

DAVID Y. IGE
GOVERNOR

RODERICK K. BECKER
COMPTROLLER

CHARLES T. TOGUCHI
CHAIRMAN, STADIUM AUTHORITY

SCOTT L. CHAN
MANAGER

RYAN G. ANDREWS
DEPUTY MANAGER



An Agency of the State of Hawaii

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

October 27, 2016

Members Present:

Charles T. Toguchi, Chairman
Keith Y. Amemiya
Keith "Kika" G. Bukoski, Vice-Chairman
Wilbert C.F. Chee
Michael Iosua
David H. Uchiyama

Members Excused

John L. Fink
Scot Long
Ross Yamasaki

Staff

Scott L. Chan
Ryan Andrews
Russell Uchida
Stephen Lee

Charles Vitale
Liane Nakagawa
Neal Sakamoto
Trina Silva

Others:

Randall Nishiyama, Deputy Attorney General (AG)
Audrey Hidano, Deputy Comptroller, Department of Accounting & General Services
Teri Chang, University of Hawaii - Athletics Department
Davy Murayama, Centerplate
Brennon Morioka, Honolulu Authority for Rapid Transportation (HART)
Chris Takeshige, Honolulu Authority for Rapid Transportation (HART)
Franz Kraititz, City & County of Honolulu, Department of Planning & Permitting
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 10:33 a.m.

II. PUBLIC TESTIMONY

None

III. APPROVAL OF MINUTES

A. Approval of the minutes for the September 29, 2016, Regular Session and Executive Sessions:

1. MOTION WAS MADE BY MEMBER IOSUA AND SECONDED BY MEMBER UCHIYAMA TO ACCEPT THE MINUTES OF THE REGULAR SESSION.

Discussion

Manager Chan made a correction on Page 2, IV.B. Administrative, third line: Replace the word Employment with "Unemployment."

THE MOTION WAS UNANIMOUSLY CARRIED AS CORRECTED.

2. A MOTION WAS MADE BY MEMBER IOSUA AND SECONDED BY MEMBER AMEMIYA TO ACCEPT THE MINUTES OF THE EXECUTIVE SESSION.

Discussion

The Chair asked the Board to take the time to read these minutes – it gives a pretty good summary of the things that are going on...I thought these minutes were well done, so thanks Diana...but a lot of information in both minutes.

THE MOTION WAS UNANIMOUSLY CARRIED.

IV. Monthly Reports

A. Chairman's Report

Chair Toguchi announced the following changes to the Agenda:

1. Approval of Events (IV.C.)

Add: The American Lung Association Fundraiser Stair-Climb/Walk Event.

2. Election of Officers (V.D.)

Deferred to December 15, 2016 meeting. The Chair stated a couple of Board Members requested to push this back. Member Amemiya added that another reason for deferral is that we will have fewer members at the November meeting.

The Chair asked the Board if there were any objections to the changes. Since there were no objections, the Chair said the changes would be incorporated in the agenda

The Chair, on behalf of the Board, asked Deputy Comptroller Audrey Hidano to extend their best wishes and thank you to Comptroller Douglas Murdock who has recently resigned. Ms. Hidano said the Comptroller will still be in his position for the next two weeks.

B. Stadium Manager's Report

Administrative

1. Manager Chan announced that Neal Sakamoto has been selected as the new Stadium Security Officer. He has been on temporary status for several seasons and has proven to be capable of doing the job -- we are happy to have him as part of our Ohana. Mr. Sakamoto expressed his appreciation and said he looks forward to working with the Stadium Authority and Stadium Staff.
2. Outfront Media was successful in hiring a new advertising agent for the stadium and we will formally introduce her at the next meeting. During her transition (relocating from California to Oahu) she has had a chance to work with our staff and has also been introduced to some of our clients.
3. It has been a busy month with the Chair and I attending several meetings as noted below:
 - The Board of Land & Natural Resources (BLNR) on October 14, which granted us the release of the two deed restrictions, allowing us to move forward.
 - Two resolutions (No. 16-271 and No. 16-272) were introduced by the Mayor and were heard by the City Council Budget Committee (Chair Ann Kobayashi) on October 19.
 - The resolutions were adopted and will be introduced at a full Council meeting on November 4. In preparation for that, Ms. Kobayashi requested to have the deed restriction documents attached to the two resolutions. Counsel Nishiyama worked alongside Deputy Attorney General Linda Chow (who was the author of the documents) and completed it in a timely manner. We are very close to finalizing

the lifting of the deed restrictions and it is very critical that we get this done before the start of the Legislative Session and before the holidays.

- We are awaiting a response to our request from Mr. Siegenthaler of the National Park Service concerning the lifting of the deed restriction. He is currently on vacation and returns today.

Events

1. Fall is the busiest time of the year and for the next two months, we will have: 1) High School football playoffs; 2) Pop Warner Youth Football.
2. UH is doing well and the crowds have been great (28,000 at the last game). We anticipate an even great attendance at Saturday's game for Military Appreciation Night.
3. The OIA Championship games are scheduled for tomorrow night, with Farrington vs. Kahuku and Waialua vs. Waipahu. We anticipate a good crowd as well.

Security Meetings

We have been conducting meetings with G4S Security, the Sheriff's Department, and the Honolulu Police Department (HPD) to address the large tailgating crowds in the parking lots during the UH football games -- and the consumption of alcohol that is taking place. We are increasing security and have come up with a comprehensive plan to make sure that we monitor and address all issues before they become dangerous and unsafe for our guests that come to our facility.

Site Visits for Legislators

We have scheduled a site visit/tour for the Legislators in our community and City Council members on: October 28, 2016 at 4:00 p.m. This will also include a presentation by our consultant, Irwin Raij of Foley & Lardner LLP.

Mr. Raij would also like to update the Board members on the current status of his report, (which he was given the approval at our previous meetings to move forward with his scope of work). It will be informal and Board members are welcome to join him on Saturday, October 29, 2016 at 4:00 p.m. in the Conference Room. Counsel Nishiyama said it is permissible for the Board to attend, as long as there are no questions.

Promoter

Manager Chan informed the Board that a conference call has been arranged with Ron Gibson, promoter, who will update the Board on recent events that have taken place.

(Conference Call with Ron Gibson)

Manager Chan asked Mr. Gibson to provide the Board with an update/status and a little background on the event that we were anticipating on December 10.

- Mr. Gibson first thanked the Board for staying with him through his efforts to generate an event at the stadium.
- For the Board's information, he stated he and his partners produced the very first musical at Aloha Stadium in 1975. He feels the stadium is a valid venue, and with the current arrangement, they continue to do their due diligence to try to make something happen.
- He said there are some challenges, i.e. costs as an example; but they have offered millions of dollars in performance fees for various artists like Paul McCartney, and feel that they are making headway on a few major artists. He added, the main thing is that he appreciates the Board working together with him so that they can continue to move forward to try to generate an event.
- Aloha Stadium is always the primary venue (and the Blaisdell Center being the secondary venue). He said after 6-8 months of being turned down by so many artists for the 75th Commemoration of Pearl Harbor, they then focused on the Blaisdell, which is when Garth Brooks decided to do his Las Vegas show there. That was the choice of management because time was running out.
- Mr. Gibson asked the Board to please stay with them – they are going to continue to spend valuable resources to try to make something happen at the stadium. He and Manager Chan have alternative plans that we would like to introduce to the Board very soon. Thank you very much for working with me.

Manager Chan thanked Mr. Gibson for taking the time to share the process we have been going through over the last several months to a year, and we hope that we can eventually bring something to the stadium. Mr. Gibson said they are

in discussions and will let Manager Chan know what those are when it becomes more realistic.

The Chair thanked Mr. Gibson on behalf of the Board for taking the time to help the board understand what actually happened. Mr. Gibson said he really appreciates the opportunity and said thank you for sticking with him.

Capital Improvement Projects (CIP)

Manager Chan thanked Deputy Comptroller Audrey Hidano for her assistance in securing the Governor's approval to award the construction contract for the stadium's Health & Safety Phase Improvements (DAGS Job. No. 12-10-0797). The award was presented to Abhe & Svoboda and they are scheduled to start in February 2017.

Sales & Marketing Report (Samantha Spain)

- Working closely with UH with all of the pregame activities and during events.
- Working with Extreme Fun Rental to relocate into the No. Plaza to encourage more people to go in earlier; and continue to add activities to the new Keiki Zone; working with Centerplate as well.
- The beer garden continues to add to the atmosphere at the No. Plaza.
- Continuing to have entertainment at the So. Plaza; Trying to work something for the last game as well, to have a little group come in to close the season.
- Our stadium stars program with our college and high school kids are doing well. We hope to expand that program next year, adding a little more social media into it.
- Tours are going great. We are preparing for the holiday season, and anticipate a lot of winter break kids coming through the stadium and being able to play on the field, etc.

C. Approval of Events (Stephen Lee)

American Lung Association
Stair-climb/Walk Event
June 24, 2017 (Saturday)

Ms. Kim Nguyen was present to answer questions from the Board. She stated this event would be raising funds for research, education and patient programs to help people affected by lung disease.

Mr. Lee said management recommends approval of this event.

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

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

Ms. Chang reported (on behalf of David Matlin) that this Saturday's game (UH vs. New Mexico) is Military Appreciation Night and they anticipate an attendance of 30,000 plus. UH will also be honoring the late Congressman Mark Takai's family (as honorary captains). Ms. Chang also said she has been working with Manager Chan and staff on matters concerning the Manoa Maniacs.

The Chair informed the Board that the Takai family will be hosted in the Authority's skybox booth and said they were all welcome to make their presence to meet and interact with the family. Manager Chan said the request came from UH and we felt it was a good gesture on the part of the stadium to accommodate the family.

E. Outfront Media Monthly Report (Samantha Spain)

Ms. Spain reported on behalf of Outfront Media's Representative:

- We are continuing with tabling by our corporate sponsors, and they are experiencing positive responses by the fans. The sponsors are very pleased with the hospitality areas that we have provided to them.
- Once the new advertising agent is on board, we will be working closely with her with reference to contract renewals and new accounts. There are also a couple of large accounts that did not renew this year, but are contemplating (and we are hopeful) renewing their sponsorships for the next season. We are working closely on these accounts.

F. Swap Meet Monthly Report (Davy Murayama)

- Total September Attendance decreased - 8%
- Total Stall Count decreased - 7%
- D,E,F rows stall count decreased -10%
- A,B,C rows stall count increased 3%

Mr. Murayama said the figures are a little misleading with an 8% drop in attendance.

- Realistically they had an extra day because of UH football – that attendance day is kind of lower than normal (2,900). If you take that one day and all that attendance, we probably ran about a negative 4% which is about 2,000 people.
- When he reviewed last year's numbers, they had two Play Sports Hawaii events during the last two days of the month -- there were about 1,000 in attendance for each day. Therefore, when you take that into account, it amounted to a less than 1% drop from last year, which actually matches up to the vendor attendance.
- The negative 10% amount occurred because they added one more day and they only had about 80 vendors -- which lowers their average. If you take that out they are looking at about a 1% decrease for the previous year.
- The ABC rows did a little better with a 3% increase, which was a surprise because normally the day after a UH game, business is slower.
- They are beginning to realize that having more swap meet events result in an increase in attendance and will be looking at ways where they can help to promote events.

Marketing (Krysti Peacock)

- With reference to selecting a market research firm, they have narrowed it down to two companies and hope to make a decision soon and move forward with the research.

Mr. Murayama said concerning the market research study, they will also be asking, not only who attends their swap meet, but they will also be finding out who doesn't attend and what will make them come here. He suggested to the Board that if they have any questions that they would like to add, to please let them know and they will try to include those in the survey.

- Update on their website. They will be working with a local company and will entertain a program that will allow them to go into the website and make changes on a daily basis. They want to do more interest stories on

the vendors that make up the swap meet, hoping to go after the younger crowds.

- They have a very good relationship with the trolley service, with major stops at the swap meet. Swap meet ads will appear in the trolleys effective September 1. They were pleased with the number of people attending the swap meet in the trolleys as follows:

June -- 425

July - 500

Aug. - 400

Sept. – 331 (a decrease which they will monitor)

- They are planning their Christmas campaign and are securing a “Twelve Days of Christmas” television campaign on KITV. It basically involves giveaway baskets which the vendors put together. It was very successful last year.

As part of this campaign they will have top commercial spots on KITV and in addition they will get 103, 30-second commercials; those commercials will really promote shopping during the holidays at the swap meet.

Recess: 11:21 – 11:28 a.m.

V. Unfinished Business

A. Honolulu Authority for Rapid Transportation (HART) Monthly Report BY Brennon Morioka

- Provided an update on the Kamehameha (Kam) Highway Guideway (Pearl Highlands to Stadium) – Kiewit Infrastructure West Co. and Kam Highway Stations Group (Pearl Highlands, Pearlridge and Aloha Stadium) – Nan, Inc.
- Kiewit just poured the last column on the first 10 + miles of the Guideway under the Kiewit contract – there are no more columns to be poured. He explained the gap between the guideway that is on the Aloha Stadium property and right along Kam Highway, is the last section of actual super structure guideway that does not exist – Kiewit will be moving the truss over the next two months. By the end of the year all of the guideway work should be completed and Kiewit will have about another year’s worth of work (just to wrap up roadway improvements, repaving, installing sidewalks, etc. along the entire Kam Highway, all the way to Kroc Center).

- Kiewit has approximately 3- 3-1/2 miles of track left to place on top of the guideway. During the first quarter of 2017 you will start seeing a train on their functional track in the Waipahu area.
- They are progressing and their staff continues to work with the stadium staff on UH game day events, making sure traffic control is functional. Chris Takeshige has advised his staff to be even further diligent because of some of the success that the football team has had (and anticipating more traffic) - to make sure they are monitoring even further and making sure their coordination with Kiewit and any kind of activity that is going to encroach upon game day is not going to impact game day. His group is on top of that.

The Chair asked Manager Chan what were the results of additional law enforcement coverage work at the last UH game. Manager Chan stated:

- We do have our challenges, and anticipating a larger crowd will definitely utilize all of our resources on game day.
- My operations people (Security and Parking) are working directly with Chris Takeshige and his staff to make sure that we understand exactly what is going to be offered, and how we can move people in and out quickly as possible.
- We also have Deputy Manager Ryan Andrews going live on radio to make sure that he provides accurate updated information to assist the public to navigate through the traffic.
- You have to understand that no matter what we do, the public has to anticipate delays and that there will be traffic. We are appreciative and thankful that HART is assisting us with some of the adjustments that we're making. We also have a PSA announcement with a map published in the papers, and we normally select a day that has the largest circulation.

Mr. Morioka said they had their formal groundbreaking for the Kam Highway Station Groups (Pearl Highlands, Pearlridge and Aloha Stadium) – the actual groundbreaking was at the Pearl Highlands location, but they did bless all three sites and the stadium was represented by Manager Chan. It was a good event/good day. A lot of the discussion was about all of the support that the project has had from the different partners, including Aloha Stadium.

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

Report by Franz Kraintz (Department of Planning & Permitting (City & County of Honolulu (C&C))

Mr. Franz, as mentioned by Manager Chan, the City TOD Plan for the Halawa Area/Aloha Stadium has been set for November 16, 2016 at the Stadium's Hospitality Room, 6-8:00 p.m. (a flyer was distributed).

- This will be the third community meeting they will be having. They will be presenting a Public Review Draft. Basically it is their rough final draft and this is an opportunity for the public to comment on the draft. They will be sending out copies of the plan to the various agencies and departments who have a stake or some influence on the area. They will have until the end of the year or beginning of 2017 to make their comments on the plan.
- The meeting is to invite the public and have their consultant do an overview of the plan (20-30 minutes at the most); and then have a display of exhibits and posters around the room, like an open house. The public can review the materials and they will have an opportunity to make comments as well.
- Those of you who are here all received at the last meeting a draft of that plan. You will be sent another one with just a few tweaks over the next week or so – it's the version that will be disclosed at the meeting.

Mr. Kraintz said you will have a chance to review it and to please jot down your comments. Once we have the public meeting, those comments will be integrated in the final documents. We will probably be sending it to the Planning Commission as well as City Council.

The Chair asked Mr. Kraintz, if the topic at the meeting will be limited to the Halawa Area – TOD. Mr. Kraintz said yes. It's been customary that the Chair makes some opening remarks.

Member Chee had a question for Mr. Kraintz with reference to the flyer that will be distributed to the general public. He said the flyer indicates that the plan recommends "a new smaller Aloha Stadium." Is this the TOD's recommendation? Mr. Kraintz said he thinks it mirrors the direction that your consultant made of the property. Member Chee said if TOD has discussed this internally and it is your recommendation for a smaller stadium, that is something the Board may or

may not necessarily agree to because the decision by the Board has not been made on this issue. Mr. Kraintz said that is correct, and it is all state property and he thinks they all realized that the State can do whatever they want. Mr. Kraintz said perhaps the plan could be tweaked to say, "The plan recommends consideration or possibility of."

Member Chee suggested this is a little premature because once these flyers get out, it becomes said, and the folks will say how come the Stadium Authority has decided to have a smaller stadium when in fact that decision has not been made. Member Chee said we need to be real careful about this.

The Chair informed Mr. Kraintz that the Board will be going into executive session to discuss this matter and asked if he could remain until after that session. Mr. Krainz agreed to stay.

The Chair told Mr. Kraintz, in earlier conversations, it was more of an understanding that the City was moving ahead with creating a visionary plan for what this area could look like and that it is clear to him that it is not the City that's doing the planning for the area, but that the City is supporting the State in coming up with some kind of visionary plan for the area -- but it is still going to be a State development. That is all understood and I think it's a question (as you invite the public to participate), of how do we express (whether in a flyer or at the meeting) the Stadium's perspective and role in all this? The Chair said he thinks that is what Member Chee is talking about. Member Chee said yes, that it's a matter of procedure and these things have a way of becoming ingrained and marginalized.

The Chair told Mr. Kraintz that the Board will try to resolve this.

Hawaii Interagency Council for Transit-Oriented Development (HIC-TOD)

Report by Charles Vitale

This first started out as a Senate Subcommittee chaired by Senator Susan Chun-Oakland, which began December 2014 and ended May 2016. It was replaced by Act 130, which was signed by the Governor June 29, 2016, thus forming HIC-TOD.

- It has 25 members consisting of Senate and House members, state, county, federal government agencies (including Stadium and UH) and community advocates. It is co-chaired by the director of the State Office

of Planning and the executive director of the Hawaiian Housing, Finance and Development Corporation (HHFDC).

- The purpose is to coordinate and facilitate state agency TOD planning, and facilitate consultation and collaboration between the State and counties on TOD initiatives.
- The role of the HIC-TOD is to serve as the state's TOD planning and policy development; formulate and advise the Governor on implementation of strategic plans; facilitate the acquisition of funding and resources for state and county TOP programs, review and prioritize CIP requests for TOD projects; and recommend policy and statutory changes and consider TOD initiatives in other states that have demonstrated positive outcomes.
- Strategic plan of the HIC-TOD is to coordinate with the counties, inventory of the state, county and private TOD projects, facilitate development, identify and prioritize state financing and promote public-private-partnerships (PPP).
- The important thing is the three high priority areas. These are the three areas that the council has prioritized: Iwilei (Kapalama), Halawa Station and East Kapolei. Of those three only the last two are located on the first ten miles of the rail.
- As a note, we are 100 acres (the largest piece of state land close to the downtown, airport, Arizona Memorial, etc.). One of the things stated in the report was that the stadium land was on the verge of being released from its deed restriction. The Stadium Authority Chair is a member of this committee and has named Charles Vitale as Designee 1 and Scot L. Chan as Designee 2.

The Chair told Mr. Vitale: "I think it is important that we participate with the HIC-TOD because it will determine priority in terms of funding for CIPs from the Legislature, and I think we are considered a high priority TOD. Mr. Vitale concurred and said the stadium was considered one of the high priorities, even when we were at the Senate Subcommittee."

Member Bukoski inquired, "With Senator Chun-Oakland's retirement, who has taken the lead with this agency. Mr. Vitale said there are two chairs: Leo Asuncion of Office of Planning, and Craig Hirai of HHFDC.

C. Federal/City Deed Restrictions on the Stadium – Discussion

Manager Chan said we are still working with the regional representative from the National Park Services (NPS) David Siegenthaler. He is on vacation through October 27, 2016 and we are waiting for his return. An email was sent to him on September 19, 2016, addressing his concerns and several adjustments to the document that needs to be signed and delivered.

We are moving forward with the City Deed Restriction, as mentioned in my earlier report. There are two resolutions (introduced by the Mayor's office) that are going to be introduced at the next full Council meeting on November 4. We were able to work with Deputy Attorney General Linda Chow and Counsel Nishiyama to make sure that the documents were in order. Manager Chan asked Counsel Nishiyama if we are done once this process is over. Counsel said yes.

The Chair summarized:

On the policy part for both the City and Federal Deed Restrictions, the administrators who can make the decision on both, have already said yes:

- The City said yes, and approved to lift the City deed restrictions.
- With the Federal deed restriction, David Siegenthaler has approved the exchange of the Maui land for the land here; therefore, the policy part has been completed.
- Primarily, the technical people from DAGS assisted and the attorneys are trying to finish up the documentation and the necessary approvals -- in this case, the Mayor's Office is to sign off from the City Administration and from the Federal Administration, David Siegenthaler is to sign off from the National Park Service (NPS). The only concern we had, in our attempt to speed up the process is that both locally and with the federal, things may change with the upcoming election, which poses some uncertainty; and we are keeping a watch on those things. He thanked Manager Chan, Chris Kinimaka and David DePonte and our attorneys for helping to keep us on track).
- The Chair advised the Board that it is a very busy time and at times very overwhelming. He suggested that they take the liberty of reading the materials provided to them and to call upon him and Manager Chan if they want them to set up meetings with our resource people to learn more about what is happening.

Member Bukoski had several questions: 1) At this point, are we in need primarily of Mr. Siegenthaler's signature? 2) Why are there two resolutions? When is the next City Council meeting?

Responses

The Chair said: "We are currently going back and forth working on the language and that the decision is made – it's just a matter of facilitating the final executed document."

Manager Chan said there are two different parcels. The next City Council meeting is on November 4, 2016.

The Chair said he feels it is to everyone's advantage to lift the deed restrictions, including the City, because they are pushing for TOD around the stations. He then thanked Mr. Kraintz and the City Administration for working very closely with the stadium.

EXECUTIVE SESSION

AT 11:57 A.M. A MOTION WAS MADE BY MEMBER CHEE AND SECONDED BY MEMBER AMEMIYA TO GO INTO 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: 1) STADIUM OPERATIONAL ISSUES; 2) HONOLULU AUTHORITY FOR RAPID TRANSIT RIGHT OF ENTRY – DISCUSSION; 3) UPDATE ON WISS, JANNEY, ELSTNER & ASSOCIATES REPORT; AND 4) U.S. SOCCER CLASS ACTION LAWSUIT -- UPDATE.

(Recess: 11:58 a.m. – 12:15 p.m.)

The meeting reconvened at 1:21 p.m.

D. Election of Officers – Discussion/Action

(Refer to Chairman's Report, IV.A.2.)

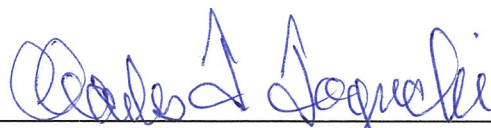
VI. New Business

None

VII. Next Meeting: November 17, 2016

VIII. Adjournment

A MOTION WAS MADE BY MEMBER CHEE AND SECONDED BY MEMBER IOSUA TO
ADJOURN THE MEETING AT 1:21 P.M. THE MOTION WAS UNANIMOUSLY CARRIED.



CHARLES T. TOGUCHI
Chairman

Recorded by: Diana C. Ho

Date: November 17, 2016