



HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



KAKA
KALAELOA

David Y. Ige
Governor

John Whalen
Chairperson

Aedward Los Banos
Interim Executive Director

547 Queen Street
Honolulu, Hawaii
96813

Telephone
(808) 594-0300

Facsimile
(808) 587-0299

E-Mail
contact@hcdaweb.org

Web site
www.hcdaweb.org

STATEMENT OF
AEDWARD LOS BANOS, INTERIM EXECUTIVE DIRECTOR
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE
HOUSE COMMITTEE ON FINANCE

ON

Friday, February 26, 2016

1:00 P.M.

State Capitol, Conference Room 308

in consideration of

**H.B. 2047, H.D. 2 – RELATING TO THE HAWAII COMMUNITY
DEVELOPMENT AUTHORITY.**

Purpose: Requires the HCDA to undertake and complete the Kalaeloa Energy Corridor Project.

Position: This testimony reflects my view as the Interim Executive Director only, as the Authority has not had an opportunity to formulate a position on this measure.

The Hawaii Community Development Authority (HCDA) requested \$6 million dollars from the State Legislature to fund the Kalaeloa Energy Corridor Project, as we recognize its importance to providing reliable energy to the Kalaeloa Community Development District. The district currently suffers numerous electrical outages, putting a strain on area businesses and government resources, such as the FBI building, Army National Guard, and Kalaeloa Airport.

The HCDA supports the intent of the bill, however, we request that an appropriation be made to cover the \$6 million dollar project cost, should our CIP request fail to be approved.

Testimony reflects the view and position of the Executive Director and not that of the Authority.

Consideration for funding is consistent with Standing Committee Report No. 331-16 from the Committee on Consumer Protection & Commerce, however, the HCDA notes that H.B. 2047, H.D. 2 did not insert an appropriation section.

The HCDA supports the flexibility provided for in H.B. 2047, H.D. 2 to meet the electrical standards set forth by the Hawaiian Electric Company (HECO) as conditions may change to accommodate unforeseen circumstances, as construction commences.

For Section 2, the HCDA recommends the following changes to the enumerated specifications to read as follows:

- (1) Utility ductlines shall run along lower Fort Barrette Road and Enterprise Avenue from Kapolei Parkway to Midway Road.
- (2) Utility ductlines shall be constructed in accordance with applicable specifications of the public utility companies.
- (3) Utility ductlines shall be constructed to accommodate future service connections from adjacent properties.
- (4) Location of the utility ductlines within the rights-of-way shall be coordinated with the Navy, public utility companies, State of Hawaii Department of Transportation and City and County of Honolulu, as applicable.

The HCDA's recommended specifications are consistent with the current scope of the project as refined with project stakeholders, including HECO and accomplishes the following:

- (1) Removes technical specifications for flexibility to meet utility standards and adapt to unforeseen conditions/circumstances.
- (2) Recognizes additional parties that the HCDA must coordinate with on the project beyond the Navy relative to the rights-of-way.
- (3) Recognizes that metering and connection fees to the new energy corridor as the responsibility of the landowner, not the State of Hawaii.

Thank you for the opportunity to provide our comments on this measure.

STATE OF HAWAII
DEPARTMENT OF DEFENSE

TESTIMONY ON HOUSE BILL 2047 HD2
A BILL RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

PRESENTATION TO
THE HOUSE COMMITTEE ON FINANCE

BY MAJOR GENERAL ARTHUR J. LOGAN ADJUTANT GENERAL
AND DIRECTOR OF THE HAWAII EMERGENCY MANAGEMENT AGENCY
February 26, 2016

Chair Luke, Vice Chair Nishimoto, and Members of the House Committee on Finance:

I am Major General Arthur J. Logan, State Adjutant General and the Director of the Hawaii Emergency Management Agency. I am testifying in **STRONG SUPPORT** of House Bill 2047 HB2.

This measure will improve the electrical infrastructure at Kalaeloa. The existing Navy legacy system is deteriorating, but the Navy cannot improve or maintain the infrastructure because they have no Federal mission at Kalaeloa. Hawaiian Electric will not accept the Navy's electrical infrastructure in its present condition because it does not meet HECO design or construction standards.

The Hawaii National Guard recently completed two Military Construction (MILCON) projects, the Kalaeloa Readiness Center (\$32M) and the Combined Support Maintenance Shop (\$38M). Both facilities are now subject to irregular power service ("blackouts") which brings basic operations to a stop and hampers day-to-day operations.

The Army Aviation Support Facility (\$33M) is currently under construction. Upon completion, this new facility will increase the stress on the failing Navy electrical system and worsen the electrical situation.

A potential complete electrical system failure would render these facilities nearly useless and severely downgrade the operational preparedness of the Hawaii Army National Guard.

The Hawaii Army National Guard facilities require a secure, stable electrical infrastructure. The new infrastructure must have capacity for future construction at the Army Guard's Kalaeloa installation. I ask for your full support of this measure.

Thank you for allowing me to testify in **STRONG SUPPORT** of House Bill 2047 HB2.



Hunt Development Group, LLC
737 Bishop Street, Suite 2750
Honolulu, Hawaii 96813
Office: 808-585-7900

February 26, 2016

Honorable Sylvia Luke, Chair
Honorable Scott Nishimoto, Vice Chair
House Committee on Finance

**RE: HB 2047 HD2 - Relating to the Hawaii Community Development Authority–
IN STRONG SUPPORT
Conference room 308; 1:00 PM; Agenda #2**

Aloha Chair Luke, Vice Chair Nishimoto and Members of the Committee,

Thank you for the opportunity to testify in strong support of HB 2047 HD2, which requires the HCDA to undertake and complete the Kalaeloa Energy Corridor Project.

Hunt Companies (“Hunt”) is working with government, business and community partners to revitalize Kalaeloa. It is now a growing job center and Hunt has more than 40 tenants in the revitalized property. Currently, businesses in the area experience periodic electrical outages which have an adverse impact on their operations. Kalaeloa’s existing infrastructure challenges date back to its days after it was decommissioned by the Navy. The Energy Corridor Project is crucial to helping these businesses thrive and the energy upgrade project will also help spur economic growth in the area.

We ask for your favorable consideration of this measure. Thank you.

Steven W. Colón
President – Hawaii Division

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 25, 2016 9:25 PM
To: FINTestimony
Cc: dylanarm@hawaii.edu
Subject: *Submitted testimony for HB2047 on Feb 26, 2016 13:00PM*

HB2047

Submitted on: 2/25/2016
Testimony for FIN on Feb 26, 2016 13:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Armstrong	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov