

**COURT REPORTING** 

LEGAL VIDEOGRAPHY

VIDEOCONFERENCING

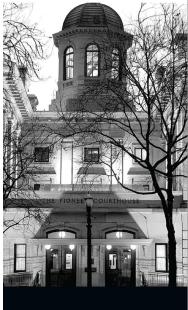
TRIAL PRESENTATION

MOCK JURY SERVICES

LEGAL TRANSCRIPTION

COPYING AND SCANNING

LANGUAGE INTERPRETERS







(800) 528-3335 NAEGELIUSA.COM

## STATE OF HAWAII LAND USE COMMISSION

Meeting held on June 22, 2023 Commencing at 9:00 a.m.

Held at
Hilo Hawaiian Hotel
Mala Ikena Room
71 Banyan Drive
Hilo, Hawaii 96720

## VII. CALL TO RECONVENE

## VIII. A02-737 U of N BENCORP (Hawaii)

Approximately 62 Acres of Land situated at Waiaha 1st, North Kona, Island of Hawaii, State of Hawaii. Tax Map Key: (3)7-5-10:85 and 7-5-17:06. Status and progress report and action (if necessary) in response to the recently submitted annual report.

## IX. ADJOURNMENT

**BEFORE:** 

```
1
   PARTICIPANTS
 2
 3
   COMMISSIONERS:
 4
   Dan Giovanni, Chair
 5
   Nancy Cabral, Vice-Chair
   Brian Lee
 6
 7
   Gary Okuda
 8
   George Atta
 9
   Melvin Kahele
10
   Kuike Kamakea-Ohelo
11
12
   COMMISSIONERS EXCUSED:
13
   Lee Ohigashi
14
   Michael Yamane
15
16
   STAFF:
17
   Daniel Orodenker, Executive Officer
18
   Scott Derrickson, Chief Planner
19
   Martina Segura, Staff Planner
20
   Riley Hakoda, Staff Planner
21
   Ariana Kwan, Chief Clerk
22
   Julie China, Esq., Deputy Attorney General
23
24
   OPSD:
25
   Allison Kato, Esq., Deputy Attorney General
```



```
1
   PARTICIPANTS (CONTINUED)
 2
 3
   COUNTY OF HAWAII:
 4
   Suzanna Tiapula, Esq., Deputy Corporation Counsel
 5
   Jeff Darrow, Deputy Director, Planning Department
 6
 7
   PETITIONERS:
 8
   Derek Simon, Esq., Petitioner's Attorney
 9
   Jeffrey Overton
10
11
   PETITIONER'S WITNESS:
12
   Tom Waddle, Construction Management Consultant
13
14
15
16
17
18
19
20
21
22
23
24
25
```

CHAIR GIOVANNI: Good morning. Aloha Mai 1 kakou, good morning. This is Dan Giovanni. 2 3 the Chair for the Land Use Commission meeting today, June 22nd, 2023. This is an inter person -- pardon 5 me -- in-person meeting, which is being held at the Hilo Hawaiian Hotel, Mala Ikena Room, at 71 Banyan 7 Drive, in Hilo, Hawaii 96720. And this meeting is open to the public. 8 9 Court reporting transcriptions are being 10 done from this Zoom meeting recording. For all meeting participants, I'd like to stress the 11 importance of speaking slowly, clearly, and directly 12 1.3 into your microphone. And before speaking, please 14 restate -- state or restate your name and identify 15 yourself for the record.

Now, even though this is an in-person meeting, please be aware that all meeting participants are being recorded on the digital record of this Zoom meeting. Your continued participation is your implied consent to be part of this public record of this event. If you do not wish to be part of the public record, you should exit the meeting now.

16

17

18

19

20

21

22

23

24

25

we will be taking breaks, nominally, about five to

I will also share that from time to time

```
ten minutes every hour. And if the meeting proceeds
 1
   through lunch time, we'll probably take a break for
 3
   lunch as well. But we'll just make those decisions
   on the fly.
 4
 5
             My name is Dan Giovanni. I have the
 6
   pleasure to serve as the LUC Chair. We currently
 7
   have nine seated commissioners. Along with me, we
   have seven commissioners in attendance today.
 8
 9
             Ms. Nancy Cabral, representing Hawaii
10
   Island, this is actually her last meeting serving
   her eight-year term, so we welcome and with great
11
   grief we say, "Aloha" to Ms. Nancy today.
12
13
             COMMISSIONER CABRAL: Thank you.
             CHAIR GIOVANNI: We also have Gary Okuda,
14
15
   Mel Kahele, Kuike Kamakea-Ohelo, Mr. George Atta,
   and Brian Lee from Oahu. Two commissioners are
16
17
   excused today, Michael Yamane from Kauai, and
   Commissioner Lee Ohigashi, who's ill, is excused
18
19
   today. He's from Maui.
20
             Also in attendance are the LUC Executive
21
   Officer, Daniel Orodenker; LUC Chief Planner, Scott
22
   Derrickson; LUC Staff Planner, Riley Hakoda; LUC
   Staff Planner, Martina Segura; LUC Chief Clerk,
23
24
   Ariana Kwan; and to my left is the LUC Attorney
25
   General, Julie China.
```

Our next order of business today is a 1 2 status and progress report from A02-737, University 3 of Nations Bencorp (Hawaii Island). This is a status and progress report and potentially the 5 commission may take some action in response to the 6 recently submitted 2022 annual reports. 7 At this point, I'd like the parties to 8 introduce themselves for the record, starting with the petitioner. The orange button. The light goes 10 There you go. on. 11 MR. SIMON: Good morning, Chair, 12 Commissioners. My name is Derek Simon appearing on 13 behalf of University of the Nations, Kona. With me today, seated to my left, is Jeffrey Overton of 14 15 Group 70 International. In the audience is 16 Katherine Garson of my firm, David Hamilton, present 17 CEO of the University of the Nations, Kona, as well 18 as various other members of the university, 19 including those involved with the project 20 development. 21 CHAIR GIOVANNI: Thank you, Mr. Simon. 22 From the state? 23 MS. KATO: Good morning. Alison Kato, 24 Deputy Attorney General for the Office of Planning

and Sustainable Development.

25

```
CHAIR GIOVANNI:
                              Thank you, Ms. Kato.
 1
 2
             And from the County of Hawaii?
 3
             MS. TIAPULA: Good morning. Deputy
   Corporation Counsel, Suzanna Tiapula, representing
 5
   Planning. Deputy Director --
 6
             MR. DARROW: Good morning, Chair and
 7
   Commissioners. Deputy Director Darrow with the
 8
   County of Hawaii Planning Department. Good morning.
 9
             CHAIR GIOVANNI: Good morning. Thank you.
10
             Let me briefly explain our procedure for
11
           First, I will update the record. Next I
   today.
   will recognize any written public testimony that has
12
13
   been submitted in this matter, identifying the
   person or organizations who have submitted the
14
15
   testimony.
16
             Next, I will call on members of the public
   who wish to testify on the status and progress
18
   report. Members of the public will each have two
19
   minutes to provide their testimony and should stand
20
   by afterwards to respond to any questions that
21
   parties or the commissioners may have.
22
             When all questions have been completed,
   the Chair will excuse the witness and call the next
24
   witness to enter and give testimony. After
25
   completion of the public testimony of the
```

```
proceedings, the Chair would like the petitioner to
provide its status report. The Chair will then call
on the county's planning department, the Office of
Planning and Sustainable Development for comments
regarding the status report. The petitioner will
then be allowed to respond to comments made by the
county and the state.

The commissioners will ask questions of
```

the parties at the conclusion of each of their presentations. At the conclusion of the parties' testimony and the commissioners' questions, public - - the public will again be granted a second opportunity to provide public testimony in the same manner that was set forth previously. Once the public testimony concludes, the commission will enter deliberations regarding the status report and whether any action is to be taken.

Again, the Chair would like to note that from time to time, I will be calling short breaks, and I ask you now are there any questions from the parties regarding our procedure today?

Mr. Simon?

MR. SIMON: None from petitioner. Thank you, Chair.

CHAIR GIOVANNI: Thank you.



```
we'll see?
 1
 2
             MR. SIMON: I do. I do. I have a
 3
   PowerPoint here.
 4
             CHAIR GIOVANNI: Okay. We ask that you
 5
   make a copy of the PowerPoint available to our staff
 6
   so we can include it on the record.
 7
             MR. SIMON:
                         Absolutely.
             CHAIR GIOVANNI: Thank you. Please
 8
   proceed.
10
             MR. SIMON:
                         There we go. Again, good
11
   morning, Commissioner -- Chair and Commissioners.
   My name is Derek Simon appearing on behalf of the
12
13
   University of the Nations, Kona. Today, myself and
   Mr. Overton here will be presenting the status
14
15
   report.
16
             We want to start off by thanking the
17
   commission staff, the county, and OPSD for their
18
   time today. As some of you know or all of you
19
   should know, this docket was last before the
20
   commission in November, on November 2nd, 2022, for a
21
   status report. That report kind of had two
22
   components.
             First, you heard from Mr. David Hamilton,
23
24
   present CEO of University of the Nations.
25
   started off by explaining to the commission a little
```

bit about what the university does, that it's part of a global network of religious-based educational institutions. He provided kind of an overview of the services they provide to underserved communities, both in Kona and globally. And I think that gave the commission sort of a good update, good refresher on who the petitioner is here. It had been some time since we'd been before the commission.

1.3

We spoke a little bit about Covid, the impacts of Covid and sort of the recovery from Covid. Mr. Hamilton spoke to the fact that enrollment had returned to pre-Covid levels and was trending in a positive direction. He also reported that the last fiscal year for the university was the strongest fiscal year they'd had. And that both those -- and I can tell you today that both those trends continue.

We spent quite a bit of time talking about the university's financing model. It's a non-profit-based fund-raising financing model. I think myself, I've done a poor job of explaining that model to the commission in the past, and I think that led to some confusion and uncertainty as to the viability and really practical implications of that

non-profit financing model.

And Mr. Hamilton spoke to a wide spread that really is with large non-profits from the Red Cross down to much smaller organizations. Mr. Hamilton presented a slideshow that showed just a handful of campuses across the globe that the university and the larger organizations developed using that model. I think the commission was left with a better understanding of the fund-raising financing model they use and how viable it is.

And Mr. Hamilton finished his presentation with making some strong commitments to the commission. He wanted to remind the commission that the university is not an absent landowner. It operates immediately next door to the current petition area.

He also wanted to emphasize that they're not engaged in land speculation. They are fully committed to developing the master plan. This has been part of their mission and goals for some time. And even with, you know, prior struggles that I've explained to the commission, there was never intention or desire to sell the petition area.

He also wanted to reaffirm there's no changes, you know, changes to the scope or substance

or nature of the master plans as being pursued as it was -- you know, at that time, it had been last presented in July 2020. And today it remains an expansion of the existing campus, again, that is immediately next door.

And then he also committed to proceeding with the EIS diligently and to file that within the first half of 2023. And we can report today that we're on track for that submission deadline.

Overton. He gave sort of a high-level overview of the land use planning considerations for the petitioner. He -- he kind of laid out the reasons why the petitioner's an appropriate piece of land for the urban district and appropriate for the master plan development that they're pursuing at the moment. He talked about the significant restrictions on agricultural use on the land, including more soils, geography, topography, and so on and so forth.

And then Mr. Overton got a little bit into the changes in the master plan that were being made, that have been made since then, that they're working on at that time. And that's more or less where we left off.

```
Following that November 2nd, 2022 status
 1
   report, the commission did issue an order or a
 2
 3
   decision on the status report on December 8th.
   Under that decision, the 2022 annual report and
 5
   supplemental annual report were accepted as
   satisfying the annual reporting obligations under
 7
   the 2003 decision and order.
             The commission ordered that the draft EISP
 8
   submitted to the commission by the end of June -- by
10
   the end of June 2023. I don't remember if it was
   the first half or before the end of June. And it
11
12
   continued to keep the university ongoing as
13
   scheduled yearly annual status report. So that
14
   brings us here today.
15
             Mr. Overton is going to speak in a moment
16
   and provide you with an update on the master plan
17
   and the status of the environmental impact
18
   statement. Thank you.
19
             CHAIR GIOVANNI: Mr. Overton, I'm going to
20
   swear you in. Please state your name and
21
   affiliation?
22
             MR. OVERTON: Jeff Overton.
   principal planner with G70 in Honolulu.
24
             CHAIR GIOVANNI:
                              Do you swear that your
25
   testimony today will be the truth?
```

MR. OVERTON: I do.

dinner.

CHAIR GIOVANNI: Please proceed.

MR. OVERTON: Thank you. Good morning,
Chair and Commissioners. It's nice to be before you
today in Hilo. I always love traveling to Hilo for
these meetings. I wish I was here last night for

We -- it's a good news report today. You know, we were tasked at the November status update to giddy-up, get the draft EIS pulled together. I believe the Chair characterized it as a bullet-proof EIS is what he is seeking to be submitted by second quarter, end of the second quarter of '23. And we're on track. As Mr. Simon said, we're on track to meet that obligation.

So I'll give you just kind of a high-level update on the work we've accomplished. Everybody's had a chance to locate the EISs. I've actually got a hard copy. You can tell from the scope of it or the thumb -- it -- it's hefty. There's 14 technical appendices to the EIS. And this is the bedtime reading volume here which is a little more accessible, the front part of it. We're just in the final strokes on this and intend to submit it to your staff for review by the 30th. And so we're on

track with that.

As you know, EIS has these in-depth technical studies that we need to address. There has already been a lot of work done on technical studies in the past, in particular, the cultural and archeological and all the pieces for that. But the updates that we went through for this process updating the preliminary infrastructure, the civil engineering study done by G70, the civil engineers at our shop, along with an infrastructure concept master plan.

We already had in hand the earlier environmental planning report and the natural resource studies done by AECOS. We had update to the what we call a traffic study or are now calling mobility analysis report by Fehr & Peers, so we have that. It's an important study for this EIS.

We had an updated water study by Tom

Nance. And based on input we received in the March

2021 scoping meeting -- it's been a while -- we had

a request to do a noise study. So we did an

acoustical analysis by Y. Ebisu & Associates to be

included in here, so take some time to get those

pieces together and then compile it in an inner

document that's going to go through a proper review

process. So that's kind of an update on the technical studies.

As for the plan, so we're still calling this the 2020 master plan, but, as you know, master plans -- you take a look at them six months later and you go, you know, we really should have done this instead of that. And so no real heavy, real dramatic shifts at all since we last discussed things. We made some site adjustments and shifted, relocated some facilities, primarily trying to make this make more sense for community access.

Before, we had some facilities where you had to really penetrate deep into the campus, for example, to get to the athletic complex or the school element, the lower school elements. So we've shifted things a little more makai that are focused on the community support elements. I think it makes a lot of sense from access and circulation and sort of segregating what is the university functions from the more community centered, or shared, components of it.

And so you'll see we've shifted the athletic complex downhill. It works a little better with the grades as well in terms of how our light touch on the site, which we've said has always been

a mission for us to touch the site as lightly as possible, maintaining open space where we can, and really design -- design with nature as best we can, working with topography and minimizing grade.

Another important piece in sort of optimizing our plan was something that we heard from the commission on the last go-round. There was some discussion about the students and faculty living in the community and the pressure that adds to an already tight housing supply in the Kailua-Kona region. And so we've added dorms on the site that support primarily increasing faculty support onsite with these dorms. But we have this sort of integrative model of students and faculty that have a kind of combined integrative living circumstances.

So ultimately, that helps us with the pressure in the community for affordable housing needs out there and integrating it here. We've got that capability with dorms on the project. So that's kind of high level. I hadn't intended to do a whole careful cross-analysis, and the EIS spells it out pretty clearly when we put it before you.

Next slide. We had a -- just an image that, you know, we're carrying forward that reflects the approach to design. And you know, Francis Sota

(phonetic) gave a nice design presentation to the 1 2 commission when we were at NELHA a year or so back. 3 And this, again, reflects the design. This is not a -- you know, an urban college campus. We're in Kailua-Kona, so we're going to have lower rise 5 6 buildings, one story, two-story buildings. 7 You can see the way we're working with hip 8 roof design. That's really complimentary to the Kailua-Kona character and setting, very loose. 10 maybe is a little greener than it may actually end

up being, but, you know, we're working to vegetate with xeriscape-type plants and low-water tolerant plants, but there would be landscaping, and it's going to be a very nice campus setting that will flow with some common spaces and, again, reflective of the University of Nations, Kona's mission and their purpose as they work with both their students and faculty in implementing their program.

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

So I just -- I like to always come back to these feel images. It's really how the campus is going to look and feel going forward in terms of character fitting to the Kona community.

We do have a short presentation, so our next steps for this draft EIS, we're going to be buttoning up the final pieces. Flying over here, I

probably found a couple dozen things I want to make better in the book, but we're just final edits and getting it packaged up, and then, you know, I hope Dan's got coffee because there's going to be some reading coming up for this, and the team will have that over to you, we're saying, on the 30th is our target for delivery on that.

Development will have an opportunity to go through the review of, as well as the county will be provided, a copy, and we look forward to your input. I would call this maybe a completeness review prior to publication. And how the input is received based on this screening level review doesn't really represent — there would be an opportunity from our formal comments during the publication and agency and public comment period that will run for 45 days once we've published.

So you know, potentially, you know, publishing in late July or August, it's going to depend on the substance of the comments and points that the staff come up with in the review, any input in that process, but our team is ready to go to print and move the ball forward.

So that basically concludes our brief



```
presentation on the EIS side. And I'm glad to
 1
 2
   respond to any questions. Thank you.
 3
             CHAIR GIOVANNI: Stand by for questions.
   We'll allow you to complete your presentation.
 4
 5
             MR. OVERTON: That is the completion of
 6
   our presentation.
 7
             CHAIR GIOVANNI: Very good. Okay.
             So let me get back to my script here.
 8
 9
             Commissioners, do you have any questions
10
   at this time for the petitioner?
11
             Mr. Atta?
12
             COMMISSIONER ATTA: Yeah. I just wanted
13
   to mention that I've had some background. I worked
   in a massive plant about 20 years ago, so -- but
14
15
   it's been quite some time, so I don't think I have
16
   anything that would prevent me from commenting.
17
   Yeah.
18
             CHAIR GIOVANNI:
                              Thank you for that
19
   disclosure.
20
             So I'm going to ask the parties if you
21
   have any issue with Commissioner Atta continuing on
22
   this matter as a commissioner?
23
             Petitioner?
24
             MR. SIMON: None from petitioner.
25
   thank Commissioner Atta for his time.
```



```
Seeing none, Mr. Atta, thank you for your
 1
 2
   disclosure and please continue.
 3
             Are there any other disclosures? Hearing
 4
   none -- oh, Ms. Cabral.
             COMMISSIONER CABRAL: So I'll throw in the
 5
 6
   disclosures. As I did yesterday, I will disclose
 7
   again that I've worked with the County Planning
   Department and specifically Jeff Darrow on many
 8
   different projects here on the Hawaii Island over
10
   many years. And I don't have any problems with
11
   this. It's all on a professional basis. Thank you.
12
             CHAIR GIOVANNI: Thank you.
13
             So Petitioner, any issue or concerns with
   Commissioner Cabral continuing?
14
15
             MR. SIMON: None for petitioner.
16
   you.
17
             CHAIR GIOVANNI:
                               State, any concerns?
18
             MS. KATO:
                        No concerns. Thank you.
19
             CHAIR GIOVANNI: And county?
             MS. TIAPULA: None from the county.
20
21
             CHAIR GIOVANNI:
                              Thank you.
22
             Fellow commissioners? Hearing none, Ms.
23
   -- Commissioner Cabral, please -- thank you for your
24
   disclosure and continue as planned.
25
             COMMISSIONER CABRAL:
                                    Thank you.
```

```
portion of it will be.
 1
 2
             COMMISSIONER KAHELE: All right.
 3
   you.
 4
                         Thank you, Commissioner.
             MR. SIMON:
 5
             CHAIR GIOVANNI: Commissioner Cabral.
 6
             COMMISSIONER CABRAL: My static
 7
   personality. I've heard several hearings on this
   matter over the years, my eight years here. And
   I've got to ask, aside from, you know, what always
10
   looks good on paper and screen, on the property
11
   right now exactly what's going on, on that piece of
   land at this time? Can you give us an update on
12
13
   that?
14
             MR. SIMON:
                         Yes.
                                Thank you, Commissioner
15
   Cabral, for your question. The vast majority of the
16
   petition area is vacant, undeveloped. As noted in
17
   the staff report, there's an existing agricultural
18
   park. It's a research and agricultural park that
19
   was disclosed to the commission back in, I believe,
20
   2019 with our position statement on the order to
21
   show cause. It was page 29.
22
             Admittedly, we probably could have done a
23
   better job of keeping the commission more updated
24
   with those activities, but essentially, it's an
25
   extension of the university's program, and it's an
```

agricultural program. They teach students how to innovate in agricultural fields. Often, these students will go out to developing nations, remote islands in the Pacific, and try to help teach the residents there how to do agriculture with the supplies they have, and often that takes a lot of innovation.

They obviously don't have nurseries and whatnot, so that's why you'll see some things there that look like a pallet turned into a raised bed or a drum turned into hydroponics. That's intentional.

I would also note that the decision order -- what we decided when we disclosed those are agricultural activities and sort of an extension of the campus back in 2019, it was to note that the decision and order -- the 2003 decision and order in this docket did have about a five-acre expansion of existing campus onto the petition area, so that's just something that we noted at that time.

As also noted in the staff report, there are two temporary tents sort of on the -- both of these activities are on the boundary of the petition area and existing campus. Those are temporary makeshift tents that have been up for a little while. They were a huge asset to the university

```
during Covid. It allowed them to hold classes
 1
   outdoors and with moving air during a time that that
 3
   was very much needed. So to answer your question,
   those are the two active uses of the petition area.
 4
 5
             COMMISSIONER CABRAL: Are there people
 6
   living on the property at this time?
 7
             MR. SIMON: I do not believe so. There
 8
   are not.
 9
             COMMISSIONER CABRAL: No students should
10
   be living on the property. Any other staff?
11
             MR. SIMON: No students, no dwellings, no
   inhabitation of that nature.
12
13
             COMMISSIONER CABRAL: So any structures on
   the property would all be educational-type
14
15
   classrooms or growing centers?
16
             MR. SIMON: With exception of the two
17
   tents, agricultural and educational structures.
             COMMISSIONER CABRAL: Okay. Thank you.
18
             MR. SIMON: Thank you, Commissioner.
19
20
             CHAIR GIOVANNI: Commissioner Lee?
21
             COMMISSIONER LEE: Thank you, Chair.
22
             Can you explain or go into a little bit
23
   more detail on how you make sure that the
24
   construction work is supervised by licensed
25
   contractors and is built according to code and so
```

question? I'm sorry.

a little bit more detail of how you ensure that the work is supervised by licensed contractors and where these contractors usually come from, or plan to be coming from, and how do you ensure that the work is performed according to local codes and standards?

MR. WADDLE: Yeah. Great question. All the work that is under way and has been under way at the campus is all permitted, to start with.

Permitting, obviously, is going to require stamped drawings, engineer architectural drawings.

The model that we've been proceeding on is we have a general contractor that obviously pulls the permits and has a representative staff for every project. And then we have project managers and superintendents that are either on staff or are volunteering. And then we have a traditional rigorous review and inspection by not only the architect of record, engineer of record, but also the electrical engineer, the plumbing engineer, et cetera, who are on the record drawings.

I've been actually personally involved in the process. I've been an old guy contractor from the '70s, so -- and as such, my personal experience

has been as a contractor to actually be a part of that staff that oversees the construction.

1.3

We have a number of volunteers that -that is the model. At one time, we've had up to a
hundred volunteers on campus, and each trade
provides and ensures our qualities there were a
hundred percent compliant. We have 110 percent
commitment to building per code per drawing and et
cetera.

So that's been a pretty successful model. My personal experience on projects of -- I think we've built out almost 40,000 square feet of buildings from 1985, when I first arrived, and just are finishing a tenant improvement currently of about 40,000 square feet, all inspected.

When we engage in subcontracts for like electrical, plumbing, fire alarm, HVAC, many of these subcontractors allow our volunteers to work alongside of them to help save costs. But, of course, they'll license subs who are pulling permits or overseeing the work, and they have a reputation, you know, to make sure somebody from New York, who's volunteering and knows the code in New York but doesn't necessarily know the means and methods here, is complying with what we want to do here.

It's been a pretty successful process. 1 2 And I hope that answered your question. 3 COMMISSIONER LEE: Thank you. Just one follow-up. Are you from here? Are you a local 5 contractor licensed in Hawaii? 6 MR. WADDLE: I've been -- I moved here in 7 '85 and was working on staff with the campus for 8 about four or five years. I went into the community, got my own contractor's license, and 10 stayed here until like '99. And then I had a chance 11 to take a different job in Florida, so I let my 12 license expire only to come back in 2006, by 1.3 invitation, renewed my license. From that, wearing a general contractor hat, and then I moved to 14 15 Florida -- I'm sorry, to Dallas about 2010 to help 16 my dad who became ill. 17 I was going to stay there. I let my 18 license expire one more time. And he passed away a 19 while back and I had a chance to return. But I 20 don't have a license now. I've had one twice. And 21 I've been a general contractor, project manager, 22 consultant right now. I was the construction 23 manager for Merrill Development during the heyday of 24 the Henry Street Walmart, you know, Safeway, Borders 25 Bookstore and et cetera, so I've got a lot of local

experience. That's pretty important around here, as you know.

COMMISSIONER LEE: Do you employ sort of an in-house roving contract, or are you that person who would be the consultant that works on other projects in other campuses and you're working on this one now here, is that -- is that the process?

MR. WADDLE: Yeah. We typically will hav

MR. WADDLE: Yeah. We typically will have at least one professional, right, on projects. We currently do not have any projects under permit that we're doing. We're doing more maintenance at the moment, but when we do have a project that is permitted, and even on the maintenance side, we have, you know, skilled people overseeing, you know, the different departments.

COMMISSIONER LEE: And one final question. The contractor, the RME, the responsible managing employee, will that be a local person, or will that be a company from out of state that hires an RME to represent them?

MR. WADDLE: Right. The current project we're finishing, the contractor licensed, the RME is on staff and has been on staff for ten years here. Yeah.

COMMISSIONER LEE: Thank you.

```
Thank you, Chair.
 1
 2
             CHAIR GIOVANNI: Thank you, Commissioner
 3
   Lee.
             Just to follow-up, clarification question.
 4
 5
   Who is the general contractor who has actually
   pulled permits from the county once the plans have
 7
   been approved by the county?
 8
             MR. SIMON: Let me get Mr. Waddle back in
   here.
10
             MR. WADDLE: The current contractor is KJ
          Warren Israelson is the principal there, and
11
   David Drahn is his RME who's been on staff for about
12
13
   ten years and lives here.
14
             CHAIR GIOVANNI: So RJ --
15
             MR. WADDLE: KJ Walk.
16
             CHAIR GIOVANNI: KJ Walk.
17
             MR. WADDLE: KJ Walk, Inc.
18
             CHAIR GIOVANNI: Do you know how to spell
19
   the Walk?
20
             MR. WADDLE: W-a-l-k. Warren Israelson is
21
   the owner and principal of that company.
22
             CHAIR GIOVANNI: Okay. Thank you.
23
             Commissioner Okuda.
24
             COMMISSIONER OKUDA: Thank you very much.
25
             Mr. Waddle, maybe I have a few follow-up
```



questions. No, no, no. Based on what Commissioner

Lee and the Chair had asked, and I can't give you

specific citations, but this comes on an HRS Chapter

444, which, since you were -- you know, you've had

contractor licenses issued by the State of Hawaii,

that's the governing section of the HRS, Hawaii

Revised Statutes. It governs contracting.

1

2

3

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

So my questions deal with contracting activity as defined by Chapter 444, which is basically any action that's being taken to improve the real property. Now, using the definition under HRS Chapter 444, is it your testimony or the testimony of the landowner here that everyone who has done work on that site to improve the property, anyone who's done contracting work as defined by the statute, has either been issued or at the time held or holds a contractor's license issued by the contractor's licensing board or the State of Hawaii or the person is a bona fide employee, meaning a bona fide employee of the contractor, meaning that that person is on that contractor's payroll, covered by workers' compensation, TDI, and health insurance and the other requirements of Hawaii laws and employee.

Or are there some people who are doing



```
work on the property, improving the property who did
 1
   not hold a contractor's license or were not bona
 3
   fide employees of licensed contractor?
 4
             MR. WADDLE: I think I understand your
 5
   question. All the permitted work is done with --
   under, you know, licensed either general
 7
   contractors, licensed electricians, licensed
   plumbers, et cetera. They employ their own
   personnel, so they'll have their employees.
10
             But we do supplement them with volunteers.
11
   Volunteers are not paid. They're not employees of
   the general contractor or the subcontractor, and
12
13
   they have a legal form that they sign that is
   typical of any non- profit, whether it's the Red
14
15
   Cross or World Vision or United Way. They come
16
   alongside the projects that we do. I'm not sure if
17
   that's answering your question, but --
18
             COMMISSIONER OKUDA: No, no. That's very
19
   helpful.
20
             Do you agree -- or maybe you probably know
21
   that Chapter 444 essentially makes it, I think, a
22
   crime -- it's a misdemeanor, is my recollection, to
```

basically use someone else's license to do work

which normally requires a contractor's license. You

do recall that as part of the statute Chapter 444?

23

24

25

In other words, there's a pretty strict prohibition 1 against unlicensed contracting work, which includes 3 a potential criminal penalty. 4 MR. WADDLE: If I understand your question 5 right, for example, if we didn't pull a permit for the -- the most current project we have is the 7 tenant improvement. It's about 40,000 square feet. So all the electrical work is done by -- is overseen 8 by the permitting electrical contractor who has a license. Same with the plumbing. Same with the 10 11 fire protection. Same with the air conditioning. 12 So there's no work that is being performed 13 that requires a permit by a subcontractor that is --14 that's being done by a non-licensed subcontractor that we're paying. Although work is being done by 15 16 license-holding subcontractors, our volunteers will work under them, but I'm not sure that answers your 17 18 question, if I understood it correctly. 19 COMMISSIONER OKUDA: No, no. Your 20 explanation is helpful that your volunteers work 21 under a licensed contractor. 22 And let me just preface and give you the 23 reasons why I'm asking this question. 24 MR. WADDLE: Sure.

COMMISSIONER OKUDA: Because, you know, if

someone is injured in a property and the injury is 1 traced to the failure to comply with certain code 3 requirements or other standards of practice regarding the industry, what I'm -- what I don't 5 want is somebody turning around and saying, well, you, Land Use Commission, or you, Mr. Okuda, 7 Commissioner, you knew about this, about a potential violation -- I'm not saying there is a violation. 8 That's why I'm inquiring into this. 10 MR. WADDLE: Right. 11 COMMISSIONER OKUDA: But I don't want

COMMISSIONER OKUDA: But I don't want people to say that we, as a government agency, had notice of a health and safety requirement and we didn't do our due diligence and inquire into it, and as a result, some injury, which might have been avoided, was not avoided, and now we have, you know, people who are hurt.

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Let me ask you this question. Are you aware of any administrative rule or decision by the contractor's licensing board or a court of law -- and you can inquire with your attorney regarding that -- which has held that the Chapter 444 requirements of work being done by a licensed contractor or a bona fide employee of the licensed contractor, that there is an exception for unpaid

volunteers?

In other words, as long as the person is an unpaid volunteer, that that's somehow an exception to the requirement that all contracting work, as such term is defined by Chapter 444, that there's an exception to the requirement that the work be performed by either a licensed contractor or a bona fide employee of the licensed contractor, are you aware of any exception to Chapter 444 that says volunteers is a carve-out or exception on this otherwise strict requirement that you have to have a licensed contractor doing the work?

MR. WADDLE: Yeah, good question. I don't have a legal background, and so I'm not ready to -- I don't know an answer to that. I know that there are -- take the same application for Habitat for Humanity. They'll have some projects similar to ours. They'll have a ton of volunteers, so -- and I know our attorneys have drafted, you know, the right volunteer format for a form to fill out that address issues like workman's comp and et cetera.

And I know the campus has its own insurance policy so that -- that deal with these things, but I'm not personally aware of the details of them or have a -- you know, a detailed answer for

your question.

1

2

3

5

7

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

COMMISSIONER OKUDA: Yeah. Well, as you kind of alluded to, there are some practical implications here. For example, since construction activity is many times not considered by workers' compensation insurers as a low-risk situation, and you know, there's significantly higher premiums than, for example, somebody who might be working on a computer terminal typing up legal documents at a law office --

MR. WADDLE: Right, right.

COMMISSIONER OKUDA: -- there's a recognition that there is significantly more risk for someone to be injured, you know, doing construction. What if -- if a person was a bona fide employee of a licensed contractor, you know, that contractor be required to carry workers' compensation insurance, and the employee would be protected.

What kind of protection do these volunteers receive for injuries which they might suffer by volunteering on the property?

MR. WADDLE: I'm not certain of what our insurance carrier provides for that. I know that -and I'm not sure how the -- you know, the industry

at large deals with that either. You know, whether 1 it's -- it's our campus or other non-profits that 3 are engaged with volunteers. It's obviously a pretty common practice, but I don't have the 5 specific answer for that. I don't know. 6 COMMISSIONER OKUDA: Yeah. And you 7 understand that just because something's a common 8 practice, we, at the Land Use Commission, because we're quasi-judicial, we're essentially required to 10 follow strictly the requirements of the law. 11 MR. WADDLE: Yeah. COMMISSIONER OKUDA: Okay. Well, just for 12 13 me personally -- sorry, Mr. Simon. 14 MR. SIMON: Commissioner Okuda, I 15 apologize. I don't mean to cut you off. I just 16 wanted to note that we absolutely understand the 17 concerns you're raising. I'm not a Chapter 444 18 expert. I've appeared before the contractor board 19 several times, but having dealt with this issue, I 20 think it is certainly something that we can provide 21 more clarity to the commission on. We weren't 22 prepared to speak on this today. 23 I don't mean to interrupt your question

either, but I just want to commit to you that we can

-- we can help -- you know, like Tom pointed out,

24

there are other organizations that have that working with (inaudible) that do this. Whether or not that is something the contractor/license board has approved, you know, it's something we can try to find more clarity on. But I just wanted to highlight the fact that, you know, I think it's --you know, without the statute in front of us, it's a little hard to give you direct answers. COMMISSIONER OKUDA: Yeah, yeah. And --

and I don't necessarily expect, you know, an answer to that question because it would be unfair for me or any of us to expect you to give a definitive answer without you having prior notice of the fact that that was an issue. So I'm kind of giving you the semi-prior notice here.

If I can ask kind of like a related follow-up question, just a foundational question.

And let me preface my question by saying this is the reason why I'm going to ask these other questions.

It's because of the admonition or warning from the Hawaii Supreme Court in the DW Aina Lea Development versus Bridge Aina Lea case that's found at 134 Hawaii 187, at pages 211, 212. The P.3d citation is 339 P.3d 685, at 709 to 710.

Basically, the Hawaii Supreme Court is



telling the Land Use Commission that we, the Hawaii Supreme Court, don't want situations where requirements or conditions are placed on property for development or other things, and these conditions are not met because that just leads to a host of public policy problems. So in other words, the Hawaii Supreme Court is telling us on the Land Use Commission that we basically have to hold applicants to the conditions that have been, you know, imposed, or required as a condition of a boundary amendment.

And just so that, you know, no one thinks that I'm just making this up, this is the quote from -- you know, from the case. It says, and I quote, "The senate committee on energy and natural resources specifically noted that, quote, 'vacant land with the appropriate state and county land use designation is often subjected to undesirable private land speculation and uncertain development schedules,' close quote, and that, quote, 'such speculation and untimely development inflates the value of land, increases development costs, and frustrates federal, state, county, and private coordination of planning efforts, adequate funding, public services, and facilities,'" close quote.

So the reason why I'm asking these followup questions is basically so that, you know, we
carry out our obligations under -- you know, under
the Bridge Aina Lea case and the statute.

So let me first ask you this. Mr. Simon,
you made reference to the decision and order

you made reference to the decision and order regarding 2022 status report hearing, which was filed in this docket on December 8, 2022. Looking at that document, did you see any statement in that document, the decision and order, which you believe is erroneous, misstated, or really shouldn't be there in that document?

MR. SIMON: I've absolutely read the document. I've read, you know -- I've gone through it. I think nothing comes to my mind at the moment. You're a fellow attorney, so you can always, you know, nitpick a little deeper when you need to. So not off the top of my head. I believe it's an accurate portrayal of what occurred at the November 2nd, 2022 status report.

COMMISSIONER OKUDA: Yeah. Okay. I just wanted to know if something just popped out of the document, so just so that, you know, if we're kind of reading literally off the same page.

Okay. You know, this is a reference to

paragraph 28(a), and it's a statement here, and I quote, "When the petitioner accumulates enough donations and revenue generated, the petitioner will then enter contracts for construction." Okay. So my questions deal with that reference in the decision and order. And anyone on your team can answer the question.

Will the EIS include some type of spreadsheet, budget projection? I'm not an engineer, so I don't know whether the term is really correct about like, you know, like critical path analysis.

Is there some kind of evidence or bunch of evidence which will show what the projected donations and revenue are projected to be generated over a specific amount of time and kind of reference to the amounts of that are going to be anticipated to be entered or spent for the construction, just so that when we use the EIS as a decision-making tool, we can really tell whether or not this project is going to be financially viable and what the benchmarks are or whether it's not financially viable and so then we're going to be starting to look at this admonition of the Hawaii Supreme Court saying, hey, you know, we got to do more than just

Thank you, Commissioner Okuda.

simply take people's word. We have to have admissible evidence to back up the decision.

MR. SIMON:

The content requirements under Chapter 343 and the implementing regulations don't generally address this issue. At the status report in November 2022 was requested that construction cost estimates be included, and we've committed to that.

We have not -- it does not at the moment include projections as to financing or fund-raising options. You know, the EIS is an environmental disclosure document. It's not -- it doesn't approve a project. It's a document the commission would use to inform its decision on a motion to amend that would actually approve this project.

You know, traditionally, that is usually the time that the commission will look at things like financial viability and stuff like that. You know, the -- the posture of this docket is unique, and I think we've always been very honest about that, but again, from our point of view, we listened to what the commission said back in November, and that was request for a construction cost estimate by phase, and we've included that.

COMMISSIONER OKUDA: Well, okay. And



maybe I shouldn't have limited, you know, or made it seem like the requirement is that's in the EIS. My question was just whether or not it would be in there. But at some point, you do agree that -- or at least I think, and you don't have to agree with me, that I believe for us to exercise our duties under the Bridge Aina Lea case, we're going to need to see evidence that this case is not speculative.

1.3

And evidence, in addition to simply testimony under oath that, you know, rely on us and our good faith, I'm not saying anybody's lying or anything like that, but we probably need hard admissible evidence to, you know, determine financial viability.

MR. SIMON: It has always been the petitioner's expectation that that information will be required by the commission. Again, in our mind, that's something for the commission to consider on a motion to amend to update the docket as opposed to environmental disclosure -- environmental impact statement.

COMMISSIONER OKUDA: Okay. And let me just kind of follow up on another point that was raised in the questioning here and the testimony here. And my question deals with what's going on on

the land, which is subject to this petition and the 1 2 land which is going to be covered by the EIS. 3 So are there dwellings or structures presently existing on the land that is going to be 5 covered by the EIS? 6 MR. SIMON: There are no dwellings on the 7 petition area --8 **COMMISSIONER OKUDA:** Or structures or any kind of structure. 10 MR. SIMON: Yeah. So I want to be very 11 clear about the dwelling portion. There's no 12 dwelling. There's nobody living on the petition 13 There are agricultural structures that are part of the agricultural part. Some of those are 14 shown in the photographs taken by staff back in, I 15 16 believe, April. 17 Those were constructed under the 18 understanding that they were exempt agricultural 19 structures that HRS 486.88, I believe, provision of 20 the -- you know, the enabling statute for zoning, of 21 exemptions for certain agricultural structures. And 22 that is -- in the university's mind, those are 23 compliant. But again, that's something that the 24 university certainly is happy to engage with the

25

county on.

| 1   | COMMISSIONER OKUDA: Okay. Well, and that             |
|-----|--|
| 2   | leads to my follow-up question. First of all, the    |
| 3   | structures and I shouldn't have used the word        |
| 4   | "dwelling" because that has a specific legal         |
| 5   | definition, so strike my question as to dwelling.    |
| 6   | Let's just use the term "structure,"                 |
| 7   | meaning whatever's actually existing now on the      |
| 8   | property which basically didn't grow out of the      |
| 9   | ground or wasn't like a geologic formation, okay?    |
| LO  | So regarding structures on the property,             |
| L1  | were all those structures constructed by a licensed  |
| L2  | contractor or someone who was a bona fide employee   |
| L3  | of the licensed contractor?                          |
| L 4 | MR. SIMON: I cannot myself speak to that,            |
| L 5 | but Mr. Waddle may, and he may not.                  |
| L 6 | MR. WADDLE: Most of the existing                     |
| L7  | structures are there but prior to my timeframe here, |
| L 8 | so I don't know the answer to that question. I know  |
| L 9 | that when they've done some projects, typically the  |
| 20  | staff has a well, the RME, you know, from KJ Walk    |
| 21  | is on staff, so I just don't know how engaged or not |
| 22  | engaged they were.                                   |
| 23  | Most of those structures are less than 600           |
| 24  | square feet and are all ag-related. Like, for        |
|     |  |

25 example, I know there's like a chicken coop, and

there's a few canopies that cover an aquaponics, so 1 they're insignificant structures that I'm aware of. 3 But I don't -- I wasn't around when they were constructed, so I don't know the answer to that. 4 5 COMMISSIONER OKUDA: Okay. Well, not to 6 be too nitpicky, but Chapter 444 doesn't contain an 7 insignificant exception to the requirements. And so -- but let me just get back to this. 8 9 So you can't tell us one way or the other 10 whether or not these structures were constructed by 11 a licensed contractor or a bona fide employee of a licensed contractor, correct? 12 13 MR. WADDLE: I can't. I can find it out I don't know that answer right now. 14 for you. 15 COMMISSIONER OKUDA: Okay. And right now, 16 because I don't want to belabor this point, but no 17 one sitting here in the room today can answer that 18 question whether or not the structures were 19 constructed by a licensed contractor or a bona fide 20 employee of a licensed contractor, correct? 21 MR. SIMON: I do not believe anybody here 22 can answer that. Again, we're more than happy to 23 provide additional information on that. 24 COMMISSIONER OKUDA: Has -- has anyone

from the County of Hawaii given any type of approval

of these structures, including a building permit or a certificate of occupancy or a statement, either oral or written, telling you or anyone on your team or anyone part of the university that these structures are acceptable?

MR. WADDLE: We had a review by the building department starting in 2020 of every structure on campus, including the 60 acres. And in that review, some structures were deemed to be unpermitted. And so I think they were originally structures that were made for temporary construction, protection of lumber and et cetera that got repurposed.

So the campus -- and I was on staff then in 2020. So the county rep for the building department looked at everything on the farm and on the existing campus. We made a very thorough list and the campus has removed every building that was in question that was repurposed that may be started as a temporary construction protective covering, and it got repurposed to something else. So campus was like 110 percent committed to complying with everything the county had asked at that point in time.

There was a conversation about the



```
dwellings in the -- not dwellings, the structures in
 1
   the farm area, and conversation was basically, hey,
 3
   they are under a hundred square feet. They're ag
   purposes and don't require permit -- 600 square
 5
   feet, sorry. But all of that was pretty much in
 6
   email, so I don't know of any specific document that
 7
   took them off of the list, per se.
             COMMISSIONER OKUDA: So perhaps, some of
 8
 9
   the structures, in your view, still might not be
10
   compliant with the requirements of the County of
11
   Hawaii?
12
             MR. WADDLE: On -- in the farm area, I
13
   don't know of any that aren't compliant with that
   code, you know, of being -- not requiring a permit
14
15
   if they're less than 600 square feet.
             COMMISSIONER OKUDA: Okay. Well, just so
16
17
   that I'm clear, and I promise you this is my last
18
   question, so right now, anyway, is it your position
   -- when I say, "your position," I mean the
19
20
   university's position, your group's position that
21
   you are totally compliant with county requirements
22
   regarding the structures on the property, or you're
```

I think it would be a little

not totally compliant, or you don't know?

bit of a blend. As far as the farm is concerned,

MR. WADDLE:

23

24

I'm not aware of any structures that are not compliant. Our position with the county's always been 110 percent cooperation, and so if they have come up with something that they deem is not compliant, we will make it compliant. You know, we're 100 percent committed to that. But I'm not aware of any of the structures in the farm that have that status.

1.3

again, just so that I can frame the basis of my question, you know, there was once a fire in Palolo Valley, kind of like down the hill from where I live, and someone died in the fire. And there was a big -- not a big, but a significant claim being made that, you know, this was not clearly a permitted structure, and that led to an injury. And I want to make sure that we, on the Land Use Commission, are exercising our due diligence to make sure that, you know, we have compliance with the law.

We can all disagree about whether certain requirements make sense or not make sense, but as long as the legislature and the applicable administrative agencies, whether it's the county or the contractor's licensing board, have these legal requirements, we on the commission are duty-bound to

```
1
   carry it out.
 2
             Thank you, Mr. Chair. No further
 3
   questions.
 4
             CHAIR GIOVANNI: Thank you, Commissioner
 5
   Okuda.
 6
             We'll take an eight-minute break and
   resume at 10:15.
 7
              (Recess taken from 10:07 - 10:18 a.m.)
 8
             CHAIR GIOVANNI: Okay. Back on the record
 9
10
   at 10:18. Is the recording in progress? Thank you,
   Ms. Kwan.
11
             Commissioners, additional questions for
12
13
   the petitioner?
14
             Commissioner Lee?
15
             COMMISSIONER LEE: Thank you, Chair.
16
   the petitioner, Mr. Simon, for this project in the
17
   past or in the future, have the funds used to
18
   construct the project been derived to an extent,
19
   either directly or indirectly, from public
   resources, public funds, grants, bonds, things like
21
   that?
22
             MR. SIMON: No funds of that nature,
23
   Commissioner.
24
             COMMISSIONER LEE: Thank you.
25
             MR. SIMON: Thank you, Commissioner.
```



| Τ  | CHAIR GIOVANNI: Thank you.                          |
|----|---|
| 2  | Commissioners?                                      |
| 3  | The Chair has a few questions. I'd like             |
| 4  | to start with your annual reports to the commission |
| 5  | on the status reports. Can you remind the           |
| 6  | commission when those are due or scheduled?         |
| 7  | MR. SIMON: I believe the date is August             |
| 8  | 8th on a yearly basis. What did I say the           |
| 9  | anniversary of the 2003 decision and order. I may   |
| 10 | be off by a day or two, but I believe I have        |
| 11 | August 8th.   |
| 12 | CHAIR GIOVANNI: And the one that was due            |
| 13 | last August we received several months later, is    |
| 14 | that correct?                                       |
| 15 | MR. SIMON: I mean, I may have a copy                |
| 16 | right here. Let me I don't want to give you the     |
| 17 | wrong answer. It is the one from 2022 is file       |
| 18 | stamped by the commission August 8th, 2022.         |
| 19 | CHAIR GIOVANNI: Okay. So the next one is            |
| 20 | due?  |
| 21 | MR. SIMON: August 8th, 2023?                        |
| 22 | CHAIR GIOVANNI: Okay. So I was the                  |
| 23 | Chair would like to encourage you to put a lot more |
| 24 | detail in your report in a couple of areas, and I'm |
| 25 | addressing the general concerns that you may be     |

```
hearing from commissioners here today.
 1
 2
             One is I'd like to -- do you have a budget
 3
   for the project, for the build-out of the project, a
   general budget, high-level, how much is it going to
 5
   cost?
 6
             MR. SIMON: We do, and that will be
 7
   included in the EISs, as we committed --
 8
             CHAIR GIOVANNI: Do you have a preliminary
   number you can share just so we can -- is it a
10
   breadbox or fire truck or a --
11
             MR. SIMON: Let me see if I have that.
12
   should have that. Just give me one second.
13
   to save Mr. Waddle another trip up here, but I need
   him here in a sec.
14
15
             CHAIR GIOVANNI: Okay. Take your time.
16
   Here comes Mr. Waddle.
17
             MR. SIMON: He's not going to tell you,
18
   but he's going to give to me -- hold on. I have --
19
   do you want a phase-by-phase breakdown?
20
             CHAIR GIOVANNI:
                               Sure.
21
             MR. SIMON: So general contractor
22
   estimated cost for phase 1 is just slightly over $31
23
   million. Phase 2 is just -- my apologies. Let me
24
   give you some figures, and then we can explain them.
```

Phase 1 is just over 20 million for phase

```
Phase 2 is just slightly over 50 million.
 1
   1.
   phase 3 is about 85 million. And so those estimates
 3
   I just provided include adjustments for volunteer
 4
   labor.
 5
             CHAIR GIOVANNI: Which leads me to my next
 6
   question. What percentage of the 155 million is
 7
   volunteer labor?
 8
             MR. SIMON: That is an adjusted number.
   So the actual cost without the volunteer labor is
10
   about -- the total for the project is 267 million.
11
             CHAIR GIOVANNI: So you have a $267
12
   million project of which 112 million would be
13
   volunteer labor?
14
             MR. SIMON:
                         I think it's just slightly
15
   below that number, but --
16
             CHAIR GIOVANNI: Here comes Mr. Waddle
17
   again.
18
             MR. SIMON: Yeah. He's saving me time.
19
             MR. WADDLE: In doing the forecast for the
   budget on this, using some actual cost updated
21
   square foot budget, obviously, it's a concept
22
   estimate right now.
23
             CHAIR GIOVANNI:
                               Sure.
24
                          Historically, the campus has
             MR. WADDLE:
25
   saved approximately 40 percent in a project, and
```

where that's derived from is we have a contractor 1 who typically has no overhead in profit expense or 3 charge to the campus, so volunteer, and so they're not charging a proper margin, and we're experiencing 5 the same thing on each subtrade level. 6 So we may experience an overall -- and 7 even on the architectural side, so when you look at hard cost, soft cost, you know, for a project, we've got a volunteer architect. We've got a volunteer 10 contractor and subtrades that are not charging their 11 percentage, so by the time we accumulate all that 12 and then supplement on the labor side, we have an 13 overall experience of about a 40 percent savings. Obviously, not all of that's just because 14 15 of labor. In fact, a majority of it is non-labor 16 but markup fees and et cetera and general 17 conditions. 18 CHAIR GIOVANNI: And what is the 19 preliminary schedule to complete phases 1, 2, and 3? 20 In other words, is this --21 MR. WADDLE: It's a 30-year project. 22 CHAIR GIOVANNI: Okay. So do you have a 23 breakdown on the phases?

MR. WADDLE: I don't other than just in my

24

25

head, honestly.

MR. SIMON: And I think Jeff or I could 1 2 speak to this as well. 3 MR. WADDLE: Okay. 4 I believe the current phasing, MR. SIMON: the phase 1 is projected to be about a five- to ten-5 6 year phase. And both phase and 2 (sic) of the 7 subsequent phases are projected to be about ten-year 8 phases, each. 9 CHAIR GIOVANNI: And that's all delineated 10 and described in the draft EIS? 11 MR. SIMON: That's correct. And I will note that the figures Tom is giving -- Mr. Waddle's 12 13 giving are pretty consistent with the 2020 estimates we provided at the July 2020 status report. 14 15 there's been some changes, but the costs have not 16 gone up. 17 CHAIR GIOVANNI: So in my head, and I'm 18 just doing some quick math, as you were, Mr. Waddle, 19 but that equates to a volunteer contribution that's 20 very significant, and the commission understands 21 that it's probably critical to the overall success 22 of the project. 23 But the \$112 million of savings due to 24 volunteerism, I mean, the rough number I would use

in my own head is about \$100,000 a year for

```
volunteer working full-time, depending on the
 1
   volunteer. That's 1,120 man- years of volunteerism
 3
   that would be contributing to this project. That's
   an enormous amount, so I hope you can appreciate
 5
   that where the commissioners are coming from, with
   an effort of that magnitude, 1,120 man-years of
 7
   volunteer labor equivalent, somebody's going to get
   hurt. We want to make sure that protections are
 8
   there, the procedures are there, all right?
10
             MR. WADDLE:
                          Yeah.
11
             CHAIR GIOVANNI: So we're going to be
   looking a lot closer to that. And one of the things
12
13
   I'd like to ask -- this is kind of a related
   question -- is about your bookkeeping. Do you keep
14
15
   track of the efforts, the volunteer labor hours and
16
   the eight labor hours that are used for this
17
   project?
18
             MR. WADDLE:
                          We make an attempt to do
19
   that. It's not as good as I'd like it to be, but we
20
   do have those -- we do keep track, yeah.
21
             CHAIR GIOVANNI: Let's say just
22
   hypothetically, let's say I'm a volunteer. I'm very
23
   interested in helping you. How does that work?
24
             MR. WADDLE: Yeah. We -- I'll give you an
25
   example.
```

CHAIR GIOVANNI: A hypothetical example, yeah.

1.3

MR. WADDLE: Yeah, okay. We have a -there's a friend of the campus who's a contractor in
Kansas City, and he brings a team over twice a year.
And there's about 20 of them, approximately, maybe
25, and they stay two weeks. And so we exchange
room and board, you know, for their stay. We
obviously organize the work at hand.

Then they may have some electricians that are hanging drywall because we're hanging drywall in that two-week period of time, so it requires a lot of flexibility on the behalf of those who are volunteering. Some of them are giving up their vacation time. Some are retired. Some are between jobs. It's just all over the map.

When I was on campus in the '80s, for example, we had up to a hundred people at a time from different nations. Not all of them even spoke English. OSHA safety is always number one, and so on the supervisory level we not only have to have materials and tools and et cetera but all the safety equipment and supervisory staff to oversee the work in whatever capacity it might be in. I'm not sure that answered your question, but --

CHAIR GIOVANNI: It kind of answers the question on how you get the people to show up, but it doesn't address my earlier question of how you keep records of who's doing what.

MR. WADDLE: Oh, okay, We keep track of

MR. WADDLE: Oh, okay. We keep track of how many show up and where they're staying and how long they're staying and the like, the day-to-day like what would be a daily log, basically. We haven't been as diligent as we could be on that in terms of, okay, we've got three guys hanging sheetrock today and ten framing or whatever. That's not as diligent as it could be.

CHAIR GIOVANNI: That's the notion that I think we're taking, and we're encouraging you to be a whole lot more diligent as you go forward with the project of this magnitude. And I would imagine the county would be interested in that diligence as well.

Can you describe in greater detail what you mean by the word "oversee"? When you have a licensed contractor that oversees these volunteers that show up by the tens, hundreds for weeks at a time?

MR. WADDLE: Sure. Yeah. Just use my own experience to try and answer that. When I was on

staff and we had up to a hundred volunteers at a

time, we had a staff of maybe ten. I wore the

superintendent hat. We had a staff who was the

foreman for the framers. We had a staff person who

was the foreman for the cabinet -- the finish

carpenters, a staff person/foreman for the plumbing

and electrical and site work and heavy equipment and

et cetera.

CHAIR GIOVANNI: So were all these staff

CHAIR GIOVANNI: So were all these staff people you're referring to, are they licensed contractors, or are they volunteers?

MR. WADDLE: They were all -- some were licensed. Some were volunteers. And this was back in the '80s, you know, keep in mind. But we had licensed contractor doing the work, and -- which was not uncommon back then and for general contractors to do a lot of work in-house, and so they'll have their own foreman, you know, leading the framing crew or whatever the case may be.

So in each case, the volunteer was -- was overseen by what would be a working foreman in whatever the trade might be.

as you earmark on a \$250 million project over the next 30 years, the general concern that you're

```
hearing from the commission is that you're getting
 1
   someone who happens to have a license, to use that
 3
   license to pull permits, and you start the work.
   And he's graciously saying, you can use my license.
 5
   I'd be happy to oversee the project, but you get
 6
   your band of volunteers to do all the work and just
 7
   manage yourself.
 8
             MR. WADDLE: I see what you're saying.
 9
   No.
10
             CHAIR GIOVANNI: And that's what it looks
   like, to some of us, might be the case, and that's
11
12
   what we're trying to avoid, and I think the county
13
   would like to avoid that as well.
14
             MR. WADDLE: Oh, I couldn't agree more.
15
   Yeah, and that isn't the case of what we implement.
16
   No. We -- it's not a scenario where the license
17
   holder says, hey, you know, go after volunteers.
18
        We have a staff that is responsible for
   No.
19
   overseeing every volunteer, what they do, how they
20
   do it, when they do it, OSHA-compliant, the whole
21
   nine yards, yeah.
22
             CHAIR GIOVANNI:
                              And so what I encourage
```

CHAIR GIOVANNI: And so what I encourage
you to do and what this commission will be looking
for as part of your annual reports is documentation
that's actually being implemented accordingly.



1 MR. WADDLE: Yeah, yeah. We can do that. 2 CHAIR GIOVANNI: That's what we'd 3 encourage you to do that. 4 MR. WADDLE: That's a good idea. And it's 5 consistent with our practice, too, so we'll make 6 sure and provide that. 7 CHAIR GIOVANNI: So our staff was able to 8 make a site visit on, I think it was, April 12th, 2013, not just a short time ago. Unfortunately, I 10 couldn't attend that site visit, but I have seen the 11 photographs, copies of them, but before some of those what have been referred to as agricultural 12 13 structures or temporary structures. 14 I certainly hope that the -- all of the work that goes forward for this \$260 million is not 15 16 reflected in these temporary structures, if you know 17 what I'm trying to say. 18 MR. WADDLE: Yeah. We -- I wasn't aware 19 of the visit, and I -- I would have really have 20 welcomed the opportunity to show staff and the 21 counsel all of the work we actually have done. 22 We've just finished and are waiting for a CO on a 23 40,000 square foot, you know, classroom buildout, 24 and we've got almost 400,000 square feet of campus,

you know, structures that are pretty -- that are

```
quite well built and all by this process.
 1
 2
   certainly welcome another visit so we can set the
 3
   record straight versus what may be the experience
 4
   you had while there.
 5
             CHAIR GIOVANNI: We'll accept that
 6
   invitation and look forward to it.
 7
             MR. WADDLE: Yeah. That would be great.
             CHAIR GIOVANNI:
 8
                              I'm going to leave it
 9
   there.
           Thank you.
10
             Commissioner Cabral?
11
             COMMISSIONER CABRAL: Yeah. Don't leave
12
   yet. I don't know who the right person is, but I --
13
   the -- my business in property management, I deal
14
   with a lot of contractors, a lot of vendors of
15
   varying degrees and skills. And even I deal with
16
   volunteers in homeowners' associations and that who
17
   want to have their own little "we'll fix it up
18
   ourself" party.
19
             And all of additional information makes me
20
   extremely concerned because I know that I cannot
21
   compensate anyone more than $1,500 for any work that
22
   they do, and I cannot compensate them with a cash on
23
   top of the table, under the table, or even a free
24
   trip to Hawaii to have them do that work. Okay?
25
             So I'm really concerned, and obviously the
```

organization has done this all over the world, all over the other states. We're here in the regulated empire of Hawaii, where if you look at this, and I'm really concerned because if I can't do it and maintain, my homeowners, as volunteers, can't do some of these things, and it's clear that even in these makeshift structures that are all over the property, there's electrical wires running overhead and lights and all type of things, and there's water hoses so there's plumbing coming in from somewhere, so I wasn't there, so I don't know, but I am extremely concerned that you're setting yourself up 13 with this volunteerism and stuff, that it's going to be in violation of the contracting laws in Hawaii. And then in Hawaii County, absolutely, you

1

2

3

5

6

7

10

11

12

14

15

16

17

18

19

20

21

22

23

24

25

have to have a licensed plumber to do everything, plumbing, everything, and a licensed electrician to do everything. I mean, I personally can change the outlets and the light fixtures and have done it in my own home, but I cannot go do it anywhere else. So -- right, Jeff? I can't do that?

And I can't even -- you're not even supposed to change the toilet guts in your toilet, you know, at somebody else's place. So I am very concerned over this plan moving forward to say this

```
$100 plus million based on volunteers that -- to me,
 1
   that million sounds like it's more than $1,500, so
 3
   I'm concerned. Okay? That's -- I don't know what
   else to say, and I -- but you better have the
 5
   lawyers check with it because it --
 6
             The other thing is, too, you're right
 7
   here, you're going to be under open site -- I get
   reported to agencies if they think I do it wrong, I
 8
   mean, you know? Because it -- you're going to have
10
   other contractors. If they're not busy enough, they
   might be looking at what you're doing to report you.
11
   And also neighbors, you know? Again, it's the
12
13
   regulated -- we respond to every complaint and --
14
   right, from every griper in town.
15
             I can say these things now I'm on my way
16
   out, but you know -- so I'm very concerned about how
17
   the plan to move this project forward is built on
18
   quicksand. That's my concern. Thank you.
19
   wasn't in a question. Sorry. I'll let you have an
20
   answer if you have an answer.
21
             MR. WADDLE:
                          I do have one comment, and
22
   I've worn a property management hat before as well,
23
   so I understand exactly your experience. The campus
24
   does have two distinct entities. One's for
```

The maintenance

maintenance and one's for new work.

would be like any other school maintenance department. Oh, you know, we've got to replace this toilet. We've got a leak in the roof. Let's bring out the roofing subcontractor.

We have our own volunteer staff to do whatever is possible to do. And there's a line in the sand when there's anything that is of substance, that we bring in a licensed electrician, especially. So -- but anything on the permit side is like 110 percent compliant with contract law. So that's our commitment, and that's been our practice. We're not perfect at it. We're trying to get better. But I understand those concerns and certainly agree with them, yeah.

COMMISSIONER CABRAL: Well, the concerns coming up with all this financial, plus this long track record of things shifting all the time, you know. And then -- and that's our job is to try and make sure that projects moving forward at least start in a right direction, okay?

MR. WADDLE: Yeah.

COMMISSIONER CABRAL: And this has already changed channels a few times, so it's a really big concern. But since I'm just commenting, you know, it's a really valuable piece of property you have

there that you folks have owned for a long time.

1

2

3

5

7

10

11

12

1.3

14

15

16

17

18

19

20

21

22

23

24

25

I don't know -- you should look at -- I'm in real estate. I can help you sell that for a lot of millions, and then go buy less expensive property somewhere that would be easier to develop. It might still be ag, but you already know how to get ready for that to come to us. But you know, up like where the new county buildings are and all of those others, there's a lot of structures in different areas now that the whole -- everything's kind of moving north. The land has still got -everything's got a slope, but your piece of property is very challenging. I mean, you know, you might look at that math. That might have some positive numbers for you. Anyway, thank you very much for indulging me.

Thank you.

CHAIR GIOVANNI: Thank you, Commissioner.

Anything further? Commissioner Okuda.

it's really up to you what you want to include in your status report or not. But you might consider addressing the issue about the aiding and abetting statute. And just so that it's clear on the record what it says, I'm citing or quoting from HRS Section

```
444-9.3, which is titled "Aiding and Abetting."
 1
             And this is what section 444-9.3 states,
 2
 3
   and I quote, "Aiding or abetting an unlicensed
   person to evade this chapter or knowingly combining
 5
   or conspiring with an unlicensed person or allowing
   one's license to be used by an unlicensed person or
 7
   acting as agent or partner or associate or otherwise
   of an unlicensed person would be intent to evade
 8
   this chapter, shall be a misdemeanor and may be
10
   subject to -- and may subject the licensee to
   additional discipline by the board," close quote.
11
             So you might consider addressing those
12
13
   concerns that we raised in your status report, but
   it's really up to you what you want to do.
14
15
             MR. SIMON: Absolutely, Commissioner.
16
   Your point is well taken. The issue's been raised.
17
   It's --
18
             COMMISSIONER OKUDA: Okay. Thank you very
19
   much.
20
             MR. SIMON: Thank you very much.
21
             CHAIR GIOVANNI:
                               Thank you.
22
             Commissioners, anything further directly
23
   for the petitioner at this time? You'll get another
24
   opportunity.
```

Okay. So let's -- thank you very much.

```
We'll shift gears to the county for a presentation
 1
 2
   on the record.
 3
             MS. TIAPULA: Good morning. I think I'll
   offer our deputy director, Mr. Darrow, an
 5
   opportunity to address you.
 6
             CHAIR GIOVANNI:
                               Thank you.
 7
             Mr. Darrow, please proceed.
 8
             MR. DARROW:
                          Thank you, Mr. Chairman.
   Good morning, Members of the Land Use Commission.
10
             The county continues to support the
             The project is located within the Kona
11
   project.
12
   urban area. The proposed request of this amendment
13
   to the state land use boundary amendment is
   supported. We are anticipating the submittal of the
14
15
   draft EIS so that we can review. We appreciate
   commissioners' comments this morning regarding all
16
17
   areas that were spoken about.
18
             In regards to the issue of structures that
19
   has been talked about this morning, the Planning
20
   Department, to my knowledge, has not received any
21
   type of complaint for the activity on the property.
22
             Just from personal experience working with
23
   our inspectors as well -- it's inspectors from the
24
   Department of Public Works. We do receive
25
   complaints on a pretty regular basis for structures
```

true that at this point in time, the county cannot

```
definitively tell us whether or not these structures
 1
 2
   are, for lack of a better term, legal or illegal?
 3
             MR. DARROW:
                          Correct.
 4
             COMMISSIONER OKUDA: Okay. Thank you very
 5
   much.
 6
             Thank you, Mr. Chair. No further
 7
   questions.
             CHAIR GIOVANNI: I had the same question,
 8
   but can I ask from the other end. Mr. Simon, has
10
   the petitioner ever submitted this form for the
11
   exemptions for the structures that it has built?
12
                         I could speak to my personal
             MR. SIMON:
13
   knowledge on that. I can also confer with -- I
14
   think that these structures have been there for a
15
   while. I don't know if everybody necessary to
16
   answer that question's here with us. I know they
17
   went through a detailed process with the county to
18
   get other buildings in compliance. But you know,
19
   they're 100 percent committed to doing the same
20
   here. I just don't know the answer to your --
21
             CHAIR GIOVANNI: Yeah. I think the
22
   question is for the exempted -- the structures --
23
   not for the permanent structures that you've dealt
24
   with the county on, on the existing development, but
25
   on the -- the specific land where you've in the
```

photographs of the temporary or agricultural 1 structures, they've been given different names this 3 morning. Now we're hearing from the county that 4 5 those could be exempted from permit, provided you file this form. And the county can't tell us, 7 because Public Works is not here today, whether that form is on record. So I'm asking you to do your 8 research. And in your August 8th annual report, 10 please affirm or clarify the status of the process 11 that you've gone through to get those structures exempted from the permitting process and erected. 12 13 MR. SIMON: Absolutely, Chair. 14 CHAIR GIOVANNI: Commissioner Cabral. 15 COMMISSIONER CABRAL: Yeah, thank you. 16 Sorry. 17 Mr. Darrow, is my understanding of those 18 potential agriculture buildings that could be 19 exempt, they would still require a permit and would 20 not be able to be exempt from any type of permit if 21 they were to have electricity coming to or servicing 22 that building, and I'm not sure about the plumbing 23 status, but am I correct on the electrical? 24 MR. DARROW: Yes, you are correct.

there's electrical or plumbing within that

particular structure, it triggers the need for a building permit as well as the electrical and plumbing permit.

COMMISSIONER CABRAL: Thank you.

forward basis.

CHAIR GIOVANNI: This is the Chair. So it does appear from the photos that some of those structures have both plumbing and electrical. So just look to get the situation clarified on a going-

Again, Mr. Darrow, thank you for being here today. It's good to see you again. Can you explain a little bit for us, at the county, on a going-forward basis for the proposed structures, I know that we haven't seen the EIS, and you haven't seen the -- but starting with the submittal of construction drawings, the review and approval process, the issuance of permitted drawings and plans, who has the authority or the qualifications to receive them from the county and then proceed to implement?

And then what inspections, whether they be courtesy inspections or formal inspections are done, and then close out of permits. Just describe the process, soup to nuts, please.

MR. DARROW: Just for clarification,



you're asking mainly for the building permit 1 2 process? Okay. 3 CHAIR GIOVANNI: Yeah. Not the temporary 4 structures here. We're talking about a real 5 permanent building. 6 MR. DARROW: We're not talking about, you 7 know, once the state land use boundary amendment is 8 approved, a zoning process. We're talking mainly to a building permit. 10 Both the Planning Department and the 11 Department of Public Works have moved into an online system. And it's called Epic. The contractor would 12 13 submit plans through Epic, which are reviewed 14 through the Department of Public Works, Building 15 Division, as well as electrical plans, plumbing 16 plans, and everything. They have their set schedule for 17 18 inspections starting with, you know -- it -- they 19 may have to come in, which I would gather they would 20 come in first with grading or grubbing permits, so 21 they would come in and work through that process. 22 That would be reviewed and approved and inspected in 23 regards to the grading activity. 24 I would anticipate they would probably

work together concurrently submitting building

HI LUC Meeting FINAL June 22, 2023 NDT Assgn # 66785 plans. During that time, once they begin 1 construction, they would have foreman inspections, 3 and then from there, there are several different inspections as the construction goes vertical as 5 well as electrical and plumbing inspections. 6 Ultimately, it results in a final 7 inspection. I can't answer specifically how much the building department or any of the inspectors 8 really takes a look at who is building and that 10 process. I think they mainly rely on the 11 contractors submitting the plans. Again, I'm just not sure. I've never really looked into that 12 13 particular area of construction. But I think moving forward, it's something 14 15 that obviously all of us have learned something from

and including the petitioner, and I'm sure that moving forward, that will be onboard and on track, but hopefully that answers your question.

16

17

18

19

20

21

22

23

24

25

CHAIR GIOVANNI: Yeah. That answers most of it. Thank you for that, and I know it's a complicated process. The one part you kind of skipped over, intentionally or unintentionally, but if construction plans are developed by, let's say, an architect who submitted -- we're talking vertical construction now. I presume those can be submitted

```
1
   by an architect.
             But once they're reviewed and approved and
 2
 3
   stamped by the county, does it require a licensed
   contractor to receive those drawings -- to receive
 5
   the permit directly?
 6
             MR. DARROW: My understanding for
 7
   commercial structures such as this, it would. There
8
   is different allowances for homeowners, but in this
   particular case, my understanding it would be a
10
   contractor, a licensed contractor.
11
             CHAIR GIOVANNI: A licensed contractor?
             MR. DARROW: Correct.
12
13
             CHAIR GIOVANNI: Right.
14
             MR. DARROW: And the plans are normally
15
   submitted by architects. Yeah.
16
             CHAIR GIOVANNI: All right. So the
17
   license -- so you -- the architect does his job.
18
   You do your job. The licensed contractor shows up,
19
   pays the fee, and signs out, and he can go to work?
20
             MR. DARROW:
                          Right.
21
             CHAIR GIOVANNI: Now it's up to them to
22
   implement the work --
23
             MR. DARROW: Yeah.
24
             CHAIR GIOVANNI: -- with the presumption
   that it will be performed by licensed contractors or
25
```

qualified contractors, all qualified personnel, I'll 1 2 say, subject to inspections and then improvements --3 MR. DARROW: Yeah. And again, I'm unclear as to the allowances in regards to, you know, who 5 works on the project and those kind of things, but 6 obviously, I've learned a lot today from --7 CHAIR GIOVANNI: Yeah. MR. DARROW: 8 Yeah. 9 CHAIR GIOVANNI: And the reason that we're zeroing in on it, you're talking about a, you know, 10 200 -- a quarter-of-a-billion-dollar project of 11 12 which 40 percent is done by temporary volunteers 1.3 that come here two weeks at a time, as an example. 14 MR. DARROW: Yes. You know, just add onto 15 that they have to pass each of these inspections, and I know from -- and I'm sure others know, it's 16 17 not an easy process to pass a building inspection or 18 an electrical or a plumbing inspection. They are 19 very, very thorough. Some of them, I mean, to the point that they measure the distance between nails. 21 I mean, it gets a little crazy, but --22 CHAIR GIOVANNI: Yeah. 23 MR. DARROW: So, I mean, I think when it 24 comes to the inspections, they're looking at the

I don't know, again, how much they look at

25

product.

want the same thing, including the petitioner, the

```
county, and the State Land Use Commission. We want
 1
 2
   good plans. We want them executed appropriately and
 3
   according to the law. That's all we want. Okay.
 4
             Anything further, Commissioners?
 5
             Okay. Thank you, county.
 6
             State?
 7
             MS. KATO: Thank you. Alison Kato for
 8
          Similar to the last November, we're still in
   the EIS phase, but it appears that petitioner is on
10
   schedule with respect to the DEIS. Based on the
11
   presentation, the DEIS appears to include many
   updated pieces, and OPSD looks forward to receiving
12
13
   a copy for their review and comment.
14
             Regarding changes to the master plan, the
   elements that benefit the larger community appear to
15
16
   be either maintained or improved with respect to
17
   access. And we hope that petitioner continues to
18
   take care with respect to community outreach and
19
   addressing concerns and impacts to the community.
20
             We appreciate the concerns raised today,
21
   and we also hope to see a more detailed annual
22
   report regarding petitioner's status. Thank you.
23
             CHAIR GIOVANNI: Thank you.
24
             Commissioners, questions for OPSD?
25
             Commissioner Okuda.
```

| 1  | COMMISSIONER OKUDA: Thank you, Mr. Chair.           |
|----|---|
| 2  | Ms. Kato, again, it's really up to you what follow- |
| 3  | up you'd like to do, but if I can ask, if you find  |
| 4  | it reasonable, if you can consult with your         |
| 5  | counterpart over at the DCCA specifically, either   |
| 6  | the regulated industries complaint office or the    |
| 7  | contractor's licensing board, to see whether or not |
| 8  | this type of use of volunteer labor in the matter   |
| 9  | that has been described at today's proceeding       |
| 10 | creates any issues of concern under Chapter 444.    |
| 11 | So it would be either or both or someone            |
| 12 | at the regulated industries complaint office of the |
| 13 | DCCA or the contractor's licensing board, or both.  |
| 14 | Okay. Thank you.                                    |
| 15 | MS. KATO: Okay. I'll do that. Thank                 |
| 16 | you.  |
| 17 | CHAIR GIOVANNI: Commissioner Cabral.                |
| 18 | COMMISSIONER CABRAL: I might want to                |
| 19 | suggest if we could add to that list the employment |
| 20 | offices, too, because of the requirement with       |
| 21 | workers' compensation and how exactly people might  |
| 22 | that there are going to be regulations on what a    |
| 23 | volunteer can or cannot do, and some of that might  |
| 24 | even depend on how many feet in the air they can    |
| 25 | work, you know, and things like that, how tall a    |

the road. And so in that sense, I appreciate it, and I know my client does as well.

You know, as Mr. Overton explained, I think we're on track. We are on track to get the draft EIS delivered as promised. We think it's a good document, and we look forward to comments and feedback on that.

We've heard the commission's concerns, a number of them, both with respect to annual report and then more information the commission would like to see flowing in, as well as getting clarity on some of these other issues related to volunteer work and stuff. So with that, I just want to thank you all for your time again.

CHAIR GIOVANNI: Thank you, Mr. Simon.

I didn't go into it in detail, but one other area that was just briefly mentioned by Mr.

Overton had to do with the dormitories that will be in the new plan, so we will wait and look forward to that detail when we see the draft EIS. But that whole idea of bringing in a temporary workforce and exchanging them housing and where are you going to put them in these dormitories, and workers, students, volunteers, it's -- you know, we're aware of the housing and visiting personnel crises in that

```
part of our state, so --
 1
 2
             MR. SIMON:
                         Absolutely.
 3
             CHAIR GIOVANNI: -- please put some detail
   in on that.
 4
 5
             MR. SIMON: Yes. Thank you, Chair.
             CHAIR GIOVANNI: Commissioner Cabral?
 6
 7
             COMMISSIONER CABRAL: Yeah. One more
 8
   thing, at some point in time, and I'm remembering
   back to all these different hearings, so I can
10
   clearly be confused, circuit overload, but at one
11
   point there was affordable housing was going to be
   provided as part of this project. Is that no longer
12
13
   in the mix and I missed it, or is that in another
   phase of this mix, or is that -- or did I
14
15
   misremember it?
16
             MR. SIMON:
                         No. Let me -- I mean, there's
17
   -- there's -- even going back to 2019, a lot has
18
   happened, so let me try to help you understand a
19
   little bit. The petition area was approved for the
20
   district boundary amendment in 2003 for a market
21
   rate kind of higher end condominium project, and
22
   there was a cultural center and some campus
23
   expansion as well.
24
             That -- shortly after that, the university
25
   realized that that really wasn't what they did.
```

They weren't commercial real estate developers in the sense that they were developing stuff for market sales, so there was -- there was an attempt in 2006 to come back and update the amended decision and order to basically align with what -- similar to what they're proposing now, which is actually just a campus expansion so they can continue and expand their ability to do what they do.

before you and presented the commission with a new updated master plan that they wanted to do. Similar to what was presented in 2006, they wanted to expand their campus and get rid of that market rate housing. And that's sort of what's -- that, starting in 2019 with that plan, that's kind of carried forward to today.

We discovered that we triggered Chapter 343, have to go through the EIS process and whatnot. As part of that, there's no more market rate housing being developed. And so when -- when -- I think it was in 2019 or 2020, we had discussion with the county office of housing and provide them a copy of our master plan, and they determined that the dormitories don't trigger housing code.

You know, normally, residential



HI LUC Meeting FINAL June 22, 2023 NDT Assgn # 66785 development will trigger the housing code. And the 1 reality, the dormitories are low-income housing. I 2 3 mean, the students at the university -- David could speak to it, but I think that they're -- that 5 they're basically able to go to the university through donations they received from family and 7 friends to allow them to go on that. And I think the average donation that 8 9 enables them to do so is about \$15,000, and that's, 10 you know, more or less what they live on for the The university is active in providing 11 affordable housing outside of this petition area 12 13 project. They renovated over 120 units immediately 14 next door at the Kamaaina Hale Housing Development. 15 I believe it was an HHFDC affordable housing project 16 that basically had fallen in disrepair. I think 17 something like 70 to 80 percent of the units had

Page 88

And so they took that over, and now I think 127 units -- don't quote me exactly. It's over 120 units are now back and occupied by people qualifying for affordable housing.

18

19

20

21

22

23

24

25

become unrentable.

So what happened in 2020 -- or at the November 2022 status report, the -- the issue of affordable housing came up as it should. It's

```
something that we need to discuss and talk through.
 1
   And the number of commissioners, including Chair,
 2
 3
   you know, basically brought up the fact that by
   expanding the campus you're bringing in more staff
 5
   and faculty. And so we need to look at what we can
 6
   do to help or at least ensure that that doesn't
 7
   impact or degrade the existing affordable housing
   stock that's already, you know, under tremendous
 8
   pressure.
             And so since November, it -- making some
10
11
   refinements to the master plan, they added five more
12
   dormitories specifically for long-term staff, so
13
   that, you know, even though we're bringing -- as the
14
   campus expands -- there's -- there's already more
15
   dormitories for students but for the longer-term
16
   staff that are actually going to be on the island
17
   for more than a semester or a couple quarters,
18
   they're going to have housing that will prevent them
19
   from going out into the community and taking
20
   affordable housing opportunities from others.
21
             So that -- that's sort of our -- that's a
```

So that -- that's sort of our -- that's a very long-winded way to try to address your question, but I hope that was helpful.

COMMISSIONER CABRAL: So there's still -25 that's still part of the mix, and we'll learn -- or

22

status report. We're not required to take any action at this time. And if no action is taken, the requirement of the continued annual reports will remain in effect, meaning that we'll see an annual report on August 8th, 2023.

Also, we will expect that our staff will receive the preliminary -- Mr. Overton's binders or thereof at the end of the month to our staff on the EIS. And we're hopeful that within 30 to 60 days, subsequent to that, that the draft EIS will be publicized. Is that -- is that correct, Mr. Overton, in terms of a general schedule?

MR. OVERTON: (Inaudible) requesting supplemental information. It may take some time, but that's our understanding.

CHAIR GIOVANNI: Yeah. So the EIS process has a life of its own, and it's good to see that it's on track for the next critical step, so we'll look forward to that. We can decide after seeing your status report whether or not -- I mean, your annual report -- whether or not we want you to come and talk to us again in terms of a status meeting or the like.

But let me open it to the commissioners.

25 If you feel that you have any concerns at this time

three months or so for the EIS. They're going to

```
need time to check on everything. That shouldn't
 1
   take that long. And then before you know it, it
 3
   will be Christmas, and no one wants to meet
   Thanksgiving or Christmas, so that gives you January
 5
   or so for -- you know, okay? Trying to make it
 6
   reasonable. Sooner, sooner is better when you got
 7
   the answers, but --
 8
             CHAIR GIOVANNI: I'm going to interpret
   the motion to be a request for a follow-up for
10
   another status report before the commission next
11
   February 2024 or sooner, as determined by --
12
   communally in between the petitioner and the LUC
13
   staff.
14
             COMMISSIONER CABRAL:
                                    Correct.
                                              Thank you.
15
             CHAIR GIOVANNI: Do I have a second to
   that motion?
16
17
             COMMISSIONER ATTA:
                                  Second.
18
             CHAIR GIOVANNI: Commissioner Atta seconds
   the motion. Any further discussion?
19
20
             Take a roll call vote on that motion.
21
             MR. ORODENKER:
                             Thank you, Mr. Chair.
22
   motion is to request that staff schedule a follow-up
   status report hearing in February 2024 or sooner.
23
24
             Commissioner Cabral?
25
             COMMISSIONER CABRAL:
```



| 1  | MR. ORODENKER: Commissioner Atta?                    |
|----|--|
| 2  | COMMISSIONER ATTA: Yes.                              |
| 3  | MR. ORODENKER: Commissioner Kamakea-                 |
| 4  | Ohelo?   |
| 5  | COMMISSIONER KAMAKEA-OHELO: Aye.                     |
| 6  | MR. ORODENKER: Commissioner Kahele?                  |
| 7  | COMMISSIONER KAHELE: Aye.                            |
| 8  | MR. ORODENKER: Commissioner Okuda?                   |
| 9  | COMMISSIONER OKUDA: Yes.                             |
| 10 | MR. ORODENKER: Commissioner Lee?                     |
| 11 | COMMISSIONER LEE: Yes.                               |
| 12 | MR. ORODENKER: Commissioners Yamane and              |
| 13 | Ohigashi are excused. Chair Giovanni?                |
| 14 | CHAIR GIOVANNI: Aye.                                 |
| 15 | MR. ORODENKER: Thank you, Mr. Chair. The             |
| 16 | motion passes unanimously.                           |
| 17 | CHAIR GIOVANNI: Thank you.                           |
| 18 | Unfortunately, you can come as a community when this |
| 19 | is the time to see what's going on, right? Okay.     |
| 20 | COMMISSIONER CABRAL: Yeah.                           |
| 21 | CHAIR GIOVANNI: Commissioners, do we have            |
| 22 | any further discussion or business you'd like to     |
| 23 | bring up at this time? No further discussion.        |
| 24 | Thank you, parties, for your time and                |
| 25 | energies today and for the work that you've put in   |

```
1
   up to now.
              And this concludes our meeting. And if
 2
   not, I declare it adjourned. Thank you.
 3
               (Meeting adjourned at 11:14 a.m.)
 4
 5
 6
 7
 8
 9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
```

## CERTIFICATE

I, Jodi Dean, do hereby certify that the

proceeding named herein was professionally transcribed on

the date set forth in the certificate herein; that I

transcribed all testimony adduced and other oral

proceedings had in the foregoing matter; and that the

foregoing transcript pages constitute a full, true, and correct record of such testimony adduced and oral

proceeding had and of the whole thereof.

IN WITNESS HEREOF, I have hereunto set my hand this 10th day of July, 2023.

Jodi Dean