

HB 733, HD1

RELATING TO TRANSPORTATION.

Provides exemptions from vehicle registration, safety inspection, and driver licensure requirements for marine terminal equipment when operating on Sand Island Parkway and Sand Island Access Road to allow the operation of marine terminal equipment between terminal locations under specific conditions. (HB733 HD1)



Testimony by:
FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

March 22, 2017
1:15 p.m.
State Capitol, Room 225

H.B. 733, H.D. 1
RELATING TO TRANSPORTATION

Senate Committees on Transportation and Energy
& Commerce, Consumer Protection, and Health

The Department of Transportation **supports** this measure that proposes to allow marine equipment to be moved between terminals at Hawaii's commercial harbors.

This proposal promotes operational efficiencies at the harbors by streamlining the existing process to allow marine equipment to be moved between terminals and by affording harbor users to re-allocate resources as needed. The marine equipment that is usually moved between terminals is limited to tractor trucks, forklifts, and top picks, and this flexibility is most needed for terminals at Sand Island and along Sand Island Parkway and Sand Island Access Road.

Thank you for the opportunity to provide testimony.



March 22, 2017

COMMITTEE ON WAYS AND MEANS

Sen. Jill Tokuda, Chair; Sen. Donovan Dela Cruz, Vice Chair; and Committee Members

COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

Sen. Rosalyn Baker, Chair; Sen. Clarence Nishihara, Vice Chair; and Committee Members

Public Hearing, March 22, 2017 at 1:15 p.m., Conference Room 225

**TESTIMONY of WILLIAM F. ANONSEN
MANAGING PARTNER/PRINCIPAL of THE MARITIME GROUP, LLC
IN SUPPORT of H.B. 733 HD1**

My name is William Anonsen and I am the Managing Partner/Principal of THE MARITIME GROUP, LLC. We support HB 733 HD1 which proposes to provide an exemption for marine terminal equipment to be moved on roadway systems between marine terminals at Honolulu Harbor.

The role and importance of Hawaii's seaports cannot be over-emphasized in view of our dependence on a reliable, safe, cost effective and operational efficient ocean transportation system. Freight handling requires specific loading and unloading equipment. In addition to the facilities required to accommodate ships, a very wide range of handling gear is required that is determined by the kinds of cargoes handled.

Freight transport terminals have a set of characteristics linked with core (terminal operations) and ancillary activities (added value such as distribution). The result is that terminals are differentiated functionally both by the mode involved and the commodities transferred. Marine terminals jointly perform transfer and consolidation functions, terminals are important economically because of the costs incurred in carrying out these activities. The traffic they handle is a source of employment and benefit regional economic activities, notably by providing increased accessibility to suppliers and customers. Terminal costs represent an important component of total transport costs.

This measure recognizes the cost and operational efficiencies that can be realized by allowing the movement of marine terminal equipment between operational terminal/cargo handling/storage areas. Reduced terminal costs have an impact on transportation and international trade. Activities in transport terminals represent not just exchanges of goods, but constitute an important economic activity.

It is also recognized that it may not be prudent to apply this exemption on all roadway arterial roadway systems at all of Hawaii's commercial harbors as some areas may impede vehicular traffic. As such it is recommended that this exemption be granted for the following specific transfer points around Honolulu Harbor.

The following are recommended marine terminals at Honolulu Harbor and their transfer points;

- a.) Matson's Sand Island Container Terminal – Piers 52-53 to;
- Pier 52-53 to Annex Container/Cargo Annex Yard on Sand Island Parkway
 - Pier 52-53 and/or Annex Container Yard to Kapalama Military Reservation (KMR) via Sand Island Access Road.

It is further recommended that this exemption be jointly reviewed for a 1-year period jointly by DOT-Highways, DOT-Harbors and the effected terminal operator(s) to evaluate its effectiveness and any negative impact on vehicular traffic in the designed transfer routes.

Mahalo for the opportunity to comment in support of H.B. 733 HD1

Sincerely,

William F. Anonsen

*William F. Anonsen
Managing Partner/Principal*

Testimony of Ku`uhaku Park
On Behalf of Matson
In Support of HB733 HD1
Before the Senate Committees Transportation and Energy, and
Commerce, Consumer Protection and Health
On March 22, 2017, at 1:15

Chairs Inouye and Baker, Vice Chairs Dela Cruz and Nishihara and Committee Members,

In regards to HB733 HD1, RELATING TO TRANSPORTATION, Matson is in strong support.

Matson's operations involve dozens of pieces of equipment, including truck tractors, chassis, forklifts and specialized lifting machines. These normally do not leave our container yard in Honolulu Harbor on Sand Island as almost all of Matson's operations at Honolulu Harbor are run out of our main terminal at Piers 52- 53.

However, due to overcrowding and congestion in the marine terminals, we have also leased a nine acre annex yard which is across the street (Sand Island Parkway) that we utilize. On the occasions where that annex yard is filled, we have also used some space at the Kapalama Military Reserve (KMR).

The distance from our terminal gate to the annex yard is 0.6 miles. The distance from our terminal gate to the KMR site is 1.3 miles. All on Sand Island Parkway and Sand Island Access Road.

Because these pieces of equipment normally would not leave the confines of our terminal, safety inspections and vehicle registrations are not required. As such, we currently have to get a waiver from the DOT to move our marine terminal equipment between these areas, and this bill would allow shipping companies to traverse this short stretch of Sand Island Parkway and Sand Island Access Road without getting a permit or waiver.

This scenario is similar to allowing farm equipment to move on roads and cross highways in rural areas. In fact, this bill amends that same section of the Hawaii Revised Statutes that allows for these farm equipment moves.

Thank you for your consideration of my testimony.