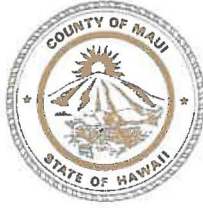


ALAN M. ARAKAWA  
MAYOR



KEITH A. REGAN  
MANAGING DIRECTOR


**DEPARTMENT OF MANAGEMENT**

COUNTY OF MAUI

August 15, 2018

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

APPROVED FOR TRANSMITTAL

  
Mayor 8/15/18  
Date

For Transmittal to:

Honorable Riki Hokama, Chair  
Budget and Finance Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Hokama:

**SUBJECT: KALANA O MAUI CAMPUS EXPANSION, PHASE 1A (BF-51)**

Thank you for your letter of August 3, 2018 regarding the Kalana O Maui Campus Expansion, Phase 1A project, and, more specifically, in regards to contracts C5155 and C5610. In your letter, there were three inquiry items for which we provide the following responses:

- 1. Provide a list of items implemented from the master plan for the Kalana O Maui Campus. Include a brief description of each item, the cost, and the date of implementation. Furthermore, include a list of all future plans to be implemented with an estimated date of implementation.**

We have implemented the following items which were included in the master plan:

- Acquisition of the property located at 2154 Kaohu Street in order to establish a contiguous parcel to accommodate future growth on the campus. The price of the acquisition was \$1,200,000 and was approved by the Maui County Council by Resolution 15-148.
- Upgrade of the Kalana O Maui electrical distribution system. Project is close to complete with a total cost of \$727,346.
- Kalana O Maui precast panel remediation and leak abatement was raised as an issue by the consultant. Since 2015, there have been three projects to address this issue. In November 2015, we issued an emergency contract to address a leak on the 8<sup>th</sup> floor

for \$10,661. In June 2017, we issued a contract to address the 7<sup>th</sup> floor's northeast corner for \$82,403 and, currently, we have a contract to address the various leak repairs at Kalana O Maui for \$382,668.

- Kalana O Maui roofing material replacement project. For this project, we applied a product called Hydrostop over the copper flashing in order to prevent water infiltration. The cost for this project was \$3,320 and was completed in September of 2014.
- Kalana O Maui plumbing fixtures upgrades were identified as an item which should be addressed. As such, we installed automatic flushing systems in the 3<sup>rd</sup> floor men's and women's restrooms at a cost of \$851.55 in February of 2017. Additionally, we replaced all toilets, flush valves, and sink faucets with low flow fixtures in Kalana O Maui at a cost of \$23,404 in December of 2013.
- Kalana Pakui termite inspection and tenting was identified as a need by the consultant. In November 2015, a contract was issued to replace the roofing and repaint the building. As part of that contract, tenting for termites was performed.
- Kalana Pakui mildew abatement was addressed as part of the contract to replace the roofing and repaint the building in November 2015.

The following are items contained in the master plan that may be considered for implementation at a future date:

- Kalana O Maui and Kalana Pakui energy audits.
- Kalana Pakui low flow plumbing fixtures.
- Kalana O Maui and Kalana Pakui seismic and wind study as well as an upgrade of these buildings' lateral systems.
- Plaza deck water infiltration issues should be addressed to prevent further damage.
- Reskinning or replacement of precast panels with new energy efficient glazing system.
- Kalana O Maui remediation and replacement of asbestos composition tiles

2. **As of June 30, 201, \$307,882.13 remains encumbered for Contract C5610. Provide a status of the contract and indicate whether the encumbered funds will be expended and the project scope will be fulfilled. Furthermore, explain what was received from the \$1,192,088.87 already expended from the contract.**

Contract C5610 provided for the design of a facility intended to be located at 70 South High Street in Wailuku. Group 70, the contracted vendor, has completed 80% of the work which includes:

- Draft Environmental Assessment; and
- Schematics design & construction documents for shell and interiors

We have requested that the vendor provide our office with a final invoice for this contract given the fact that the County will be constructing the new Wailuku Civic Complex located at the site of the current Municipal Parking Lot and the new Kahului Service Center. Additionally, it is our understanding that the County may desire to exchange, through a long-term lease, the parcel located at 70 South High Street with a parcel located along Vevau Street in Kahului for the purposes of developing a new Maui Bus Hub.

We anticipate that, once the final invoice is received, that approximately \$240,000 will be left in Contract C5610 which we will then disencumber. The project scope will not be completed because the project has been, for all intents and purposes, stopped and indications are that the property may be leased to the State of Hawai'i. However, it is important to note that, should the County decide it wishes to move forward with the development of a facility at 70 South High Street, the existing plans, although at 80% complete, may be utilized once the final 20% of the design is complete.


Finally, it should be noted that Mayor Arakawa, in his Fiscal Year 2016 budget proposal, included a request to fund the construction of the facility located at 70 South High Street (p.747, CBS-1980, Fiscal Year 2016 Mayor's Proposed Budget). The request was not included in the Maui County Council's approved budget for Fiscal Year 2016 and, based on this position, it was determined that support for the project had ended.

**3. Explain whether the use of the property designated for the Kahului Civic Center Mixed Use project/Central Maui Transit Hub is contingent upon the land exchange for the Old Wailuku Post Office site.**

In discussions with Hawai'i Housing Finance & Development Corporation (HHFDC), it is our understanding that the Central Maui Transit Hub is not contingent upon the issuance of a long-term lease to the State of Hawaii for the property located at 70 South High Street. Furthermore, we have been informed that the Department of Accounting & General Services (DAGS) desires use of the property located at 70 South High Street in order to address the need for additional space for their growing operations. Based on our limited discussions with HHFDC, we believe that DAGS intent would be to utilize the property at 70 South High Street to develop an office building and parking similar to the one designed through Contract C5610.

Thank you again for allowing us the opportunity to respond to this inquiry. Should you have any additional questions, please do not hesitate to contact our office at ext. 7211.

Sincerely,

  
KEITH A. REGAN  
Managing Director