

DAVID Y. IGE
GOVERNOR OF
HAWAII



SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
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

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

Testimony of
SUZANNE D. CASE
Chairperson

Before the House Committee on
FINANCE

Friday, February 26, 2016
1:00 PM
State Capitol, Conference Room 308

In consideration of
HOUSE BILL 2235, HOUSE DRAFT 1
RELATING TO HONOKOHAU SMALL BOAT HARBOR

House Bill 2235, House Draft 1 proposes to authorize the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of the Honokohau Small Boat Harbor to a community-based board of Hawaii County, a public-private partnership, or a private organization. The measure also appropriates funds for repairs and maintenance of the harbor. **The Department of Land and Natural Resources (Department) supports this measure with the following proposed amendments.**

The Department feels it is time to move the State Small Boat Harbor Program in a new direction and would prefer that the Legislature support Senate Bill 2900 and House Bill 2371 which are the Department's administrative proposals. These bills would accomplish the same outcome but also allow the Department to enter into similar agreements with the rest of the State small boat harbors. Should the Legislature decide to move forward with House Bill 2235, the Department recommends deleting subsection (a)(1) as it pertains to a community-based board of the county where the harbor is located. This type of management style is very cumbersome and does not lend itself to the effective and efficient operation of the facility. Allowing the Department to enter into public-private partnerships or working with private organizations would free up valuable staff time and resources that can be allocated to the management of the state's navigable waters and near shore areas that are in dire need of resource protection.

Finally, while the Department is supportive of the funding for the Honokohau Small Boat Harbor, the Department respectfully request however that the Legislature support the Capital Improvement Projects found in the Administration's Supplemental Budget request.



**Department of Land and Natural Resources
Aha Moku Advisory Committee
State of Hawaii
Post Office Box 621
Honolulu, Hawaii 96809**

**Testimony of
Piilani Kaawaloa
Aha Moku Advisory Committee Member, Moku O Keawe**

**Before the House Committee on
FINANCE**

**Friday, February 26, 2016
1:00 P.M.
Conference Room 308**

**In consideration of
HOUSE BILL 2235 HD 1
RELATING TO HONOKOHAU SMALL BOAT HARBOR**

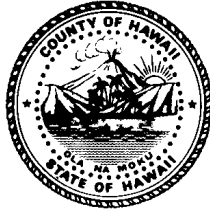
House Bill 2235 HD 1 proposes to authorize the board of land and natural resources to transfer the operation, administration, management, and maintenance of Honokohau small boat harbor to a community-based board of Hawaii County, a public-private organization, or a private organization. It further appropriates funds for repairs and maintenance of the harbor. **Aha Moku supports this measure.**

The Honokohau Harbor is located within the Ahupua'a of Honokohauiki, Kona Moku on the Mokupuni (Island) of Moku O Keawe (Hawaii). The area has long been used by local fishermen even before the Honokohau Harbor was built in 1965. It has a natural harbor and a thriving fishery that has been the fishery used not only by the Honokohauiki Ahupua'a, but the neighboring ahupua'a of Puapua'a (where Kailua-Kona is located), Holualoa, Kaloko, O'oma and Kalaoa (where the Kona Airport is located). It is next to the Kaloko-Honokohau National Historic Park which houses the Ai'io'io Fishpond – an ancient Native Hawaiian fishpond that supplemented the fishery subsistence connected with Honokohau.

It is because of this history of Honokohau that Aha Moku supports a community-based board of Hawaii County. However, we ask that a community member of the Ahupua'a of Honokohauiki who is a subsistence fisherman (*lawaiia*) and who has traditional knowledge of the natural and cultural resources of Honokohau be a member of the newly created board. Honokohau Harbor is now a public entity that welcomes all to use it. Therefore, in order to ensure the historic and cultural importance of the area where the Honokohau Harbor is located is included, we believe that this traditional fisherman (*lawaiia*) of this ahupua'a should be included in any discussion and decision-making made on a community-based board.

Thank you for the opportunity to testify on this bill.

William P. Kenoi
Mayor



Randall M. Kurohara
Acting Managing Director

County of Hawai'i Office of the Mayor

25 Aupuni Street, Suite 2603 • Hilo, Hawai'i 96720 • (808) 961-8211 • Fax (808) 961-6553
KONA: 74-5044 Ane Keohokalole Hwy., Bldg. C • Kailua-Kona, Hawai'i 96740
(808) 323-4444 • Fax (808) 323-4440

February 26, 2016

The Honorable Sylvia Luke, Chair
and Members of the House Committee on Finance
Hawai'i State Capitol, Room 308
415 South Beretania Street
Honolulu, Hawai'i 96813

RE: House Bill 2235 HD 1, RELATING TO HONOKOHAU SMALL BOAT HARBOR

Aloha, Chair Luke and Committee Members:

Mahalo for this opportunity to express our strong support of HB 2235, which authorizes the Board of Land and Natural Resources to transfer the operation, administration, management, and maintenance of Honokohau Small Board Harbor to a community-based board of Hawaii County, a public-private partnership, or a private organization and appropriates funds for repairs and maintenance of the harbor.

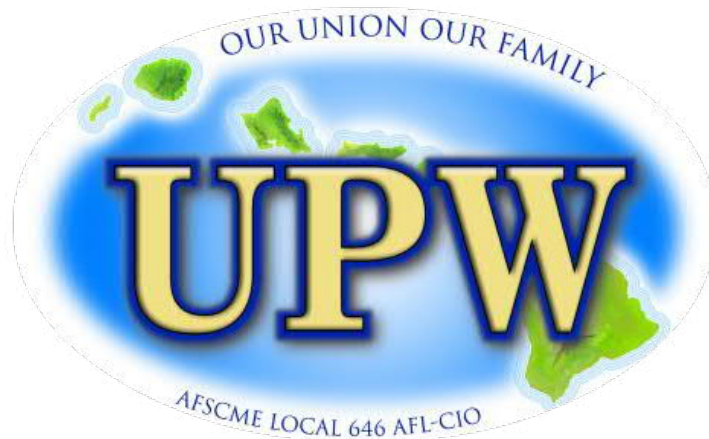
Honokohau Small Boat Harbor has long been used by local fishermen. With 262 moorings, it is one of the larger small boat harbors in the state and certainly the largest of the neighbor island small boat harbors. Because Honokohau supports both commercial and recreational activities it is also one of the busiest small boat harbors.

It is time to pursue a new management model that includes local private and public input. We stand ready to partner with the community to create an innovative model that will improve the management and operation of Honokohau Small Boat Harbor. The county believes oversight of our small boat harbors belongs at the local level. This assures that those people most impacted and knowledgeable have a reasonable opportunity to participate in and voice their concerns or support for such projects.

Mahalo for your support of House Bill 2235, HD 1.

Aloha,

William P. Kenoi
MAYOR



The Hawaii State House of Representatives
The Twenty-Eighth Legislature
Regular Session of 2016

COMMITTEE ON FINANCE

The Honorable Sylvia J. Luke, Chair
The Honorable, Scott Y. Nishimoto, Vice Chair

DATE OF HEARING: Friday, February 26, 2016

TIME OF HEARING: 1:00 p.m.

PLACE OF HEARING: Conference Room 308

**TESTIMONY IN OPPOSITION TO HB2235, HD1 RELATING TO HONOKOHAU
SMALL BOAT HARBOR**

By Dayton M. Nakanelua,
State Director of the United Public Workers,
AFSCME, Local 646, AFL-CIO

My name is Dayton M. Nakanelua, state director of the United Public Workers, AFSCME, Local 646, and AFL-CIO (UPW). The UPW is the exclusive representative for approximately 11,000 public employees, which include blue collar, non-supervisory employees in Bargaining Unit 01 and institutional, health and correctional employees in Bargaining Unit 10, in the State of Hawaii and various counties.

HB2235, HD1 authorizes the Board of Land and Natural Resources to transfer the operations, administration, management and maintenance of Honokohau small boat harbor to a community-based board of Hawaii County, a public-private-partnership, or a private organization. The bill appropriates funds for repair and maintenance of the harbor.

Honokohau small boat harbor is an active state facility utilized by hundreds of residents and visitors alike on a daily basis. The harbor requires significant improvements and additional resources to meet the expanding needs of the community, businesses, fishermen, recreationalists

and visitors. However, transferring the operations, administration, management and maintenance of the harbor to a "partner" requires the sharing of risks, resources, liabilities, duties and responsibilities. The bill fails to describe these critical elements of the proposed public-private-partnership. It must be ascertained as to who has control, responsibilities and liability. Precisely what will the private "partner" bring to the partnership?

The UPW **opposes** bill HB2235, HD1.

Thank you for the opportunity to submit this testimony.



P.O. Box 1554
Kailua Kona, HI 96745
www.hawaiiifishingandboating.com

Re: HB2235 Relating to Honokohau Small Boat Harbor

Over many, many years, Hawaii's legislators have regularly heard from their constituents that the Department of Land and Natural Resources, Boating Division (DLNR-BOR) has been failing Hawaii's boating community and ocean recreation industry. Several legislative audits have confirmed that, and the issues raised therein are largely ignored, year-after-year.

It is time to pursue a new management paradigm, and this bill offers an opportunity to consider several proven options for how Hawaii's Small Boat Harbors should be managed, including a public private partnership. In every other state in the union, boating facilities are managed locally or privately.

It is time to change the way Hawaii manages all of its boating facilities and the West Hawaii boating community, centered at Honokohau Small Boat Harbor, is ready to participate in that process. Please start replacing our ineffectual and dysfunctional management system by passing this bill and instituting the new management paradigm it suggests.

Some 300 small businesses in West Hawaii, and our recreational boating community, are dependent upon the facilities at Honokohau, yet our small boat harbor remains unfinished 40 years after it first opened, and the DLNR-BBOR seems to be incapable of completing, repairing, improving, maintaining and operating the facility, which is a serious disservice to the boating community and ocean recreation industry in West Hawaii, and has a negative impact on the economy of our community and the State as a whole.

The creation of a Hawaii County based public-private partnership for Honokohau would allow management to be undertaken at the local level, with direct communication possible between the boaters and the managers, and provide the opportunity for private parties to participate in completing the harbor's infrastructure and improving the facilities in a timely fashion. The State would continue to own the land and would benefit from improved management of their property.

It is time to institute the changes this bill envisions. Please pass HB2235.

Mahalo,

Rick Gaffney
President,
Hawaii Fishing & Boating Association
Kona, Hawaii

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 24, 2016 2:10 PM
To: FINTestimony
Cc: uki47@hotmail.co.jp
Subject: Submitted testimony for HB2235 on Feb 26, 2016 13:00PM

HB2235

Submitted on: 2/24/2016

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

Submitted By	Organization	Testifier Position	Present at Hearing
takeo Izawa	Individual	Support	No

Comments: We are support this HB2235. we do not attend this short notes from Kailua-Kona Takeo Izawa

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.

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From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 24, 2016 2:00 PM
To: FINTestimony
Cc: dave@heavenlyhawaiian.com
Subject: Submitted testimony for HB2235 on Feb 26, 2016 13:00PM

HB2235

Submitted on: 2/24/2016

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

Submitted By	Organization	Testifier Position	Present at Hearing
David Bateman	Individual	Support	No

Comments: Chair Luke and Committee Members - I STRONGLY SUPPORT HB 2235. Please approve and pass out of committee. This is very worthy legislation to enable Honokohau Harbor and surrounding uplands to be improved and enhanced. The time is now to allow private industry to step in and fix a very broken harbor. Thank you for this opportunity to testify in strong support of this bill. Dave Bateman

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 25, 2016 6:38 AM
To: FINTestimony
Cc: gwsheehan@gmail.com
Subject: Submitted testimony for HB2235 on Feb 26, 2016 13:00PM

HB2235

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
gary sheehan	Individual	Comments Only	No

Comments: This Harbor has been neglected for way too long. New management is the only answer. DLNR cannot continue to keep taking money out and putting back as little as possible. The condition of this Harbor is a disgrace to residents and visitors alike. Not even one shower in the entire Harbor. What's wrong with a 1st class location for the people to enjoy and the entire world to see ??

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Sent: Wednesday, February 24, 2016 6:15 PM
To: FINTestimony
Cc: uki47@hotmail.co.jp
Subject: Submitted testimony for HB2235 on Feb 26, 2016 13:00PM

HB2235

Submitted on: 2/24/2016

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

Submitted By	Organization	Testifier Position	Present at Hearing
takeo Izawa	Individual	Support	No

Comments: Chair Senator Sylvia Luke House Committee on Finance Feb 24, 2016 ALOHA FIN Room 308 Feb 26, 2016 1:00 PM Support Bill HB2235 I am Takeo Izawa 40 + years Kona residence with boating family. I believe Kona community has capability to manage Honokohau harbor with County of Hawaii. Kona boaters are waiting for time to management change. We have many young people are working at Honokohau harbor and more to should have work. Please local youngsters to involve local jobs. Mahalo Takeo Izawa Kids of Hawaii Nei.

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 25, 2016 1:52 PM
To: FINTestimony
Cc: Matzelle@Hawaii.rr.com
Subject: *Submitted testimony for HB2235 on Feb 26, 2016 13:00PM*

HB2235

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
Rich Matzelle	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 25, 2016 1:21 PM
To: FINTestimony
Cc: vkalman@hawaii.rr.com
Subject: Submitted testimony for HB2235 on Feb 26, 2016 13:00PM

HB2235

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
Victoria L Kalman	Individual	Support	No

Comments: Thank you for this opportunity to be heard. This intelligent bill offers the first real hope in years to users of Honokohau Small Boat Harbor (and others) for meaningful changes in the facility, its management, and its reputation worldwide. Notwithstanding changes in local management, the failure of the DOBOR executive to address the dilapidation of our West Hawaii Harbor are well known. For years, many of us have requested an alternative management structure. As a vessel owner, charter operator, and resident, I would most respectfully urge this measure be approved. Respectfully, Victoria Kalman, Attorney, Retired

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**KONA-KOHALA
CHAMBER
OF COMMERCE**

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Kailua-Kona, HI 96740

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www.Kona-Kohala.com | Info@kona-kohala.com

LATE

February 25, 2016

RE: Support for HB 2235

Dear Chair Luke, Vice Chair Nishimoto and Members of the Finance Committee,

The Kona-Kohala Chamber of Commerce (KKCC) ***strongly supports HB 2235.***

The KKCC is West Hawai'i Island's leading business organization, representing over 540 members. Over 70% of our members represent small businesses. As the largest business organization on Hawai'i Island and fourth largest chamber in the State, the KKCC exists to provide leadership and advocacy for a successful business environment in West Hawai'i.

The Honokohau Small Boat Harbor remains unfinished, 40 years after it opened. Many of your constituents on the Hawai'i Island have likely expressed their concerns of completing, repairing, improving, maintaining and operating the Harbor facility by the DLNR Division of Boating and Ocean Recreation (DLNR-BOR). Our community deserves a world class Harbor as our ocean attracts many locals and visitors for recreation and fishing. It even plays host to our annual International Billfish Tournament, which has been a staple event in our community for over 55 years. Our Harbor has greater potential to further grow our economy and therefore, much needed jobs in our community.

HB 2235's companion bill, SB2462, seeks to change that by creating a new management paradigm for Honokohau. The creation of a public-private partnership for Honokohau would allow management to be undertaken at the local level, with closer communication between the boaters and the managers, and provide the opportunity for private parties to participate in completing the harbor's infrastructure and improving the facilities in a timely fashion. The State could continue to own the land and would benefit from improved management of their property, as would the economy as a whole.

Please support HB 2235 and reach out to your colleagues on WAM, and Senator Tokuda, to support companion bill, SB 2462. On behalf of over 540 businesses on the Hawaii Island, I urge you to pass HB 2235.

Sincerely,

Kirstin Kahaloa
Executive Director
Kona-Kohala Chamber of Commerce

LATE

To Whom it May Concern:

I strongly support transfer of Honokohou Harbor control from DLNR to a private entity.

My wife and I have been consistent users of the harbor since moving to Kona nine years ago. While some legislators and governors have witnessed and agreed with our feelings that our harbor is a disgrace, little has been done in the way of improvements.

For example, half of our main launch ramp has been closed for nearly two years due to concrete failure. It is curious that DLNR can't seem to get permits in order for our ramp repair but when The USS Missouri dock was damaged last year repairs were made almost immediately.

We have been promised a new wash down facility with proper waste drainage for several years yet nothing has changed except grading the existing gravel lot.

Our harbor bathrooms were refurbished after many delays yet they are often in disgusting shape. My wife claims that for all the times she has used the restroom there frequently is no toilet paper.

It is as if once a structure has been completed the problem is solved. There does not appear to be thought given to what it takes in terms of manpower and maintenance budgets to keep things functioning and looking clean and well kept for the long term.

DLNR has too many roles and too little manpower and passion for making and maintaining Honokohou harbor as a world class facility. I don't mean looking like a marina in Florida, suitable for a set for Miami Vice scene, but rather an attractive functional and well maintained harbor.

DLNR has had a lot of years to institute much needed improvements, some of which have been promised for years. They have failed. It is time to try something different hence my support of HB 2235 HD1.

Thank you,

Robert and Teresa Oswald

LATE

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 26, 2016 10:27 AM
To: FINTestimony
Cc: hulagirl8@hotmail.com
Subject: *Submitted testimony for HB2235 on Feb 26, 2016 13:00PM*

HB2235

Submitted on: 2/26/2016

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

Submitted By	Organization	Testifier Position	Present at Hearing
Teresa Oswald	Individual	Support	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 25, 2016 6:30 PM
To: FINTestimony
Cc: nathanabe@yahoo.com
Subject: *Submitted testimony for HB2235 on Feb 26, 2016 13:00PM*



HB2235

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
Nathan Abe	Individual	Oppose	No

Comments:

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 25, 2016 7:08 PM
To: FINTestimony
Cc: bokahui@laiopua.org
Subject: Submitted testimony for HB2235 on Feb 26, 2016 13:00PM



HB2235

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
Craig "Bo" Kahui	Individual	Support	No

Comments: I'm in Strong Support of HB2235 relating to the Honokahau Harbor management. I live above the Harbor at the Villages of Laiopua. We go fishing and swimming at or near the Harbor at Alula Kai. The Honokahau is currently under and poorly managed. I respectfully seek the support of the Committe to approve this measure.

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Ocean Tourism Coalition

LATE

The Voice for Hawaii's Ocean Tourism Industry
1188 Bishop St., Ste. 1003
Honolulu, HI 96813-3304
(808) 537-4308 Phone (808) 533-2739 Fax
timlyons@hawaiiantel.net

COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair

Rep. Scott Y. Nishimoto, Vice Chair

DATE: Friday, February 26, 2016

TIME: 1:00 P.M.

PLACE: Conference Room 308

**TESTIMONY OF THE OCEAN TOURISM COALITION IN
SUPPORT OF HB2235 HD1 RELATING TO HONOKOHAU SMALL
BOAT HARBOR**

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

My name is James Coon and I am the president of the Ocean Tourism Coalition speaking in support of HB 2235 HD1. The OTC represents over 300 small ocean tourism businesses state wide. It is the consensus of our members on the Big Island that OTC should support this bill.

Many feel that the time is here for the State Small Boat Harbor Program to move in a new direction. Community Based Management may or may not be the best method for this to happen but we believe it is worthwhile to keep this bill moving so this important dialogue can continue.

Please pass HB 22235 HD 1

Sincerely,

James E. Coon, President
Ocean Tourism Coalition

LATE

Testimony --- HB 2235 HD 1 Relating to Honokohau Small Boat Harbor Committee on Finance, 1:00 pm., Friday, February 26, 2016

As a resident of Kona, and a member of Na Hoa Pili O Kaloko-Honokohau, the Federal Advisory Commission to the Kaloko-Honokohau National Historical Park, National Park Service, i make this personal statement as one knowledgable of the Kaloko-Honokohau area. I OPPOSE this bill --- yet another attempt to privatize the harbor.

And the bill requests money for the private organization. Why not just give money to DLNR ?

The harbor sits on, and in, ceded lands. It abuts the National Park, DHHL, and ceded lands. It is in a significant cultural and historical area. Private commercial parties simply want to put their own interests first, and get money for the taking. Do not give it away.

Thank you, kaliko chun .