

Charles Barclay  
P.O. Box 12091  
Honolulu, HI 96828  
(808) 888-9494

March 15, 2011

I write this letter in support of HB 1312 currently under consideration.

Like many of my fellow Ala Wai Yacht Harbor tenants I was ambivalent about privatization of the state boat harbors. My concerns were that the fees would be exorbitant and it would reduce access to state facilities.

However, for the last two years I have managed a state facility, Kewalo Basin Harbor, for a private marina management company. I can honestly say the difference in this harbor is distinct, positive, and the effect on cash flow has been nothing less than astounding.

In March of 2009, Almar Management, Inc, a private marina operator based in California (see [www.almar.com](http://www.almar.com)) began managing Kewalo Basin Harbor for the Hawaii Community Development Authority. Kewalo Basin Harbor is a 140 berth small boat harbor serving commercial charter operations. It is also home port for segments of the commercial fishing industry and recently for pleasure and recreational vessels. We welcome cruising sailors from neighbor islands and the mainland in stark contrast to other state boating facilities (see <http://www.latitude38.com/letters/201009.html>). The harbor has relatively deep draft and we will again host Transpac Race yachts for the first time since 1957 this summer.

We do this, because as sailors and fisherman ourselves, the employees of Almar Management, Inc. are deeply interested in promoting access to and enhancing boating in the areas we operate. We especially would like to improve boating facilities in Hawaii.

The key factor to the success of Kewalo Basin Harbor's turnaround has been our ability to work with the staff at Hawaii Community Development Authority and to understand the needs of boaters.

In March of 2009, the harbor was 39% occupied, just prior to the Tsunami we were at 96% occupancy, today we are at 108%. In March of 2009, we had a \$37,000 per month operating deficit on less than \$40,000 per month in revenue. In February 2011, operating income was \$60,630 on \$106,266 revenue.

There is also the qualitative aspect of what has occurred: the harbor is cleaner, safer, more inviting, and constantly improving. More than 95% of tenants pay on time, there are less fuel spills, and the illegal activities have declined dramatically. The harbor is less at risk, there are no sunken vessels in the harbor

and with 80% of the vessels leaving the harbor during the Tsunami event none of our vessels required safe harbor at another facility—all returned home safely to Kewalo Basin.

In short, the differences with a private management company running the state harbor are nothing short of remarkable. Finally, to allay any boater's concerns about high fees, we charge the state mandated fees not only at Kewalo Basin Harbor but also at Jack London Square Marinas in San Francisco and a number of our other facilities we run for states and municipalities.

I urge you to support privatization of the state's small boat harbors. Privatizing small boat harbors is good for boaters and would unleash development and long overdue dock maintenance as well as fast land improvements required to make boating a truly statewide and available recreational activity.

Sincerely,

Charles Barclay  
s/v Dealer's Choice

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WLH Testimony](#)  
**Cc:** [cowgirlinhawaii@yahoo.com](mailto:cowgirlinhawaii@yahoo.com)  
**Subject:** Testimony for HB1312 on 3/15/2011 1:15:00 PM  
**Date:** Tuesday, March 15, 2011 9:50:36 AM

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Testimony for WLH 3/15/2011 1:15:00 PM HB1312

Conference room: 225  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Beth Malvestiti  
Organization: Individual  
Address:  
Phone:  
E-mail: [cowgirlinhawaii@yahoo.com](mailto:cowgirlinhawaii@yahoo.com)  
Submitted on: 3/15/2011

Comments:

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WLH Testimony](#)  
**Cc:** [swansongbvi@yahoo.com](mailto:swansongbvi@yahoo.com)  
**Subject:** Testimony for HB1312 on 3/15/2011 1:15:00 PM  
**Date:** Tuesday, March 15, 2011 8:25:43 AM

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Testimony for WLH 3/15/2011 1:15:00 PM HB1312

Conference room: 225  
Testifier position: oppose  
Testifier will be present: No  
Submitted by: Nancy Terrell  
Organization: Individual  
Address:  
Phone:  
E-mail: [swansongbvi@yahoo.com](mailto:swansongbvi@yahoo.com)  
Submitted on: 3/15/2011

Comments: