

SCHOOL FACILITIES AUTHORITY BOARD

MEETING MINUTES

Date: August 6, 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

**Staff Present:**

Riki Fujitani, Executive Director  
Cindy Watarida, Business Management Officer  
Kenyon Tam, Administrative Services Officer  
Douglas Cullison, Project Manager  
Cheri Nakamura, Policy & Program Officer

**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 June 4, 2024**

**Motion: Move to approve the June 4, 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. Subcommittee Chairperson Iwase reported that the subcommittee met on July 25, 2024 and agreed to meet every two weeks on Thursday's for at least 30 minutes. The meeting also included an update from School Facilities Authority (SFA) staff on pre-kindergarten classrooms and Maui schools.

**B. Subcommittee on Workforce Housing**

1. Subcommittee Chairperson Edwards reported that the subcommittee has met several times in the past month. Subcommittee Chairperson Edwards deferred to the Executive Director Report on workforce housing.

**C. Subcommittee on Operations**

1. Subcommittee Member Aczon confirmed the subcommittee has no report.

**VI. Report of the Executive Director**

**A. Programs**

1. **Preschools:** Reported by SFA Project Manager, Doug Cullison

- a) Fiscal Year 2024 cohort: 46 classrooms (116 seats) currently in progress and scheduled to open this month.

- (1) There have been issues with flooring, but the manufacturer agreed to fix them at no cost to the State. Floor replacement will need to take place next summer. Safety is not a concern; however, the SFA will continuously inspect the classrooms throughout the year.

- b) New buildings, traditional construction: Funds were transferred to Pearl City Library, Children’s Center at the University of Hawai’i (construction 40% complete), and the State Public Charter School Commission for Mālama Honua Charter School at Waimanalo.
- c) New buildings, prefabricated off-site construction: Currently working on the design and allocated (8) sites for hubs with at least 4-8 classrooms per hub.
  - (1) A steering committee was formed consisting of the Lieutenant Governor’s Office, DOE, EOEL, Charter Commission.
  - (2) An estimated 30-40 candidates was proposed but a demand-model for scoring will be set in place to rank the selections.
- d) Allocation breakdown:
  - (1) Minor renovations: \$20 million.
  - (2) Major renovations: \$11 million. A couple of candidates are in the running (e.g. charter school).
  - (3) Traditional buildings: \$4 million. Plan to be allocated for Waimea Public Library.
  - (4) Prefabricated buildings (hubs): \$48 million.

**2. New Schools: Central Maui:** Reported by Executive Director Fujitani

- a) Currently in planning phase
  - (1) Assessed the impact of the Maui wildfires (which displaced about 4,500 households).
  - (2) Assessment shows Central Maui schools being overcrowded (specifically middle schools with a 13 classroom deficit and high schools a 24 classroom deficit).
  - (3) Development of standards:

- (a) Draft of educational specifications is scheduled for this month.
- (b) Next step on the development of standards is design guides, construction specifications, standard technical drawings, and commissioning plan.
- (c) Development of standards is currently focused on classrooms as the immediate need is to alleviate the overcrowding.
- (d) Drafts will be shared with the Department of Education (DOE) (e.g. DOE's design and maintenance teams) for review and comments to ensure it meets their requirements.

(4) Development of a six-year budget

- (a) To address and alleviate overcrowding issues immediately in Central Maui
  - (i) Currently, \$19 million appropriated for Central Maui does not specify classrooms. The SFA intends to submit an allotment request to the governor to direct the funds to classrooms.
  - (ii) Executive Director Fujitani added the standards for these classrooms can be modeled or replicated to address DOE's classroom issues. (Based on a 2017 study commissioned by the DOE, 1.8 million square feet of DOE classrooms need to be replaced as it reaches the end of life. Based on a conservative estimate of \$750 square feet, this would entail a \$1.3 billion capital renewal budget).

- (b) To address long-term need in Central Maui:
  - (i) Currently nine developers are in the process of building permits for an estimate of 7,000 new housing units in Central Maui. The projections show a need for a Central Maui middle school and additional capacity at the high schools. This data will also be included in the biennium budget request package to legislators.
  - (ii) Currently existing Central Maui schools: five elementary, two middle, and two high schools.
  - (iii) Board Member Aczon questioned if schools are part of the development plan of the current nine developers. Executive Director Fujitani responded that part of the school impact fee process requires developers to contribute (e.g. land). SFA consultants are Maui-based firms (supplemented by national expertise firms) and are able to identify potential sites.

**3. Workforce Housing:** Reported by Executive Director Fujitani

a) Pilot project (Mililani High School Teacher Housing)

(1) Recap: Posted in 2023, proposal due May 2024, best and final offer due July 2024, and tentative award date is August 2024.

- (a) Board Member Aczon questioned if the award date is confirmed. Executive Director Fujitani confirmed the estimated award date is August 23, 2024.

b) Phase 1: Potential five new sites. SFA is currently developing criteria to determine prioritization and sequencing. A draft will be presented to the SFA Board for board approval.

(1) Executive Director Fujitani provided insight on the impact and need of workforce housing. For 5% of the DOE workforce, an estimated 1,000 units will need to be developed.

(2) Executive Director Fujitani provided background on workforce housing. The road to workforce housing started through Act 155 (2013).

**B. Operations:** Reported by Executive Director Fujitani

1. Ending Fiscal Year 2024

a) Of the \$106 million the governor released to the SFA, the SFA was able to encumber or spend all of the funds (preschool, new school, and housing).

2. Fiscal Year 2025 will be challenging as funds will be bond funds, not general funds, with a two-year lapsing date.

3. Office space: As part of repurposing space, the SFA canceled its private lease negotiation and is now housed at Kūhiō Elementary School. This helps reduce an annual lease expenditure of \$80k-\$90k.

4. Personnel: SFA currently has 12 positions, of which eight are exempt from civil service. Of the eight exempt positions, two are currently vacant. For the four civil service positions, there are some interpretation discrepancies SFA is currently attempting to resolve. Thus, civil service positions will not get filled until then. However, Executive Director Fujitani assured all exempt positions should be filled by Fall 2024.

5. Six-year budget approval: Executive Director Fujitani referenced the Board packet of the details. A new program added to the budget is statewide planning. A comprehensive statewide plan will need resources and positions. An abbreviated plan will be made just for Central Maui; however, it will need to be replicated across all school complexes.

**VII. Public Testimony**

There was no public testimony.

**VIII. Action Items**

**A. Board action on selection of chairperson and vice-chairperson of the board and 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 Move to:**

1. **Select (elect) Alan Oshima as chairperson and Harold Edwards as vice-chairperson of the Board;**
2. **Appoint Jan Iwase as chairperson of the Subcommittee on Learning Spaces;**
3. **Appoint Harold Edwards as chairperson of the Subcommittee on Workforce Housing;**
4. **Appoint Edmund Aczon as chairperson of the Subcommittee on Operations (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 9:25 a.m.**