

October 1, 2025

FOR INFORMATION & DISCUSSION

I. SUBJECT

Informational Update by HCDA Staff on: (i) Actions Taken by the Staff since the October 2, 2024 update, including the Status of the Electrical Planning, Design, and Construction Work Being Performed by HCDA in the Kalaeloa Community Development District (“KCDD”) under that Certain Intergovernmental Support Agreement dated August 12, 2024 between the Commander, Navy Region Hawaii, and HCDA, the Advanced Funding Agreement for Task Order #001 dated September 9, 2024, and the Addendum to the Advance Funding Agreement for Task Order #001 that Includes Additional Electrical Planning, Design, and Construction Work to be Performed by HCDA in the KCDD as a Result of Additional \$9,000,000 in Funding Received by the Navy Region Hawaii; and (ii) Update on the Status of the Saratoga Avenue Electrical Upgrade Project.

II. BACKGROUND

An Intergovernmental Support Agreement (“IGSA”) was executed on August 12, 2024 between the Department of the Navy, a federal agency, as represented by and through the Commander, Navy Region Hawaii (“CNRH”), and the Hawaii Community Development Authority (“HCDA”). An IGSA is a type of partnership that allows military services and local or state governments to provide, receive, or share installation support services when mutually beneficial. This phase will transfer existing non-Navy customers from the Navy electrical distribution system to the Hawaiian Electric Company (HECO) distribution system.

The task order (referred to as Advance Funding Agreement) was executed on September 9, 2024 (“AFA Task Order #1”). The scope of work consists of connecting three users to the Enterprise Avenue electrical corridor/grid which will then be energized by Hawaiian Electric Company (“HECO”) such that the three users may be removed entirely from the Navy-owned electrical distribution system.

In July of 2023, HECO was awarded a \$6 million contract through a Request for Proposals (“RFP”) from the CNRH to survey the existing electrical grid at Kalaeloa. HECO has subcontracted Power Engineers to develop a 30% engineering design and cost estimate to handover the grid. HECO’s commitment is to connect all current customers to the new HECO grid at the completion of the handover. Power Engineers completed their study (“HECO Power Study”).

The Addendum to the Advance Funding Agreement for Task Order #001 was executed on September 12, 2025 (“Addendum to Task Order #1”). The scope of work includes Additional Electrical Planning, Design, and Construction Work to be Performed by HCDA

in the KCDD as a Result of Additional \$9,000,000 in Funding Received by the Navy Region Hawaii.

III. DISCUSSION

- A. AFA Task Order #1 Work Update: AFA Task Order #1 identified the Hawaii Army National Guard Parcel and two other parcels along the Enterprise Avenue energy corridor in the scope of work. HCDA is finalizing a professional services agreement with Ronald N.S. Ho & Associates (“RHA”) for the electrical planning and design.
- B. Addendum to Task Order #1: Utilizing the HECO Power Study as a guide, CNRH and HCDA concluded that utilizing the existing HECO infrastructure and continuing connection of users along the Enterprise Avenue energy corridor would be the most efficient use of the funding of the Addendum to AFA Task Order #1, now defined as Blue Zone Area 1 (Exhibit A Project Map 1)). Thus, the additional scope of work consists of the plan, design, and construction work for connecting twelve (12) additional parcels to the HECO electrical grid. The HECO Power Study identified additional HECO circuits that could be extended into the district to improve the HECO distribution system. This circuit could connect to the HCDA Saratoga Avenue energy corridor project now identified as a portion of Blue Zone Area 3 (exhibit A Project Map 2). HCDA’s utilization of the RHA professional services contract will generate design and construction costs estimates for this work to further refine and prioritize the customer connections for twelve users.
- C. Saratoga Avenue Electrical Upgrade Update: The Hawaii State Legislature appropriated \$12,125,000 for this project. The Saratoga Avenue Electrical Upgrades professional services design contract was awarded to RHA. Work on the project scope and preliminary design has commenced. The goal of this project is to develop a primary distribution line along Saratoga Avenue to provide existing customers the ability to connect to HECO electrical grid.

Attachments:

Exhibit A – Project Map 1 & 2

Prepared By: Craig McGinnis, Director of Capital Improvements:



Reviewed By: Craig K. Nakamoto, Executive Director:

Craig K. Nakamoto

EXHIBIT A
PROJECT MAP-1

Locations Highlighted in Blue

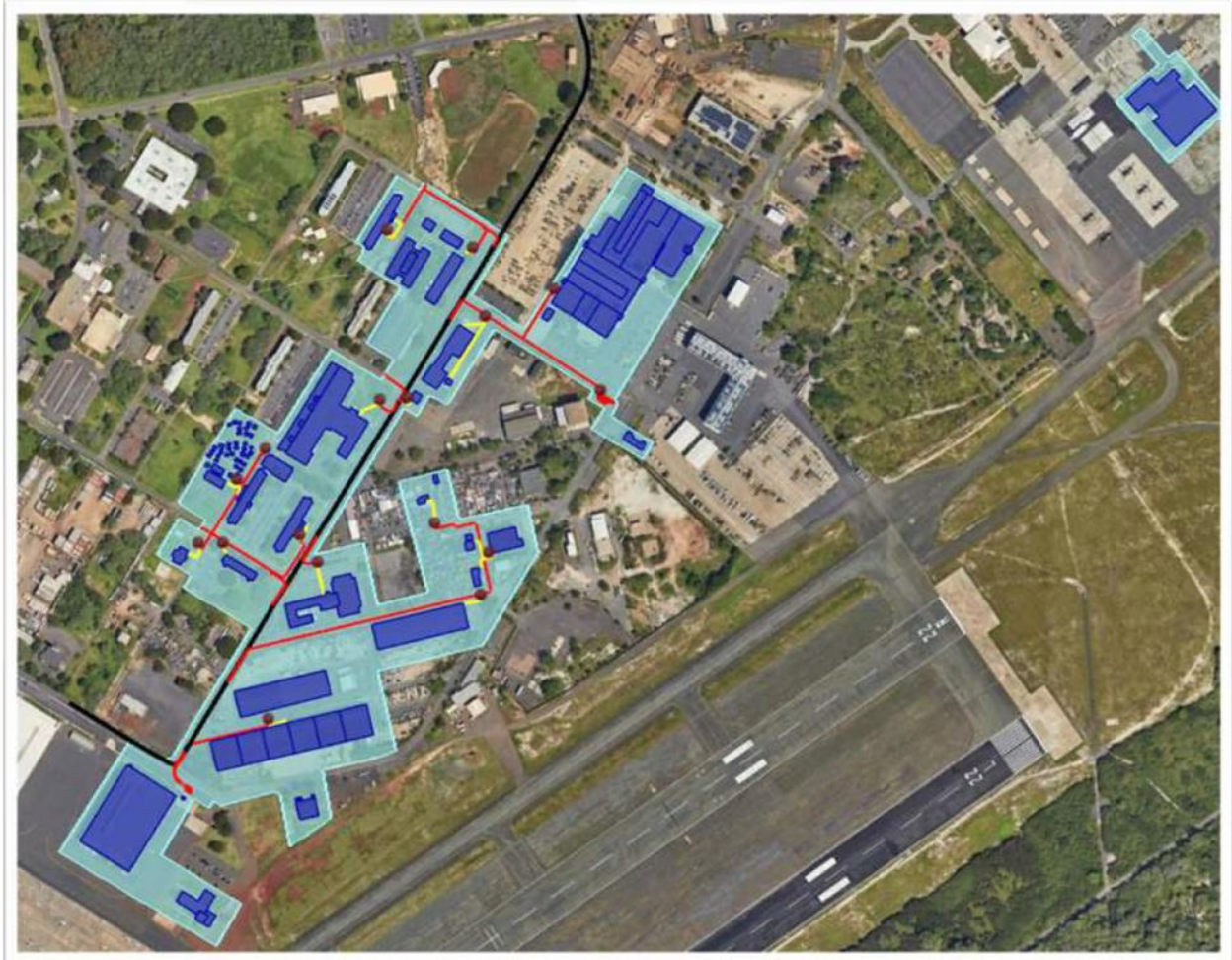


EXHIBIT A
PROJECT MAP-2

Locations Highlighted in Blue

