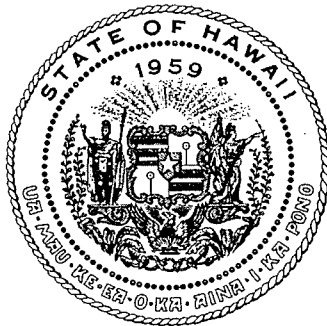


**DEPARTMENT OF TRANSPORTATION'S
REPORT TO THE LEGISLATURE
OF
THE STATE OF HAWAII
ON
THE TEMPORARY HAWAII
INTER-ISLAND FERRY OVERSIGHT TASK FORCE**



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

January 31, 2008

Second 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 second meeting on January 10, 2008 at the Department of Transportation, Airports Division Conference Center, Honolulu International Airport.

OTF Members Present:

Domingo Cravalho, Jr. (Chair BOA designee)
Laura Thielen (Chair BLNR)
Michael Q.Y. Lau, Esq. (AG designee)
Michael D. Formby (DOT designee and facilitator)
John Garibaldi (President, large capacity ferry vessel company)
William J. Aila, Jr. (Oahu county)
Kauila Clark (Oahu county)
Dennis Chun (Kauai county)
Jeff Mira (Kauai county)
Sara Peck (Hawaii county)
Michael Matsukawa (Hawaii county)
Colette Y. Machado (Maui county)
Randy Awo (Maui county)

Mayor Kim's executive assistant, K. Napua Brown, attended the meeting as a special guest.

The Agenda for the January 10, 2008 meeting was publicly posted with the Office of the Lieutenant Governor on Thursday, January 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.

At 1:00 p.m., the meeting was called to order. A roll call vote was taken and all 13 members were present, representing a quorum. After minor administrative changes, the draft minutes for the December 14, 2007 meeting were adopted by unanimous vote.

The first agenda item was the OTF organizational structure. The issue was whether Member Formby should continue to facilitate the meetings or whether an elected OTF Chair was the preference of the OTF. Member Machado expressed a concern that Member Formby might have a conflict of interest inasmuch as he is a DOT employee. Member Peck expressed her preference that the OTF be led by a facilitator without an elected Chair. Member Formby expressed his opinion that as "facilitator," he was but one of 13 equal votes on the task force and that his role was to facilitate the wishes of the majority and not to sway the agenda or otherwise control the OTF. Member Clark asked

Member Formby if he was willing to put his perception of his role in writing and Member Formby agreed, a copy of which is attached hereto as Attachment "B." Upon motion and second, the OTF unanimously confirmed Member Formby's role as the facilitator of the OTF.

The first substantive agenda item was a presentation by Captain Barry Compagnoni, Captain of the Port, Sector Honolulu. Captain Compagnoni distributed a pamphlet entitled Security Zones Oahu, Hawaii, Measures to Increase the Public Safety and to Reduce the Threat of Sabotage or Terrorist Acts Against Personnel and Property, a copy of which is attached hereto as Attachment "C." Captain Compagnoni was assisted by Lt. Commander Andy Norris, Judge Advocate. Captain Compagnoni and Lt. Commander Norris explained the procedure for activating and deactivating the security zone(s), the purpose of the security zones, the statutory authority to activate the security zones and they entertained questions from the members. They also referenced the public comments to the Coast Guard established security zones at <http://dms.dot.gov/>. (keyword search)

The second substantive agenda item was a presentation by Belt Collins Hawaii, Ltd. on the status of their Rapid Risk Assessment. The Rapid Risk Assessment is intended to provide an early and independent assessment of environmental risks associated with the operation of a large capacity ferry vessel before the data from the Act 2 EIS is available. Lesley A. Matsumoto, Vice President/Director of Environmental Consulting, distributed a Belt Collins Worldwide brochure, Attachment "D" hereto, and a Summary of Qualifications of the Rapid Risk Assessment Team, Attachment "E" hereto. Ms. Matsumoto described the role of the rapid risk assessment team, the consultants selected by Belt Collins and she entertained questions from the members. The Rapid Risk Assessment commenced work on January 3, 2008 and the first full observation occurred on January 9, 2008. Twenty-five observations will be conducted in all operational ports during the seven week assessment and monitoring period, after which a report will be produced for distribution to the Governor and Legislature. A copy will also be provided to the OTF.

The third substantive agenda item was a presentation by the Department of Agriculture (DOA), Domingo Cravalho, Jr. (Plant Quarantine Branch, Inspection and Compliance Section Chief) entitled "An Overview of the Screening Processes Initiated by the Hawaii Superferry, A Large Capacity Ferry Vessel, a copy of which is attached hereto as Attachment "F." Reporting on DOA findings during the month of December 2007, Member Cravalho noted:

Oahu

- A total of 15 departures with 2,813 passengers and 901 vehicles
- 14 departures resulted in the finding of 39 dead honey bees and/or parts with no varroa mites found
- 6 departures had various seeds removed that did not have a valid DOA certificate
- 1 departure had a shipment of 50 orchid plants removed that did not have a valid DOA certificate

- 1 departure had leaf litter removed
- 1 departure had fishing nets removed

Maui

- 15 departures with 2,440 passengers and 736 vehicles
- 9 departures resulted in the finding of 67 dead honey bees and/or parts with no varroa mites found
- 7 departures had various seeds removed that did not have a valid DOA certificate
- 2 departures had a lavender and two coconut plants removed that did not have a valid DOA certificate
- 5 departures with 9 vehicles denied transit due to mud
- 2 departures with 2 vehicles denied transit due to soil, sand and/or gravel

Member Cravalho also distributed a handout summarizing the DOA training classes provided to employees of Hawaii Superferry by date, number in attendance and length of training, along with copies of the powerpoint slides used during training, a copy of which is attached hereto as Attachment "G."

The fourth substantive agenda item was a presentation by Hawaii Superferry, Terry O'Halloran, entitled Oversight Task Force Status Update, a copy of which is attached hereto as Attachment "H." Reporting on findings between December 13, 2007 and January 6, 2008, Mr. O'Halloran noted:

- 21 round trips between Oahu and Maui during the reporting period
- Average passenger load from Oahu to Maui of 167 per voyage
- Average passenger load from Maui to Oahu of 157 per voyage
- Average vehicle load from Oahu to Maui of 53 per voyage
- Average vehicle load from Maui to Oahu of 47 per voyage
- Between 1/1/08 and 1/6/08, 4 out of 12 voyages were routes south of Molokai with whale sightings between 3 and 28 on the 6 round trips (12 voyages)
- At Honolulu, between 12/13/07 and 12/31/07, 4 infringement of rules discovered
- At Honolulu, between 1/1/08 and 1/6/08, one infringement discovered
- At Kahului, between 12/13/07 and 12/31/07, 22 infringement of rules discovered
- At Kahului, between 1/1/08 and 1/06/08, 12 infringements discovered

Oahu

- 2 plants without DOA certificates
- 2 fishing nets found in vehicles
- 2 bookings declared plants; 32 bookings declared fruit, 2 bookings declared seeds

Maui

- 13 instances of excessively muddy vehicles
- 4 plants without DOA certificates

- 1 fishing net in a vehicle
- 2 instances of rocks, soil, sand, dirt and/or coral
- 11 bookings of declared plants, 53 bookings of declared fruits
- 1 instance of 3 dead bees in a vehicle grill
- 2 instances of opihi, lobster or other crustaceans
- 3 instances of discovered cut logs, trees or tree limbs

Findings and Recommendations

Act 2, Section 4(a), established conditions precedent to operation (included in the December 2007 OTF report). Executive Order 07-10, signed on November 4, 2007, established over 40 conditions and protocols on large capacity ferry vessel company operations while environmental studies are conducted and prepared (attached to the December 2007 OTF report).

The following Finding was made via motion, which was seconded and followed by a unanimous vote of the OTF:

- Based on the data reported to the OTF, the OTF hereby finds that the DOA and Hawaii Superferry inspection process, to date, is effectively screening and removing banned items, as summarized above and reported in more detail in the attachment “G” and “H.”

The following Recommendations were made via motion, which was seconded and followed by a unanimous vote of the OTF:

- The OTF hereby recommends that the legislature increase funding to DOCARE and DOA for added positions necessary to enforce DLNR, DOA, DOH and any other regulations applicable to a large capacity ferry vessel in the State of Hawaii.
- The OTF hereby recommends that the Legislature and/or the Governor authorize Hawaii state law enforcement officers to conduct such random inspections as are necessary to enforce regulations applicable to a large capacity ferry vessel in the State of Hawaii.

Conclusion

OTF members received data regarding inspection results during December 2007 and January 2008 which enabled them to make one finding and two recommendations. The next meeting is scheduled for February 13, 2008 on Maui.