

ALAN M. ARAKAWA
Mayor

GLENN T. CORREA
Director

PATRICK T. MATSUI
Deputy Director

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2011 OCT 14 AM 11:05

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

DEPARTMENT OF PARKS & RECREATION THE MAYOR

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

October 13, 2011

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

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DEPARTMENT OF PARKS & RECREATION

11 OCT 18 AM 9:20

RECEIVED

For Transmittal to:

Honorable Mike White, Chair
Economic Development, Agriculture, and Recreation Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

[Signature]

Mayor
ACTING MAYOR
COUNTY OF MAUI
10/12/11
Date

Dear Chair White:

**SUBJECT: MOKU'ULA SITE RESTORATION PLANS, INFORMATION ON
PARKING REVENUES AND LEASES PENDING COUNCIL
REVIEW**

This letter is in response to your inquiry on September 7, 2011 regarding the subject matter. Attached is a copy of a letter dated October 4, 2011 from Ms. Shirley Ann Kaha'i, Executive Director of the Friends of Moku'ula, responding to your questions about their parking lot concession. Also attached is a list of pending lease and license agreements which are projected to be sent to Council for review and approval in the next two years.

Should you have any further questions or require additional information, please contact me or our Special Events/Grants Coordinator, Roxanne Teshima, at Ext. 7949.

Sincerely,

[Signature]

GLENN T. CORREA
Director of Parks and Recreation

Attachments
GTC:rt

RECEIVED AT EDR MEETING ON 12/01/11
(COMMITTEE CHAIR)



October 4, 2011

FRIENDS OF
MOKU'ULA, INC.

I Ka Wā Mamua, Ka Wā Mahope
The Future Is In The Past

(808) 661-3659
Fax (808) 661-1676
505 Front Street, Suite 221
Lāhainā, Hawai'i 96761
E-mail: friends@mokuula.com
www.mokuula.com

Mr. Glenn Correa
Director
Department of Parks & Recreation
County of Maui
700 Halianakoa Street
Wailuku, Maui, Hawaii 96793

**RE: MOKU'ULA SITE RESTORATION PLANS, INFORMATION ON
PARKING REVENUES AND LEASES PENDING COUNCIL REVIEW**

Dear Glenn:

This responds to Councilmember Mike White, Chair of the Economic Development, Agriculture, and Recreation Committee's letter dated September 7, 2011.

What is the non-profit's long-term plan for site restoration?

The Friends of Moku'ula has looked to the past for guidance in shepherding Moku'ula's restoration. Akoni Akana, the Founder always said Moku'ula's future lies in its past. Akoni continued to share his vision with FOM and entrusted FOM's management to its current Board of Directors. Recognizing the increasing scarcity of resources, FOM's Board of Directors has worked diligently to actualize Akoni's shared vision. Thus, FOM's long-term plan for site restoration includes three (3) initial phases:

Phase I – Construction of Parking Lot, Hale Halawai (Traditional Hale) and Hale Pohaku (Service building with kitchen and restroom facilities).

- FOM has prepared comprehensive drawings/plans for and continues to seek out County of Maui Officials for insight into the approval process. It is fair to say FOM has been sharing its vision this way through numerous and regular meetings over the past five years or so. FOM is committed to restoring Moku'ula, and is hopeful that the initial Hale constructed on Front Street will provide a visual invitation to those similarly minded.
- FOM's Board of Directors approved the drawings/plans on September 21, 2011 and is submitting the drawings/plans to the County later this month, October 2011.

Mr. Glenn Correa
Director
October 4, 2011
Page 2

- FOM is preparing requests for construction permits. As construction costs money, FOM has expanded its grant application and development program, and revisited its goals for increased membership.
- FOM has issued requests for proposals (RFPs) for site work/parking lot and hale construction.
- FOM is selecting bidder(s) and plans to commence Phase I Construction when the funding is obtained and construction permits are issued.
- To fund construction FOM submitted a grant proposal for hale construction on to Office of Hawaiian Affairs on August 31, 2011.
- To fund construction FOM also submitted a grant proposal for hale construction to Atherton Family Foundation on September 30, 2011.
- FOM continues to seek additional funding for the remainder of Phase I Construction, and is following up with State Legislators who have advised FOM to resubmit its 2011 Grant-In-Aid application. FOM also seeks to find private sector donors like the Atherton Family Foundation to match and/or stimulate contingent public funding. Like their Maui counterparts, our current State leaders are acquainting themselves with the historical importance and sacredness of Moku'ula. A delegation from the State Senate has already visited this year, and the House Committee on Finance is scheduled to visit Moku'ula on November 2, 2011. These visits to Moku'ula have been rewarding. A recent August 2011 visit by an OHA delegation including Maui OHA Trustee Boyd Mossman prompted FOM's application for a Kaiaulu grant on August 31, 2011.

Phase II – Archaeology

- FOM in partnership with University of Hawaii – Maui College continues to carry on the Ka 'I'imi 'Ike Archaeology Program to ensure participation by, but not limit participation to Native Hawaiian students. FOM continues to manage the restoration of Moku'ula including data and artifact retrieval.
- The Archaeology Program identifies data needed to address research objectives.
- The Archaeology Program identifies field methods to be used to acquire and analyze the data.

Mr. Glenn Correa
Director
October 4, 2011
Page 3

- The Archaeology Program identifies necessary lab work to be used to analyze the data.
- FOM is assisting UHMC in formalizing an Archaeology Committee and Advisory Board.
- FOM is assisting UHMC in developing a phased Archaeology Plan.
- FOM is assisting UHMC in developing a Data and Artifact Policy.

Phase III – Wetland Restoration and Preservation

- FOM has an established relationship with Army Corps of Engineers and assists ACOE in coordinating and updating the restoration and preservation plan for Mokuhinia pond.
- FOM continues to meet regularly with County Officials to establish a desired long-term development plan for Moku'ula & Mokuhinia. A briefing/presentation was given to County Department heads in early September 2011.
- FOM continues to gather information integral to creating a running cost estimate and time line for implementation of the development plan.
- FOM is identifying specific public and private sources of funding (i.e. ACOE, other Federal sources, State of Hawaii, OHA, County of Maui - a sponsor, private donors, and foundations).
- FOM is incorporating the Archaeology Plan as part of the Restoration of Moku'ula and Mokuhinia pond.
- FOM has completed the Hydrology Report (Approved in July, 2011).
- FOM has completed the Wetland Delineation Report (Approved in August, 2011).
- FOM is proceeding with the feasibility study phase, a six-step planning process that:

- Identifies problems and problem-solving opportunities;
 - Identifies inventory and forecast conditions;
 - Formulates alternative plans;
 - Evaluates effects of alternative plans;
 - Compares alternative plans; and
 - Selects a recommended plan.
-
- FOM will assist with the Complete Design for wetlands.
 - FOM will initiate and coordinate the construction phase for wetlands.
 - FOM will be responsible for operations and maintenance.

What is the mix of funding (Federal, State, County, non-profit and private donations) that is anticipated to carry out this plan?

FOM's Board of Directors and Staff developed an action plan to fund and implement the long-term plans for site restoration at Moku'ula that:

- Identified Phase I fiscal needs and timing;
- Oversees the parking lot facility/operation under Ka Lua o Kiha, Inc.;
- Seeks to increase donor contributions by 10%+ and membership by 50%+;
- Expands FOM's participation in Grant application activities and seeks to increase the number of grants applied for and awarded;
- Seeks grant opportunities for native Hawaiians and/or native peoples; from OHA, ANA, NHEA, Kamehameha Schools, QLCC, and others;
- Facilitates a capital campaign;
- Seeks to increase staff;
- Seeks to create a signature fundraising event;
- Implements that part of FOM's strategic plan to work more closely with OHA given the site visit to Moku'ula by OHA Trustees and aides in August 2011;

Mr. Glenn Correa
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October 4, 2011
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- Authorized an application to OHA for a Kaiaulu grant for hale construction certification program - \$100,000 (submitted August 31, 2011);
- Authorized a grant application to Atherton Family Foundation for hale construction certification program - \$100,000 (submitted on September 30, 2011);
- Authorized a grant application to Hawaii Tourism Authority for the Ka 'Iimi 'Ike Archaeology Program (deadline is November 14, 2011);
- Resulted in FOM's Executive Director developing a connection with 1) Ford Foundation, 2) Irene Inouye of Kresge Foundation, and 3) Bill and Melinda Gates Foundation, pursuant to FOM's Membership with Council for Native Hawaiian Advancement and attendance at CNHA's 2011 Convention;
- Facilitates FOM's Executive Director evaluating/establishing an ongoing working relationship with Ford Foundation, Kresge Foundation and Bill and Melinda Gates Foundation to permit FOM to submit grant applications. These new national relationships can be added to FOM's relationship with ACOE that secured federal funding for the restoration of Mokuhinia pond; and
- Authorizes FOM's Executive Director to resubmit FOM's 2011 Grant-in-Aid applications to State of Hawaii for \$3,145,400 to underwrite costs of designing and constructing basic improvements for visitor comfort and education, i.e., Phase I Construction, and another \$500,000 for 3-year master plan (House Finance Committee is currently scheduled for a site visitation to Moku'ula on November 2, 2011).

How much in gross revenue is generated by the organization's for-profit arm, Ka Lua O Kiha, Inc.? [Please go to the next page for FOM's response.]

FRIENDS OF MOKU'ULA, INC.
 Parking Lot Revenue

	May 2003 to June 2003	July 2003 to June 2004	July 2004 to June 2005	July 2005 to June 2006	July 2006 to June 2007	July 2007 to June 2008	July 2008 to June 2009	July 2009 to June 2010	July 2010 to June 2011	Total
Revenue	18,933	165,604	179,081	200,275	198,000	198,000	173,500	144,000	144,000	1,421,393
Expenses										
Archival Learning Center	877	642			25				677	1,544
Site Maintenance	194	328	7,179	612	282	4,326	811	488	677	14,897
Parking Lot Repairs & Maintenance				62	460	664	480		-	1,670
Parking Lot Electricity									2,096	2,096
General Excise Tax	757	6,624	7,163	8,011	7,920	7,920	6,940	5,760	5,760	56,855
Insurance	250	500	500	500	500	750	750	750	750	5,250
Cultural Program	250	1,112	91	30	25			21,000	32,710	55,218
Supplies								40	81	121
Archeology					123	3,758	5,000	5,906	225	15,012
Educational Walking Tours	2,902	25,611	23,816	16,205	16,621	15,902	9,825	11,055	9,131	131,068
Site Improvements							401	2,346	8,553	11,300
Architectural & Engineering Fees								17,977	25,363	43,340
Personnel Expenses	17,144	85,480	79,620	78,256	114,600	123,267	112,760	84,565	76,517	772,709
	<u>22,374</u>	<u>120,297</u>	<u>118,369</u>	<u>103,676</u>	<u>140,556</u>	<u>157,087</u>	<u>136,967</u>	<u>149,887</u>	<u>161,867</u>	<u>1,111,080</u>

Site Maintenance: Water, Landscaping, Clean Up
 Insurance: Liability Insurance for Site & Parking Lot
 Educational Walking Tours: Kumu, Tour Admissions
 Personnel: 75% of Staff Wages, Benefits, Payroll Taxes
 Parking Lot Repairs & Maintenance: Golf Cart Expenses
 Site Improvements: Sign, Fence, Storage Shed
 Cultural Program: Hokulani Holt, Educational Materials, Ethnic Story Telling

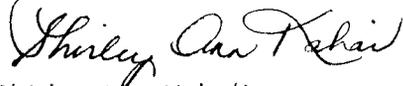
Mr. Glenn Correa
Director
October 4, 2011
Page 7

What is the breakdown of the costs associated with generating this revenue and what are the net revenues?

Ka Lua O Kiha, Inc., signed a contract, dated March 1, 2009, with Diamond Parking Services, LLC, to rent/operate the parking facility at Shaw Street for a set monthly rental of \$12,000. On October 7, 2010, FOM was advised by County of Maui, Department of Public Works that FOM is responsible for paying for electricity for the operation of the parking facility. Currently, FOM pays an average of \$250/month for electricity. Electricity is the only expense that is incurred by Ka Lua O Kiha, Inc., that is not written into the contract with Diamond Parking Services, LLC.

If there are any further questions, please feel free to contact our office.

Sincerely,



Shirley Ann Kaha'i
Executive Director

/sak

Enclosures



Commercial Catastrophe Liability Policy

Schedule of Underlying Insurance

Type of Policy	Name of Carrier & Policy Period	Policy Number	Limit of Insurance
Commercial General Liability	FIRST INS. CO. OF HI. LTD 08/20/11 TO 08/20/12	CPX 7026377	Bodily Injury and Property Damage
			\$ 1,000,000 each occurrence
			Injury and Damage
			\$ 2,000,000 general aggregate (except products - completed operations)
			\$ 0 products - completed operations aggregate
<input type="checkbox"/>			Personal and Advertising Injury
			\$ 1,000,000 one person or organization
<input type="checkbox"/>			
Comprehensive Automobile Liability	FIRST INS. CO. OF HI. LTD 08/20/11 TO 08/20/12	CPX 7026377	Bodily Injury Liability
			\$ 1,000,000 each person
			\$ 1,000,000 each accident
			Property Damage Liability
			\$ 250,000 each accident
			Combined Single Limit
			\$ N/A
Standard Workers Compensation and Employers Liability	FIRST INS. CO. OF HI. LTD 10/27/10 TO 10/27/11	FWC 7129650	Employers Liability
			\$ 500,000 each accident
			\$ 500,000 each employee
			\$ 500,000 policy limit
Other Liability			

Schedule 1

ORIGINAL COPY

Parks & Recreation - Pending Lease & License 2011									
REAL PROPERTY APPLICANT	APPL REC'D	DHHC	GRC APRL	CORP COUN DOC PREP	GRANT & LEASE PREP	BLNR APRL	TRANSMIT TO MAYOR	COUNCIL APRL	TERM
Alu Like	X	X	X	X	X				10 yrs
Arc of Maui County	X	X	X	X	X				10 yrs
B&G Club-Haiku	X	X	X						35 yrs
Dept of Health - Nurse	X	X	X	X	X				10 yrs
Dept of Health - WIC	X	X	X	X	X				10 yrs
Haleakala National Park	X	X	X	X	X				10 yrs
Hana Arts	X	X	X	X	X				10 yrs
Hana Youth Center, Inc.	X	X	X	X	X				10 yrs
Hui No Ke Ola Pono (3 classrooms at HCC)	X	X	X	X	X				10 yrs
Hui O Wa'a Kaulua	X	X	X	X	X	Sent 5/18/11			15 yrs
Kamehameha Pre-School	X	X	X	X	X				10 yrs
Kula Community FCU	X	X	N/A	X	X				10 yrs
Lae'ula O Kai	X	X	X	X	X	Sent 5/18/11			15 yrs
Lahaina Restoration Foundation	X	X	X	X	X	Sent 2/4/09			
Maui Adult Day Care Ctr	X	X	X	X	X				10 yrs

Parks & Recreation - Pending Lease & License 2011

Page 2

REAL PROPERTY APPLICANT	APPLICATION RECEIVED	DHHC	GRC APPROV	CORP COUN DOC PREP	GRANT & LEASE PREP	BLNR APRL	TRANSMIT TO MAYOR	COUNCIL APRL	TERM
MEO - Transportation	X	X	X	X	X				10 yrs
Queen Liliuokalani Children'	X	X	X	X	X				10 yrs
UH MCC	X	X	X	X	X				10 yrs
VFW Hall	X	X	X	X	X	Sent 9/20			15 yrs

UPCOMING RENEWAL OF LICENSE/LEASE AGREEMENTS:

Maui In-Line Hockey Association - Expiring: 6/12
 Maui Invitational c/o Kemper Sports - Expiring: 12/12
 Tom Morrow Equestrian Center - Expiring: 4/13

PARKING CONCESSION APPROVAL:

Friends of Moku'ula (2 Agreements)

Mike White
Council Member

Danny Mateo
Council Chairman

Chairman
Economic Development,
Agriculture, & Recreation
Committee

Member
Planning Committee
Water Resources Committee
Budget & Finance Committee
Policy Committee
Land Use Committee
General Plan Committee



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2011 SEP 12 10:05
COUNTY COUNCIL
COUNTY OF MAUI
DEPT. OF PARKS & RECREATION
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

September 7, 2011

Mr. Glenn Correa, Director
Department of Parks and Recreation
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Correa:

**SUBJECT: MOKU'ULA SITE RESTORATION PLANS, INFORMATION ON
PARKING REVENUES AND LEASES PENDING COUNCIL
REVIEW**

After reviewing the existing County lease held by the "Friends of Moku'ula" and the organization's 2009 annual report, it has come to my attention that the lease is due for Council review this year.

In preparation for the review process, I would like to address the following questions regarding the plans, operations and revenues of the non-profit group, as well as its for-profit arm that operates the parking concession on land leased from the County:

- What is the non-profit's long-term plan for site restoration?
- What is the mix of funding (Federal, State, County, non-profit and private donations) that is anticipated to carry out this plan?
- How much in gross revenue is generated by the organization's for-profit arm, Ka Lua O Kiha, Inc.?
- What is the break-down of the costs associated with generating this revenue?
- What are the net revenues?

I would also like to request a list of any other County leases administered by the Department of Parks and Recreation that are required to come before the Council for review in the next two years.

Mr. Glenn Correa
September 7, 2011
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Thank you for your assistance in this matter. I would greatly appreciate a response from your office by **Wednesday, September 28, 2011**.

Sincerely,

A handwritten signature in black ink, appearing to read "Mike White". The signature is stylized with a large initial "M" and a long horizontal stroke.

MIKE WHITE, Chair
Economic Development, Agriculture, and
Recreation Committee

Enclosure

cc: Honorable Alan M. Arakawa, Mayor, County of Maui
Patrick Matsui, Deputy Director, Department of Parks & Recreation