

ALAN M. ARAKAWA  
Mayor



KA'ALA BUENCONSEJO  
Director

BRIANNE L. SAVAGE  
Deputy Director

(808) 270-7230  
Fax (808) 270-7934

DEPARTMENT OF PARKS AND RECREATION

700 Hali'a Nakoa Street Unit 2, Wailuku, Hawaii 96793

October 8, 2018

Honorable Alan M. Arakawa  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Don S. Guzman, Chair  
Parks, Recreation, Energy, and Legal Affairs Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL  
*Alan Arakawa* 10/16/18  
Mayor Date

Dear Chair Guzman:

**SUBJECT: AUTHORIZING SECOND AMENDMENT TO MAUI INVITATIONAL BASKETBALL TOURNAMENT LICENSE AGREEMENT (PRL-42)**

Pursuant to your letter dated September 26, 2018, requesting information regarding the second amendment to the Maui Invitational Basketball Tournament license agreement, we are providing the following information:

1. **When the first amendment to the License Agreement was considered by the Council's Economic Development, Agriculture, and Recreation ("EDR") Committee in 2012, it was estimated that the event had generated \$153 million for the local economy since its debut in 1984. (See EDR Committee Report 12-62.) Could you please provide the estimated revenue impact of the event for the years since?**

We have a request out to gather the information from additional sources, however in the interim, we were able to verify via the official event website that the event generated an "estimated \$13.3 million plus" for the local economy in 2014.

2. **When the first amendment was considered, the EDR Committee expressed concern with costs associated with the event, citing utility costs in particular, and it was determined electrical costs for the 2011 event were approximately \$5,640. The Administration revised the proposed resolution to require the Licensee to pay prorated electricity costs, and that provision remains in the proposed Second Amendment.**

Please advise of the estimated electrical costs associated with the event in 2017. Please also advise of any other costs incurred by your Department or other

Honorable Don S. Guzman  
Chair, PRL Committee  
October 8, 2018  
Page 2

**departments involved with hosting the event. Do you recommend any of those costs be negotiated into the terms of the Second Amendment?**

The amount we will be assessing to KemperLesnik for prorated electrical costs is \$5,407.02. Other costs are related to annual maintenance of the facility that the Department schedules around the event.

Should you have any questions or require additional information on this item, please contact me at (808) 270-7230.

Sincerely,



KA'ALA BUENCONSEJO  
Director of Parks and Recreation

Attachments

c: General File  
Brienne Zanin, Deputy Director  
Kaeo Ah Sau, Chief of Recreation  
Lisa Almeida, Park Permits Officer  
Maui Invitational Basketball Tournament File

KB:la