



ALOHA TOWER DEVELOPMENT CORPORATION

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Statement of
Sandra Pfund
Chief Executive Officer
Aloha Tower Development Corporation
before the
Committee on

FINANCE

Friday, March 26, 2010
10:00 A.M.
State Capitol, Conference Room 308
in consideration of

SB2942, SD2, HD1 RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION

Chair Oshiro, Vice-Chair Lee and Members of the House Committee on Finance.

The Aloha Tower Development Corporation (ATDC) supports this measure.

SB2942, SD2, HD1 as drafted creates an Aloha Tower Development Task Force within the Department of Transportation to examine whether abolishing ATDC and transferring its functions to other state agencies results in operational efficiencies, savings and is in the best interest of the State of Hawaii. Furthermore, this measure requires the Task Force to thoroughly review ATDC's statutory mandates, regulatory jurisdiction and development powers and submit a report to the Legislature recommending any necessary legislation.

If the Task Force concludes ATDC's organizational structure should be changed, the Task Force would be able to recommend an essential and effective transition plan to ensure that ATDC's responsibilities to the Aloha Tower Marketplace and the significant progress made on the Harbors Modernization Plan projects are not jeopardized. Ongoing projects under the Harbors Modernization Plan include numerous planning and design contracts, as well as one construction project that has created jobs in this difficult economy. The planning and design contracts will result in many more construction jobs beginning later this year. This progress should not be impeded at this time by abrupt organizational changes. Previous drafts of SB2942 did not provide a realistic and effective plan to meet the desired objectives of improving efficiencies and savings.

Thank you for this opportunity to testify on this measure.

LINDA LINGLE
GOVERNOR



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IN REPLY REFER TO:

March 26, 2010

TESTIMONY OF THE DEPARTMENT OF TRANSPORTATION

SENATE BILL NO. 2942, SD 2, HD 1
RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION

COMMITTEE ON FINANCE

The Department of Transportation (DOT) offers the following comments on this bill, which will establish a task force to determine the feasibility and economic impacts of abolishing the Aloha Tower Development Corporation (ATDC) and transferring various functions to the Hawaii Community Development Authority and the Department of Transportation.

The DOT's foremost interest is in ensuring the continued expedited implementation of the Harbors Modernization Plan (HMP). We felt that SB 2942, SD 2 addressed this concern by placing the Harbors Modernization Group in the Department of Transportation with continued jurisdiction over HMP. To ensure uninterrupted implementation of HMP, the DOT would prefer that this bill be amended to incorporate the language of SB 2942, SD2, with additional language to provide for an Executive Director and staff, along with a transition period. This governance structure would provide assurance that the priorities established in the HMP will continue to receive the DOT's full attention, energy, and focus.

Thank you for the opportunity to provide comments.



Hawaii Harbors Users Group

Gary North
Executive Director

Mar Labrador
Horizon-Lines, LLC
Board Chairman

Vic Angoco
Matson Navigation Company,
Inc.
Board Vice Chair

Douglas Won
Sause Bros., Inc.
Board Vice Chair

Glenn Hong
Young Brothers, Ltd./Hawaiian
Tug and Barge
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Grant Karamatsu
NCL America, Inc.

Richard Maxwell
Aloha Cargo Transport,
Division of Northland Services,
Inc.

Robert T. Guard
McCabe, Hamilton & Renny Co.,
Ltd.

Jeff Brennan
Hawaii Stevedores, Inc.

Lance Tanaka
Tesoro Hawaii Corporation

Stephanie Ackerman
The Gas Company

Eric Yoshizawa
Ameron Hawaii

Nate Lopez
Hawaiian Cement

Scott Vuillemot
American Marine

Steve Kelly
Kapolei Property Development

Captain Steve Baker
Hawaii Pilots
Associate Member

**SB 2942 SD2 HD1
RELATING TO THE ALOHA TOWER DEVELOPMENT
CORPORATION**

**MAR LABRADOR
CHAIR
HAWAII HARBORS USERS GROUP**

MARCH 26, 2010

Chair Marcus Oshiro and Members of the House Committee on
Finance:

I am Mar Labrador, testifying on behalf of the Hawaii
Harbors Users Group (HHUG), on SB 2942 SD2 HD1, "A BILL
FOR AN ACT RELATING TO THE ALOHA TOWER
DEVELOPMENT CORPORATION."

The Hawaii Harbor Users Group (HHUG) is a non-profit
maritime transportation industry group comprised of the following
key harbor users: Matson Navigation Company, Horizon Lines,
LLC, Young Brothers/Hawaii Tug & Barge, Norwegian Cruse Line,
Sause Brothers Inc., Aloha Cargo Transport (ACT), Hawaii
Stevedores, McCabe Hamilton & Renny Stevedores, Hawaii
Superferry, Tesoro Hawaii Corporation, The Gas Company,
Ameron Hawaii, Hawaiian Cement, American Marine, Kapolei
Property Development, and the Hawaii Pilots Association.

As an island State, Hawaii is very dependent upon our commercial harbors to ensure the continued and unimpeded movement of cargo in and out of our State. At present, it is estimated that 98% of Hawaii's imported goods pass through our harbors including consumer goods, motor vehicles, construction materials, and fuel. Given the critical role of Hawaii's harbors, it is imperative that the State provide harbor infrastructure and services to support dependable and efficient cargo transportation and handling industries to service our residents and businesses.

In light of the looming shortage of port facilities in Hawaii due to the significant growth in intra and interstate cargo over the past twenty years, the State is in the process of implementing a statewide Harbors Modernization Plan (HMP) to construct much needed harbor infrastructure improvements. At present, the Aloha Tower Development Corporation (ATDC) is statutorily authorized to implement the HMP. If the State abolishes the ATDC, HHUG believes it imperative that another entity be empowered with the jurisdiction and responsibility to continue the coordination and implementation of the HMP.

Thank you for the opportunity to testify.