

Shall the Authority Authorize the Executive Director to Execute a Contract for an Amount Not to Exceed \$300,000.00 from the Hawaii Community Development Revolving Fund, Leasing & Management Account, for Environmental and Hazardous Material Testing and the Preparation of Construction Plans and Specifications for the Re-grading of Stockpiled Material at the Kalaeloa Heritage and Legacy Foundation Site?

Staff Report

June 9, 2015

Background: The Kalaeloa Heritage and Legacy Foundation (“KHLF”), through a right-of-entry, occupies approximately 77 acres of land in the Kalaeloa Community Development District (“Kalaeloa CDD”) (see attached Exhibit A). In August 2012, the KHLF received a donation of excess grading material from a construction site that was brought to the KHLF location in the Kalaeloa CDD. The KHLF had intended to use the excess grading material to re-grade portion of the area being used by the KHLF for construction of its visitor center. However, the excess material was brought in and stockpiled without obtaining a stockpile permit from the City & County of Honolulu (“C&C”). In September 2013, the C&C issued a notice of violation (“NOV”) to the Hawaii Community Development Authority (“HCDA”). The NOV was issued to the HCDA, as landowner, for stockpiling approximately 2,259 cubic yards of material (dirt) without a stockpiling permit. The KHLF then began the process to secure a stockpiling permit. On December 19, 2013, the C&C issued a Notice of Order (“NOO”) for failure to timely correct the violation as required by the NOV. The NOO informed the HCDA that an initial fine of \$750.00 was charged and an additional fine of \$750.00 per day would be assessed until the necessary corrective action was taken. HCDA staff worked with the C&C and a consultant engaged by KHLF in preparing and obtaining a stockpiling permit, and on May 7, 2015, a stockpiling permit was issued by the C&C. Subsequently, on May 20, 2015, the NOV was closed.

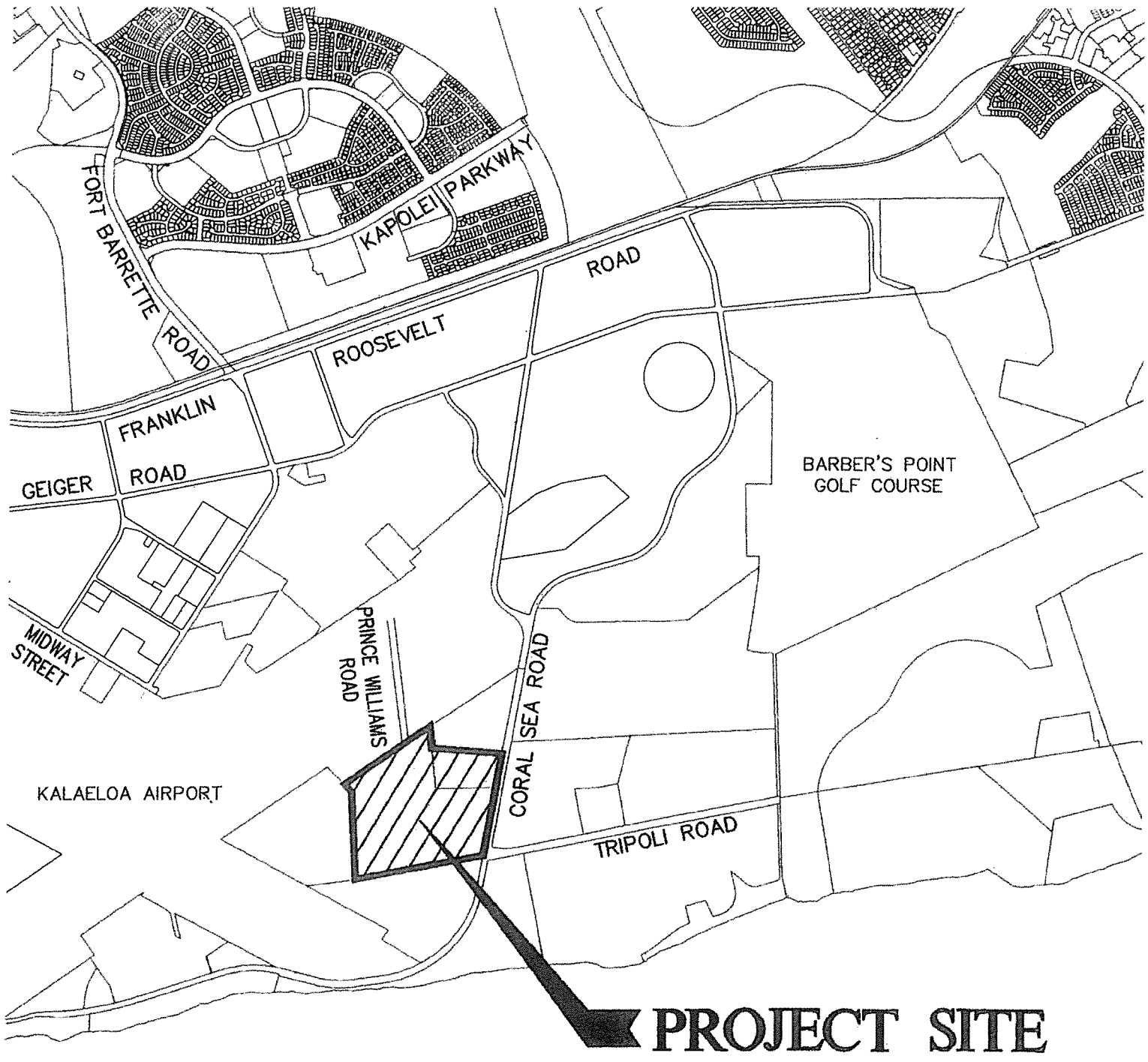
Discussion: A summary of the events is provided as Exhibit B for the Authority’s information. The stockpiling permit is valid for one year from the date of issuance and may be extended by the C&C for good cause. However, as the landowner, the HCDA needs to find a permanent resolution for the stockpiled material instead of continuing to request an extension from the C&C. There are two possible permanent resolutions for the stockpiled material: (1) removal from the Kalaeloa CDD, and (2) use of the material for re-grading as initially intended by KHLF. Removal of the material will require a suitable site that is willing to accept the material. In addition, it will also require testing of the material for any environmental contamination or hazardous material. Unfortunately, KHLF had not taken necessary precaution to ascertain that the material was not contaminated before it was

stockpiled. To date, staff has not found a site that will accept the material. Therefore, removal may not be an option. In that case, re-grading will be the only option available. Staff believes that at this point using the material to re-grade the site provides a permanent resolution and mitigation of the stockpile issue. Therefore, staff is proposing to use the material to re-grade the site. An environmental and hazardous material testing of the stockpile will be necessary. In addition, construction plans and specifications will have to be prepared for the re-grading. Staff intends to engage a civil engineering consultant to prepare construction plans and specification for re-grading. Staff estimates that the total cost of environmental and hazardous material testing, preparation of construction plans and specifications and bid documents would be up to \$300,000.00.

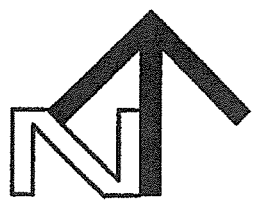
This mitigation action has the benefit of allowing the conceptual master plan (Exhibit C) that has been developed for the Heritage Park for this particular area to be realized.

Recommendation: Staff recommends that the Authority authorize the Executive Director to execute a contract for an amount not to exceed \$300,000.00 from the Hawaii Community Development Revolving Fund, Leasing & Management account, for environmental and hazardous material testing and the preparation of construction plans and specifications for the re-grading of stockpiled material at the Kalaeloa Heritage and Legacy Foundation site.

Attachments: Exhibit A – Location Map
 Exhibit B – Timeline
 Exhibit C – Conceptual Master Plan



PROJECT SITE

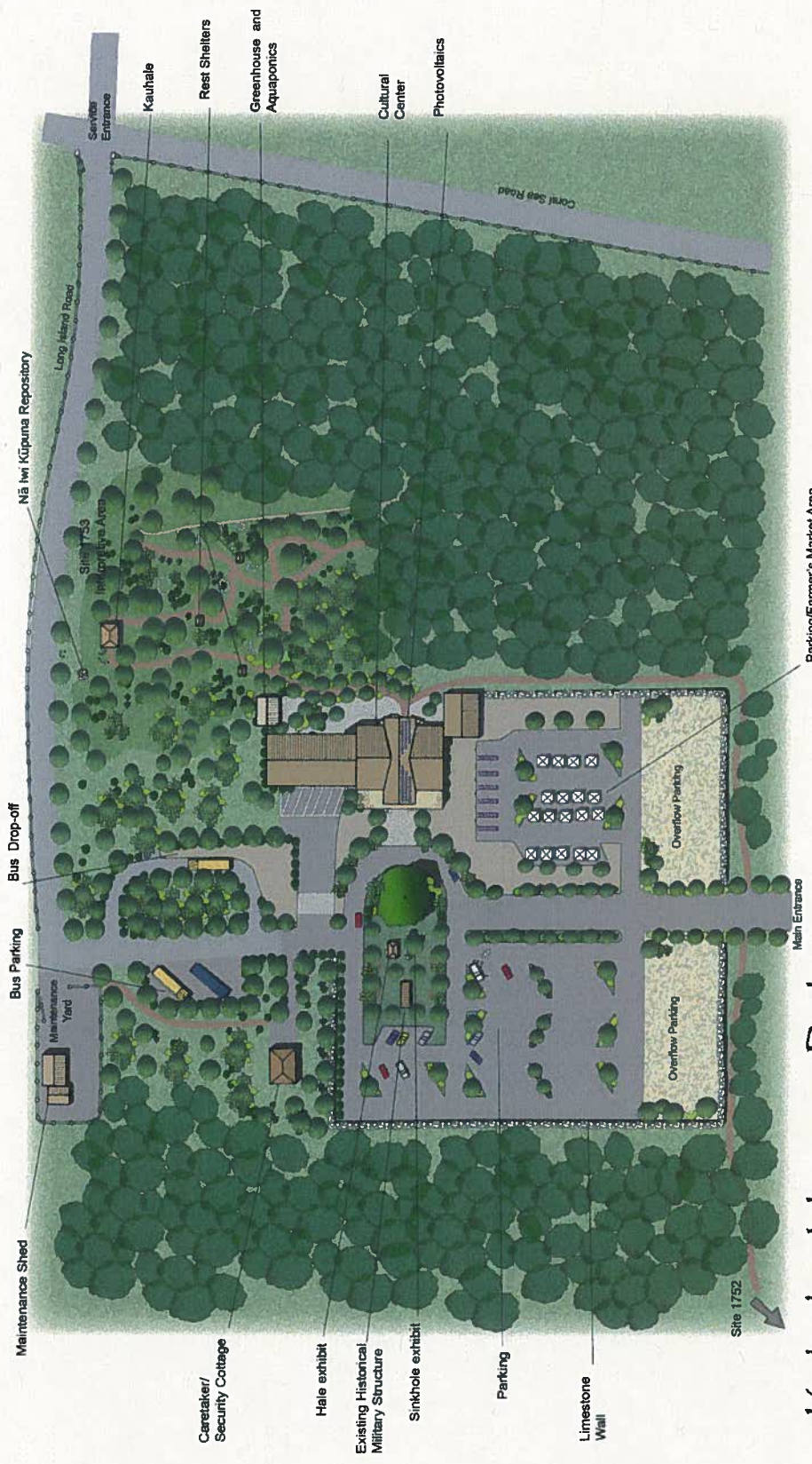


LOCATION MAP

SCALE: 1 IN. = 1000 FT.
Exhibit A

23-Sep-13	Notice of Violation (NOV), No. 2013/NOV-09-085, issued.
25-Oct-13	Kalaeloa Heritage and Legacy Foundation (KHLF) submits stockpiling permit application to DPP. However, due to size of property, KHLF was informed that plans prepared by a licensed engineer must be submitted with the application.
19-Dec-13	Notice of Order No. 2013/NOO-262 issued for failur to timely correct the violation as required by the NOV.
Dec-13	After reviewing various fee proposals for engineering services, KHLF hires Community Planning and Engineering (CPE) to prepare the plans.
Apr-14	CPE completes the plans, inclusive of all agency reviews. However, KHLF is informed by CPE that DPP is requiring a performance bond. KHLF begins to secure the necessary bond.
Sep-14	After attempting to obtain the bonding by several different means, KHLF is informed by its insurance agent that I cannot get the necessary bond. KHLF meets with HCDA, who offers to assist with the bonding issue.
Nov-14	Upon discussing the bonding issue with CPE and various City agencies, HCDA learns that if it is the permit applicant, no bond will be required as HCDA is an entity of the State of Hawaii. HCDA decides to become the permit applicant and has CPE resubmit the application on their behalf.
Dec-14	Plans are resubmitted for final approval. CPE informs HCDA that DPP is now requiring State Historic Preservation Division (SHPD) review.
30-Dec-14	CPE submits plans to SHPD for review and comment.
8-Jan-15	HCDA writes to City Corporation Counsel outlining chronology of events and requests waiver of fine.
2-Feb-15	City Corporation Counsel grants an extension of time until May 31, 2015 however, denies request for waiver of fines.
10-Feb-15	HCDA emails SHPD to inquire on status of review.
18-Feb-15	SHPD replies apologizing for delay and their intent to comment.
19-Mar-15	HCDA emails SHPD to inquire on status of review.
20-Mar-15	SHPD conducts site visit and obtains necessary information for their review. However, HCDA is informed staff member who will be completing the review is on jury duty and will complete it upon her return.
24-Mar-15	HCDA conducts site visit with KHLF to inspect existing condition of stockpile. Observed vegetation growing over stockpiled material and bio sock placed around perimeter of site.
6-Apr-15	HCDA receives copy of letter from SHPD to DPP outlining conditions and concluding, "...the violation resulted in no historic properties affected."
13-Apr-15	CPE submits plans to DPP for final approval.
23-Apr-15	CPE informs HCDA that DPP is now requiring a letter stating all conditions outlined by SHPD will be complied with.
5-May-15	HCDA sends letter to DPP stating all conditions outlined by SHPD will be complied with.
7-May-15	Stockpiling permit number GP2015-05-0218 issued.
13-May-15	CPE delivers stockpiling permit to HCDA for signature. CPE then hand delivers signed permit to DPP.
20-May-15	NOV file closed.

Exhibit B



DRAFT
Final June 9, 2014



Kalaeloa Heritage Park

Conceptual Plan

June 2014
 For: Hawaii Community Development Authority
 By: Townscape, Inc.

Exhibit C