

**DEPARTMENT OF TRANSPORTATION'S
REPORT TO THE LEGISLATURE
OF
THE STATE OF HAWAII
ON
THE TEMPORARY HAWAII
INTER-ISLAND FERRY OVERSIGHT TASK FORCE**



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

March 28, 2008

Fourth 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 third meeting on Monday, March 10, 2008 at the Honolulu International Airport, Conference Room C.

OTF Members Present

Russell Tszuki (Chair BLNR designee)
Michael Q.Y. Lau, Esq. (AG designee)
Michael D. Formby (DOT designee)
John Garibaldi (President, large capacity ferry vessel company)
Sandra Kunimoto (Chair DOA)
Dennis Chun (Kauai county)
Lynn McCrory (Kauai county)
Colette Y. Machado (Maui county)
Randy Awo (Maui county)
Sara Peck (Hawaii county)

OTF Members Excused

Kauila Clark (Oahu county)
Michael Matsukawa (Hawaii county)
William J. Aila, Jr. (Oahu County)

Mayor Tavares' assistant, Kuhea Paracuelles, attended the meeting as a special guest.

The Agenda for the March 10, 2008 meeting was publicly posted with the Office of the Lieutenant Governor on Monday, March 3, 2008. The Agenda was also 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

At 1:02 p.m., the meeting was called to order. A roll call vote was taken and 10 members were present representing a quorum.

Approval of Minutes

Draft minutes for the February 13, 2008 meeting were distributed, reviewed and approved by motion of Member McCrory, second by Member Chun and unanimous

passing by vote of the OTF members. Members Tsuji and Kunimoto recused themselves from the vote. The approved minutes will be posted at <http://hawaii.gov/dot/harbors/hawaii-inter-island-large-capacity-ferry-vessel-oversight-task-force>.

Department of Agriculture Presentation

Domingo Cravalho, Jr. (Plant Quarantine Branch, Inspection and Compliance Section Chief, Department of Agriculture (DOA)) made a presentation entitled "Hawaii Superferry Operations, February 2008 Update," a copy of which is attached hereto as Attachment "B." Member Cravalho reported on the period February 4 - 11:

Honolulu Harbor Monitoring

- 907 Passengers/321 Vehicles
- 3 departures resulted in 3 vehicles with 6 dead bees removed (no varroa mites)
- 3 departures had 5 lots without DOA certification (seeds, assorted plants)

Kahului Harbor Monitoring

- 834 Passengers/298 Vehicles
- 6 departures resulted in 5 lots without DOA certification (assorted plants, orchid, coconut) and 2 lots with DOA certification
- 3 departures resulted in 2 vehicles limited until soil and sand removed and 1 truck denied passage
- 2 departures resulted in 2 lots with 9 dead bees removed (no varroa mites)
- 1 departure resulted in 1 lot with 3 horses with DOA certification
- 1 departure resulted in Giant African Snail, removed from vehicle undercarriage

Hawaii Superferry Oversight Task Force Status Update

Terry O'Halloran and Captain Adam Parsons gave presentations on behalf of Hawaii Superferry entitled Oversight Task Force Status Update, March 10, 2008, a copy of which is attached hereto as Attachment "C." Reporting on findings between February 1, 2008 and February 29, 2008, Mr. O'Halloran noted:

- 8 round trips between Oahu and Maui during the reporting period
- Alakai did not sail 21 days
- Average passenger load from Oahu to Maui of 115 per voyage
- Average vehicle load from Oahu to Maui of 40 per voyage
- Average passenger load from Maui to Oahu of 87 per voyage
- Average vehicle load from Maui to Oahu of 39 per voyage
- Whale statistics for the voyages produced 31 whale sightings per day on the 8 round trips
- No whale approaches within 100 yards of the vessel

Whale Sightings – Capt. Parsons

- Three vessel officers on deck: Master, Mate and Engineer
- Two dedicated whale lookouts on deck
- Motion stabilized binoculars
- Vessel recording total number of whale sightings
- GPS systems provides latitude/longitude of vessel
- No on-board interface to determine latitude/longitude of whale(s)
- HSF Proposal: As a secondary consideration to the safety and operation of the vessel, HSF is willing to graphically plot observed whales in close proximity to the vessel's track line (approximate estimates)

Following the presentation, Mr. O'Halloran and Capt. Parsons answered questions from the task force. Member Machado raised concerns relating to trips scheduled during the evening hours. HSF's plan for night operations is to go to Maui (from Honolulu) during the daylight hours and return to Honolulu in the evening through a route typically north of Molokai, not in the whale sanctuary during whale season.

Member Awo inquired about the effectiveness of night vision goggles. HSF replied that they tested the goggles and they work well.

Member Machado referenced the letter forwarded by Senator Chun Oakland regarding the speed of the Superferry. Member Machado asked the Captain if operations in excess of 15 knots (as referenced in the letter) is an unreasonable speed for the Superferry. Capt. Parsons replied that given the maneuvering, handling and stopping characteristics of the Alakai, 25 knots is a reasonable number. According to Captain Parsons, HSF will never operate the vessel in an unsafe manner.

Member Chun requested clarification about night vision in regards to the lookouts' handheld binoculars versus the vessel's fixed system. Captain Parsons explained that the fixed system refers to a camera mounted on the bow of the vessel.

Member Peck inquired about the Incidental Take Permit from NOAA. HSF responded that they are going through the process for the Incidental Take Permit (ITP) and have hired a consultant to assist them with the process.

Member Awo inquired about the vessel being in dry dock and asked if HSF discovered anything in the engine intake screens (filter capture). HSF responded in the negative.

Member Formby inquired regarding the whale avoidance log procedure. HSF responded that the only time they physically have to record the evasive action taken is if a whale is within 100 meters of the vessel and they do include a narrative description. Other than that, they record only a scatter log of approximate whale locations.

Member Peck called for a motion for HSF to create a diagram (scatter log) plotting the whale information gathered on the vessel (as briefed by Capt. Parsons) and report such

data to the OTF. Member Awo seconded the motion. Member Peck amended the motion for HSF to prepare a scatter log for whale observation data subject to the vessel's operational needs and requirements beginning December 1st and ending on May 31st of each year. Member Awo seconded the motion and it passed unanimously.

Rapid Risk Assessment Update by Lesley Matsumoto, V.P. of Belt Collins

Because the Superferry is in dry dock, Belt Collins anticipates observations will be completed by mid-May. Sixty-eighty percent of the observations are complete. The final report is anticipated to be complete sometime in June.

As of this date, nothing has been identified as a substantial risk to the resources. Vehicle count has been small, therefore traffic has been non-existent. The cultural resource specialist has not identified any major concerns. Observations of vehicular inspections and marine mammal procedures show that HSF is doing what they are required to do under Act 2 and the Executive Order. In regards to the marine mammal requirements, observers are impressed with the level of vigilance and responsiveness on the part of the observers, Captain and crew. In regards to the vehicle inspections and the marine mammal procedures, the observers did wonder if the vigilance demonstrated to date will continue past the rapid risk assessment observation period.

In the rapid risk assessment, the cultural practitioner observes and looks for things that might be culturally inappropriate. They observe the onboard cultural presentations and look for an appropriate depiction of Hawaii, its culture and cultural resources. The observers are also looking to see that HSF is doing what is required in the Executive Order. They are also checking to see if improvements to the presentation can be made. Rapid risk observers have suggested more emphasis on cleaning vehicle wheel wells and also cleaning the area under the hood towards the vehicle dash. The observers have also recommended the development of a survey which would ask passengers on the ferry as to where they are going and what kind of plans they have on arrival. This data would aid HSF in preparing their educational and enforcement programs.

Draft EIS

1. Target date is October 2008
2. Announcement in OEQC Bulletin
3. 45-day comment period following the draft.

Informational Meetings

1. Twelve public meetings in March 2008
2. Consultation with agencies
3. Special Studies (traffic, marine mammals, etc.)

Public meetings are not required under Act 2 but the consultations are required. The public meetings are for public input/comment for the draft Act 2 EIS.

Copies of the Public Informational Meeting schedule relating to Act 2 were distributed to members, a copy of which is attached hereto as Attachment "D." The meeting schedule was published in advance on every island.

Legislative Updates

DLNR and DOA briefed the OTF on current legislation related to large capacity ferry vessel operations.

DOT Economic Update

DOT advised the OTF that through February 29, 2008, HSF paid and DOT received total income of \$483,760.80, as further clarified in Attachment "E" hereto. In response to a question from Member Peck, Member Formby clarified that pursuant to Act 2, DOT pays the costs associated with the OTF, including travel and facility costs.

March 2008 OTF Findings and/or Recommendations

Findings:

- Based on a report by Member Garibaldi, the OTF found that, consistent with its February 2008 recommendation, amnesty boxes for the discarding of contraband and/or banned items were installed at the harbor terminals.

Recommendations:

- Member Peck made a motion for HSF to create a diagram (scatter log) plotting whale information gathered on the vessel (as briefed by Capt. Parsons) and report such data to the OTF. Member Awo seconded the motion. Member Peck amended the motion for HSF to prepare a scatter log for whale observation data subject to the vessel's operational needs and requirements beginning December 1st and ending on May 31st of each year. Member Awo seconded the motion and it passed unanimously.
- Member Kunimoto and Member Awo made a motion for the OTF to support DLNR's supplemental budget request for 15 DOCARE enforcement positions. The motion was seconded by Member Mcrory and passed unanimously.
- Member Peck made a motion that Member Awo and Member Chun be designated OTF representatives for the purpose of meeting with President Hanabusa, Speaker Say and other legislators regarding OTF support for the DOCARE positions proposed in DLNR's supplemental budget. The motion was seconded by Member Machado and passed unanimously.

Conclusion

OTF members made one finding and three recommendations. The next meeting is April 4, 2008, 1-4 p.m., Honolulu Int'l Airport, 7th floor, Interisland Terminal, Conf Rm C.

AGENDA

Act 2 Temporary Hawaii Inter-Island Ferry Oversight Task Force (OTF) Meeting

Monday, March 10, 2008

1:00 p.m. – 4:00 p.m.

**Honolulu International Airport, Inter-Island Terminal
Conference Room C, 7th Floor**

- I. ROLL CALL and CALL TO ORDER
- II. APPROVAL OF MINUTES – Meeting of February 13, 2008
- III. INFORMATIONAL BRIEFINGS
 - A. DOA UPDATE
 - B. HSF UPDATE and report on GPS whale spotting data
 - C. DOCARE UPDATE
 - D. PROSECUTOR'S OFFICE regarding law enforcement possibilities
 - E. RRA and EIS update
 - F. DLNR and DOA legislative update
 - G. DOT Economic Benefit/Cost Analysis information
- IV. COMMUNITY IMPACT DISCUSSION
- V. PUBLIC/COMMUNITY INPUT
- VI. OTF RECOMMENDATIONS/FINDINGS
- VII. NEXT MEETING – LOCATION/DATE/TIME/AGENDA TOPICS
- VIII. ADJOURNMENT

Individuals with disabilities who need accommodation should call DOT Harbors Division at (808) 587-3651 at least 3 business days prior to the meeting for assistance.

Hawaii Superferry Operations February 2008 Update



Oversight Task Force Meeting
March 10, 2008
Honolulu, Oahu

Domingo Cravalho, Jr.

Conditions and protocols include:

- Ocean Life and Marine Animals and Plants
- Water Resources and Quality
- Vehicular Traffic
- Public Safety and Security
- Invasive Species
- Cultural and Natural Resources
- Other (Miscellaneous Requirements)

February 2008 Operations

- Monitoring period: February 4 thru 11
- Total of 8 days in operation
- Vessel dry docked for maintenance and repair

Honolulu Harbor Monitoring

- 907 Passengers / 321 Vehicles
- 3 departures: 3 lots with 6 dead bees removed (no varroa mites)
- 3 departures: 5 lots without HDOA certification (seeds, asst. plants, impatiens plant)

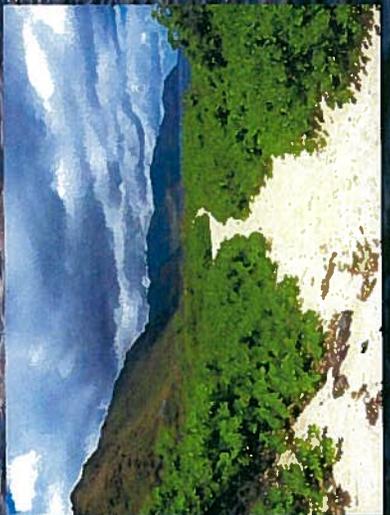
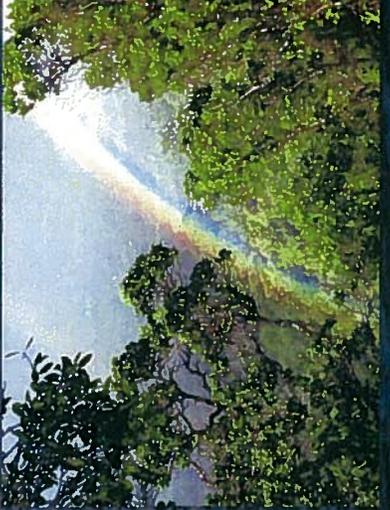


Kahului Harbor Monitoring

- 834 Passengers / 298 Vehicles
- 6 departures: 5 lots without HDOA certification (asst. plants, orchid, coconut), and 2 lots with certification
- 3 departures: 2 vehicles limited soil and sand removed, and 1 truck refused (Kipahulu)
- 2 departures: 2 lots with 9 dead bees removed (no varroa mites)
- 1 departure: 1 lot with 3 horses with HDOA certification
- 1 departure: Giant African Snail removed from under carriage of a vehicle (Makawao)



PROTECT HAWAII





Oversight Task Force Status Update

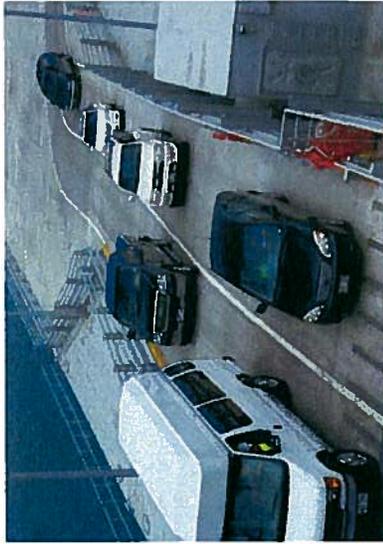
March 10, 2008



Alakai Voyage Statistics

Statistics of HSF voyages from February 1 – 29, 2008:

- 8 round trips between Oahu and Maui
- Alakai did not sail for 21 days (Feb 1-3 & Feb 12 - 29)
- Average PAX load from Oahu to Maui = 115 PAX / voyage
- Average PAX load from Maui to Oahu = 87 PAX / voyage
- Average vehicle load from Oahu to Maui = 40 / voyage
- Average vehicle load from Maui to Oahu = 39 / voyage

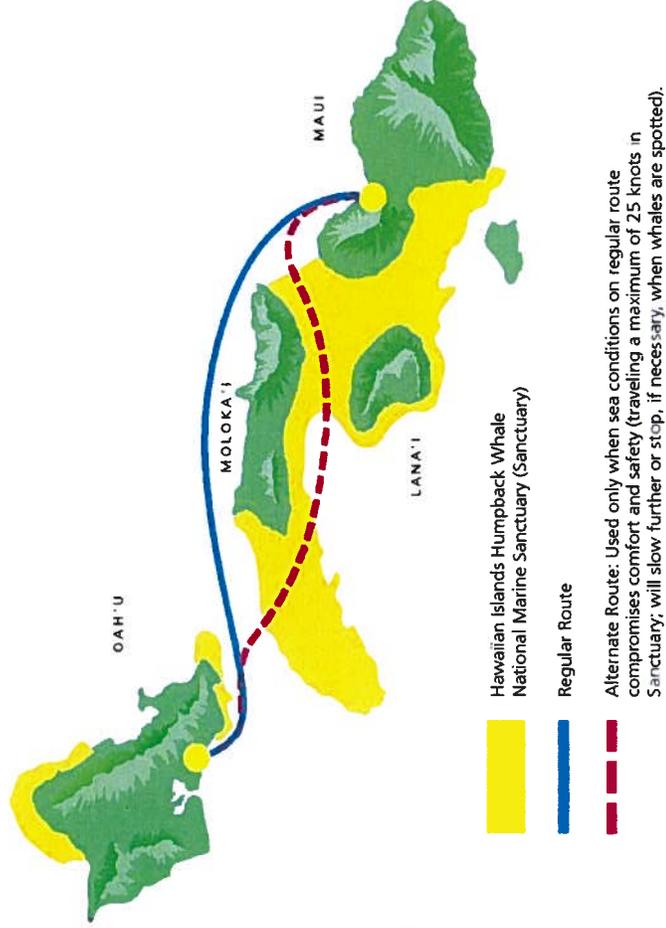




Alakai Voyage Statistics

Whale statistics for HSF voyages:

- All voyages used route North of Molokai
- Average of 31 whale sightings per day on 8 round trips
- There were no whale approaches (less than 100 yds.)





Compliance Data – Honolulu Terminal

Examples of rule infractions at Honolulu Terminal:

- Muddy vehicles
- Dead bees in radiators
- Fishing net
- Frozen Shrimp
- Seeds under hood
- Tree branches





Compliance Data – Kahului Terminal

Examples of rule infractions at Kahului Terminal:

- Muddy vehicles
- Plant without HDOA certificate of inspection
- Seeds under hood
- Dead bees from radiator grill
- Cut wood



Whale Sighting & Location

Whales Sighting

- Three vessel officers (Master/Mate/Engineer)
- In addition, two dedicated whale lookouts
- Motion stabilized binoculars
- Recording total number of whale sightings

Global Positioning System (GPS)

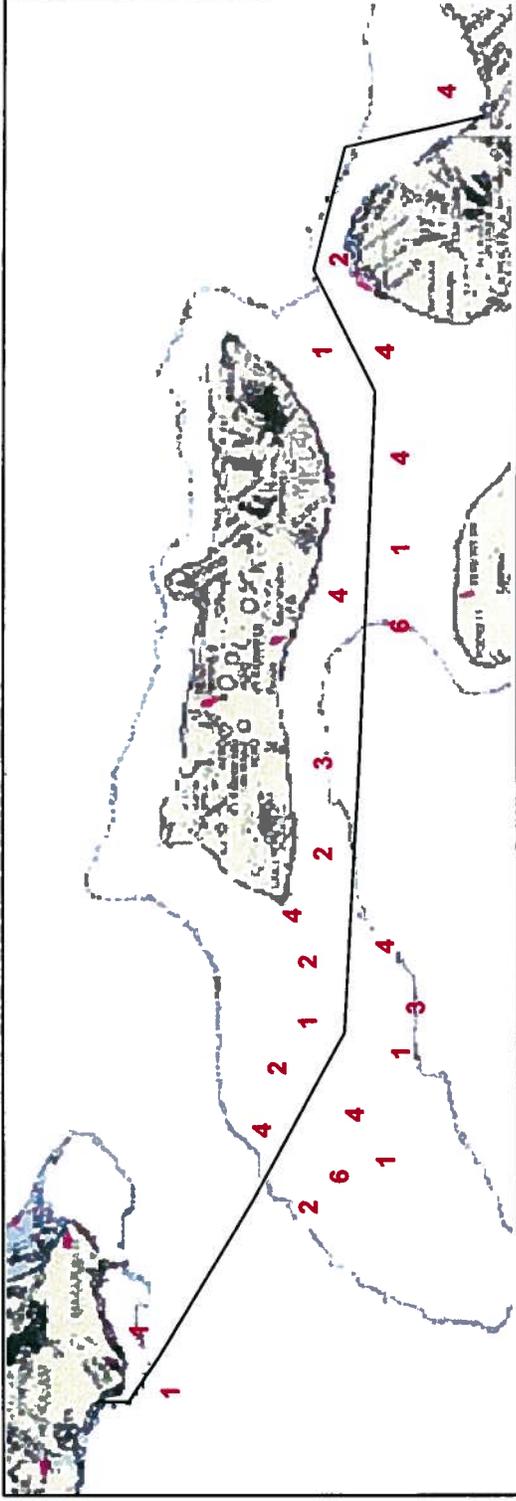
- Onboard GPS provides latitude/longitude of ship's location
- No onboard interface to determine latitude/longitude of whale locations



Whale Location Reporting

Proposed Solution to Whale Location Reporting

- Rough-position graphical plotting is possible
- Reporting is secondary consideration to vessel operational requirements
- Reporting represents only whales in close proximity to vessel's track line
- Reported positions of whales are only approximate estimates



Public Informational Meetings
Act 2 Environmental Impact Statement (EIS)

Harbor Improvements for Large-Capacity Ferry Vessel Company

The State of Hawai'i Department of Transportation (DOT) will hold public informational meetings on the EIS required by S.B.1 S.D.1 Act 2, Relating to Transportation, which was promulgated on November 2, 2007. The EIS will address secondary impacts associated with the Hawaii Superferry.

- March 11, 2008: Kaunakakai Elementary School (6 to 9 p.m.)
Tue 30 Ailoa Street • Kaunakakai, Moloka'i, Hawai'i 96748
- March 14, 2008: Wallace Rider Farrington High School Auditorium
Fri 1564 North King Street • Honolulu, Hawai'i 96817
(2 to 5 p.m. and 6 to 9 p.m.)
- March 17, 2008: Henry Perrine Baldwin High School Auditorium
Mon 1650 Ka'ahumanu Avenue • Wailuku, Maui 96793
(2 to 5 p.m. and 6 to 9 p.m.)
- March 19, 2008: Kaua'i Community College Performing Arts Center
Wed 3-1901 Kaumuali'i Highway • Lihue, Kaua'i 96766
(2 to 5 p.m. and 6 to 9 p.m.)
- March 24, 2008: Hilo High School Auditorium
Mon 556 Waianuenue Avenue • Hilo, Hawai'i 96720
(2 to 5 p.m. and 6 to 9 p.m.)
- March 27, 2008: Kealakehe High School *cafeteria*
Th 74-5000 Puohuluhuli Street • Kailua-Kona, Hawai'i 96740
(2 to 5 p.m. and 6 to 9 p.m.)
- March 31, 2008: Lana'i High School (6 to 9 p.m.)
Mon 555 Fraser Ave • Lana'i City, Hawai'i 96763

Information about the Act 2 EIS process, such as schedule and resources and issues to be evaluated, will be shared. Opportunities for providing input pertaining to additional resources and issues that should be addressed will be provided.

Requests for further information about these meetings should be directed to:

Ms. Lesley A. Matsumoto
Belt Collins Hawaii Ltd.
Telephone: (808) 521-5361

DOT-HSF Payments as of February 29, 2008

Percentage of Gross Receipts (MAG):	\$325,835.23	(Note 1)
Dockage:	\$ 9,343.75	
Miscellaneous fees and charges:	\$ 2,987.50	(Note 2)
Rents:	\$145,594.32	(Note 3)
Total:	\$483,760.80	

1. The Operating Agreement requires HSF pay, on a monthly basis, the greater of the total of passenger fees, vehicle fees and 1% of adjusted gross receipts or a minimum monthly guarantee of \$191,667.00. From the commencement of service through February 29, 2008, HSF has paid the State a total of \$325,835.23 in accordance with the Operating Agreement.
2. Includes parking fees and ground transportation permit fees.
3. Revocable permits have been issued to HSF for exclusive use space for office, storage, warehouse and open paved space.