

DAVID Y. IGE
GOVERNOR

CURT T. OTAGURO
COMPTROLLER

ROSS I. YAMASAKI
CHAIRMAN, STADIUM AUTHORITY

RYAN G. ANDREWS
STADIUM MANAGER



ALOHA STADIUM

An Agency of the State of Hawaii

**APPROVED MINUTES
REGULAR SESSION
MARCH 31, 2022**

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

March 31, 2022

Members Present:

Ross Yamasaki, Chair
Kau'i Burgess
John Fink
Eric Fujimoto
Michael Imanaka
Michael Iosua
Brennon Morioka
Claire Tamamoto
Camille Masutomi, DOE Superintendent's designee (ex-officio)
David Matlin, UH President's designee (ex-officio)

Staff:

Ryan Andrews
Andrew Chang
Wendy Ho
Stephen Lee
Colette May
Liane Nakagawa

Neal Sakamoto
Shelly Shoji
Trina Silva
Samantha Spain
Russell Uchida

Others:

Randall Nishiyama, Deputy Attorney General (AG)
Doreen Eddy, Office of State Representative Johanson
Glenn Wakai, State Senator
Karen Dang, Senator Wakai's Office
Chris Kinimaka, Department of Accounting & General Services (DAGS)
David DePonte, Department of Accounting & General Services (DAGS)
David Harris, WT Partnership
Davy Murayama, Centerplate
Matthew Choy, Free Spirits, LLC
Lt. Carlton Helm, Department of Natural Resources

I. CALL TO ORDER

A quorum being present, Chair Yamasaki called the meeting to order at 8:30 a.m.

II. PUBLIC TESTIMONY

None

III. APPROVAL OF MINUTES

A. Approval of minutes for the following date:

1. Regular Session – February 24, 2022

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

2. Executive Session – February 24, 2022

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

IV. MONTHLY REPORTS

A. Chairman's Report

1. Chair Yamasaki stated that we are testing out a hybrid meeting with some members on video conference and some in-person and will continue this format in next month's meeting.
2. Chair Yamasaki congratulated Member Tamamoto on her official confirmation to the Stadium Authority Board.

B. Stadium Manager's Report

1. Interim Stadium Manager Andrews stated there are two sets of fees related to Swap Meet which include Vendor Fees and Shopper Fees.
We performed a fee review back in 2020 that focused on vendor fees. At that time, we raised the rental rate for our Daily Vendors and kept the fees the same for our Monthly Vendors. The review we just completed was for shopper or buyer fees. Interim Manager Andrews introduced Samantha Spain, Sales and Marketing Specialist to provide a presentation regarding shopper fees for the Swap Meet. (See Exhibit A)

Discussion

Member Burgess asked what the fee would be for vehicle entrance. Interim Manager Andrews clarified that entry is a per person fee and there is no parking fee for vehicles. He added that if there is one person in the vehicle with a Hawaii state I.D. then attendees within that vehicle will receive the Kama'aina rate. This will help facilitate entry to not slow down traffic by having to check each person's I.D.

Member Tamamoto commented that she is in support of the campaign and appreciates the presentation.

Interim Manager Andrews informed the board that unless there was concern, the new shopper fee will be implemented as of May 1, 2022.

2. Stadium Financial Update – Attached
Administrative Services Officer (ASO) Russell Uchida reported: (See Exhibit B)

Discussion

Member Fink asked if there is a line that shows the budget from month to month.

Mr. Uchida stated that he normally does not list the budget on a month to month basis. He added that the stadium's ceiling is \$9M, and we are at the expenditure level of \$2.8M.

Member Fink stated that it is difficult to figure out how we are doing since there is no revenue budget while events are down.

Member Fujimoto stated that a year ago we showed a revenue projection of \$3.3M and we are currently at \$3.3M year to date. Mr. Uchida is projecting \$4.4M, which is \$1.1M ahead of the projected pace on the revenue line. On the expense line, the expenses were projected to be \$5M for FY2022, however the management team brought that down to \$2.9M as they have right sized the operation over the past nine months.

Chair Yamasaki suggested that maybe there can be a column added for a percentage change off the projection whether it's up or down. He stated that he would follow up with ASO Uchida.

3. Interim Manager Andrews provided two announcements:
 - a. Night Market - The Taste of Oahu event. Overall, it was a successful event and had over 3,600 attendees. Like all first-time events, there were some logistical items that needed attention, but overall, the event was a success.
The next Taste of Oahu Night Market will be tomorrow night from 4pm-10pm in our Upper Halawa Parking Lot. In addition to the retail vendors, food trucks, keiki areas, and car show, Kapena will be headlining on the entertainment stage along with a variety of other acts.
 - b. Interim Manager Andrews stated he is very proud of the stadium team. This was the first full month with a smaller operational team.

It's been a big transition for everyone, and the team has been flexible in accepting many new duties as well as being creative with filling the gaps left from the deletion of so many positions. Interim Manager Andrews shared that although the stadium bowl is no longer being maintained, the 98-acre site still requires a lot of regular maintenance. He encouraged the board to review the Facility Maintenance report put together by the four individuals responsible for taking care of the site.

C. Internal Affairs Committee (IAC):

1. Committee Chair's Report – Member Iosua stated that the IAC did not meet this month and the reports were sent out for review in the board packets.
2. Events
 - a. Summary of Monthly Events - Attached
 - b. Calendar of Events - Attached
3. Sales and Marketing - Attached
4. Security Report – Attached
5. Capital Improvement Projects/Engineering & Maintenance Report - Attached

D. External Affairs Committee (EAC):

1. Contractor Reports
 - a. IMG/Learfield/Hawaii Sports Properties – None
 - b. Centerplate – Attached
2. Stakeholder Reports
 - a. University of Hawaii – None
David Matlin stated that UH is currently in the Spring game season and there is a Spring game scheduled for April 16th.
 - b. Honolulu Authority for Rapid Transport (HART) – None
 - c. Transit Oriented Development (TOD) – None
 - d. Hawaii Interagency Council for Transit Oriented Development (HIC-TOD) – None
3. NASED Coordination Committee Report
Chris Kinimaka, Public Works Administrator for the Department of Accounting and General Services reported that the request for the fee title transfer from the Department of Land and Natural Resources (DLNR) to the Stadium Authority (SA) is still at DLNR and they are coordinating with the DAGS survey group to get the survey maps finalized. Once that is done, then it will process and go to the governor for approval. It is being worked on aggressively and we hope to have it completed by mid-summer.

HB2470 was deferred by the Senate and now SB3334 is in the House and is anticipated to be heard by the Finance Committee. We continue to work with our contacts at the Department of Business and Economic Development and Tourism (DBEDT) and with the Hawaii Community Development Authority (HCDA) to make sure that we are all on the same page with our testimony and direction.

Under the Schedule of Work-Streams we are happy to report that the Programmatic Environmental Impact Statement (PEIS) is under review. This is the second review of our submittal, so we anticipate that we'll be in a pretty good position for their feedback that we should get by April 7th. If all is clear, then our final PEIS will be published in April which will go to the Governor's desk for acceptance and will lead into the challenge period so the final EIS can be cleared by this June.

Request for Proposal (RFP) - While our team is working aggressively with the technical team and Budget and Finance (B&F), the Governor has asked us to hold off with the release of the RFP until after the legislative session. Governor wants to ensure the funding is appropriated before the RFP is released.

Senator Wakai congratulated Member Tamamoto for being confirmed to the Stadium Authority.

He stated that the House presented \$350M in the budget for the stadium construction plus an extra \$10M in design and planning. The importance of SB3334 is it puts together the HCDA District. Last year the HCDA and Stadium Authority entered a Memorandum of Understanding (MOU) which only allowed for the transfer of some powers but not all powers. We are anticipating that the stadium district will be an HCDA district by year 2025, which will ensure that the State has control over entitlements and zoning.

Chair Yamasaki commended Comptroller, DAGS, and stadium management on the time spent working together to best communicate with the legislature and to show a unified front.

E. Governance Committee

The committee did not meet.

V. UNFINISHED BUSINESS

Hiring of Permanent Stadium Manager

Member Iosua stated that the Board discussed the need to hire former manager Scott Chan's replacement. In the interim, Deputy Stadium Manager, Ryan Andrew's has filled the Interim Manager position. Based on the Board's discussion and recommendation, the position of permanent Stadium Manager was offered and accepted by Ryan Andrews

effective March 16, 2022. Member Iosua congratulated Mr. Andrews for all his hard work as Deputy Manager, Interim Manager, and now as the new Stadium Manager.

Mr. Andrews thanked Chair Yamasaki and each board member for placing their trust and confidence in him to do this job. He stated he is honored to fill this role. This is a unique time in the history of the Authority, and he fully appreciates the challenges as well as the opportunities that lie ahead. Mr. Andrews also shared his thanks and appreciation to his predecessor, Scott Chan, who invested a lot of time preparing him for this role. Lastly, he shared that he is humbled to lead such a hard-working, talented and resilient stadium team.

VI. NEW BUSINESS

- A. Request to delegate authority to the Stadium Manager to negotiate with parties to establish rental rates for the use of other space on the stadium premise through calendar year 2022.

Manager Andrews shared that several entities have inquired into both short- and long-term space rentals for storage purposes (cars, other equipment, etc.). As you all know, we typically rent established spaces, such as the entire Lower Halawa Parking Lot, which has an established rate that's in our Hawaii Administrative Rules (HAR) and where the licensee has exclusive use of the entire space.

Recently we have received requests for renting limited portions of established spaces, and, as you might imagine, the prospective Licensee doesn't want to pay for the entire area if they are only going to use a small portion of it. Although rates are not established within our HAR for these limited spaces, authorization for rental of these "other" types of spaces may be considered pursuant to HAR §3-70-11 Rental Charges, payment, (c):

(c) "The use of any office, or other space or facility on the stadium premises may be rented upon the terms and conditions, and at the rental rates determined by the authority."

Manager Andrews explained that currently there are two entities that have submitted applications for use of other spaces. Both applications are for car storage - one is looking for space for approximately 150 cars and the other for approximately 400 cars. The amount of space they require is tiny compared to the size of one of our parking lots.

Current Opportunities for Consideration:

1. Request: Storage for approximately 400 vehicles
Applicant Name: Manheim Remarketing, Inc. dba Manheim Hawaii
Term: To be determined pending available space.
2. Request: Storage for 140 - 160 vehicles
Applicant Name: Halawa View II LP
Term: September 2022 through December 2023, pending available space.

Manager Andrews discussed the financial benefit to the Stadium Authority as these opportunities provide a new revenue stream by utilizing portions of established spaces, or other spaces within and around the premise that were previously unavailable due to being retained to support larger events.

Proposal:

Manager Andrews requested that the Stadium Authority Board delegate to the Stadium Manager the authority to negotiate with parties to establish rental rates for the use of other space on the stadium premise through calendar year 2022. The Stadium Manager will update the board upon each negotiated agreement.

Discussion

Member Iosua asked if this is a similar arrangement to the stadium renting space for rental car storage during the pandemic.

Manager Andrews replied that it is similar, however on a much smaller scale.

Member Iosua asked if there is a type of indemnity and coverage for any liability issues.

Manager Andrews confirmed that the stadium will handle this agreement the same as all rentals, and the licensee additionally needs to provide their own security and liability insurance.

Manager Andrews mentioned that in addition to the rental rates established, there may be other charges for licensees to address operational costs related to coordination/logistics since the spaces will be divided and ingress/egress needs to be addressed.

Chair Yamasaki asked how these spaces will be integrated into the NASED plan to make sure our hands are not tied to mobilization.

Manager Andrews replied that there has been much discussion and noted that these will be monthly agreements, so they can be terminated if necessary to accommodate construction.

A MOTION WAS MADE BY MEMBER MORIOKA AND SECONDED BY MEMBER BURGESS TO DELEGATE AUTHORITY TO THE STADIUM MANAGER, THROUGH THE END OF CALENDAR YEAR 2022, TO NEGOTIATE WITH PARTIES TO ESTABLISH MONTH TO MONTH RATES AND TERMS FOR THE USE OF OTHER SPACE ON THE STADIUM PREMISE. THE DECISION WAS UNANIMOUSLY CARRIED.

B. Approval of Events

1. Department of Land & Natural Resources (DLNR), Division of Conservation & Resources Enforcement – Host and facilitate Officer I (CREO I) Academy

Manager Andrews thanked Member Burgess for bringing this opportunity to his attention. The DLNR is requesting use of the Hospitality Room on Mondays thru Fridays from July 11, 2022 through March 31, 2023 to host their DOCARE Officer Academy Program. When a State agency, such as DLNR, wants to use the Hospitality Room, the fee

is waived and typically their use might account for a couple of dates per year. Because DLNR is requesting exclusive use for such a long period of time and this use will prevent the stadium from generating revenue from rentals of this room to other entities, the stadium would like to charge for this use. The approved rental rate in the HAR [for this space] for the group size they have proposed is \$500 per day from Mondays-Thursdays, and \$1,000 per day for Fridays, Saturdays, and Sundays.

Per Chapter 3-70-11(g) of the HAR of the Stadium Authority, the Authority may upon the recommendation of the Stadium Manager, waive rental charges in part for an event or activity that is sponsored by an agency of government and for which no admission charge is made.

Manager Andrews proposed a consistent rate of \$500 per day for Monday thru Friday. Additionally, other incidental charges for cleaning [but those are pass through costs] will be worked out with the client.

DLNR is amenable to vacating the room when they finish on Fridays to allow the stadium to continue generating revenue on the weekends.

Stadium Events Manager Stephen Lee introduced Lt. Carlton Helm to provide some details about the rental:

Lt. Carlton Helm explained that they currently have approximately fifty recruits for the upcoming academy compared to twelve recruits in 2020. The program has grown tremendously, and they have outgrown the space at the Marine Education Training Center. He added that they've partnered with Honolulu Community College to provide Administration of Justice courses and their biggest challenge is to find a facility with space and IT infrastructure.

Lt. Helm stated that there are funds allocated through federal grants supported by congressional delegates and American Rescue Plan Act (ARPA) funds.

Chair Yamasaki asked if there are other parts of the stadium [other than the Hospitality Room] that DLNR is requesting to utilize.

Lt. Helm responded that the request is primarily the classroom setting, however they would eventually like to use outdoor space for physical training and vehicle training.

Events Manager Stephen Lee added that he will work with Lt. Helm on any additional use of space.

Member Iosua stated that he fully supports this type of event at the stadium, and it is great to be able to help another state agency.

A MOTION WAS MADE BY MEMBER MORIOKA AND SECONDED BY MEMBER BURGESS TO APPROVE THE DEPARTMENT OF LAND & NATURAL RESOURCES TO HOST THE DOCARE OFFICER ACADEMY PROGRAM FROM JULY 11, 2022 – March 31, 2023. THE DECISION WAS UNANIMOUSLY CARRIED.

CHAIR YAMASAKI AMENDED THE MOTION TO INCLUDE THE FEE AS RECOMMENDED BY THE STADIUM MANAGER FOR MONDAY THROUGH FRIDAY AT \$500 PER DAY. THERE WERE NO OBJECTIONS AND THE MOTION WAS UNANIMOUSLY CARRIED.

Member Tamamoto asked for clarification if the board would see approval requests since the stadium manager was given authority to negotiate terms.

Chair Yamasaki explained that the previous action was relative to Other Spaces pursuant to HAR §3-70-11 Rental Charges, payment, (c). For typical events, management will still propose an event to the board for final approval.

2. Free Spirits, LLC – Octoberfest Beer Festival

Applicant Name: Free Spirits, LLC (Matthew Choy)

Request: Halawa Lot

Date: September 24 – 25, 2022

Stadium Events Manager, Stephen Lee introduced Matthew Choy from Free Spirits, LLC who provided details regarding the Octoberfest Beer Festival.

Mr. Choy explained that his company has been holding special events since 2013 and they hold approximately forty-eight licensed events per year. They have specifically held seven Octoberfest events in the past at various locations such as Kamehameha Schools, OHA (Office of Hawaiian Affairs), Kapolei Commons, and Bishop Museum.

Discussion

Member Tamamoto asked if there are provisions to control the crowd and alcohol.

Mr. Choy explained that the beer garden will be an enclosed and ticketed event. An attendee will have to purchase tickets to consume alcohol. There will be security to check IDs, the entire event will be enclosed with barricades and security will roam the event.

Member Fink asked what size crowd is to be expected.

Mr. Choy responded that they are hoping to reach 1,500 attendees. There will be allocated time blocks with a certain amount of tickets per block. They are considering 250 to 500 attendees per time block. Wristbands or drink tickets will be used for the program. The event is a tasting type of event and not geared towards heavy drinking.

Member Tamamoto expressed her concern for the residents in the area and questioned if there is security to monitor patrons bringing in their own liquor as well as the sound level for the music.

Mr. Choy responded that there will be live entertainment and they will make sure that the sound will be under the allowable decibel level. They have never had issues with sound at any of their previous events.

Chair Yamasaki asked how the parking will be handled for this event.

Mr. Lee responded that parking will be held in the upper Halawa Lot while the event will take place in the lower Halawa parking lot which is a fenced area. Patrons will be monitored to ensure no tail gating will take place.

Mr. Lee performed a reference check with the Bishop Museum, since Free Spirits, LLC held an Octoberfest there in 2018. The Bishop Museum stated their event ran smoothly, they did not have any problems, and they spoke highly of Mr. Choy and his team. The Bishop Museum continues to book events with Free Spirits, LLC.


A MOTION WAS MADE BY MEMBER MORIOKA AND SECONDED BY MEMBER BURGESS TO APPROVE THE OCTOBERFEST BEER FESTIVAL BY FREE SPIRITS, LLC SUBJECT TO FINAL NEGOTIATIONS WITH THE STADIUM MANAGER. THE DECISION WAS UNANIMOUSLY CARRIED.

VII. ANNOUNCEMENTS

Chair added that next month's board meeting is scheduled for April 28, 2022 and is anticipated to be a hybrid meeting held via Zoom and in-person at 8:30 a.m. A notice will be sent out with the agenda if the meeting changes to an in-person-only meeting.

VIII. ADJOURNMENT

AT 9:46 A.M. A MOTION WAS MADE BY MEMBER MORIOKA AND SECONDED BY MEMBER FUJIMOTO TO ADJOURN THE MEETING. THE MOTION WAS UNANIMOUSLY CARRIED.



Ross I. Yamasaki
Chairman

Recorded by: Colette May
Date: April 28, 2022