

SCHOOL FACILITIES AUTHORITY BOARD

MEETING MINUTES

Date: June 4, 2024

Time: 9:00 a.m.

Teleconference via Zoom  
Queen Lili'uokalani Building  
1390 Miller Street, Room 404  
Honolulu, Hawai'i 96813

*\*This meeting was a remote meeting under Section 92-3.7, Hawai'i Revised Statutes. The meeting recording is available on our website at*

*<https://www.hisfa.org/board-meetings/>*

**Members Present:**

Harold Edwards, Vice Chairperson  
Edmund Aczon  
Jan Iwase

**Members Excused:**

Alan Oshima, Chairperson  
Bettina Mehnert

**Staff Present:**

Riki Fujitani, Interim Executive Director  
Cindy Watarida, Business Manager  
Kenyon Tam, Administrative Services Officer  
Douglas Cullison, Project Manager  
Wilmurf de Vera, Project Manager

**AGENDA**

**I. Call to Order**

Vice Chairperson Harold Edwards called the meeting to order at 9:00 a.m.

**II. Roll Call and Determination of a Quorum**

Vice Chairperson Edwards and Members Edmund Aczon and Jan Iwase were present at roll call. Quorum was established.

**III. Approval of Meeting Minutes of April 2, 2024**

**Motion: Move to approve the April 2, 2024 meeting minutes (Aczon/Iwase). 3 Ayes (Edwards, Aczon, Iwase), 0 Nos, 0 Abstentions. Motion carries; minutes are approved.**

**IV. Public Testimony**

There was no public testimony.

**V. Workgroup and Subcommittee Reports**

**A. Subcommittee on Learning Spaces**

1. The Subcommittee on Learning Spaces did not meet due to a lack of members.

**B. Subcommittee on Workforce Housing**

1. Vice Chairperson Edwards reported the Subcommittee on Workforce Housing had several meetings to discuss items related to the Mililani Request for Proposals (RFP).

**C. Subcommittee on Operations**

1. The Subcommittee on Operations did not meet due to a lack of members.

**VI. Report of the Executive Director**

**A. Programs**

1. **Preschools:** Project Manager Cullison provided the following updates:
  - a) 45 classrooms are currently under contract for construction with the majority beginning work this week (due to the first week of summer break). All are scheduled to be completed by the end of July. However, one site, Lānaʻi Elementary, will have a late start (anticipated in December) due to some issues during site selection.
  - b) The School Facilities Authority (SFA) transferred funds to the Hawaiʻi State Public Library System for its Pearl City Library project.

- c) SFA funds are anticipated to be transferred to the Hawai'i State Public Charter School Commission for Mālama Honua Public Charter School's project. A memorandum of understanding is in progress.
- d) Due diligence for specific sites:
  - (1) Kamaile Academy for a major pre-kindergarten hub.
  - (2) 'Imiloa Astronomy Center: Likely 3 classrooms due to site constraints.
- e) Major Renovation: Wai'alaie Charter School.
- f) Steering Committee: Steering committee includes the Office of the Lieutenant Governor and other stakeholders to assist with identifying sites for feasibility assessments, which will be the basis for the next cohort of builds.

**2. New Schools: Central Maui:** Interim Executive Director Fujitani provided the following updates:

- a) First step is to modernize standards. Five key standards include education specifications, design guides, construction specification, technical plans, and commissioning plan. Draft standards are anticipated in the next two months for classroom buildings. The typical standard specification process takes 18-24 months as new schools are comprehensive; however, since there is a huge need for classrooms in Central Maui, SFA will first focus on classroom buildings.
  - (1) Interim Executive Director Fujitani elaborated that the West Maui fires destroyed an estimated 4,500 homes and has caused many families to move to Central or South Maui. Thus, the need is in Central and South Maui. SFA currently has the data model, and the project will be based on the data (classroom availability, utilization, and enrollment). There is a shortage of both middle and high schools in Central Maui (classroom surplus for elementary). Thus, since building

classroom capacity at the middle and high school is needed soon, the standards will focus on these types.

(2) Interim Executive Director Fujitani elaborated on the firms used for the projects. SFA's intent is to put an artificial intelligence (AI) backend on the project. For example, if there is a request to build a classroom, approximately 70-80% of that can be generated through AI in terms of technical drawings through a standard library. SFA's modernization plan is pursuing the standardized format because it is cost effective and maintainable (whereas custom builds are not).

(3) Interim Executive Director Fujitani elaborated on the options. There are only two middle schools, and one is land constrained. One of the options is Maui Waena Intermediate. For high schools, Baldwin High and Maui High both have a lot of land. Unfortunately, there is a large amount of portables that need to be replaced.

b) End goal: Central Maui New Schools: SFA has been meeting with legislators, and it is highly unlikely the State can fund more than one school in Central Maui in its six-year plan. Funding for one school will likely be for a K-8 mixed use school for both elementary and middle. SFA's plan is to build a conceptual community center for joint community use for education, resiliency, and security. There are a lot of options on the locations of these schools as there will be eight major projects coming up in Central Maui with an estimated housing of 7,000 units. SFA is in the process of identifying the locations and hopes for actual construction in the next three years.

c) Firms involved are Maui-based firms and backed by a national firm with experience in K-12.

(1) Member Aczon requested names of the consultants. Interim Executive Director Fujitani

responded the two firms involved are Hawaii Off-Grid and R T Tanaka Engineers.

**3. Workforce Housing:** Project Manager de Vera provided the following updates:

a) Pilot: RFP for Mililani: SFA met with the Department of Land and Natural Resources (DLNR) Land Division on May 22 to discuss guidance on SFA's direction for workforce housing. DLNR confirmed Act 307 is sufficient for SFA to continue to develop and build teacher housing at Mililani High without DLNR approval.

(1) RFP schedule update: Project Manager de Vera confirmed SFA is currently on schedule.

(a) Proposal due date: 5/31/24

(b) Proposal evaluations: 6/14/24

(c) Discussion with Priority Listed Offerors:  
6/28/24

(d) Best and Final Offer: 7/12/24

(e) Notice of Award: 7/19/24

b) Phase I: SFA and The Wilhelm Group (SFA's consultant) identified at least 10 sites. SFA is scheduled to meet with the Department of Education (DOE) Superintendent Keith Hayahsi on June 20 to present the list and receive input and collaborate on finalizing and selecting sites for teacher housing.

c) Interim Executive Director Fujitani added the SFA has met with the governor's policy office on housing. The policy group will be assisting in triaging and prioritizing the next sites. In addition, the governor's office is aware of repurposing underutilized school lands.

**B. Operations**

1. Legislation: Administrative Services Officer Tam provided the following 2024 legislative session recap:

- a) State budget bill maintained SFA's operational funding intact as well as some capital improvement program funds.
- b) Bills that did not pass:
  - (1) HB2384: Originally to convert special funds to general obligation bond funds and extend the expenditure dates. Since it did not pass, the funds will lapse. However, the state budget bill did include the allocation of \$100 million for pre-kindergarten.
  - (2) SB3328 would have reorganized the DOE's Office of Facilities and Operations and repealed the SFA.
  - (3) HB1631 would have required SFA to work with DOE to prioritize workforce housing projects.
  - (4) HB2091 would have added more exemptions to school impact fees (originally would have repealed school impact fees).

c) Other bills that passed:

- (1) Sunshine law bills
- (2) SB3087 allows Executive Office on Early Learning (EOEL) programs to operate on other state properties (e.g. would allow EOEL to operate at public library sites).

2. Administrative Rules: Administrative Services Officer Tam provided the following updates:

- a) There are no substantive changes to the rules since the May 7 public hearing. If approved today, final stages include approval from the attorney general and governor.

3. Office Space: Interim Executive Director Fujitani reported SFA is operating at Kuhio Elementary and thanked Principal Lynn Kobayashi and Project Manager Cullison for making the project happen.

4. Organization: Interim Executive Director Fujitani reported that SFA has a new Administrative Services Officer (Kenyon Tam) and SFA will have a new Policy and Program Officer soon. SFA continues to work with the DOE on filling the remaining positions.
5. Fiscal Year 2024 Funds: Interim Executive Director Fujitani reported the following updates:
  - a) SFA is on track in encumbering 88% of the pre-kindergarten funds (\$10 million to be set aside for the Department of Budget and Finance).
  - b) All other funds are being encumbered.
  - c) Fiscal Year 2025: SFA's 12 positions continue to be funded, with \$1.7 million in general funds. For general obligation bonds, there is \$19 million to continue work on Central Maui and \$100 million to continue work on preschools.
  - d) State Educational Facilities Improvement (SEFI) Funds: Currently awaiting action from DOE. SEFI funds can potentially be used for workforce housing RFPs.

## **VII. Public Testimony**

There was no public testimony.

## **VIII. Action Items**

### **A. Board action on appointment of chairpersons and members for each subcommittee (Subcommittee on Learning Spaces, Subcommittee on Workforce Housing, and Subcommittee on Operations)**

1. Vice Chairperson Edwards directed board members to the report in the Board packet.

**Motion: Move to appoint Board Member Jan Iwase as chairperson of the Subcommittee on Learning Spaces and Board Member Edmund Aczon as a member of the Subcommittee on Operations (Iwase/Aczon). 3 Ayes (Edwards, Aczon, Iwase), 0 Nos, 0 Abstentions. Motion carries.**

### **B. Board action on appointment of executive director**

1. Vice Chairperson Edwards directed board members to the report in the Board packet.

**Motion: Move to appoint Riki Fujitani as the executive director of the School Facilities Authority at his current salary effective July 1, 2024 (Aczon/Iwase). 3 Ayes (Edwards, Aczon, Iwase), 0 Nos, 0 Abstentions. Motion carries.**

**C. Board action on executive director 2024 priorities for executive director performance evaluation**

1. Vice Chairperson Edwards directed board members to the memo in the Board packet.

**Motion: Move to approve the revised 2024 ED Priorities, as attached as Exhibit B to Interim Executive Director Riki Fujitani’s memorandum dated June 4, 2024, to be used in the end-of-year performance evaluation (Iwase/Aczon). 3 Ayes (Edwards, Aczon, Iwase), 0 Nos, 0 Abstentions. Motion carries.**

**D. Board action on adoption of proposed Chapter 8-600, Hawai’i Administrative Rules, entitled “School Facilities Authority Rules of Practice and Procedure”**

1. Vice Chairperson Edwards directed board members to the report in the Board packet.

**Motion: Move to adopt proposed Hawai’i Administrative Rules Chapter 8-600, attached as Exhibits B and C to Interim Executive Director Riki Fujitani’s memorandum dated June 4, 2024 (Iwase/Aczon). 3 Ayes (Edwards, Aczon, Iwase), 0 Nos, 0 Abstentions. Motion carries.**

**IX. Adjournment**

**Motion to adjourn the meeting (Aczon/Iwase). 3 Ayes (Edwards, Aczon, Iwase), 0 Nos, 0 Abstentions. Motion carries; meeting adjourned at 9:32 a.m.**