

**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
DIVISION OF STATE PARKS**

March 23, 2012

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

SUBJECT: Request to Execute a Contract with Kauai Planning & Action Alliance Inc. (KPAA) to utilize funds as Authorized by Section 62, Act 162, Session Laws of Hawaii (“SLH”) 2009, for the Reconstruction of the Kalalau Trail located in the Napali Coast State Wilderness Park, Kauai.

BACKGROUND INFORMATION

The Administration recently released \$1,053,000 in general obligation bond funds and provided permission to advertise bids for the restoration of several miles of the Kalalau trail located in the Napali Coast State Wilderness Park, Kauai. This project qualifies as a grant-in-aid (GIA) pursuant to Chapter 42F, Hawaii Revised Statutes (HRS). The Kauai Planning & Action Alliance, Inc. (KPAA) has been identified as the recipient of the GIA.

This is the second GIA for Kalalau Trail reconstruction. The first GIA was for \$1,017,020 and provided for extensive trail work from the Kalalau trailhead to Hanakapiai stream along a heavily used portion of trail that receives upwards of over 500,000 hikers per year.

KPAA will implement and apply the second phase of this critically needed improvement to the Kalalau trail sections located between the Hanakapiai and Kalalau Valleys. Project activities include coordinating with the Division of State Parks in assessing the trail corridor’s topographical and pertinent physiographic conditions and cultural trail resources; and then identifying and prioritizing repairs and improvements as needed based on predetermined trail specifications. This activity includes implementing solutions for trail and possible adjacent slope reconstruction and stabilization; installing safety features and additional signage; and leveraging and building community and volunteer support efforts to accomplish these goals.

This is the only overland route to the popular and world renowned Kalalau Valley and Beach. The subject trail section is carved into steep cliffs and in many locations suspended above the ocean, and has deteriorated due the challenge of implementing sustained maintenance; heavy weathering that subjects the trail to both erosion and

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accretion; feral animals depleting protective vegetative cover; and seasonally high periods of public use. In the last few years, usage of the trail beyond Hanakapiai has averaged about 12,000 campers from around the world annually.

KPAA is a 501(c) (3) nonprofit membership organization whose mission is to “Bring together diverse groups for collaborative planning and action to achieve targeted Community goals.” It was formed in 2003 and received its nonprofit status in 2004. KPAA received a GIA in 2007 for that included trail improvements from the trailhead near Kee Beach in Haena to Hanakapiai Stream. These improvements have been completed and with the subject appropriation, KPAA will be able to repair and improve the remainder of the critically undermanaged section of the Kalalau Trail. The Division of State Parks strongly supports the efforts and activities that KPAA has proposed for this project, and will collaborate and provide guidance as needed in all project phases.

Section 62, Act 162, SLH 2009, appropriated \$1,053,000 for the GIA to KPAA. The Department proposes to utilize \$150,000 for design, \$883,000 for construction and \$20,000 for equipment. However, Section 90, Act 162, SLH 2009, allows the transfer of funds between cost elements, provided the total expenditure from all cost funds between cost elements does not exceed the total appropriation for the project.

This request is for the Department of Land and Natural Resources, Division of State Parks to enter into a contract to expend the \$1,053,000 in the GIA for design, construction and equipment, and permission to implement this project as authorized by Act 162, SLH 2009, Item H-3.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

This action before the Board is for the restoration of an existing trail and as such, is exempt from the provisions of Chapter 343, HRS, relating to environmental impact statements. Trail are listed under State Parks Exemption Class 1: “ Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features involving negligible or no expansion or change of use beyond that previously existing. (HAR §11-200-89(a) (1). “2. Roads, road structures, roadways and trails...”

RECOMMENDATION:

- 1) That the Board approves and authorizes the Chair to enter into a contract with KPAA to expend the subject GIA for the restoration of Kalalau Trail from Hanakapiai to Kalalau Valley.

- 2) That the Board declare that, after considering the potential effects of the proposed project on the environment, that the project will probably have minimal or no significant effect on the environment and is, therefore, exempt from preparation of an environmental assessment as provided by HAR §11-200-8(a)(1).

Respectfully submitted,



DANIEL S. QUINN
State Parks Administrator

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR.
Chairperson

Exhibit A – Contract between DLNR and KPAA with map

STATE OF HAWAII
AGREEMENT FOR GRANTS, SUBSIDIES, AND PURCHASES OF SERVICE

This AGREEMENT, entered into on _____, 2012, by and between the BOARD OF LAND AND NATURAL RESOURCES (hereinafter "AGENCY"), State of Hawaii (hereinafter "STATE"), by its Chairperson (hereinafter "DIRECTOR"), whose address is 1151 Punchbowl Street, Honolulu, Hawaii 96813, and Kauai Planning & Action Alliance, Inc. (hereinafter "AWARDEE"), a non-profit corporation under the laws of the State of Hawaii, whose business address is 2959 Umi Street, Suite 201, Lihue, Hawaii 96766;

RECITALS

WHEREAS, Chapter 42F, Hawaii Revised Statutes, establishes standards for disbursing public funds to private organizations to fulfill specified public purposes;

WHEREAS, the AWARDEE has requested funding from the STATE for the project or program described in Attachment 1 of this Agreement;

WHEREAS, the STATE finds that the AWARDEE's performance as described in Attachment 1 of this Agreement will fulfill the public purpose set forth therein;

WHEREAS, the STATE desires to contract with the AWARDEE to fulfill the specified public purpose, and the AWARDEE is agreeable to performing under this Agreement;

WHEREAS, general obligation bond funds are available to fund this Agreement pursuant to Section 125, Act 213, SLH 2007, in the following amount:

State: \$1,053,000.00

NOW, THEREFORE, in consideration of the promises contained in this Agreement, the STATE and the AWARDEE agree as follows:

A. SCOPE OF PERFORMANCE

The AWARDEE shall perform, in a proper and satisfactory manner as determined by the STATE, the project or program described in Attachment 1, which is hereby made a part of this Agreement.

B. TIME OF PERFORMANCE

The performance required of the AWARDDEE under this Agreement shall be completed in accordance with the "Time Schedule" set forth in Attachment 2, which is hereby made a part of this Agreement.

C. COMPENSATION

The AWARDDEE shall be compensated for performance and costs incurred under this Agreement according to the "Compensation and Payment Schedule" set forth in Attachment 3, which is hereby made a part of this Agreement.

D. STANDARDS OF CONDUCT DECLARATION

The Standards of Conduct Declaration by AWARDDEE, set forth in Attachment 4, is hereby made a part of this Agreement.

E. OTHER TERMS AND CONDITIONS

The General Conditions set forth in Attachment 5 are hereby made a part of this Agreement.

IN WITNESS WHEREOF, the STATE and the AWARDDEE have executed this Agreement effective as of the date first above written.

STATE

By _____
Its Chairperson

AWARDEE

By _____
Its President & CEO*

AWARDEE

By _____
Its Board Chairperson*

APPROVED AS TO FORM:

Deputy Attorney General

*Evidence of authority of the AWARDDEE's representative to sign this Agreement for the AWARDDEE must be attached.

AWARDEE'S ACKNOWLEDGEMENT

STATE OF _____

_____ COUNTY OF _____

On this _____ day of _____, 20____,
before me personally appeared _____,
to me personally known, who being by me duly sworn, did say that he/she is
the _____ of

the AWARDEE named in the foregoing instrument, and that he/she is authorized
to sign said instrument on behalf of the AWARDEE, and acknowledges that he/she
executes said instrument as the free act and deed of the AWARDEE.

Notary Public, State of Hawaii

My commission expires _____

SCOPE OF PERFORMANCE

Objectives:

1. To review the status of the Kalalau Trail located in the Napali Coast State Wilderness Park from Hanakapi`ai Beach to Kalalau Beach to determine the areas most in need of trail restoration and rehabilitation
2. In coordination with the Division of State Parks (DSP) and the DSP archeologist, to determine the priority areas of the Trail requiring work, within the limits of available funds, and that would not negatively impact identified archeological sites or features
3. To contract and supervise Trail improvement and rehabilitation services
4. To provide required reports to DSP regarding project progress and contract performance
5. To improve park user safety, provide a more enriching and satisfying experience, enhance natural and cultural resource management, strengthen community partnerships, and assist with a high maintenance backlog, deteriorating infrastructure, and negative impacts to the resources.

Performance:

The AWARDEE shall coordinate the project with DSP in developing a Request for Proposal (“RFP”) for the Trail improvement and rehabilitation work, selecting qualified contractors, reviewing plans, and monitoring the work undertaken.

1. **Hire Project Manager**

The Awardee shall hire a Project Manager to oversee the project at Napali Coast State Wilderness Park. The Project Manager will be responsible for:

- Working with DSP to review the existing condition of the Trail and determine preliminary priority areas for rehabilitation and improvements.
- Forming a Citizens Advisory Committee to provide input into the work to be undertaken

on the Trail.

- Prepare, and then solicit and review proposals (including bids) from contractors to specify priority areas, rehabilitation solutions, and selecting project contractor(s).
- Monitoring the contractor(s) hired to perform the work and ensuring that schedules are adhered to, all necessary regulations are followed, and that all State reporting requirements are met.
- Serving as a liaison with DSP, informing the Kauai DSP District Superintendent and appurtenant DSP staff of work scope and schedule on a monthly basis.
- Coordinating news releases with the Department of Land and Natural Resources' (DLNR) Public Information Officer and other organizations such as the County of Kauai and the Kauai Visitors Bureau if work involves any Trail closures or impacts on public use.

2. Napali Coast State Wilderness Park

- The Awardee shall solicit bids to 1) assess the overall condition of the Trail and evaluate areas subject to both erosion and accretion, excessive overgrowth, potential unauthorized "shortcuts" and general hiker safety; 2) prioritize needed improvements to restore the Trail to a physical specification where feasible; 3) present a plan and preliminary cost for mitigation, improvement or reconstruction where needed; and 4) design Trail rehabilitation and improvements.
- The Awardee shall contract licensed contractor(s) to prepare plan and design Trail improvements; develop the design, budget, and timelines based on priorities; secure any environmental permits required for Trail construction and improvements.
- The Awardee, in consultation with DSP and the DSP archeologist, shall review, plan and determine priority areas, based on available funds, to be included in the design phase.
- The Awardee shall monitor the execution of the contract by the contractor and submit required reports to the DSP, DLNR.
- During the term of this contract, DSP shall make available to the Awardee equipment purchased through the Grant in Aid Kalalau Trail project already completed by Kaua'i Planning & Action Alliance, Contract #57874.

1. It is the intent of this project to foster and encourage the development of a Friends of the Kalalau Trail volunteer work force. To that end, all of the equipment and supplies assets secured through

State funding for this current contract may be conveyed or made readily available to a qualified non-profit organization recommended by Awardee and approved by DSP at the project's culmination for the purpose of sustaining the Trail rehabilitation from Ke`e Beach to Kalalau Beach, with storage of these tools to be determined in collaboration between DSP and the Awardee.

TIME SCHEDULE

This Agreement shall be in effect for the period from April 1, 2012 through and including December 31, 2013 unless this Agreement is sooner terminated as hereinafter provided. An extension of this Agreement shall be made only by written amendment signed by the AWARDEE and the STATE.

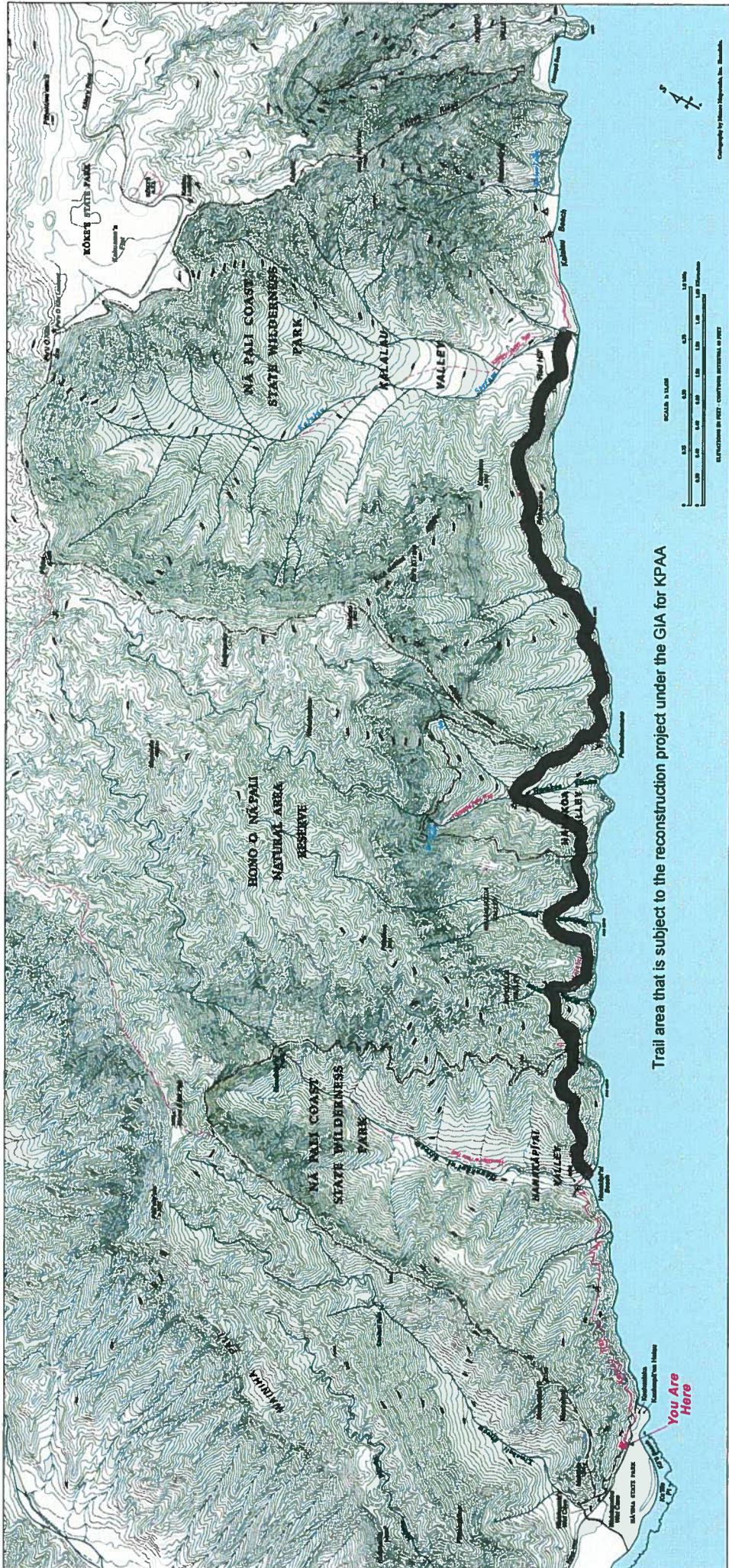
COMPENSATION AND PAYMENT SCHEDULE

In full consideration of the services to be performed under this Agreement, from general obligation bond funds appropriated by Sections 62 and 90, Act 162, SLH 2009, the STATE and AWARDEE agree to the following:

- a) First payment of FORTY THOUSAND NINE HUNDRED SEVENTY-FIVE AND 00/100 DOLLARS (\$40,975.00), shall be made in accordance with, and subject to the provisions contained in this Agreement, upon submission of an original signed and certified invoice for personnel and other current expenses.
- b) Second payment of TWENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$25,000.00), shall be made in accordance with, and subject to the provisions contained in this Agreement, upon submission of an original signed and certified invoice, an interim descriptive and financial report on the planning, design, and construction phases, project timeline and construction schedule.
- c) Third payment of SEVENTY-ONE THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$71,500.00), shall be made in accordance with, and subject to the provisions contained in this Agreement, upon submission of an original signed and certified invoice, an interim progress report describing the bid process and award.
- e) Fourth payment of TWO HUNDRED EIGHTY-THREE THOUSAND FOUR HUNDRED AND EIGHT AND 00/100 DOLLARS (\$283,408.00), shall be made in accordance with, and subject to the provisions contained in this Agreement, upon submission of an original signed and certified invoice, a detailed interim financial and descriptive report, and copies of the fully executed construction contracts.
- f) Fifth payment of TWO HUNDRED FIFTY-ONE THOUSAND EIGHT HUNDRED SEVENTEEN AND 00/100 DOLLARS (\$251,817.00), shall be made in accordance

with, and subject to the provisions contained in this Agreement, upon submission of an original signed and certified invoice; a detailed interim financial and descriptive report showing that at least fifty percent (50%) of the project has been completed satisfactorily.

- g) Sixth payment of TWO HUNDRED SEVENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$275,000.00) shall be made in accordance with, and subject to the provisions contained in this Agreement, upon submission of an original signed and certified invoice; a detailed interim financial and descriptive report showing that at least ninety percent (90%) of the project has been completed satisfactorily.
- h) Seventh and final payment of ONE HUNDRED FIVE THOUSAND THREE HUNDRED AND 00/100 DOLLARS (\$105,300.00), shall be made in accordance, with, and subject to the provisions contained in this Agreement, upon submission of an original signed and certified invoice; a final detailed narrative on the completed project and its benefits to the public, a detailed financial report listing all the project expenditures and revenues and noting how state funds were used for this project, tax clearances from the Hawaii State Department of Taxation and the Internal Revenue Service, and any other required documentation.
- i) Invoices for payment must state: "I certify that this invoice is, to the best of my knowledge and belief, in accordance with the terms of the agreement as approved and has not been previously claimed on this or any other related project. I also understand that receipt of this invoice does not approve the costs listed. All expenditures are subject to audit."
- j) Payments shall be made in accordance with, and subject to the provisions contained in this Agreement and approval by the Division of State Parks of the invoices, plans and designs, listing of operational expenses, interim and final descriptive and financial reports, and other required documentations.



Trail area that is subject to the reconstruction project under the GIA for KPAA

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