

JAN 18 2013

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# A BILL FOR AN ACT

RELATING TO HARBORS.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. Act 200, Session Laws of Hawaii 2008,  
2 authorized the department of transportation to issue harbor  
3 revenue bonds for harbor capital improvements authorized by Act  
4 200 for certain specified capital improvement projects. The  
5 capital improvements were part of the commercial harbors  
6 modernization plan. Act 200 also placed into statute the  
7 harbors modernization plan which was then repealed by Act 152,  
8 Session Laws of Hawaii 2011.

9           Act 200 also transferred jurisdiction over Hana harbor to  
10 the department of transportation, excluding the small boat ramp  
11 facility which remained under the jurisdiction of the department  
12 of land and natural resources (section 266-1.6, Hawaii Revised  
13 Statutes).

14           The legislature finds that the appropriations for capital  
15 improvement projects in Act 200 were not released and the  
16 funding has since lapsed. Act 200 provided for a lapse date of  
17 funding on June 30, 2012, unless unencumbered as of that date.  
18 An additional reason for the lack of any funding is the repeal



1 of the harbors modernization plan by Act 152. The legislature  
2 further finds that the lack of funding for harbor improvements  
3 is contrary to Act 200, which provides in pertinent part in  
4 section 1 as follows:

5 "To meet the economic needs of the state, the harbors  
6 division of the department of transportation must provide  
7 suitable harbor facilities and berthing piers, which in  
8 turn ensures the efficient and timely delivery and shipment  
9 of goods imported into the state. Ocean surface  
10 transportation is our state's lifeline. It remains the  
11 only viable means to service the largest share of Hawaii's  
12 economic needs. However, Hawaii's aging commercial harbor  
13 system has not kept pace with our growing economy, and  
14 Hawaii's commercial ports statewide are experiencing  
15 competition for berthing rights for cargo, fuel, and cruise  
16 ship activities, and severe congestion in harbor  
17 facilities. Harbor users, the state administration, and  
18 the legislature recognize that it is now extremely critical  
19 to upgrade existing port facilities and develop harbor  
20 improvements in an expedited manner."



1           The purpose of this Act is to authorize issuance of general  
2 obligation bonds for certain harbor capital improvement  
3 projects.

4           SECTION 2. The department of transportation is authorized  
5 to issue harbor revenue bonds for harbor capital improvement  
6 projects authorized in section 3 of this Act and designated to  
7 be financed by revenue bond funds or by general obligation bond  
8 funds with debt service cost to be paid from special funds, in  
9 such principal amount as shall be required to yield the amounts  
10 appropriated for such capital improvement program projects, and,  
11 if so determined by the department and approved by the governor,  
12 such additional amounts as may be deemed necessary by the  
13 department to pay interest on such revenue bonds during the  
14 estimated construction period of the capital improvement project  
15 for which such harbor revenue bonds are issued to establish,  
16 maintain, or increase reserves for the harbor revenue bonds or  
17 harbor revenue bonds heretofore authorized (whether authorized  
18 and issued or authorized and still unissued), and to pay the  
19 expenses of issuance of such bonds. The aforementioned harbor  
20 revenue bonds shall be issued pursuant to part III of chapter  
21 39, Hawaii Revised Statutes, as the same may be amended from  
22 time to time. The principal of and interest on harbor revenue



1 bonds, to the extent not paid from the proceeds of such bonds,  
2 shall be payable solely from and secured solely by the revenues  
3 derived from harbors and related facilities under the ownership  
4 of the State or operated and managed by the department,  
5 including rents, mooring, wharfage, dockage, pilotage fees, and  
6 other fees or charges presently or hereafter derived from or  
7 arising through the ownership, operation, and management of  
8 harbor and related facilities and the furnishing and supplying  
9 of the services thereof. The expenses of the issuance of such  
10 harbor revenue bonds shall, to the extent not paid from the  
11 proceeds of such bonds, be paid from the harbor special fund.

12 The governor, in the governor's discretion, is authorized  
13 to use the harbor special fund to finance those projects  
14 authorized in section 3 of this Act where the method of  
15 financing is designated to be by harbor revenue bond funds.

16 SECTION 3. The following sums, or so much thereof as may  
17 be sufficient to accomplish the purposes designated herein, are  
18 hereby appropriated or authorized, as the case may be, from the  
19 harbor revenue bond funds for the fiscal years beginning July 1,  
20 2013, and ending June 30, 2017, and all intervening fiscal  
21 years. The sums appropriated shall be expended by the  
22 department of transportation for the purposes of this Act.



1	1.	HMP - Kapalama military reservation		
2		improvements, Honolulu harbor		
3		Design and construction for the		
4		development of a new container terminal		
5		facility		
6		Design	\$26,900,000	
7		Construction	\$ 3,000,000	
8		Total funding		\$29,900,000
9	2.	HMP - Kalaeloa Barbers Point harbor		
10		infrastructure improvements, Oahu		
11		Design of utility and infrastructure improvements		
12		Design	\$300,000	
13		Total funding		\$300,000
14	3.	HMP - Kalaeloa Barbers Point harbor		
15		fuel pier improvements, Oahu		
16		Design of new fuel pier and other site		
17		related improvements		
18		Design	\$6,300,000	
19		Total Funding		\$6,300,000
20	4.	HMP - Pier 4 interisland cargo		
21		terminal, Hilo harbor, Hawaii		



1	Design of additional interisland cargo		
2	terminal areas including a pier, yard,		
3	roadways, and utilities		
4	Design	\$13,400,000	
5	Total funding		\$13,400,000
6	5. HMP - Kahului harbor land acquisition		
7	and improvements, Maui		
8	Purchase additional land and subsequent		
9	design of improvements for the acquired		
10	land		
11	Land	\$15,000,000	
12	Design	\$ 2,000,000	
13	Total funding		\$17,000,000
14	6. HMP - Hana harbor, Maui		
15	Development of infrastructure,		
16	demolition, as necessary, and expansion		
17	of facilities		
18	Total funding		\$20,000,000
19	7. HMP - West harbor barge-ferry slip,		
20	Kahului harbor, Maui		



1	Design for a new west harbor barge-		
2	ferry slip and associated site work		
3	improvements		
4	Design	\$8,000,000	
5	Total funding		\$8,000,000
6	8. HMP - West harbor dredging and		
7	breakwater, Kahului harbor, Maui		
8	Design for west harbor breakwater,		
9	dredging and associated improvements		
10	Design	\$3,000,000	
11	Total funding		\$3,000,000
12	9. HMP - West harbor cruise terminal		
13	Kahului harbor, Maui		
14	Design of a cruise terminal including		
15	paving, utilities, security, and other		
16	site work improvements		
17	Design	\$3,000,000	
18	Total funding		\$3,000,000
19	10. HMP - East harbor breakwater, Kahului		
20	harbor, Maui		
21	Design of the east harbor breakwater		
22	and related improvements		



1	Design	\$3,000,000	
2	Total funding		\$3,000,000
3	11. HMP - Pier 2 improvements, Kahului		
4	harbor, Maui		
5	Design of improvements to the pier		
6	including strengthening, bollard		
7	replacement, dredging, and		
8	environmental permitting		
9	Design	\$500,000	
10	Total funding		\$500,000
11	12. HMP - Kawaihae harbor development plan,		
12	Hawaii		
13	Development plan for improving new		
14	terminal cargo facilities at Kawaihae		
15	harbor		
16	Plans	\$500,000	
17	Total funding		\$500,000
18	13. HMP - Pier 2 terminal improvements,		
19	Kawaihae harbor, Hawaii		
20	Design and construction of terminal		
21	improvements including and not limited		
22	to paving, utilities, relocation of the		





1	harbor agent's office, and interim		
2	ferry improvements		
3	Design	\$ 5,000,000	
4	Construction	\$21,000,000	
5	Total funding		\$26,000,000
6	14. HMP - Pier 4, Kawaihae harbor, Hawaii		
7	Design of a multi user pier 4 and		
8	associated site work		
9	Design	\$9,000,000	
10	Total funding		\$9,000,000
11	15. HMP - Multi User Pier 4, Nawiliwili		
12	harbor		
13	Design of new pier improvements and		
14	related site and utility work		
15	Design	\$300,000	
16	Total funding		\$300,000
17	16. HMP - Construction management support,		
18	statewide		
19	Construction consultant services during		
20	construction of harbor modernization		
21	plan projects at harbor facilities		
22	statewide		



1	Construction	\$2,400,000	
2	Total funding		\$2,400,000
3	17. HMP - Harbors division capital		
4	improvement program staff cost,		
5	statewide costs related to wages and		
6	fringes for permanent harbor		
7	modernization plan project funded		
8	positions		
9	Planning	\$1,735,000	
10	Total funding		\$1,735,000

11 The appropriations made for the capital improvement  
 12 projects authorized by this Act shall not lapse at the end of  
 13 the fiscal biennium for which the appropriation is made;  
 14 provided that all moneys from the appropriation unencumbered as  
 15 of June 30, 2016, shall lapse as of that date.

16 SECTION 4. This Act shall take effect on July 1, 2013.

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S.B. NO. 415

Mr. J. C.  
Melendez

July 12



Ramon T. Hualde



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# S.B. NO. 415

**Report Title:**

Harbors; Capital Improvement Projects; Revenue Bond;  
Appropriation

**Description:**

Authorizes department of transportation to issue revenue bonds  
for capital improvement projects for harbor improvements.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

