

STAND. COM. REP. NO.

2909

Honolulu, Hawaii

MAR 07 2008

RE: S.C.R. No. 54

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fourth State Legislature  
Regular Session of 2008  
State of Hawaii

Madam:

Your Committees on Water and Land and Tourism and Government Operations, to which was referred S.C.R. No. 54 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE ALOHA TOWER DEVELOPMENT CORPORATION, PARTICULARLY WITH REGARD TO LAWSUITS RELATING TO DEVELOPMENT PROJECTS,"

beg leave to report as follows:

The purpose of this measure is to request the Auditor to conduct an audit of the Aloha Tower Development Corporation, particularly with regard to lawsuits relating to development projects.

Testimony in support of this measure was submitted by Cades Schutte; litigation counsel for Kenneth H. Hughes, Inc.; Stubenberg & Durrett; development counsel for Kenneth H. Hughes, Inc.; and one individual. The Aloha Tower Development Corporation submitted testimony that did not express a position regarding this measure but expressed its support for transparency and public review of its records.

Your Committees find that concern was expressed over the Aloha Tower Development Corporation's historical track record with regard to development projects. Specifically, concerns were raised with regard to three proposed development projects which ended up in litigation. As a result of this situation, concerns were raised regarding the Aloha Tower Development Corporation's qualifications and ability to be responsible for implementing the harbor modernization project, envisioned by the Administration

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that would require the Aloha Tower Development Corporation to work in partnership with the Department of Transportation to manage a complex multi-year project with a potential cost of over a billion dollars.

As affirmed by the records of votes of the members of your Committees on Water and Land and Tourism and Government Operations that are attached to this report, your Committees concur with the intent and purpose of S.C.R. No. 54 and recommend its adoption.

Respectfully submitted on  
behalf of the members of the  
Committees on Water and Land  
and Tourism and Government  
Operations,



CLARENCE K. NISHIHARA, Chair



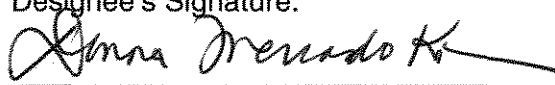
CLAYTON HEE, Chair





The Senate  
 Twenty-Fourth Legislature  
 State of Hawaii

**Record of Votes**  
**Committee on Tourism and Government Operations**  
**TSG**

Bill / Resolution No.:*	Committee Referral:	Date:		
SCR54	WTL/TSG	2-26-08		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
NISHIHARA, Clarence K. (C)	/			
KIM, Donna Mercado (VC)	/			
TSUTSUI, Shan S.				/
TRIMBLE, Gordon	/			
<b>TOTAL</b>	<b>3</b>			<b>1</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original             Yellow             Pink             Goldenrod File with Committee Report             Clerk's Office             Drafting Agency             Committee File Copy				

\*Only one measure per Record of Votes