



The Senate

STATE CAPITOL HONOLULU, HAWAII 96813

March 23, 2009

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PRED HEMININGS

CHIEF CLERK CAROL TANIGUCHI Ms. Kay Ahina 2029 Nuuanu Avenue, #1709 Honolulu, HI 96817

Dear Ms. Ahina,

Thank you for your March 6, 2008 responses to the EDT Committee questions posed to you as a Stadium Authority nominee (Governor's Message 285).

In conjunction with the EDT Committee's follow-up review of the Stadium Authority's actions regarding several pending issues, we would appreciate your written responses to the following additional questions by Friday, March 27, 2009:

1. What is your view on whether the existing operations of Aloha Stadium are using the best and most cost-effective combination of internal staff/contracted services?

In some jurisdictions, stadium facility management is contracted to an entity responsible for all marketing, operations and facility requirements. With respect to the Hawaii Convention Center, having one contractor - SMG - responsible for all services related to the marketing, operations and facilities development of the convention center has proven to be a successful management strategy.

Given the substantial facility upgrades needed for Aloha Stadium, it appears that the current mix of in-house staffing, State CIP appropriations for all facilities upgrades and limited use of contractors for swap meet management or Aloha Stadium marketing does not take full advantage of potential private sector investment or leveraged use of State assets.

What do you think is needed to thoroughly evaluate the best alternatives for the Stadium Authority board to take action?

2. At various Stadium Authority meetings, you have raised the question of the need for a Stadium Authority strategic plan. How urgent is the need for a strategic plan, and what components of Aloha Stadium's operations should it cover?

- 3. How effective do you believe use of subcommittees have been in giving the Stadium Authority board an opportunity to provide leadership on various issues facing the board?
 - Do you think that the board's use of subcommittees could help resolve complaints from Aloha Stadium Swap Meet vendors about their concerns regarding changes proposed by the Stadium Authority's contractor? Although the 2008 Stadium Authority minutes contain extensive discussion of the problems affecting Swap Meet operations, it is not clear that the issues between swap meet vendors and Centerplate have been resolved.
- 4. What steps do you think the Stadium Authority board can take to improve communications between the Authority, its user constituencies and the general public? Does the Authority publicize its meetings and provide opportunities for individuals to comment on board actions before decisions are made?
- 5. Given the State of Hawaii's dramatically-reduced revenues during 2009 and beyond, what do you think the Stadium Authority board should do if new capital improvements to repair Aloha Stadium cannot be funded through state CIP appropriations? What steps do you think the Stadium Authority should take to seek new information from which determine what funding alternatives are available to improve Aloha Stadium?

Thank you for your service on the Stadium Authority board, and your written response to the questions listed above. Please contact me at 586-6890 if you have additional questions.

Sincerely,

Senator Carol Fukunaga, Chair

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Economic Development and Technology Committee

Kay O. Ahina 2029 Nuuanu Avenue, #1709 Honolulu, Hawaii 968217 (808) 220-4929

March 26, 2009

Via Email & U.S. Mail

The Honorable Carol Fukunaga, Chair Senate Committee on Economic Development And Technology Hawaii State Capitol, Room 216 Honolulu, Hawaii 96813

Dear Senator Fukunaga:

Re: Nomination to the Stadium Authority

Thank you for your letter of March 23, 2009 regarding my nomination to the Stadium Authority and for your consideration for this appointment.

Below please find my answers to your request for information:

(1) I believe that we are using the best and most cost-effective combination of internal staff and contracted services to run the Aloha Stadium. The management at the Aloha Stadium is doing an outstanding job of managing the Aloha Stadium so that it is a place the people of Hawaii and its visitors can enjoy and be proud of. The contracted services are efficiently run. Can it be better? Of course. We are always open to suggestions and constantly looking for ways to improve. Likewise, we hold our contractors to their contractual obligations.

Looking for potential private sector investment is currently being undertaken. As you may know, portions of the land under the Aloha Stadium have restrictions placed upon it by the federal government. In January, a MOU was signed with the federal government allowing us to begin the process to lift these deed restrictions. Director Russ Saito is working to find suitable parcels of land that we can exchange with the federal government. Once this process is completed, we will be able to bring private investment onto the Aloha Stadium property. This potential influx of capital could potentially help us become a money making vehicle for the state of Hawaii via commercial property income.

- (2) We are working on strategic planning for the Aloha Stadium. Management, staff and the board have been working in putting a plan together. This plan will cover all of the operations at the Aloha Stadium—from day-to-day operations as well as planning the future of the Aloha Stadium that includes short and long term goals.
- (3) The appointment of subcommittees has proven to be successful, beneficial to the State and a time saving resource for the Aloha Stadium.

As an example, when I was asked to chair the search for the new stadium manager, our committee was able to work as quickly as possible to name a manager. Working between monthly board meetings, we were able to accomplish this task as efficiently as possible.

Your letter asks if a subcommittee "could help resolve complaints from the Aloha Stadium Swap Meet vendors." The contract that Centerplate has with the Aloha Stadium for the swap meet mandates that the vendors must first take their complaints to them.

Every month, Centerplate attends our board meetings and reports to us on the status which also includes the complaints.

We are well aware of the complaints by some of the vendors. We feel that Centerplate has done and continues to do a good job of working with these vendors so that their complaints can be resolved if at all possible.

(4) As a state agency, we are bound by the Sunshine Law. Six days before our meetings, we must post our agenda so that everyone can see what will be covered at our meetings.

Individuals who wish to comment are always welcome. As a matter of fact, we encourage participation from the public. As an example, when there was a concern that not enough disabled parking stalls were available, we asked the individual who voiced this concern to attend our meeting so that we thoroughly understood his concern and that we, in fact, were meeting the needs of the disabled public who visit our facility.

After hearing his concerns and conferring with management, we were able to assure him that we were in compliance with the law.

The Honorable Carol Fukunaga, Chair March 26, 2009 Page 3

(5) A public-private partnership could be the solution if the State is not able to fund our CIP projects.

As stated above, if we are able to remove the deed restrictions placed on the Aloha Stadium by the federal government, I believe we may have found the answer. Commercial projects at the Aloha Stadium could provide a steady stream of income.

Thank you again for the opportunity to answer these questions. I believe the Aloha Stadium can continue to be better and I would like to continue to be a part of this process.

I respectfully ask for your consideration for this position.

Should you have any questions, please feel free to contact me.

Aloha, Kay ahena

Kathleen "Kay" Ahina