DEPARTMENT OF TRANSPORTATION'S

REPORT TO THE LEGISLATURE

OF

THE STATE OF HAWAII

ON

THE TEMPORARY HAWAII

INTER-ISLAND FERRY OVERSIGHT TASK Fforce

Pursuant to Act 2 of the Twenty-Fourth Legislature,
2007 Second Special Session

July 10, 2008

Eighth OTF Meeting

The Temporary Hawaii Inter-Island Oversight Task Force (OTF), pursuant to Act 2 of the Twenty-Fourth Legislature, 2007 Second Special Session, held its seventh meeting on July 10, 2008 at the Kahului Harbor, Pier 1 Passenger Terminal, Maui.

Members Present

Michael Formby (DOT designee)
Sandra Kunimoto (Chair DOA)
Russell Tsuji (DLNR designee)
John Garibaldi (President, large capacity ferry vessel company, designee)
Randy Awo (Maui county)
Sara Peck (Hawaii county)
Michael Matsukawa (Hawaii county)
Michael Q. Y. Lau (AG designee)
Dennis Chun (Kauai county)
William Aila, Jr. (Oahu county)
Colette Machado (Maui county)
Lynn McCrory (Kauai county)

Members excused
Kauila Clark (Oahu county)

Other Attendees
Margaret Ahn (Deputy AG)
Napua Brown (Mayor Kim's office)
Neil Reimer (DOA)

The Agenda for the July 10, 2008 meeting was publicly posted with the Office of the Lieutenant Governor and distributed to the Governor's Liaisons for posting in the state and county office buildings on Maui, Hawaii and Kauai. A copy of the Agenda is attached hereto as Attachment "A."

The meeting was facilitated by Michael D. Formby, the DOT designee.

Call to Order

The meeting was called to order at 1:05 p.m. with a roll call vote taken and 12 of 13 members present representing a quorum.

Approval of Minutes

Member Garibaldi moved that the minutes of May 9, 2008 be adopted. Member Machado seconded the motion and it passed unanimously. The approved minutes, with attachments representing the documents presented at the meeting, will be posted at:

http://hawaii.gov/dot/harbors/hawaii-inter-island-large-capacity-ferry-vessel-oversight-task-force.

Department of Agriculture (DOA) update by Domingo Cravalho, Jr.
Copy of DOA handout attached to the June 13, 2008 Minutes.

Hawaii Superferry (HSF) update by Terry O'Halloran.
Copy of HSF handout attached to the July 10, 2008 minutes hereto.

Alakai Voyage Statistics

June 2008 traffic: 26,175 PAX and 6,843 vehicles carried
Average PAX load from Oahu to Maui = 271 pax/voyage
Average PAX load from Maui to Oahu = 275 pax/voyage
Average vehicle load from Oahu to Maui = 70/voyage
Average vehicle load from Maui to Oahu = 72/voyage

Member Peck asked HSF if they are seeing other mammals or sea turtles on their voyages. Mr. O'Halloran responded "no." Whale lookouts are posted on HSF but they are not seeing other types of mammals.

Member McCrory questioned if additional inspectors were added when HSF had additional vehicles. Mr. O'Halloran stated that their current staff is able to handle increased passenger and vehicle loads. Discussion followed on whether HSF staff is capable of handling increased large passenger loads.

Member Tsuji asked how long the current tariff rate is going to run. HSF has the regular tariff rate in place now and they now have promotional fares at $49 per passenger, $55 per vehicle in effect until September 30, 2008. Mr. O'Halloran said that one should expect to see increasing fares due to rising fuel costs. HSF's goal is to be competitive.

Mr. O'Halloran reported that passengers traveling are 85% local residents with a lesser percentage of tourists. Almost all rental cars are able to travel to Maui via Hawaii Superferry. Mr. O'Halloran also reported that hotels are now starting to advertise package deals using the Superferry.

Member Chun questioned whether HSF takes the southern route and if it is the normal route taken outside of whale season. Member Garibaldi stated that the preferred route is south of Molokai going to Maui in the non-whale season and the return would be the

northern route. Mr. O'Halloran stated that the master of the ship makes the decision as to the route on the day of the sail depending on sea conditions and weather. The goal is to give the customers the most comfortable ride as possible.

DOCARE update on inspections/findings

The DOCARE update was deferred to the next meeting scheduled on August 20, 2008. The next DOCARE update will include Randy Awo's presentation on inspections.

Status Regarding the OTF Letter to the Judiciary.

Member Awo stated that there was a meeting scheduled with Judge Rhonda Loo on July 3, 2008 but, due to a trial, the meeting was rescheduled to August. Member Formby asked Member Awo to advise when he was ready to report on the Judiciary issue and it would be put on the agenda. Member Awo agreed.

Member Kunimoto arrived at 1:40 p.m.

Discussion Regarding Proposed Resolution for the Establishment of a Fire Ant Study Group.

Member Kunimoto stated that since the Department of Agriculture (DOA) is part of the Hawaii Invasive Species Council, they would recommend this issue involving fire ants be integrated in with their ongoing efforts.

Neil Reimer from the DOA spoke to the group on fire ants. He reported that fire ants were present in the Hilo area, moving to the Kona area and Kauai. They are working with nurseries to educate and help to work on prevention. The DOA is working on protocols for shipping plants to other islands as they are trying to develop a pro-active program.

Member Machado requested that DOA correspondence and information be sent to the individual who offered the public concern regarding the transmission of fire ants via Superferry at the Maui meeting. Member Kunimoto said that DOA would make that outreach and contact her directly to make sure she receives all information.

Discussion continued on coqui frogs and varroa mites/bees and the ways to prevent their transmission from island to island. Member Peck asked if vehicle radiators can be sprayed to eliminate the varroa mites. Mr. Reimer explained that the risk of the varroa mites being transferred via car radiators is very miniscule.

Member Aila suggested that a flier be given to HSF personnel to educate passengers on fire ants.

Department of Agriculture (DOA) Update. Copy of the DOA handout attached to the July 10, 2008 minutes hereto.

June 2008 Operations

- 48 roundtrips between Oahu and Maui
- Monitored vehicle and passenger departures

Reports include statistics from the Honolulu Harbor Monitoring and Kahului Harbor Monitoring.

Community Input

Member Matsukawa said that he received a concern from farmers in Kona about the need to plan their crops and they requested a formal announcement or lead as to the Kawaihae service so they can be better prepared. HSF indicated they will probably commence service in May 2009.

Mr. O'Halloran commented that HSF is working on a program with the Farm Bureau and offering a 30% discount for groups that carry locally grown products. Farmers will need to file an application with HSF to see if they qualify for the program. The Farm Bureau will review to see if each applicant meets the criteria to qualify for the discount.

OTF Findings and Recommendations per Act 2 Mandate (Act 2, Pages 44 and 45)

Member Garibaldi wanted to clarify HSF's inspection process: The primary responsibility for inspections is by HSF personnel with the assistance of DOA and DOCARE. Member Awo stated that in previous meetings he mentioned there is a partnership with DOCARE and HSF and he also acknowledged that DOA is a partner as well as the Maui Police Department. Member Kunimoto suggested that the term "screeners" be used to identify personnel from HSF and the term "inspectors" be used to identify DOA and DOCARE personnel.

Member McCrory raised a concern about using 9 DOCARE officers for HSF inspections on a holiday. Lengthy discussion followed. Member Awo stated that while the OTF is in existence under Act 2, Maui DOCARE needs to dedicate the resources necessary so they are able to do a proper assessment and provide the OTF with data. He said that in certain situations, such as major holidays including Memorial Day, additional staff is needed due to the increased number of vehicles traveling on the vessel. Member Awo stated that DLNR's kuleana is to provide this service as a government agency to protect the resources held in public trust. Member McCrory's concern is that a private entity is using a lot of government resources. Member Awo stated that it is his personal belief that Maui DOCARE be committed until December 2008. He said that if Maui DOCARE scales back prematurely, a lot of information will be lost. Even though it is difficult for the Maui DOCARE staff, Member Awo's personal hope is for Maui DOCARE to continue to gather information that will be valuable to the OTF members through December 2008.

Member Chun observed the inspection process on Oahu and Maui and noted that it is important to have an inspector on site to deter potential violators. Member Awo again emphasized, for the record, that it is his personal belief that the effectiveness of this partnership (DOCARE, DOA and HSF) remain in place through December 2008. Member Awo stated that standing down DOCARE prematurely before December 2008, when there is a willingness to collect a body of information that will be beneficial to the entire state, would be a mistake.

Member Chun said that if the state put so much effort into getting HSF going, then they should equally put their efforts into addressing other HSF concerns. Conversely if the State is not going to put money into the HSF operation, then they shouldn't have put money in to get it going. Member Chun also questioned how come there wasn't a special session to bail out Aloha Airlines.

Member McCrory said that the RRA will tell us more with respect to what's working and what's not working and if it is still not working, the OTF needs to make a recommendation to see what HSF needs to do to make it work because it is HSF's responsibility. Other members expressed some disagreement as to what responsibility falls on HSF versus HSF and the State. Member Machado stated that she does not think a stand down of DOCARE inspectors should be done now.

In the end, members requested the opportunity to review the RRA before the topic is continued for discussion at the next meeting. Member Formby will request that the RRA, if available, be forwarded to members in advanced of the next meeting.

Member Machado was excused at 3:00 p.m.

John Garibaldi submitted a response to an incident report that Member Awo reported regarding Failure by Inter-Island Ferry to Detect Vessel in Waters Three Miles Seaward of Maunalua Bay, Island of Oahu attached to May 9, 2008 minutes. Response is attached hereto.

AGENDA ITEMS FOR NEXT MEETING

DOA update
HSF update
DOCARE update
Fire ants
RRA Presentation
HSF Screener/Inspection Process

NEXT MEETING/LOCATION/DATE/TIME

1:00 p.m., August 20, 2008, Honolulu International Airport, Inter-Island Terminal, 7th Floor, Conference Room C

ADJOURNMENT

Member McCrory made a motion to adjourn the meeting. Member Peck seconded and the motion passed unanimously. Meeting adjourned at 3:30 p.m.

MINUTES
TEMPORARY HAWAII INTER-ISLAND
FERRY OVERSIGHT TASK FORCE MEETING
HONOLULU INTERNATIONAL AIRPORT
INTER-ISLAND TERMINAL, 7TH FLOOR
CONFERENCE ROOM C

July 10, 2008

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Call to Order

Member Formby, as Oversight Task Force (OTF) facilitator, called the meeting to order at 1:05 p.m. Twelve members were present representing a quorum. Members Machado and Aila arrived at 1:10 p.m.

Adoption of Minutes for June 13, 2008

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Hawaii Superferry (HSF) update by Terry O'Halloran.
Copy of powerpoint attached.

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Hawaii Superferry

Oversight Task Force
June 2008 Status Update

July 10, 2008

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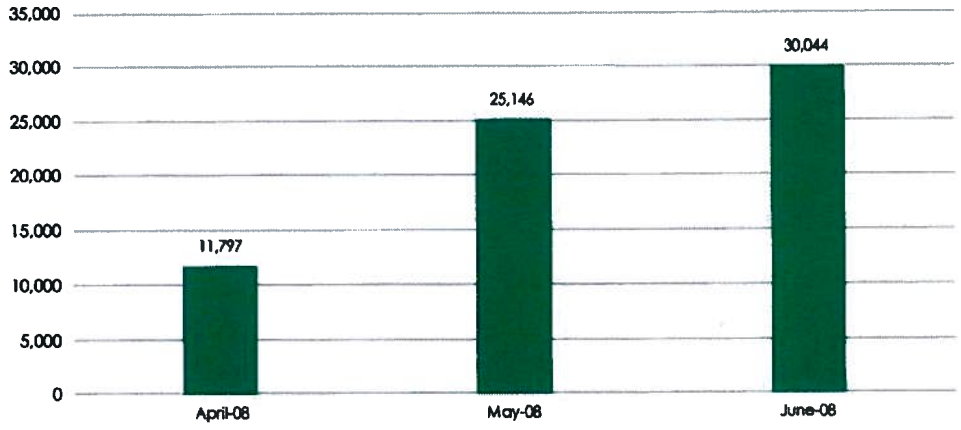
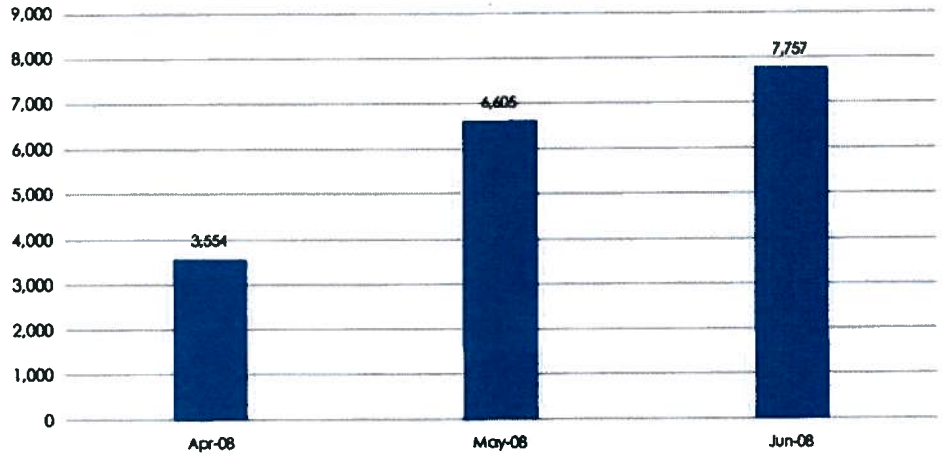
Advance Bookings

Passengers Booked per Month



Vehicles Booked per Month



Hawaii Superferry Operations June 2008 Update

Department of Agriculture
STATE OF HAWAII

Oversight Task Force Meeting
July 10, 2008
Honolulu, Oahu

June 2008 Operations

- 48 roundtrips between Oahu and Maui
- Monitored vehicle and passenger departures

Ensuring the requirements of Act 2 SLH, 2007 Second Special Session and Executive Order 07-10 are met

Honolulu Harbor Monitoring

- 12,655 passengers / 3,375 vehicles
- 254 equipment – camping, hiking, hunting, snorkeling, diving, fishing, boating
- 64 off-road vehicles – (54) 4x4s, (6) dirt bikes, (4) ATVs
- 22 dirty / muddy vehicles – Treated and Released
- 120 propagative plants – (102) Inspect/Release, (18) Refused
- 241 non-propagative – cut flowers, fruits, vegetables
- 16 bees (dead) – Refused
- 5 cats / 71 dogs
- 12 fishing nets – (1) throw, (2) crab, (9) hand
- 4 natural resources – (3) sand, (1) dirt
- 14 aquatic life – (1) opihi, (11) crustacean, (2) fish
- 1 cut log

Kahului Harbor Monitoring

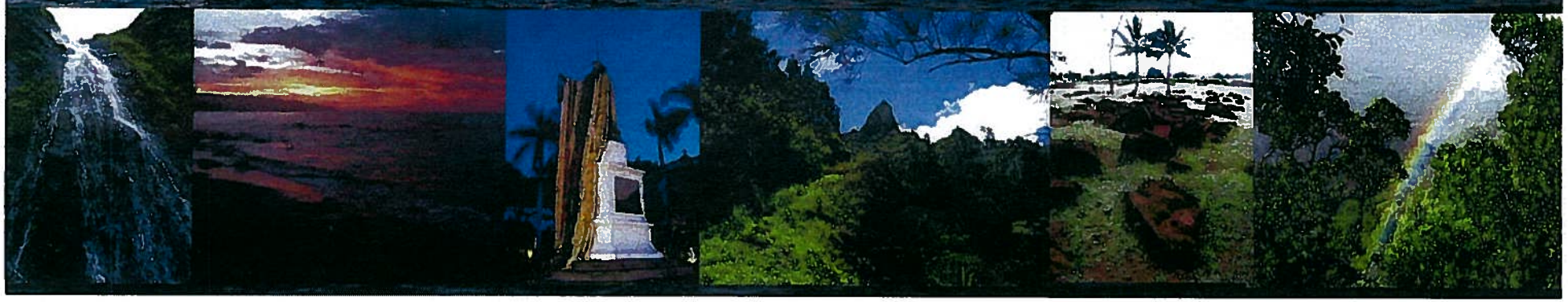
- 12,994 passengers / 3,545 vehicles
- 67 equipment – camping, hiking, snorkeling, diving, fishing, boating
- 17 off-road vehicles – (5) 4X4s, (10) dirt bikes, (2) ATVs
- 33 dirty / muddy vehicles – Treated and Released
- 94 propagative plants – (50) Inspect/Release, (44) Refused
- 3,798 non-propagative – cut flowers, foliage, fruits, vegetables
- 12 bees (dead) – Refused
- 4 other animals – (1) guinea pig, (3) freshwater clams
- 2 cats / 65 dogs / 1 rabbit
- 4 hand nets
- 21 natural resources – (12) rock, (3) sand, (6) coral
- 480 aquatic life – (61) opihi, (33) crustacean, (269) fish, (117) algae
- 10 cut logs

Department of Agriculture
STATE OF HAWAII

PROTECT HAWAII

It takes all of us!

Mahalo



Date: 12 June 2008

To: Inter-island Ferry Oversight Task Force Committee

From: J. Adam Parsons, Master *HSV Alakai*

Subj: **Randy Awo report regarding failure by inter-island ferry to detect vessel in waters three miles seaward of Maunalua Bay, Island of O'ahu.**

In the area east of Maunalua Bay, the *Alakai* frequently encounters significant numbers of fishing and recreational boats. As operators, we always navigate and maneuver the vessel in accordance with the International and Inland Rules of the Road (as appropriate) and the practices of good seamanship. While I do not specifically remember the vessel in question, I do know that there were no close-quarters situations during the passage.

At the time listed in the statement, the *Alakai* had three licensed officers on the Bridge, two of which were licensed radar observers, with two dedicated lookouts (one on each Bridge Wing). On May 5th, both radars were operational as were the lookout's stabilized binoculars. In my experience in operating the *Alakai*, we have never had an undetected vessel passing us close-aboard. .

Respectfully,

J. Adam Parsons, Master, *HSV Alakai*