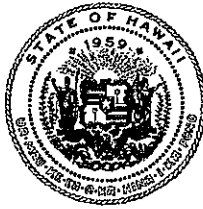


NEIL ABERCROMBIE
GOVERNOR OF HAWAII



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

WILLIAM J. AILA, JR.
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI
FIRST DEPUTY

WILLIAM M. TAM
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
WILLIAM J. AILA, JR.
Chairperson

Before the House Committee on
WATER, LAND & OCEAN RESOURCES

Friday, March 2, 2012

11:00 A.M.

State Capitol, Conference Room 325

In consideration of
HOUSE CONCURRENT RESOLUTION 36
REQUESTING THE AUDITOR TO CONDUCT A FOLLOW-UP
AUDIT OF THE MANAGEMENT OF STATE BOATING
FACILITIES BY THE DIVISION OF BOATING AND OCEAN
RECREATION OF THE DEPARTMENT OF LAND AND
NATURAL RESOURCES

House Concurrent Resolution 36 requests that the Auditor conduct a follow-up audit of the management of State Boating facilities particularly in regards to the Ala Wai Small Boat Harbor. Although the Department of Land and Natural Resources (Department) welcomes an audit of its Division of Boating and Ocean Recreation (DOBOR), it does not see the need to have a follow-up audit as it is still in the process of implementing the recommendations of the 1993, 1998, and 2001 Legislative audits as well as the 2006 Legislative financial audit. Further, DOBOR is also audited annually as a part of the Department's financial audit.

Statewide, DOBOR has completed over \$113 million in Capitol Improvement Projects (CIP) statewide since 2001. In regards to the Ala Wai Small Boat Harbor, DOBOR has completed over \$7 million in CIP and renovated or replaced over 60% of all slips at the Ala Wai Small Boat Harbor within the past ten years. CIP included replacing aging sewer, water and utility lines, building a new sewer lift station, building transient docks and ensuring that the harbor is Americans with Disability Act of 1990 (ADA) compliant. DOBOR is currently replacing docks on the 700 row and expects to replace all of the 700 row docks in early 2013.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 4:35 AM
To: WLOtestimony
Cc: ahi@hawaii.rr.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Ken Fogarty
Organization: Hawaii Fishing & Boating Association
E-mail: ahi@hawaii.rr.com
Submitted on: 3/1/2012

Comments:

Aloha: I support this, because there are many things that are proposed to be to be done but yet we haven't seen a real push to help us along. Accountability needs to take place, where does our monies go & who has access to it & who is auditing it? Thank You & May God Bless Your Voting. Ken Fogarty Makana Lani <*((><

Holy Grail, Inc.

your 51' private luxury charter sailboat

February 29, 2012

Committee on Water, Land, & Ocean Resources
Rep. Jerry L. Chang, Chair
Rep. Sharon E. Har, Vice Chair
Committee Members

RE: Testimony in favor of HCR 36, Follow-up audit of DOBOR

Aloha Rep. Chang and committee members,

How many failures does it take in Hawaii before corrective action is taken by our leaders? The answer is still unknown as long as the management of DOBOR remains unsupervised and is permitted to remain in place, permitted to ignore the needs of it's harbors and harbor users, and squander limited resources. Since 1964, when I first arrived in Hawaii by boat, DOBOR and it's predecessor DOT have wracked up more failures than I can count, and continues to this day to fail to finish projects, fail to maintain facilities and fail to listen to any constructive suggestions offered by the professionals who are their constituents.

I am a licensed captain operating a sailing charter operation at Honokohau Small Boat Harbor, and I am dismayed at the neglect and waste of resources we see every day in and around the harbor, especially in view of the filthy and dangerously deteriorating facilities. Instead of complaining, I joined with seven others in the harbor and founded the Hawaii Fishing and Boating Association, which now has 2350 members. We have attempted to help DOBOR management achieve solutions, have tried to show them how to save money, have tried to understand what their large staff does with their time, but to no avail. We have studied problems, written letters and White Papers outlining solutions, but our suggestions are ignored and stonewalled. We are viewed with hostility as the enemy.

Two prior audits have been done, and completely ignored. I sincerely hope that you will approve HCR36 and work to bring this initiative to the floor – AND work to get it passed by your colleagues. The Governor has reviewed the mess in DOBOR and has agreed in our meetings with him that Hawaii's Small Boat Harbors administered by DOBOR are a catastrophe and must be fixed. The key is MANAGEMENT, which must be made to take responsibility for its actions. Please move this proposal to the floor and get the ball rolling for a new audit which will lead to solutions.

Respectfully,

Howard R. Conant
Vice President and manager

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 9:22 AM
To: WLOtestimony
Cc: bill@jardinerealty.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: William N Jardine
Organization: Paradise Fishing Club
E-mail: bill@jardinerealty.com
Submitted on: 3/1/2012

Comments:

Those of us who use the harbor facilities on a regular basis observe so many very poorly managed problems, yet the narrative from those responsible is that they are hard at work doing all they can possibly do. It is obvious from a common sense perspective that an audit as required by this initiative will assist in determining where the department is failing to serve the public.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 9:21 AM
To: WLOtestimony
Cc: cascadesunrise@hotmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: Yes
Submitted by: Les Parsons
Organization: Individual
E-mail: cascadesunrise@hotmail.com
Submitted on: 3/1/2012

Comments:

To respected members of the WLO Committee:

First, I wish to thank you for introducing HCR36, and for scheduling this hearing.

It is my opinion that there is definite and urgent need for an audit of the Division of Boating and Ocean Recreation.

Probable fiscal mismanagement in the form of inadequate oversight is a top (and widely known issue) in the wake of the filing of multiple felony theft charges against a former key DOBOR employee.

And there are numerous operational issues which the State Auditor should explore and reveal in a much-needed report. More than a decade has passed since the most-recent study of this widely disrespected (and often unresponsive) bureaucracy.

In recent years I, and others, have offered a great deal of written testimony pertaining to boating matters - and not infrequently have wondered if it was ever read - or even skimmed. For that reason, at the 2 March WLO Hearing I plan to attend and hope to be allowed a few moments for verbal remarks.

Mahalo,
Les Parsons
Ala Wai Small Boat Harbor

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 6:01 AM
To: WLOtestimony
Cc: Flatinis@aol.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Frank Latinis
Organization: Individual
E-mail: Flatinis@aol.com
Submitted on: 3/1/2012

Comments:

There should be an audit. Every business has checks and balances. There is much waste with no accountability to the taxpayer at DOBOR.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 5:38 AM
To: WLOtestimony
Cc: paulfreebairn@gmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Paul Freebairn
Organization: Individual
E-mail: paulfreebairn@gmail.com
Submitted on: 3/1/2012

Comments:

As a boat owner, I strongly support Resolution HCR36. An independent audit will strengthen trust and credibility, and improve relations between residents and government. This is critical for our future here in the islands. Thank you for your consideration.

Re: Resolution HCR36

Hearing Notice Details

DATE: Friday, March 02, 2012

TIME: 11:00 a.m.

PLACE: Conference Room 325

It is high time that an audit take place.

DLNR DOBORs annual profit and loss analyses raises numerous questions about fiscal mismanagement and ineptitude, and with several DOBOR employees suspected of, or being charged with million dollar malfeasance it is time for a thorough legislative audit of DOBOR.

I have personally sat and watched a hideously 'choreographed' Legislature walk out on vital public testimony taking the position that their admittance to this state board holds them in a 'secured, walled' situation, deeming their value and presence much higher and important than we the people.

GET IT DONE!

CRJOHNSON
CRJOHNSON@HAWAII.RR.COM

DLNR's Division of Boating and Ocean Recreation (DOBOR) is a deeply troubled organization. Currently, several DOBOR employees are under suspicion of misappropriating/embezzling large sums of the Boating Program's money and the question many boaters are concerned with is, *Does the theft and dishonesty stop with only these few, or has the problem become endemic?*

Boaters are also very concerned that DOBOR's fiscal and accounting system has degenerated through abuse and gross mismanagement to the point of complete disfunctionality. For example, harbor users paying their monthly fees for the past several months have been unable to get any accounting from DOBOR as to how much they currently owe, or to what date in the future they may be paid up. Users are simply told to *pay what they think they owe* and to hang on to their receipts pending attempts by DOBOR to sort things out later. That the financial system of a state agency could be allowed to degenerate to this point is nothing short of appalling.

Another area of concern is the fact that DOBOR knowingly allows one of the Yacht Clubs in the Ala Wai Harbor to generate revenues by berthing boats on submerged lands adjacent to, but outside of, their leased premises. At a minimum this represents a good deal of lost revenue to the boating program, but, as some suspect, it could also well represent the willful diversion of valuable State resources for the unlawful personal benefit of DOBOR employees. Again, is the corruption endemic?

We, the public, and you our legislators need to find out. Please pass this measure.

Respectfully,

Bruce M. Middleton

Ala Wai Harbor Permittee

These are just some of the examples of failed management and fiscal concerns. It is time for the Legislature to investigate.

Mahalo,

Rick Gaffney

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 6:45 PM
To: WLOtestimony
Cc: Matzelle@Hawaii.rr.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Rich Matzelle
Organization: Individual
E-mail: Matzelle@Hawaii.rr.com
Submitted on: 2/29/2012

Comments:

It is time to look into where the money goes. I does not appear that it is going back into Honokohau Harbor, except perhaps from leaking pipes.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 8:44 PM
To: WLOtestimony
Cc: grobb@hawaii.rr.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Comments Only
Testifier will be present: No
Submitted by: Gary Robb
Organization: Individual
E-mail: grobb@hawaii.rr.com
Submitted on: 2/29/2012

Comments:

As a retired CPA I fully support a full review of DOBOR. It appears the agency is in need of a full independent audit of all of its activities and personnel.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 8:54 PM
To: WLOtestimony
Cc: eric@processserverhawaii.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: Yes
Submitted by: eric schroeder
Organization: Individual
E-mail: eric@processserverhawaii.com
Submitted on: 2/29/2012

Comments:

I am a boat owner and live-aboard permittee at the Ala Wai Harbor. I support HCR 36 and ask that it pass.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 8:56 PM
To: WLOtestimony
Cc: doug105@hawaiiantel.net
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Douglas Sheehan
Organization: Individual
E-mail: doug105@hawaiiantel.net
Submitted on: 2/29/2012

Comments:

We need an audit now. Our harbors are too important to let abuse continue. Too much waste of such a valuable resource is unthinkable. Please look deeply into the inherent problems and correct them as soon as possible.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 9:00 PM
To: WLOtestimony
Cc: naomi@gbaghawaii.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: naomi iwashita
Organization: Individual
E-mail: naomi@gbaghawaii.com
Submitted on: 2/29/2012

Comments:

I have lived aboard at the Ala Wai Harbor since 1996. I support HCR 36. Over \$700.00 of our boat slip rent was taken by harbor personnel during 2010 - 2011. We were saved only because we had payment receipts to show payment. the boating division needs to be audited and new management such as Ed Underwood need to be replaced.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 9:40 PM
To: WLOtestimony
Cc: strsnng@yahoo.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Daniel Starsong
Organization: Individual
E-mail: strsnng@yahoo.com
Submitted on: 2/29/2012

Comments:

I think we should audit the DLNR-BOR, and try to improve the management of Honokohau, and the rest of the harbors in the state.

Thanks D Starsong

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 9:43 PM
To: WLOtestimony
Cc: captain@konasail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM
Attachments: WLO-HCr36testimony022912.doc

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Captain Howard R. Conant
Organization: Individual
E-mail: captain@konasail.com
Submitted on: 2/29/2012

Comments:

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 6:09 PM
To: WLOtestimony
Cc: seth.reiss@lex-ip.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Seth Reiss
Organization: Individual
E-mail: seth.reiss@lex-ip.com
Submitted on: 2/29/2012

Comments:

As a slip owner, I am very concerned that there be some real oversight regarding DOBOR activities so that the rent we pay is used efficiently to preserve and improve the facilities. Inefficient management will make for unnecessary rent increases. Although I pay rent monthly, I have received no acknowledgement from DOBOR for the last 6 months or so that DOBOR ever received my money and I have no idea what the state of my account may look like. This is no way to run a facility. It would not be tolerated in the private sector.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 12:20 PM
To: WLOtestimony
Cc: sread@metrontimeclock.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Comments Only
Testifier will be present: Yes
Submitted by: Susan Read
Organization: Individual
E-mail: sread@metrontimeclock.com
Submitted on: 3/1/2012

Comments:

Two months after my husband died, (he died on October 17, 2010), I went to the Division of Boating & Ocean Recreation offices at 333 Queen Street to transfer my husband's 35 foot sailboat to my name. My husband and I purchased the vessel together six years earlier and we used the vessel as our home. It was still my place of residence at the time I was applying for this transfer.

Ed Underwood met me at the counter and initially said that my paperwork was incorrect. I had my application prepared by an attorney. I returned to my attorney who assured me the paperwork was correct. I also conferred with the Court Administrator, Small Estates and Guardianship, Carolyn Nicol who said that I had taken the correct steps to transfer the vessel into my name.

I returned to Ed Underwood's office the next day and he told me he would not transfer ownership without an order from the Court. He told me that my husband's daughter claimed that she was the rightful owner, but refused me proof. In the years prior, my husband had had several disagreements with Ed Underwood over stolen slip fees and being illegally evicted. I contacted my husband's daughter in California. She told me she had no intention of laying claim to the vessel.

I sought Counsel and was advised to not open a Probate, since the vessel was only worth \$25,000 and it would cost much more for legal services and storage of the vessel for the duration. Eventually the vessel was taken from me and I was evicted from my home. I lost all of my possessions, including my clothes, computer, personal papers, appliances, etc. I was effectively made homeless.

Today, more than a year later, the vessel sits at the impound pier at Keehi Small Boat Harbor. It has been broken into and all my valuables have been stolen. I doubt that the vessel is sea worthy as a result of the pilferage.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 12:13 PM
To: WLOtestimony
Cc: kmsmargaret@hawaiiantel.net
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Margaret Smith Piere
Organization: Individual
E-mail: kmsmargaret@hawaiiantel.net
Submitted on: 3/1/2012

Comments:

There are many reasons that I feel an audit of DOBAR is in order. Mainly I think the department does a very poor job of managing the facilities they are responsible for. An audit should help identify the areas where changes are needed.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 11:14 AM
To: WLOtestimony
Cc: TINIPALINDSAY@hotmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Trudy Lindsay
Organization: Individual
E-mail: TINIPALINDSAY@hotmail.com
Submitted on: 3/1/2012

Comments:

It's beyond time for an investigation of DOBOR! It's been months and months and they can't even figure out their new computer system. Have had no invoices for over 6 months and take it on faith that I am getting credit for my slip rent that I faithfully submit monthly. Officer workers at the Ala Wai Small Boat Harbor are completely incompetent, yet they are kept employed year after year and now we have EMBEZZLEMENT! Where is our money going? Please investigate and clean house.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 1:52 PM
To: WLOtestimony
Cc: mitchstauffera1@gmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: mitch stauffer
Organization: Individual
E-mail: mitchstauffera1@gmail.com
Submitted on: 3/1/2012

Comments:

I support an audit of this department in hopes that it wii bring to light the mismanagement, ineptitude of operation, and blatant corruption that has existed for decades and seems as bad as ever today.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 1:28 PM
To: WLOtestimony
Cc: afine1@hawaii.rr.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Amy Fine
Organization: Individual
E-mail: afine1@hawaii.rr.com
Submitted on: 3/1/2012

Comments:

The Harbors Division and DOBOR have grown substantially since any audit has been done to see whether or not they are operating efficiently or ethically. As a user of Honokohau Harbor I am confident that an audit will turn up many areas in which the State can save money or make improvements which will improve operations. And if there are improprieties, an audit would be likely to uncover them.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 3:34 PM
To: WLOtestimony
Cc: Dorothy.Bowers1@gmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Dorothy Bowers
Organization: Individual
E-mail: Dorothy.Bowers1@gmail.com
Submitted on: 3/1/2012

Comments:

At this point there are numerous questions about fiscal mismanagement and more than one employee of DOBOR under suspicion of financial impropriety. It is certainly time for an audit. Please approve HCR 36.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 1:59 PM
To: WLOtestimony
Cc: livingoceanadventures@hotmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Thomas Bottrell
Organization: Individual
E-mail: livingoceanadventures@hotmail.com Submitted on: 3/1/2012

Comments:

DLNR-BOR has been told twice in about 12 years that it needs to do an audit by Marion Higa, the state auditor. It is way overdue. Do a complete audit now

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 01, 2012 7:14 PM
To: WLOtestimony
Cc: laurienkona@earthlink.net
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Laurie Morales
Organization: Individual
E-mail: laurienkona@earthlink.net
Submitted on: 3/1/2012

Comments:

One DOBOR employee on Oahu has been indicted for theft and apparently an employee on Maui is being investigated for financial improprieties. It is apparent an audit should be done to determine if there have been other improprieties. With the down economy and tight budgets, it should be confirmed the funds are being used appropriately and in the most efficient manner.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 10:10 AM
To: WLOtestimony
Cc: rgaffney@pacificboatsales.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Rick Gaffney
Organization: Individual
E-mail: rgaffney@pacificboatsales.com
Submitted on: 2/29/2012

Comments:

Even a cursory review of DLNR BORs annual profit and loss analyses raises numerous questions about fiscal mismanagement and ineptitude, and with several DOBOR employees suspected of, or being charged with million dollar malfeasance it is time for a through legislative audit of the DOBOR.

Concerns:

- 1) DOBOR's new enterprise software has been a colossal failure that has cost the Division hundreds of thousands of dollars in lost employee time, duplicative paperwork and lost revenues;
- 2) hundreds of thousand of dollars worth of water are being wasted at small boat harbors all over the state due to failing infrastructure, yet there is no planning being undertaken to repair and replace leaky pipes and fittings;
- 3) inept, non-responsive and obstructive management of commercial activities and DOBOR lands has cost the Division millions of dollars in lost revenues;
- 4) One DOBOR employee on Oahu has been indicted for theft and apparently two employees on Maui are being investigated for financial improprieties. Does it stop there or is this epidemic?

These are just some of the examples of failed management and fiscal concerns. It is time for the Legislature to investigate.

Mahalo,
Rick Gaffney

har2-Samantha

From: Tamara Paltin [tampaltin@gmail.com]
Sent: Tuesday, February 28, 2012 8:49 PM
To: WLOtestimony
Subject: Public Testimony on HCR 36

Aloha, My name is Tamara Paltin, I am the President of the non-profit Save Honolua Coalition and I work as a Lifeguard in West Maui.

This testimony is directed to the following committees WLO, LMG, FIN.

The hearing is scheduled for 3-2-12 at 11 am Conference Rm 325, State Capitol.

The Measure is HCR 36 and I believe there are 11 committee members needing copies.

I am in full support of an audit of DOBOR. Having worked in an ocean profession on West Maui for the last 10 years all my experiences with DOBOR lead me to believe that they are being negligent in their duties. Recently a community treasure was killed by a waterskier while setting up canoe lanes for a high school canoe race.

Despite working on the issue of getting swimming buoys replaced for the past five years, it took a tragic death to get any action. The head of DOBOR on Maui has another full time job with TSA and this makes me feel as though his priorities are compromised. A fellow concerned citizen recently emailed me his experience of dealing with DOBOR to replace the swim zone buoys and it is an infuriating report that I will include in my testimony:

As you know, a few years ago I offered to install ALL of the missing buoys in Kaanapali for free. Nick and Ed said no, they would have to put it out for bid for ALL buoys and moorings in Maui Nui, otherwise it would be called "parceling", which according to Nick, is illegal. Fast forward a year or so and they actually put the buoy contract out for bid in 2010. I won the bid and signed my side of the contract. Several months later and no executed contract from the state. (I have to wait for the state to execute their end before I can start). Nick tells me that he really didn't understand the contract when he wrote it, so he would have to pull the contract, re-write the contract and send it out for bid again. Which, he did in June of last year. I bid on the contract again and won, again. Signed my end of the contract, again, and waited for the state to execute. Months go by and Nick calls me, tells me "they" lost the contract, so he will have to draw it again and have me sign it, again. I did and waited for the state to execute. Months go by and Nick calls me, tells me that "they" misplaced a comma in the contract, so the contract will have to be re-drawn with the missing comma and have me sign it in triplicate, which I immediately did and waited for the state to execute. Last month, Nick calls me and tells me that he really didn't understand this contract when he wrote it (again), so he will have to pull the contract, which was never executed by the state, re-write it and send it out for bid, again. We're talking about a very simple contract. My 10 year old could have wrote and understood this contract. But for some reason, months after Nick wrote this contract, he was thinking the contract he wrote, stated something completely different from what he wrote. Yes, we are all impressed with Nicks brilliance.

Interesting, a week before Nick pulls the contract I get emails from Jim Coon and one of Jim Coons employees asking me to train his people on how to install and maintain buoys. Then, a week later when Nick tells me that he's going to pull the contract because he didn't understand it when he wrote it, he tells me that he's going to have Jim Coon install (only) the Kaanapali buoys. Parceling?

Hopefully, I am not the only one to think this is more than just a little bit ridiculous. I can tell you that should Nick put the contract out for bid again, which he probably wont understand, again, I will not be bidding. Also, I did not train Jim Coons people. As such, Coon takes all responsibility for whatever his people do. At this point, and with some animosity toward DOBOR, I'm staying away from anything having to do with the Kaanapali buoys.

Aloha,

Terry Hunt

Also, as the swim zone buoys are currently being expedited and installed because of the recent tragic death, there was no initiative taken by DOBOR to educate the boaters as to

what the rules/regs are regarding the buoys as they have been missing for about 7 years so many people may not even realize what the swim zone buoys mean, there has been no outreach or proactivity until their office is called and badgered into action in light of the recent death. I wonder what it is they do all day everyday with their time and the taxpayers resources and so I believe an audit is in order before they get the state sued for negligence.

Mahalo for the opportunity to testify on this very important matter
Tamara Paltin

To: House WLO Committee,

From: Darrell Tanaka
Haiku, Maui

Re: **HCR36** Resolution scheduled to be heard by WLO on Friday, 03-02-12 11:00AM in conference room 325.

In **SUPPORT**

This measure should not be limited to just harbors, but all aspects of the Div. of Boating, for Maui, this includes buoy maintenance, mooring contracts and everything else that DOBOR does that involves state or private funds.

Please do not limit the field in which the auditor is to navigate.

Respectfully submitted,
Darrell Tanaka
Maui

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 5:20 PM
To: WLOtestimony
Cc: mendy@fair-wind.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Melynda Dant
Organization: Individual
E-mail: mendy@fair-wind.com
Submitted on: 2/28/2012

Comments:

DOBOR continues to request the legislature to increase the commercial boaters user fees every year while never improving the management or the facilities that are needed for our commercial use. DOBOR is handed large amounts of taxpayer dollars without having to balance their books, build and maintain their assets or give good customer service to their customers.

This department needs to have leadership that has had successful private sector experience in order for any of us to see a change from the past 20 years of poor management. The legislature needs to take further steps after this audit that will actually have some teeth, hold dollars back until they get a clean audit. They may need to make personnel changes and clean out the slackers that are just pulling a paycheck and have negative attitudes contributing nothing but frustration to customers and fellow workers that want to do a good job.

As an example, our company pays over 150,000 every year to DOBOR, yet after the tsunami damage to our pier I was told we could close down the pier in place of any repairs. How frustrating to hear this. The problem is they don't think like a business person to see that the repairs might only cost \$5000, but instead let's lose 150,000. Any simple minded person would know that this is a short-sighted and dangerous management plan. Then the icing on the cake is they repaired the similar damaged area where the non-commercial users go, but not where the commercial users are that pay all of the income for this harbor. Let's face it the 25.00 annual fee for a boat ramp is not where the money is made, nor where the higher liability is.

The audit is a good start, but frankly if more paperwork is all that comes from it then we still haven't solved any problems with DOBOR.

Sincerely,
Melynda Dant

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 5:26 PM
To: WLOtestimony
Cc: cwright614@yahoo.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Craig Wright
Organization: Individual
E-mail: cwright614@yahoo.com
Submitted on: 2/29/2012

Comments:

Pass HCR 36 to order an audit of DOBOR/DLNR.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 5:15 PM
To: WLOtestimony
Cc: concernedboater@hawaii.rr.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Robert Winter
Organization: Individual
E-mail: concernedboater@hawaii.rr.com
Submitted on: 2/29/2012

Comments:

Aloha,

I strongly support and audit of DOBOR.

Given steadily increasing fees and steadily diminishing services, I believe it is imperative that the residents of Hawaii have a clear understanding of how their fees and taxes are spent.

A properly managed division would have no need to resist the idea of an audit. Any testimony trying to prevent an audit should be considered a clear indicator of the need for such an audit.

Thank you for your consideration.

Bob Winter

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 5:14 PM
To: WLOtestimony
Cc: Susan.d.oliver@gmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Susan Oliver
Organization: Individual
E-mail: Susan.d.oliver@gmail.com
Submitted on: 2/29/2012

Comments:

I have had very negative experience with the DLNR and DOBOR. This organization is out of control. There is a history of mismanagement of funds, look at the condition of our harbors. The rest of the world avoids Hawaii because of the poor access to the water and harbors. Please help our situation by auditing those responsible for the mess. Thank you.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 2:32 PM
To: WLOtestimony
Cc: aloja@hotmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: robert malandra
Organization: Individual
E-mail: aloja@hotmail.com
Submitted on: 2/29/2012

Comments:
I support HBR36. Boating needs an audit.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 2:09 PM
To: WLOtestimony
Cc: cevans@hpu.edu
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Chris Evans
Organization: Individual
E-mail: cevans@hpu.edu
Submitted on: 2/29/2012

Comments:

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 1:14 PM
To: WLOtestimony
Cc: blenkeit@hawaii.rr.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: Yes
Submitted by: Bruce Lenkeit
Organization: Individual
E-mail: blenkeit@hawaii.rr.com
Submitted on: 2/29/2012

Comments:

I have a boat in the Ala Wai Harbor for more than 10 years and my family has been in the Harbor for more than 30 years.
Each quarter I survey and record slip numbers of vacant slips in the Ala Wai Boat Harbor. Currently there are more than 100 and in the past there has been as many as 218 vacant slips with a 5 to 8 year wait list. This does not make sense other than gross mismanagement. The Ala Wai Boat Harbor for several years has had available 30 to 40 liveaboard permits yet refused to issue them. I have documented more than one million dollars of lost revenue to the State of Hawaii because of DLNR mismanagement.
For this and many more reasons, HCR36 should be approved.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 1:07 PM
To: WLOtestimony
Cc: Rwhinman@hotmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Rwhinman
Organization: Individual
E-mail: Rwhinman@hotmail.com
Submitted on: 2/29/2012

Comments:

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 12:56 PM
To: WLOtestimony
Cc: streamfellow@yahoo.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Dwight Streamfellow
Organization: Individual
E-mail: streamfellow@yahoo.com
Submitted on: 2/29/2012

Comments:

This is way over due. I am a tenant at the Ala Wai Harbor. I would like to know if I am paying my fair share, and where our money goes. The Harbor is mis managed, and needs improvement.

har2-Samantha

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 29, 2012 12:23 PM
To: WLOtestimony
Cc: careyandwally@hotmail.com
Subject: Testimony for HCR36 on 3/2/2012 11:00:00 AM

Testimony for WLO 3/2/2012 11:00:00 AM HCR36

Conference room: 325
Testifier position: Support
Testifier will be present: No
Submitted by: Carey Johnston
Organization: Individual
E-mail: careyandwally@hotmail.com
Submitted on: 2/29/2012

Comments:

2/29/2012

I support HCR36 to audit DLNR

JOHN MORTON

I fully support measure HCR36. As a frequent user of the Ala Wai Harbor for recreational purposes such as surfing, boating, and other leisure activities, I have watched the harbor deteriorate for years. Conditions have deteriorated to such an extent that they pose an imminent danger to users. It is painfully obvious that Hawaii's small boat harbors are completely mismanaged. Furthermore, in light of the recent investigation into DLNR's Wesley Choi for the embezzlement of nearly \$100,000 from the state boating funds, it is clear that now, more than ever, there needs to be an auditing system in place to ensure funds collected from boaters for the maintenance, repair, and management of the small boat harbors are used for the benefit of harbor users.

Jessie Cohen

Comments:

Boaters can not get any response from DLNR Please review of DLNR BORs annual profit and loss analyses I feel this would raise numerous questions about fiscal mismanagement and ineptitude, and with several DOBOR employees suspected of, or being charged with million dollar malfeasance it is time for a through legislative audit of the DOBOR.

Concerns:

- 1) DOBOR's new enterprise software has been not worked from day one other than, making duplicative paperwork and lost revenues;
- 2) Hundreds of thousand of dollars worth of water is being wasted at small boat harbors all over the state due to failing infrastructure, yet there is no planning being undertaken to repair and replace leaky pipes and fittings;
- 3) Inept, non-responsive and obstructive management allowing illegal activities in harbors and DOBOR lands has cost the Division millions of dollars in lost revenues;
- 4) One DOBOR employee on Oahu has been indicted for theft and apparently two employees on Maui are being investigated for financial improprieties. Does it stop there or is this epidemic?
- 5) Harbor master at the Ala wai turns blind eyes to non-paying and non permit boats in slips & slip deals and boats that do no even pass as a sea worthy vessel are passed. (Back room deals)
- 6) In addition there is an alarming increase in unauthorized traffic and illegal activity along the 800 & 700 piers of the Alawai. I have witnessed fights, drug activity, illegal occupancy, HPD has said there hand are tied do to DLNR so nothing ever get done.

These are just some of the examples of failed management and fiscal concerns. It is time for the Legislature to investigate.

Curtis Collins

SV siesta slip 805

808-286-5202