

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Boating and Ocean Recreation
Honolulu, Hawaii 96819

June 14, 2024

Chairperson and Members
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Land Board Members:

SUBJECT: Approve One of the Dispositions to Applicant, Secure Parking Hawaii LLC, for Vehicle Parking Management in the Designated Areas Located Within the Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.) as Follows:

Option A: Direct Issuance of a Parking Concession to Secure Parking Hawaii LLC, Vehicle Parking Management in the Designated Areas Located Within the Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.) and Extend the Current Revocable Permit from June 30, 2024 Until the Concession Contract Can Be Implemented.

OR

Option B: Continuation of Revocable Permit No. 125 to Secure Parking Hawaii LLC for Vehicle Parking Management in the Designated Areas Located Within the Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, through June 30, 2025. Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.)

And

Declare Project Exempt from Environmental Assessment Requirements of Chapter 343, HRS and Title 11, Chapter 200.1, Hawaii Administrative Rules.

APPLICANT:

Secure Parking Hawaii LLC, a Hawaii limited liability company, whose mailing address is 529 Koula Street Bay 2, Honolulu, Hawaii, 96813.

LEGAL REFERENCE:

Sections 102-2(b)(1), 171-13, -55, Hawaii Revised Statutes, as amended.

LOCATION:

Portions of Government lands situated at Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.), as shown on the attached map labeled **Exhibit A**.

AREA:

Maalaea Small Boat Harbor vehicle parking areas containing stalls.

ZONING:

State Land Use District: Urban
County of Maui CZO: Business-Resort, M1-Light Industrial, Park, Public Use

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES _ NO X

CURRENT USE STATUS:

The Premises is presently encumbered by Revocable Permit No. 125 Issued to Secure Parking Hawaii LLC (“Secure”)

CHARACTER OF USE:

Vehicle Parking Concession for vehicle parking management, including, but not limited to, managing the Division of Boating and Ocean Recreation’s (“DOBOR”) parking plan, issuing parking permits, parking violation enforcement, towing vehicles when necessary and participating in the required post-tow hearings.

OPTION A:

Direct Issuance of a Parking Concession to Secure Parking Hawaii LLC, for Vehicle Parking Management in the Designated Areas Located Within the Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.).

Option A would allow Secure Parking Hawaii LLC to operate a parking concession for vehicle parking management, including, but not limited to, managing DOBOR’s parking plan, issuing parking permits, parking violation enforcement, towing vehicles when

necessary and participating in the required post-tow hearings.

For Option A all gross receipts generated by the parking operation shall be collected by the concessionaire. The concessionaire shall pay DOBOR an amount equal to Fifteen Thousand and 00/100 Dollars (\$15,000.00) or Seventy Six Percent (76%) of gross receipts monthly, whichever is greater. Said payment shall be due ten (10) calendar days after the end of each month.

For Option A the term would be Five (5) years, commencing on a date to be determined by the Chairperson.

For Option A, Basis of Award:

Chapter 102, HRS, provides in relevant part:

§102-1 Definition. The word “concession” as used in this chapter means the grant to a person of the privilege to:

* * *

(2) Operate a parking lot on property owned or controlled by the State with the exception of buildings, facilities, and grounds operated by or otherwise under the jurisdiction of the department of education; . . .

§102-2 Contracts for concessions; bid required, exception.

(a) Except as otherwise specifically provided by law, no concession or concession space shall be leased, let, licensed, rented out, or otherwise disposed of either by contract, lease, license, permit, or any other arrangement, except under contract let after public notice for sealed bids in the manner provided by law; provided that the duration of the grant of the concession or concession space shall be related to the investment required but in no event to exceed twenty-five years for the initial term, and if amended, any then remaining term plus any agreed extension thereof awarded or granted by the government agency making a lease or contract or other arrangement relating to a concession; provided further that and subject to approval by county council resolution, the twenty-five-year limit shall not apply to nonprofit corporations organized pursuant to chapter 414D.

(b) The bidding requirements of subsection (a) shall not apply to concessions or space on public property set aside for the following purposes:

(1) For operation of ground transportation services and parking lot operations at airports and small boat harbors, except for motor vehicle rental operations under chapter 437D; . . .

OPTION B:

Continuation of Revocable Permit No. 125 to Secure Parking Hawaii LLC for Vehicle

Parking Management in the Designated Areas Located Within the Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, through June 30, 2025. Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.)

Option B would allow Secure Parking Hawaii LLC to continue the revocable permit issued to them to provide vehicle parking management, including, but not limited to, managing DOBOR's parking plan, issuing parking permits, parking violation enforcement, towing vehicles when necessary and participating in the required post-tow hearings.

For Option B all gross receipts generated by the parking operation shall be collected by the permittee. The permittee shall pay the Division of Boating and Ocean Recreation ("DOBOR") an amount equal to Five Thousand and 00/100 Dollars (\$5,000) or Sixty Percent (60%) of gross receipts monthly, whichever is greater.

Option B will continue the Revocable Permit 125 to Secure Parking Hawaii LLC for the term of one (1) year beginning on July 1, 2024 through June 30, 2025.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO <u>__</u>
Registered business name confirmed:	YES <u>X</u>	NO <u>__</u>
Applicant in good standing confirmed:	YES <u>X</u>	NO <u>__</u>

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with Section 11-200.1-15, Hawaii Administrative Rules (HAR) and the Exemption List for the Department of Land and Natural Resources, reviewed and concurred by the Environmental Council on November 10, 2020, the subject request is exempt from the preparation of an Environmental Assessment pursuant to General Exemption Type 1, "Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving minor expansion or minor change of use beyond that previously existing," Part 1, Item No. 44, which states, "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing."

BACKGROUND:

At its meeting on February 25, 2022, under agenda Item J-2, the Board approved the issuance of a revocable permit ("RP") to Secure Parking Hawaii LLC for management of vehicle parking at the Maalaea Small Boat Harbor from March 1, 2022, through February 28, 2023.

On June 27, 2022, Act.163 (2022) was enacted.

Act 163 (2022) states, in relevant part, "exempts certain operations of ground

transportation services and parking lot operations at small boat harbors from the sealed bid requirements.” This allows DOBOR to negotiate directly with a parking management company to run the parking operation at the Maalaea Small Boat Harbor.

At its meeting on February 24, 2023, under agenda Item J-1, the Board approved the continuation of the revocable permit (“RP”) to Secure Parking Hawaii LLC for management of vehicle parking at the Maalaea Small Boat Harbor from March 1, 2023 through February 29, 2024.

At its meeting on January 26, 2024, under agenda Item J-1, the Board approved the continuation of the revocable permit (“RP”) to Secure Parking Hawaii LLC for management of vehicle parking at the Maalaea Small Boat Harbor from March 1, 2024 through June 30, 2024.

Staff published a Request for Interest (“RFI”) on February 2, 2024 February 3, 2024 & February 4, 2024 in the Honolulu Star Advertiser and in the Maui News (see **Exhibit B**). In addition to the published legal notice, the RFI was posted on DOBOR’s website (see **Exhibit C**).

Three (3) vendors, Elite Parking Services, Diamond Parking and Secure Parking Hawaii LLC, completed and submitted qualification questionnaires, which were evaluated by staff. Staff determined all three to be qualified and invited each to submit a proposal for the parking concession.

Of the three, Secure Parking Hawaii LLC and Elite Parking Services, submitted proposals by the deadline contained in the RFI.

Staff reviewed the two (2) proposals, and unanimously selected Secure Parking Hawaii LLC’s. A summary of each proposal is shown below and the proposals themselves have been provided to the Board for review.

	Elite Parking Services	Secure Parking Hawaii LLC
Revenue Split	2024 Guarantee \$15,000 or 70% of the total gross revenue, whichever is greater	A minimum concession of \$15,000 per month OR the Revenue Share detailed below, whichever is greater
	2025 - Guarantee \$15,000 or 71% of the total gross revenue, whichever is greater	76% of Gross Revenue to the State
	2026 - Guarantee \$15,000 or 72% of the total gross revenue, whichever is greater	24% of Gross Revenue to the Operator

	2027 - Guarantee \$15,000 or 73% of the total gross revenue, whichever is greater	
	2028 - Guarantee \$15,000 or 74% of the total gross revenue, whichever is greater	
Cancellation	Requesting that the provision on section 2. Scope of Parking Concession Contract as stated "In addition to any provisions for early termination, BLNR with approval of the Chairperson may terminate the Parking Concession Contract without cause and in the best interest of the State by providing sixty (60) days prior written notice to the Concessionaire with approval of the Chairperson."	DLNR may terminate the contract without cause by providing sixty (60) days notice.
	be revised to include a 60 day termination period for the Concessionaire.	
Reports	Monthly report detailing gross receipts and remit DOBOR's corresponding share for the parking revenue.	Monthly report detailing gross receipts and remit DOBOR's corresponding share for the parking revenue.
Enforcement & Compliance	Not specified	Will contract with a towing company to tow vehicles from the parking concession area
		Shall oversee and enforce all parking rules within the Harbor and shall be authorized, on behalf of DLNR, DOBOR, to enforce vehicle parking regulations, as well as work closely with all State and County enforcement agencies. All vehicles parked contrary to posted signs, may be towed.

		Shall provide if necessary, additional security patrols throughout the harbor for the purpose of enforcing vehicle parking regulations. Will notify the appropriate authority should any illegal activity be taking place within the harbor
		Will add additional personnel to address expected increase in demand for parking and may be required to administer parking control during special events.
		Will ensure that parking signage, compliant with the Americans with Disabilities Act of 1990, is displayed sufficiently throughout the harbor. Will participate in any post-tow hearings.
Security Deposit	\$30,000.00	\$30,000.00
Community Engagement	Not Specified	Regarding the future parking rate adjustment from \$1.00 to \$2.00:
		Since implementing such a change necessitates a comprehensive community engagement and awareness campaign, a process that can be resource-intensive
		Secure Parking Hawaii LLC recognizes this and is committed to managing this extensive outreach at no additional cost to the State.
		In its introduction of Biki into Honolulu gave the company experience in extensive community outreach, nuanced stakeholder

		engagement, and public education.
		That endeavor cultivated the company's proficiency in promoting open dialogue, receiving and implementing feedback, and championing initiatives that might initially be met with caution
		Has developed and implemented communication strategies to preempt potential concerns, instill understanding, and foster trust.

At its meeting on April 12, 2024, agenda item J-1, the Board denied DOBOR's request for the direct issuance of a parking concession contract to Secure due to concerns about the towing of vehicles at the harbor. Secure has since addressed those concerns and has proposed a solution to the vehicle towing issue.

RECOMMENDATION:

That the Board of Land and Natural Resources:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200.1, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment.
2. Approve one of the following options as it deems appropriate for Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.)
 - a. The direct issuance of a parking concession to Secure Parking Hawaii LLC under the terms and conditions contained in Request for Interest with a concession fee payable monthly to the State of Hawaii in an amount equal to Fifteen Thousand and 00/100 Dollars (\$15,000.00) or Seventy Six Percent (76%) of gross receipts monthly, whichever is greater. And extend the current revocable permit from June 30, 2024 until the concession contract can be implemented; OR
 - b. The continuation of the revocable permit to Secure Parking Hawaii LLC under the terms and conditions contained in the revocable permit with a

monthly fee payable monthly to the State of Hawaii in an amount equal to Five Thousand and 00/100 Dollars (\$5,000.00) or sixty per cent (60%) of gross receipts monthly, whichever is greater.

Respectfully Submitted,



EDWARD R. UNDERWOOD, Administrator
Division of Boating and Ocean Recreation

APPROVED FOR SUBMITTAL:



DAWN N.S. CHANG, Chairperson
Board of Land and Natural Resources

Attachments:

- A Site Location
- B Affidavits of Publication
- C Notice of Request for Interest
- D Response From Secure Parking

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200.1, HAR

Project Title:	Approve One or More Dispositions to Applicant RP125 Secure Parking Hawaii LLC for Vehicle Parking Management in the Designated Areas Located Within the Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.) as Follows:
Project / Reference No.:	N/A
Project Location:	Maalaea Small Boat Harbor, Wailuku, Maui, Hawaii, Identified by Tax Map Keys: (2) 3-6-001:002 (por.) and (2) 3-8-014:028 (por.)
Project Description:	Approve One or More Dispositions to Applicant RP125 Secure Parking Hawaii LLC for Vehicle Parking Management in the Designated Areas Located Within the Maalaea Small Boat Harbor
Chap. 343 Trigger(s):	Use of State Land
Exemption Class No(s):	In accordance with Section 11-200.1-15, Hawaii Administrative Rules and the Exemption List for the Department of Land and Natural Resources, reviewed and concurred by the Environmental Council on November 10, 2020, the subject request is exempt from the preparation of an Environmental Assessment pursuant to General Exemption Type 1, "Operations, repairs or maintenance of existing structures, facilities, equipment, or topographical features, involving minor expansion or minor change of use beyond that previously existing," Part 1, Item No. 44, which states, "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing."
Cumulative Impact of Planned Successive Actions in Same Place Significant?	None. The actions will not be different from what is already existing.
Action May have Significant Impact on Particularly Sensitive Environment?	The requested area is a portion of the Maalaea Small Boat Harbor that is visited by the community, tourists, and commercial operators and is impacted by human activity. Staff believes there would be no significant impact to sensitive environmental or ecological receptors.
Analysis:	The Board of Land and Natural Resources has previously issued a revocable permit for this use in the past. The proposed activity is of a similar type and scope to that previously approved. Such activities have resulted in no known significant impacts, whether immediate or cumulative to the natural, environmental and/or cultural resources in the

	area. Staff believes that the request would involve negligible or no expansion or change in use of the subject area beyond that previously existing.
Consulted Parties:	None
Recommendation:	It is recommended that the Board find that this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.

Exhibit A

Parking Locations

Maalaea Small Boat Harbor



Exhibit B

AFFIDAVIT OF PUBLICATION

IN THE MATTER OF
REQUEST FOR INTEREST

STATE OF HAWAII)
) ss.
City and County of Honolulu)

Doc. Date: FEB 04 2024 # Pages: 1

Notary Name: Colleen E. Soranaka First Judicial Circuit

Doc. Description: Affidavit of Publication

Notary Signature: [Signature] Date: FEB 05 2024

NOTARY PUBLIC
No. 90-263
COLLEEN E. SORANAKA
STATE OF HAWAII

Kimberly Masu being duly sworn, deposes and says that she is a duly authorized to execute this affidavit of OAHU PUBLICATIONS INC, publisher of The Honolulu Star-Advertiser, MidWeek, The Garden Island, West Hawaii Today and Hawaii Tribune Herald, that said newspapers are newspapers of general circulation in the State of Hawaii, and that the attached notice is true notice as was published in the:

Honolulu Star-Advertiser 3 times on:
02/01, 02/02, 02/04/2024

Midweek 0 times on:

The Garden Island 0 times on:

Hawaii Tribune-Herald 0 times on:

West Hawaii Today 0 times on:

Other Publications 0 times on:

And that affiant is not a party to or in any way interested in the above entitled matter.

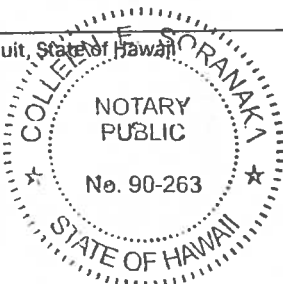
[Signature]
Kimberly Masu

Subscribed and sworn before me this 5th day of February A.D. 2024.

[Signature]
Colleen E. Soranaka, Notary Public of the First Judicial Circuit, State of Hawaii

My commission expires: January 06, 2028

ID#: CONTRACT FOR PARKING LOT CONCESSION
1446995



REQUEST FOR INTEREST DIRECTLY NEGOTIATED PARKING CONCESSION CONTRACT FOR PARKING LOT CONCESSION AT THE MAALAEA SMALL BOAT HARBOR

The State of Hawaii Department of Land and Natural Resources is publishing a Request for Interest ("RFI") for qualified parties interested in a Parking Lot Concession of State-owned lands within the Maalaea Small Boat Harbor situated at Wailuku, Maui, Hawaii, pursuant to Chapter 102-2 (b)(1), Hawaii Revised Statutes ("HRS").

Before selecting an interested party with whom to directly negotiate, any interested party must meet the minimum qualifications set forth in the RFI and shall submit the Qualifications Questionnaire form by 4:00 P.M. February 20, 2024, to the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources, 4 Sand Island Access Road, Honolulu, Hawaii 96819.

Qualifications Questionnaire is available on DOBOR's web page: dlnr.hawaii.gov/dobor
Tentative Schedule

Publication	February 01, 02, 04, 2024
Notice of Intention to Bid & Qualification Questionnaire Due	February 20, 2024 (No later than 4:00 PM)
Notify Qualifiers	February 26, 2024 (No later than 4:00 PM)
Proposal Due	March 12, 2024 (No later than 4:00 PM)
Select Winning Concessionaire	March 15, 2024 (No later than 4:00 PM)
Commencement Date	TBD

/s/ Edward R. Underwood
Edward R. Underwood, Administrator
Division of Boating and Ocean Recreation
(SA 2/01, 2/02, 2/04/24)

AFFIDAVIT OF PUBLICATION

STATE OF HAWAII, }
County of Maui. } ss.


Brandy Emmanuel being duly sworn
deposes and says, that she is the Advertising Sales of
the Maui Publishing Co., Ltd., publishers of THE MAUI NEWS, a
newspaper published in Wailuku, County of Maui, State of Hawaii;
that the ordered publication as to _____
REQUEST FOR INTEREST

DIRECTLY NEGOTIATED PARKING CONCESSION CONTRACT

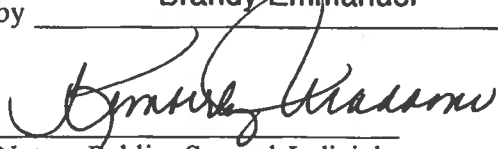
of which the annexed is a true and correct printed notice, was
published 3 times in THE MAUI NEWS, aforesaid, commencing
on the 2nd day of February, 2024, and ending
on the 5th day of February, 2024, (three days
inclusive), to-wit: on

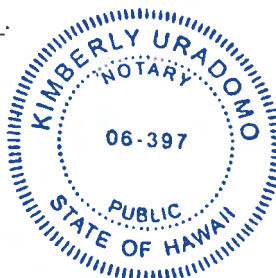
February 2, 3, 5, 2024

_____ and that affiant is not a
party to or in any way interested in the above entitled matter.



This 2 page REQUEST FOR INTEREST,
dated February 2, 3, 5, 2024,
was subscribed and sworn to before me this 12th day of
February, 2024, in the Second Circuit of the State of Hawaii,
by Brandy Emmanuel


Notary Public, Second Judicial
Circuit, State of Hawaii



Kimberly Uradomo
Commission exp: 07/02/2026

**REQUEST FOR INTEREST
DIRECTLY NEGOTIATED PARKING CONCESSION
CONTRACT FOR PARKING LOT CONCESSION
AT THE MAALAEA SMALL BOAT HARBOR**

The State of Hawaii Department of Land and Natural Resources is publishing a Request for Interest ("RFI") for qualified parties interested in a Parking Lot Concession of State-owned lands within the Maalaea Small Boat Harbor situated at Wailuku, Maui, Hawaii, pursuant to Chapter 102-2 (b)(1), Hawaii Revised Statutes ("HRS").

Before selecting an interested party with whom to directly negotiate, any interested party must meet the minimum qualifications set forth in the RFI and shall submit the Qualifications Questionnaire form by 4:00 P.M. February 20, 2024, to the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources, 4 Sand Island Access Road, Honolulu, Hawaii 96819.

Qualifications Questionnaire is available on DOBOR's web page:

dlnr.hawaii.gov/dobor

Tentative Schedule

Publication	February 02, 03, 04, 2024
Notice of Intention to Bid & Qualification Questionnaire Due	February 20, 2024 (No later than 4:00 PM)
Notify Qualifiers	February 26, 2024 (No later than 4:00 PM)
Proposal Due	March 12, 2024 (No later than 4:00 PM)
Select Winning Concessionaire	March 15, 2024 (No later than 4:00 PM)
Commencement Date	TBD

/s/ Edward R. Underwood
Edward R. Underwood, Administrator
Division of Boating and Ocean Recreation,
(MN: Feb. 2, 3, 5, 2024)

Exhibit C

REQUEST FOR INTEREST DIRECTLY NEGOTIATED PARKING CONCESSION CONTRACT FOR PARKING LOT CONCESSION AT THE MAALAEA SMALL BOAT HARBOR

The State of Hawaii Department of Land and Natural Resources is publishing a Request for Interest ("RFI") for qualified parties interested in a Parking Lot Concession of State-owned lands within the Maalaea Small Boat Harbor situated at Maalaea, Maui, Hawaii, pursuant to Chapter 102-2 (b)(1), Hawaii Revised Statutes ("HRS").

Before selecting an interested party with whom to directly negotiate, any interested party must meet the minimum qualifications set forth in the RFI and shall submit the Qualifications Questionnaire form by 4:00 P.M. February 20, 2024, to the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources, 4 Sand Island Access Road, Honolulu, Hawaii 96819.

Tentative Schedule

Publication	February 01, 02, 04, 05, 2024
Qualification Questionnaire Due	February 20, 2024 (No later than 4:00 PM)
Notify Qualified Parties	February 26, 2024 (No later than 4:00 PM)
Parking Proposal Due	March 12, 2024 (No later than 4:00 PM)
Select Proposed Concessionaire	March 15, 2024 (No later than 4:00 PM)
Commencement Date	TBD

Division of Boating and Ocean Recreation



Edward R. Underwood
Administrator

QUALIFICATIONS

1. QUALIFICATION OF INTERESTED PARTIES:

- 1.1. An Interested Party must be capable of carrying out the terms and conditions of the Contract.
- 1.2. Each Interested Party must file a completed Qualification Questionnaire at the Division of Boating and Ocean Recreation of the Department of Land and Natural Resources, 4 Sand Island Access Road, Honolulu, Hawaii, 96819, no later than 4:00 P.M. (Hawaii Standard Time) on February 20, 2024.
- 1.3. The Qualification Questionnaire, properly executed and notarized, shall be reviewed by Division of Boating and Ocean Recreation to determine whether the Interested Party's experience, competence and financial standing meet the minimum qualifications set forth herein.
- 1.4. Interested Party must demonstrate that its assigned project manager has five (5) years' experience in providing parking systems and management to a similar type of parking operations.
- 1.5. Upon execution of contract, Interested Party must have signs prepared and installed within 90 days. Interested Party should be fully operational within 90 days from contract signature.
- 1.6. Failure to complete the Qualification Questionnaire, or submit the Qualification Questionnaire, within the prescribed time, is sufficient cause to disqualify an Interested Party from consideration for the parking lot operation concession.
- 1.7. All information contained in the Qualification Questionnaire shall remain confidential, and Qualification Questionnaires of all Interested Parties shall be returned after having served this purpose.

QUALIFICATION QUESTIONNAIRE

2. QUALIFICATIONS:

Only qualified Interested Parties, as determined by the Division of Boating and Ocean Recreation, of the Department of Land and Natural Resources, may be considered for the concession. In order to be considered, the entire Qualification Questionnaire must be completed.

Having been first duly sworn and deposed, the undersigned states that it has the minimum qualifications required and that it is furnishing the attached information as proof of its qualifications. All Interested Parties shall submit this Qualification Questionnaire and all the required evidence. Interested Parties that do not submit a Qualification Questionnaire and the required documentation shall not be considered for the parking lot operation concession.

2.1. Name of Interested Party: _____

2.2. Business Organization: Individual Partnership Corporation

2.3. Principal Office Address: _____

2.4. State General Excise Tax Number: _____

2.4.1. If exempt from GET, cite applicable statute: _____

2.5. Federal Employer I.D. Number: _____

2.5.1. If exempt from federal taxes, attach documentation and exemption.

2.6. If a corporation, please answer the following: Profit Non-Profit

When incorporated and where: _____

When authorized to do business in the State of Hawaii: _____

Name of Officers:

President: _____

Vice President: _____

Secretary: _____

Treasurer: _____

Others: _____

Principal Stockholders:

<u>Name and Address</u>	<u>% of Stock Held</u>
(1) _____	
(2) _____	
(3) _____	
(4) _____	

2.7. If a partnership, please answer the following:

When and where organized: _____

General or Limited Partnership: _____

When registered in the State of Hawaii: _____

Partners:

<u>Name and Address</u>	<u>Share</u>
(1) _____	
(2) _____	
(3) _____	

2.8. If "other" type of business entity, please describe:

What type of business: _____

Where and when organized: _____

When registered in State of Hawaii _____

List Names of Members/Owners/Managers/etc. (including titles and addresses):

- 2.9. Provide a description and evidence of a minimum of five (5) years' experience in the ownership and/or operation of parking lot operations, or any municipal parking, including the number of years of experience, business name, business address, and dates of operation.
- 2.10. Has the Interested Party ever defaulted or been terminated on a State of Hawaii contract/agreement or defaulted on real property taxes? If yes, give details on a separate sheet.
- Yes No
- 2.11. Have any Parking concession agreements, contracts, or agreements for the operation of any parking lot or similar businesses owned and operated by the Interested Party ever been cancelled? If yes, give details on a separate sheet.
- Yes No
- 2.12. Has the Interested Party ever been fined for any violation of City, County, Federal and/or State of Hawaii law during the previous 2-year period? If yes, give details on a separate sheet.
- Yes No
- 2.13. Provide satisfactory evidence to support the financial ability of the Interested Party to operate and maintain a parking lot operation. Minimum requirements must include income and expense statements, Federal tax returns and balance sheets, from the past two (2) years.
- 2.14. Provide at least two (2) references that the Division of Boating and Ocean Recreation may contact to confirm the Interested Party's qualifications to operate a parking lot. Provide names, contact information, and the relationship or experience with each reference.
- 2.15. Attach a copy of State and Federal tax clearance.
- 2.16. The Interested Party hereby consents to and authorizes the Division of Boating and Ocean Recreation to confirm all or any of the foregoing information with any financial institution or any other source necessary.
- 2.17. Interested Party must obtain all insurance policies required in the specifications section as a prerequisite of the final issuance of the contract.

Insurance Coverage:

Interested Party's Business Address: _____

Phone Number: _____

Contact Person: _____

Insurance coverage is carried by:

	Carrier	Policy No.	Agent	Limits
Commercial General Liability				
Automobile Liability				
Workers Compensation				
Temporary Disability				
Prepaid Health Care				
Unemployment Insurance				

Interested Party may attach any other information they wish to further describe their qualifications.

The undersigns swears that the foregoing information and attached supporting documentation are true and correct to the best of his/her knowledge and belief.

Dated this _____ day of _____, 20____, at _____.

Name of Interested Party

Authorized Signature

Print Name

Title

SIGNATURE MUST BE ACKNOWLEDGED BY A NOTARY PUBLIC

ACKNOWLEDGMENT:

STATE OF HAWAII)
) SS.
COUNTY OF _____)

On this _____ day of _____, 20____, before me personally appeared _____ and _____, to me personally known, who, being by me duly sworn or affirmed, did say that such person(s) executed the foregoing instrument as the free act and deed of such person(s), and if applicable in the capacity shown, having been duly authorized to execute such instrument in such capacity.

Notary Public, State of Hawaii

Print Name

My Commission Expires: _____

SPECIFICATIONS

For Operation of a Parking Concession Located at the Maalaea Small Boat Harbor, Maui, Hawaii

1. DEFINITIONS AND INTERPRETATIONS:

- 1.1. "BLNR" means the Board of Land and Natural Resources.
- 1.2. "Chairperson" means the Chairperson of the Board of Land and Natural Resources of the Department of Land and Natural Resources.
- 1.3. "Concessionaire" means the successful Interested Party entering into the parking concession contract as defined below, with the Department of Land and Natural Resources. The term shall also include the successful party's agents, successors or assigns, managers, employees, and legal representatives where the context so admits or requires.
- 1.4. "County" means the County of Maui.
- 1.5. "DLNR" means the Department of Land and Natural Resources.
- 1.6. "DOBOR" means the Division of Boating and Ocean Recreation.
- 1.7. "HAR" means Hawaii Administrative Rules.
- 1.8. "HRS" means Hawaii Revised Statutes.
- 1.9. "MSBH" means Maalaea Small Boat Harbor.
- 1.10. "Meter, Pay Station" means the Pay Station Equipment and compatible software.
- 1.11. "Parking Concession Area" means the areas within the Maalaea Small Boat Harbor that are included within the Parking Concession Contract.
- 1.12. "Parking Concession Contract" means the contract, instrument, contract which grants a person or entity the privilege of managing a parking lot operation at the Maalaea Small Boat Harbor, Maui, Hawaii, identified in "Exhibit A-1," attached hereto and made a part hereof.
- 1.13. "State" means the State of Hawaii.

2. SCOPE OF PARKING CONCESSION CONTRACT:

The Parking Concession Contract shall be for a period of Five (5) years commencing July 1, 2024, through June 30, 2029. In addition to any provisions for early termination, BLNR with approval of the Chairperson, may terminate the Parking Concession Contract without cause and in the best interest of the State by providing sixty (60) days prior written notice to the Concessionaire with approval of the Chairperson.

- 2.1. The minimum monthly concession fee will be in an amount equal to five thousand dollars (\$15,000.00) or seventy percent (70%) of monthly gross receipts, whichever is greater. The minimum revenue split DOBOR is willing to consider for the Parking Concession Contract is 70/30 in DOBOR's favor. DOBOR will favorably consider proposals in which a greater share of revenue goes to DOBOR.
- 2.2 Concessionaire will provide a security deposit of thirty thousand dollars \$30,000.00 to DOBOR.
- 2.2. Money collected from the Pay Stations, together with the money collected from the issuance of parking permits will be deposited into Concessionaire's bank account.
- 2.3. DLNR reserves the right in the best interest in the State and in its sole and absolute discretion to interrupt or cancel the Parking Concession Contract. The Concessionaire shall bear all expenses or losses in full and shall not take or allow to be taken any action for damages, or recourse against the State of Hawaii.
- 2.4. Concessionaire shall keep on file a schedule of business hours and days open, and a completed Parking Rate sheet of prices charged subject to review by the Chairperson.
- 2.5. Monthly gross receipt reports and check for DOBOR's share of all parking revenue shall be submitted to DOBOR within ten (10) calendar days of the preceding month, in a format as approved by DOBOR.
- 2.6. The Parking Concession Area to be included under the Parking Concession Contract shown on the exhibit in this solicitation labeled as Exhibit "A," hereinafter referred to as "Parking Concession Area," which is to be managed 24 hours a day, 7 days a week. DOBOR reserves the right to relocate, reconfigure, or reduce the number of parking stalls within the Parking Concession Area or portions thereof during the term of the Parking Concession Contract at DLNR's discretion and in the best interest of the State; provided that such relocation shall not be unreasonable and shall be subject to approval of the Chairperson and the Board of Land and Natural Resources. In the event the DLNR reduces the number of parking stalls within the Parking Concession Area, the minimum monthly

concession fee will be reduced accordingly, but the percentage split will remain unchanged.

- 2.7. Concessionaire must provide parking lot operations. Any proposed additional improvements shall require the written approval of DOBOR.
- 2.8. Concessionaire shall contract with a towing contractor to tow vehicles from the Parking Concession Area.
- 2.9. DOBOR may reserve portions of the Parking Concession Area for special events with advance notice to the Concessionaire or may utilize portions of the Parking Concession Area for emergency purposes.
- 2.10. Only properly registered vehicles shall be allowed on the Parking Concession Area. No parking of Concessionaire's vehicles or camping in the Parking Concession Area shall be permitted.
- 2.11. The Maalaea SBH consists of presently of 291 vehicle parking stalls. The designated permit parking areas for harbor tenants with valid parking permits are located throughout the harbor. Paid public parking is available at an hourly rate.
- 2.12. The approximate breakdown of type of stalls is as follows:

Paid Parking	278 stalls
<u>Trailer Parking</u>	<u>13 stalls</u>
Total:	291 stalls

- 2.13. The selected Concessionaire shall be responsible for issuing all parking permits to harbor tenants for use in the designated paid parking areas; DOBOR reserves the right to move, reconfigure and reallocate paid parking stalls.
- 2.14. Issuance method of Parking permits and any rate changes specific to the Maalaea Small Boat Harbor shall be in accordance with Hawaii Administrative Rules.
- 2.15. The Concessionaire must follow parking rates as approved under HAR 13-233; in addition, all parking fees and rules specific to the Maalaea Small Boat Harbor are to be approved and set by the Chairperson, Board of Land and Natural Resources.
- 2.16. The Rate for open paid parking shall be ONE DOLLAR (\$1.00) per hour, with any rate increases approved by the DOBOR.
- 2.17. Vehicles parked in the paid parking areas will be required to pay the appropriate, with a maximum stay of 24 hours.

- 2.18. Hours of operation shall be 24 hours a day, 7 days a week.
- 2.19. The paid hourly parking rates shall remain unchanged. Any increase in the hourly rate must be approved by the BLNR.
- 2.20. Current parking rates are as follows:
- | | |
|------------------------------|--------------------|
| Paid Public Parking | \$1.00 per hour |
| Harbor Tenant Permit Parking | \$25.00 per month |
| Commercial Permit Parking | \$90.00 per month |
| Public Monthly | \$150.00 per month |
- 2.21. The Concessionaire shall oversee and enforce all parking rules within the Harbor. The Concessionaire shall be authorized, on behalf of DLNR, DOBOR, to enforce vehicle parking regulations, as well as work closely with all State and County enforcement Agencies. All vehicles parked contrary to posted signs may be cited and/or towed.
- 2.22. The Concessionaire will be required to have a staff member on-island to regularly check on the premises.
- 2.23. The Concessionaire shall provide additional security patrols throughout the entire MSBH for the purpose of enforcing vehicle parking regulations. Concessionaire shall notify the appropriate agency should any illegal activity be taking place within the harbor.
- 2.24. The Concessionaire may be required to add additional personnel to address expected increase in demand for parking and may be required to administer parking control during special events.
- 2.25. A minimum of six (6) pay stations are located throughout the harbor, shown in "Exhibit A-2".
- 2.26. Pay Station will not accept currency or coins.
- 2.27. Work with DOBOR's parking equipment supplier to maintain and repair the pay stations.
- 2.28. Ensure that parking signage, compliant with the Americans with Disabilities Act of 1990, is displayed throughout the MSBH.
- 2.29. Participate in any and all post-tow hearings.

Exhibit A-1

Maalaea Small Boat Harbor Paid Parking and Trailer Parking Areas



Exhibit A-1

Exhibit A-2

Maalaea Small Boat Harbor Pay Station Locations



Exhibit A-2

Maalaea SBH Parking Request for Interest

Final Audit Report

2024-01-30

Created:	2024-01-30 (Hawaii-Aleutian Standard Time)
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Status:	Signed
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-  Agreement completed.
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Exhibit D

Introduction

Secure Parking Hawaii has been the parking operator for Ala Wai Small Boat Harbor since September 2021 and Maalaea Small Boat Harbor since March 2022. Recently, we were awarded long-term concessions for both locations through a transparent and competitive process. As a trusted parking management firm, we are dedicated to delivering high-quality parking solutions that meet the diverse needs of all harbor visitors, whether they are local residents or tourists. The purpose of this document is to provide board members with a broad understanding of our procedures, allowing for follow-up questions. This ensures that everyone has a comprehensive understanding of the parking situation and can respond appropriately to community inquiries and concerns.

In response to recent testimony that prompted inquiries from the board, we have clarified operational practices at the harbor. This clarification specifically addresses our role as the parking operator under the Hawaii Administrative Rules. It covers key components of our operations that were discussed during recent board meetings, such as payment system reliability, signage clarity, and enforcement strategies. Furthermore, we have introduced an innovative solution to address community concerns regarding the severity of towing practices. This solution involves a vehicle equipped with advanced license plate recognition technology, designed to enhance compliance and fairness while adhering to the restrictions set by the Hawaii Administrative Rules.

We believe that the clarity provided by these discussions and improvements will ease the board's concerns and facilitate the progression of the long-term concessions. Our ongoing goal is not only to comply with administrative expectations but also to continuously improve the parking experience for every user at the harbor.

The Role of Secure Parking Hawaii and Hawaii Administrative Rules 13-233 (HAR 13-233)

Secure Parking Hawaii is contracted to enforce parking rules at the harbors as set out by the Hawaii Administrative Rules 13-233. HAR 13-233 outlines the specific regulations governing the operation, parking, and use of motor vehicles within the DLNR small boat harbor areas. It includes comprehensive requirements regarding the licensing, operation norms, and parking within designated zones, emphasizing safety and the maintenance of public order. Additionally, the rules encompass the establishment of paid parking zones, the issuance of parking permits, fees for parking, and the enforcement actions such as vehicle removal for non-compliance. A copy of the rules has been provided as an attachment to the email for your reference.

Secure Parking Hawaii provides a wide range of parking management solutions, encompassing all services available in the industry. As an end-to-end parking management firm, we customize our services to meet customer needs. However, our operations at the harbors are governed by the Hawaii Administrative Rules, which dictates the tools and strategies we can utilize. We operate strictly in accordance with these guidelines, not based on our own discretion. This adherence ensures that while we strive to provide effective and efficient parking solutions, we also respect the legal and administrative boundaries set by the State of Hawaii. Our commitment to compliance with Hawaii Administrative Rules shapes our service delivery at the harbors.

While Secure Parking Hawaii is committed to providing effective and efficient parking management solutions, it is not our role to advocate for legislative changes to these administrative rules. Our purpose is to operate within the constraints of the Hawaii Administrative Rules and to develop enforcement strategies that adhere strictly to these regulations. As such, Secure Parking Hawaii collaborates with tow companies under different arrangements. For instance, at the Ala Wai Small Boat harbor, towing services are provided by Mr Tow, which is directly contracted by DOBOR. Conversely, at the Maalaea Small Boat harbor, towing services are provided by Beach Country Towing, who has a direct contract with Secure Parking Hawaii. These partnerships are vital in ensuring that the parking regulations are adhered to, and they play a crucial role in managing unauthorized parking and maintaining order within the harbor areas.

Contract Renewal

Secure Parking Hawaii was awarded the parking management contract for both Maalaea Small Boat Harbor and Ala Wai Small Boat Harbor through a transparent and fair competitive process. We fully understand and respect the Board's decision to temporarily delay the approval of our long-term concessions to thoroughly address the concerns raised by the community. We have carefully addressed the specific issues highlighted in community testimony within this document and are fully prepared to respond to any additional questions.

It is crucial to recognize that the challenges associated with parking management are intrinsic and will persist regardless of the operator. Whether it is Secure Parking Hawaii or another provider, the issues raised by the community are embedded within the regulatory framework of Hawaii Administrative Rules. These challenges are complex and not attributable to us; they require deliberate and ongoing efforts to address the underlying problems at a legislative level. While Secure Parking Hawaii is committed to compliance and operational excellence within the given framework, it is important to reaffirm that initiating changes to the legislative aspects of these regulations is beyond our scope of responsibility.

That being said, this does not mean improvements cannot be made within the confines of the Hawaii Administrative Rules, as we detail later in the brief. A stable, long-term contract is critical for Secure Parking Hawaii to effectively improve our parking management services. Operating on a month-to-month revocable permit prevents us from making the necessary investments and strategic decisions that require long-term commitment.

Community Concerns and BLNR Board Questions

Since Secure Parking Hawaii took over the parking management contracts for the Ala Wai Small Boat Harbor in September 2021 and Maalaea Small Boat Harbor in March 2022, we have processed 531,644 transactions at Ala Wai and 168,650 at Maalaea. Although it is difficult to determine the exact number of unique users, it is estimated that over 300,000 individuals have used our services at both harbors. Considering the volume of services provided and the relatively few complaints received, we confidently assert that customer satisfaction across our operations is exceptionally high. Secure Parking is often praised by users of the Ala Wai for being the most affordable and highly recommended parking destination when visiting Waikiki.

During recent board meetings, a small number of community members have raised several concerns that have prompted inquiries from Board members. The primary issues raised include payment options, signage clarity, and enforcement procedures. While some concerns raised in community testimony are legitimate, most are unsubstantiated and disingenuous. As we address concerns, I would urge the Board Members to exercise caution before forcing changes to an operation that works well, based solely on the complaints of a few individuals.

Payment Option – Parking Pay Stations

In the past several years, DOBOR installed seven (7) credit-card-only parking pay stations at Maalaea and eleven (11) parking pay stations at the Ala Wai Harbor to accommodate transient users, defined as individuals who use the facilities occasionally or for short periods. These solar-powered pay stations utilize cellular communication to wirelessly transmit data and are equipped to operate in “offline mode” for a short period during communication disruptions. In offline mode, the machines continue to accept payments and issue tickets, storing transactions locally until connectivity is restored and the data can be synchronized with the central system.

Secure Parking Hawaii is immediately alerted by our monitoring system of any communication losses or maintenance issues, enabling our team to respond quickly to minimize operational disruption and maintain service continuity. During such events, we deploy technicians as needed and if necessary, temporarily halt towing to prevent wrongful tows. The pay stations undergo reactive maintenance every few days to mainly replace receipt paper. Additionally, each pay station receives thorough maintenance at least once a month, involving more comprehensive checks and repairs as outlined in the manufacturer’s maintenance schedule.

The phone number for our call center is prominently displayed on every pay station and Secure Parking sign throughout the harbors, providing users with easy access to assistance should any issues arise. Our call center operates daily from 7 AM to 9 PM and plays a crucial role in both offering support and collecting valuable user feedback. Our agents are well-trained and ready to help with any inquiries or problems. This direct feedback is essential for quickly identifying and addressing issues. Many problems can be resolved directly from our control room, significantly enhancing our response efficiency and overall service quality. Our year-to-date average call volume for Maalaea is 202 per month and 519 calls for Ala Wai, underscoring the active role our call center plays in maintaining high customer satisfaction.

In cases where the pay stations encounter issues processing payments, we provide an alternative payment method, scan-to-pay, to ensure users always have the ability to complete transactions. This approach is designed to maintain payment accessibility, even during rare instances of simultaneous machine failures. By offering this alternative, there is no excuse for non-payment. It should be mentioned that there has only been one instance since September 2021 where both systems have been down simultaneously.

Alternative Payment Option: Scan-to-Pay

Secure Parking Hawaii has installed approximately 100 QR-code signs across the parking areas at Maalaea and Ala Wai Boat Harbors, offering a convenient alternative payment option. By simply scanning a QR code with their smartphone, transient users can pay for parking. This system also allows users to remotely renew or extend their parking sessions via a mobile device, which is especially useful for those engaged in extended sea activities and away from the parking lot.

Additionally, users with active parking sessions receive email reminders with direct links to extend their parking as expiration nears. If a parking session expires, users can easily renew it by scanning a QR code, which can be available on boats at the captain's request, or they can receive a new session link via text by contacting our call center.

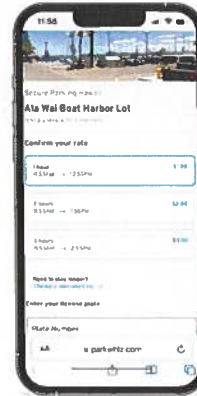
Statistical data from the past twelve months demonstrates the system's effectiveness and public acceptance. More than 75% of parkers at Maalaea Harbor (71,530 transactions) and over 50% at Ala Wai Boat Harbor (129,836 transactions) prefer this payment method. These figures underscore the system's widespread adoption despite some community complaints.

Secure Parking empowers each parker to ensure their parking session is valid, providing multiple tools to effectively manage and streamline the parking process for all users.

The process is quick and simple, taking less than a minute, and complete in four easy steps:



Step 1: Scan the QR Code. Locate any one of our signs throughout the harbor and scan the QR code using your smartphone camera.



Step 2: Enter Your Time Period. Select from one of our preset times or choose your own by touching "Choose a later end time".



Step 3: Enter Your License Plate



Step 4: Pay. Enter your email and valid payment information. When completed touch "Complete Payment". You're now ready to Park!



Step 5: Parkwhiz Confirmation Screen



Step 6: Confirmation Email

Permits

Long term parking permits are available to Harbor Tenants, Commercial Tenants and their employees for purchase through our website. Permit eligibility and prices are dictated by HAR 13-233 and allow holders to park in any permit or paid stall in the harbor for up to 5 days.

Signage

Clarifying Signage Responsibilities and Improvement Plans at Ala Wai Boat Harbor

At Ala Wai Boat Harbor, while the existing signage is sufficient, there is certainly scope for improvement to better guide and inform all users. Signage is essential for navigating the harbor's complex parking system, which includes five distinct types of stalls: Trailer, Employee, Recreational, Paid, and Permit. Despite the comprehensive nature of the current signage, the harbor's layout – with its frequent changes between different parking types – can be challenging.

In the existing setup, Paid and Recreational parking areas are marked with white stall lines, while Permit areas use yellow. Employee, Trailer, and Recreational parking are confined to specific sections. Each area has applicable signage to assist users in understanding where they can park and the consequences of not following the rules. The responsibility for maintaining this signage is defined by contract and is shared among Secure Parking, DOBOR, and Mr. Tow.

Recognizing the need for more centralized responsibility to ensure consistent and effective signage, we committed to leading a comprehensive overhaul of the signage system at Ala Wai Boat Harbor. In our recent proposal submitted to DOBOR on October 10, 2023, we offered a signage improvement project, budgeted at approximately \$30,000 and funded from our portion of the revenue. This project includes designing, procuring materials, removing outdated signs, and installing new ones. We aim to complete these enhancements within six months from the start of the contract, contingent upon DOBOR's approval of all designs.

It is crucial to recognize that while Ala Wai Harbor is well-equipped with a substantial number of signs, the primary challenge stems from a complex parking system, the distribution of signage responsibilities and unclear messaging. By addressing these issues, we anticipate a significant enhancement in both the effectiveness of the signage and the overall navigability of the harbor. It should be noted that all of our signage meets State of Hawaii requirements.

Maalaea Boat Harbor

At Maalaea Boat Harbor, the signage is well maintained, facilitating easy navigation for all harbor users. The harbor has three parking stall types: Paid, Trailer, and Employee stalls, each clearly marked with appropriate signage. Secure Parking Hawaii manages the majority of the signage at this site, which simplifies the parking process by avoiding reliance on different colored stall markings for identification. This approach minimizes confusion and ensures a streamlined parking experience.

In line with our commitment at Ala Wai, Secure Parking Hawaii has proposed specific enhancements for the signage at Maalaea Harbor, detailed in our proposal dated March 12, 2024. The focus of the improvements is to address both functional and safety aspects of harbor navigation. We plan to replace signage lost to ongoing construction activity and ensure that all areas of the harbor are well-marked. To enhance safety, we will install cautionary signs along the southern side of the harbor, warning both visitors and locals of the potential dangers posed by large surf conditions. Additionally, recognizing the evolving transportation needs of harbor users, we are considering designating specific areas for car shares, taxi, and bus drop-offs to prevent congestion and facilitate convenient access to transport services.

The budget for these signage improvements is estimated at approximately \$5,000, and will be completed within three months from the start of the new contract. This investment is expected to not only improve the functional aspects of the harbor but also to enhance safety and accessibility for all users.

Maalaea Signage Theft

At Maalaea harbor, Secure Parking Hawaii contends with the theft of signage, which necessitates regular replacement. A notable instance occurred on May 7, 2023, when all of our scan-to-pay signage was stolen and disposed of. We responded promptly by launching an investigation, filing a police report (23-014621), and coordinating with local authorities.

Following the theft and disposal of all scan-to-pay signage at Maalaea harbor on May 7, 2023, Secure Parking Hawaii responded quickly. Within just a week and a half, all signage was replaced at our expense. The presence of multiple payment options was instrumental in continuing operations without interruption, allowing users to access parking services as usual. Such responsiveness is part of our ongoing efforts to address challenges and maintain a functional parking system at Maalaea harbor.

Construction

In addition to the challenges posed by theft, there has been ongoing construction at Maalaea harbor related to the repair of the sea wall and some docks, which has required the temporary removal of certain signs. Despite this, there is still ample signage throughout the harbor to guide and inform users of the need to pay, and the consequences of not doing so.

Enforcement Procedures and Compliance

Secure Parking Hawaii enforces parking regulations at Hawaii’s harbors in line with the established guidelines of Hawaii Administrative Rules. Our practices adhere strictly to the administrative boundaries set by the State of Hawaii and it is our position that towing is an acceptable and legal form of enforcement. We utilize enforcement as a deterrent to parking misuse, aiming to balance community relations with revenue generation from parking fees – distinctly separate from enforcement revenue – while maintaining order at the harbors. For clarity, Secure Parking Hawaii does not receive any revenue from towing.

Community testimony has incorrectly accused Secure Parking Hawaii of collusion with tow companies and engaging in predatory towing practices. This is not the case. Secure works with these companies as required under our contract, and it’s crucial to distinguish between unethical and legitimate towing operations. Legitimate towing involves vehicles that are clearly in violation of posted parking rules, charging fees that align with industry standards, providing clear and visible signage, and towing with proper authorization.

Following the Board’s request at the December 2023 meeting, Secure Parking Hawaii has now implemented additional oversight protocols to increase transparency and accountability in our enforcement operations. Starting January 2024, for Maalaea Harbor, the tow company is now required to submit detailed monthly reports. These reports must include the date and time of each tow, the vehicle’s license plate, make, model, color, the date the vehicle was picked up, and the fees paid by the vehicle owner. Oversight at Ala Wai Harbor is less rigorous due to the contract being directly held with DOBOR. However, if instructed by the board or DOBOR, Secure Parking Hawaii is prepared to collect and monitor this information too. All towing reports are available upon request.

The monthly statistics for the first quarter of 2024 at Maalaea illustrate how little towing is actually done at the site in comparison to visitors:

Month	Monthly Visitors	Monthly Tows	Tow %
January 2024	9,920	54	0.54%
February 2024	10,933	66	0.60%
March 2024	11,036	77	0.70%

Secure Parking Hawaii prioritizes fair enforcement through our app. It connects to our permit system, scan-to-pay option, and pay stations. Each platform offers restricted access for enforcement personnel and towing companies. They can only view active parking sessions and license plates, not the vehicle's location within the harbor. This prevents anticipating if the owner will extend their session, addressing concerns about predatory towing practices.

Maalaea Spot Check

Addressing a concern raised by the Board Chair Chang during the last meeting about the spot check at Maalaea where 30 vehicles were identified as not paying: the question regarding the differences in towing practices between Ala Wai and Maalaea highlights the need for clarity. It's important to understand that non-compliance occurs at both locations and is typically among residents. Although these non-compliance numbers may seem high, our approach uses enforcement as a deterrent, and with compliance levels estimated to be greater than 90% at both locations, we view this figure as being within an acceptable range.

For clarity, we categorize harbor users into two groups: residents, which includes locals visiting the harbor, commercial tenants and their employees, and harbor tenants – all considered part of Hawaii's resident population; and visitors, typically non-residents who are in Hawaii for short periods.

Public Feedback on Enforcement Practices

Some community members believe that towing is too severe a penalty for parking violations and suggest that issuing citations would be a less harsh alternative, similar to practices at other state parking facilities. However, the current challenge is that Secure Parking Hawaii lacks the authority to issue monetary citations at the harbors. This restriction leads us to explore potential solutions in the subsequent section.

Proposed Solution

We have been tasked by the board and DOBOR with developing an enforcement system that adheres to the Hawaii Administrative Rules and responds to public concerns about the severity of enforcement at the harbors. Given the constraints on available enforcement methods – monetary citations are outside our authority, booting is prohibited by state law, and immobilization devices like the barnacle are likely to be classified as booting and may face similar prohibitions in the near future – our primary method of enforcement continues to be towing. We believe that easing the policy of instant towing, along with the proposed signage redesign project, will appease a majority of community members who have expressed concerns.

In response to community concerns, we are presenting a solution that addresses public testimony calling for a warning prior to towing. We propose the implementation of an enforcement vehicle equipped with license plate recognition technology. This advanced system is capable of scanning up to 2,400 license plates per hour and allows for multiple daily patrols across the entire harbor area, providing an efficient and effective enforcement solution. Each violation will be documented, and the owner of the offending vehicle will be notified by a paper ticket left on the vehicle which will include the violation details along with an explanation that this will qualify the vehicle for towing on their next offense. This solution will help Secure Parking and DOBOR to accurately track enforcement data and be able to push back against wrongful community accusations of predatory towing.

Under this program, a majority of towing will only occur once a parker has been warned via paper ticket, except in instances where vehicles are parked in recreational stalls during closed hours, wrongfully occupy permit or employee stalls, or obstruct other vehicles or boat ramps. These specific situations necessitate immediate towing to maintain order and accessibility within the harbor.

The use of an enforcement vehicle is critical for the effectiveness of our program. Manually scanning license plates on foot simply isn't feasible, as the entire harbor needs to be scanned multiple times daily to ensure thorough coverage, and to have the necessary records and support documentation to push back against wrongful community accusations of predatory towing. This method's efficiency is key to maintaining control and compliance. Looking ahead, if legislative adjustments are made, we are prepared to implement monetary citations for DOBOR.

Our Traffic Monitoring Service (TMS) Product

Secure Parking started its infringement issuing and processing TMS business in Australia 2011 and operates over 200 sites.

- TMS conducts efficient vehicular patrols in client parking garages.
- Utilizes an advanced mobile License Plate Recognition (LPR) system.
- Combines state-of-the-art cameras with accurate and proven software solutions.
- Offers the most comprehensive LPR solution on the market.
- Ensures elimination of parking abuse.
- Guarantees parking stall availability for legitimate shoppers.



For more information, please visit:

YouTube <http://www.youtube.com/watch?v=0i3AZCv55k&t=6>

How it works

1. The camera module is clipped on the window or towbar and connected to the Toughbook.
2. The vehicle traverses the parking garage reading vehicle number plates on both sides.
3. Data and watch lists are synchronized to a central database.



Comment on Testimony

Testimony of John Fitzpatrick

Jon Fitzpatrick, a long-time Maui resident and boat captain since 2005, shared his grievances regarding Secure Parking's operations. He expressed strong opposition to awarding Secure Parking a five-year contract, labeling our towing practices as predatory. According to Jon, the parking arrangements at the harbor are particularly unforgiving, with anyone parking in the incorrect spot, including harbor staff and visitors, facing immediate towing. He recounted his personal experience where his vehicle was towed after he mistakenly parked in a spot that had been recently designated for long-term parking, despite paying \$7 through the app for what he believed was the correct parking duration. He highlighted the financial burden of the parking system, noting that monthly permits cost \$90, which can consume 10-20% of some individuals' paychecks. Jon argued that the high cost of permits leads many to risk parking in non-permit areas, exacerbating the issue. He also mentioned a friend's car was stolen when parked on the street, underscoring the perceived risks of not using harbor parking. Jon concluded by urging the board not to extend Secure Parking's contract, describing the enforcement measures as excessive and akin to criminal behavior.

Dawn (Board Chair): When you were towed, did you park over time?

Jon: No, I paid \$7 for 7 hours. The app advises against parking in reserved areas, and while the spot was marked for permit parking, there were no signs indicating it was reserved. The rules change frequently, but instead of issuing tickets for minor infractions, they resort to towing, which costs \$250 – a punitive measure for a simple mistake. I attempted to contest this with Mr. Underwood, but was told two months later by Ed that my appeal wasn't processed correctly because I didn't use the exact required wording.

Secure Parking Hawaii's Response:

Secure Parking appreciates the opportunity to address the concerns raised by Mr. Jon Fitzpatrick regarding our parking management at the harbor. We take these grievances seriously and strive to ensure clarity and fairness in all our operations.

Firstly, it is important to clarify that Secure Parking does not set the prices for monthly parking permits. These rates are determined by HAR 13-233, and we strictly adhere to these guidelines. As a seasoned

boat captain, Mr. Fitzpatrick is expected to be familiar with the harbor's parking regulations, including who can park in what stalls.

Regarding Mr. Fitzpatrick's specific incident, his vehicle was towed from a space clearly marked "Permit Parking Only." Photographic evidence supporting this enforcement action is detailed in Appendix A of our report. This documentation confirms that the towing was legitimate and aligned with established parking regulations. We acknowledge that misunderstandings can occur, which is why Mr. Fitzpatrick was refunded – a point he conveniently omitted in his testimony.

We must also address the unfortunate escalation in communications following the incident, which included abusive text messages and threats from Mr. Fitzpatrick directed at the towing contractor. These interactions have been documented and included in Appendix A due to their concerning nature.

Since this incident occurred, we have worked with DOBOR to transition all permit parking stalls in the harbor to paid parking to avoid confusion. Permit holders and transient parkers are now allowed to park in any stall, further simplifying the parking process and reducing the likelihood of similar incidents.

Testimony by Karen Boyer

Karen Boyer stated during her testimony that she understands the need for parking enforcement and would prefer citations. She then went on record to say the mechanism to pay at the Ala Wai is terrible, two weeks ago Sunday morning tried to pay to help unload a boat and could not tell if paid or not and there was no authorization and it was hard to find a kiosk that works. She then had a question: if you are on a boat and want to extend your time and you dont have wifi can you still get onto the app? That is another concern. You think you will be gone for 1 or 2 hours but you can't get back for 6 or 8 hours.

Secure Parking Hawaii's Response:

We appreciate Ms. Boyer's feedback and have thoroughly reviewed our systems in response to her concerns. Our records indicate that both the scan-to-pay system and all pay stations were operational at the time mentioned in her testimony. It appears that the difficulties she encountered may have been due to user error. For any issues, we encourage users to utilize the alternative scan-to-pay option or contact our call center for immediate assistance. We do not have any records of a call from Ms. Boyer to our call center regarding these issues.

Regarding extending parking sessions without Wi-Fi, please note that our app requires an internet connection, as is typical for all mobile services of this kind. We encourage parkers to be diligent about potential time extensions and to be aware that internet connection might not be available on a boat, and take proactive steps to ensure compliance with parking rules.

Testimony by Arleen Velasco

Arleen Velasco, a resident of Oahu, expressed dissatisfaction with Secure Parking Hawaii during her observations of towing activities at Ala Wai Harbor. She reported that the company has frequently towed vehicles belonging to both tourists and locals, with tow companies accessing the Secure Parking system to track when parking is set to expire and towing vehicles without prior notice to the owner. Arleen noted multiple accounts of tourists returning to find their vehicles towed away, which she believes adversely affects the tourist industry. She also raised concerns about payment practices, claiming that when she contacted Secure Parking, they confirmed that only cash payments were accepted for tows. Arleen described these practices as predatory, leading her to view these practices as unsatisfactory and oppose the extension of our contract.

Secure Parking Hawaii's Response:

We thank Ms. Velasco for her observations and concerns. It's crucial to clarify that Secure Parking Hawaii is not a towing company and does not receive payments for towing services. Towing companies operate independently but have restricted access to our systems, which allows them to enforce parking regulations at the harbors effectively. This access is limited strictly to viewing parking sessions and associated license plate numbers. While enforcement personnel can determine if a parking session is nearing its expiration, they do not have the capability to locate a vehicle within the harbor or predict if a session will be extended by the owner.

Regarding Ms. Velasco's inquiry about payment methods, it's important to note that she has not directly contacted Secure Parking Hawaii. The conversation she referenced about only accepting cash was with the tow company, Mr. Tow, which handles its own transactions independently of our operations. Mr. Tow is contracted directly with DOBOR and not Secure Parking.

Ms. Velasco described the towing practices as predatory and expressed dissatisfaction with business practices; however, she later acknowledged to Chair Chang that the parking sessions had indeed expired at the time of each tow. This admission is important as it confirms that the tows were justified under the enforcement rules.

Testimony by Katy Smith

Katy Smith shared her experiences as a resident of Maui who frequently uses the harbor. She expressed frustration with the functionality of Secure Parking's payment devices, recounting instances where the machines failed to operate correctly. On one occasion, Katy encountered multiple unauthorized charges on her credit card after attempting to pay for parking. Similarly, her friends, also Maui residents, faced difficulties when they tried to pay for parking multiple times but were unable to do so and ultimately were towed. Katy described the process of using the scan-to-pay system as convoluted, requiring several minutes to input extensive information, which adds to the inconvenience.

Katy suggested that the QR codes used for payments need to be more user-friendly or that an alternative method should be considered. She also proposed the introduction of a kamaaina (local resident) rate to make the payment system fairer for local users. Katy emphasized that while she understands the necessity of paying for parking, the current system needs significant improvements to be just and efficient for regular users like herself.

Secure Parking Hawaii's Response:

We appreciate Katy Smith's feedback and acknowledge her concerns regarding the functionality of our payment devices. To effectively address her claim, we would need more specific information about the incidents she described. If the payment machines were indeed malfunctioning, we encourage users to utilize our scan-to-pay service or contact our call center for assistance.

It's important to note that if a payment was successfully processed, this indicates that the machines were functioning correctly at the time. Concerning the issue with multiple charges, we are prepared to investigate further and issue a refund if necessary. However, it's important to clarify that for a charge to be processed, the user must enter their credit card and authorize the payment through the prompts provided by the system. This suggests that the charges were authorized, albeit possibly under confusion or device error.

Our scan-to-pay process is designed to be quick and user-friendly, completed in four easy steps and typically in less than a minute. Regular users can create an account with all their information saved along with license plates of fast and easy processing. This system is a leading provider in the USA and does not require significant improvements at this time.

Testimony by Kate Thompson

I have had a boat at the Ala Wai Harbor for 25 years and frequently visit other islands. Although I am a licensed boat captain, I do not use my license here. Moving from harbor to harbor, I find the practice of towing for minor parking violations unusual. The responsibility of the DLNR chairperson should involve a deeper investigation into this issue. As recently as 2022, Suzanne Case stated that only DOCARE officers are authorized to issue citations. There's a significant gap between the occurrence of a violation and the towing action, and it's unfair that DOCARE is the only entity authorized to issue tickets without having sufficient officers to enforce these regulations.

The disparity in fines is also concerning. The standard city street fine is \$35, but it increases to \$40 for areas under DOCARE's jurisdiction like this building. Meanwhile, the towing fees range between \$165 to \$200, which seems inequitable when considering our responsibility to ensure fair public parking practices. During the January meeting, you tasked Jono Mauri with devising solutions like issuing tickets and discussed tools such as the Barnacle. It appears predatory, yet his ability to act is restricted by your decisions on who can issue tickets. I support Secure Parking issuing tickets, provided it is regulated properly.

Dawn (Board Chair): Last time you were here, you discussed the need for oversight extensively. Can you specify your concerns?

Kate: I was protesting the proposal to move forward with any RFP or revocable permit for a long-term contract, which in this case, is a five-year contract. I believe the board needs to address the citation issue before entering into a long-term agreement. We should implement a standard \$35 fine for minor violations like meter overstays, regardless of whether it's enforced by Secure Parking or DOCARE. It's crucial to review our laws and contracts to determine our responsibilities and ensure fairness. Currently, our approach to towing creates a non-aloa atmosphere, which is unfair to the public.

Secure Parking Hawaii's Response:

We acknowledge the concerns expressed by Kate Thompson regarding the parking enforcement practices. While we are limited by the Hawaii Administrative Rules, we have developed a new enforcement strategy in collaboration with DOBOR.

Our updated approach involves easing the policy of instant towing and implementing better signage. Additionally, we are proposing to introduce an enforcement vehicle equipped with license plate

recognition technology. This system will issue initial warnings through paper tickets, detailing violations and notifying vehicle owners of any parking dues owed. Towing will occur only after multiple violations or in specific situations like wrongful occupancy of permit spaces or obstruction of boat ramps, ensuring our actions are proportional and necessary.

This method not only enhances the fairness of our enforcement practices but also aims to encourage compliance while maintaining order within the harbor. We are prepared to adapt further should legislative changes allow for monetary citations in the future.

Appendix A

