUSLY CARRIED.



A handwritten signature in cursive script, reading "Charles T. Toguchi", is written over a horizontal line.

CHARLES T. TOGUCHI
Chairman

Recorded by: Diana C. Ho

Date: July 28, 2016

