



Anahola Service Center

June 2020

Kaua'i Island Utility Cooperative (KIUC) will be constructing the Anahola Service Center on 4.5 acres of land leased from the Department of Hawaiian Homelands (DHHL) in Anahola. The lot on which the Service Center will be located is included in General Lease No. 299, which also covers land which houses the Anahola Solar Farm and the adjacent Anahola Substation.

The Anahola Service Center will replace the Kapa'a Service Center, and will fulfill critical functions supporting KIUC's utility operations. The Anahola Service Center will also include a community meeting room that may be used by the beneficiaries of the Hawaiian Homes Commission Act and by the Anahola community at large during business hours and subject to KIUC policies.

Limitations of Current Location

For the past 60 years, KIUC has staged the majority of operations in the east side service area – which includes all locations from Puhi to Hā'ena - from the Kapa'a Service Center, a 1.7 acre facility located on Akia Road. The Center accommodates storage of materials and equipment (including utility vehicles, forklifts, and ATVs) and houses a transformer/pole/cable laydown area. It also accommodates staff providing administrative functions along with KIUC's distribution planning team.

This space no longer meets the utility's needs. It is more than 60 years old and lacks adequate space. In order for KIUC's line crew to access equipment and materials for daily work orders, the crew needs to use forklifts to reposition and rearrange the materials and equipment on a daily basis. Traffic in Kapa'a also impacts timeliness of line crew response.

Project Details

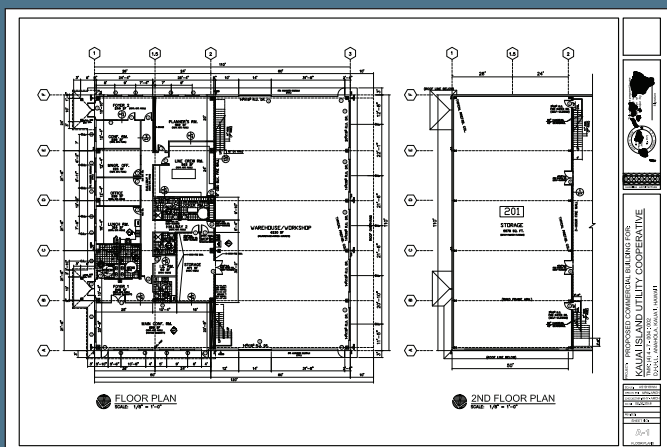
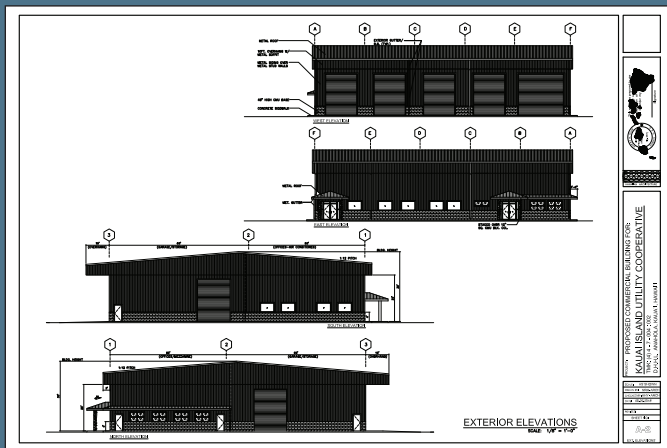
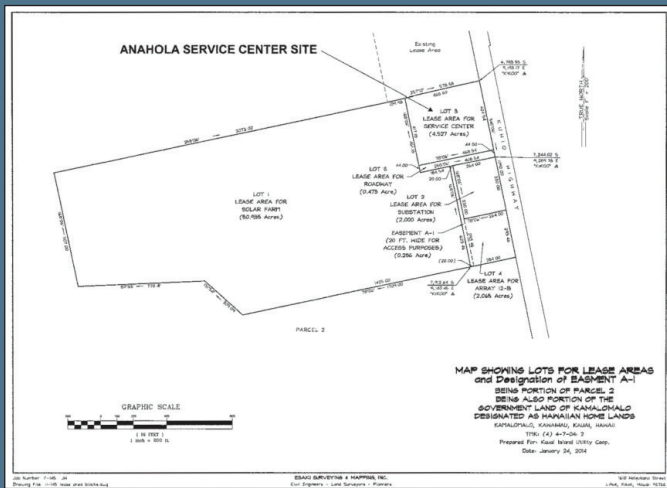
- Property location: TMK 4-7-004:002
- Construction timeframe: Construction is scheduled to begin in August 2020, and is expected to be complete by mid-2021.
- Architect: Avery Youn, Architect

Why Relocate to Anahola?

The location of the Anahola Service Center, adjacent to the solar farm and the Anahola substation, will provide adequate space for utility functions and will improve KIUC's response time to outages and trouble calls on the North Shore. As the most populated district on Kaua'i, traffic is a daily occurrence in Kapa'a town where the current Kapa'a Service Center is located. The move to the Anahola Service Center will not only alleviate traffic delays for KIUC's line crew to get out of the Kapa'a area, but it will also reduce driving distance and time to the North Shore.

Plans for the site include the following features:

- 6,600 square feet of garage and workshop space
- 5,500 square feet of office space, which will include offices, storage, a utility room, an information technology room, a work-room for KIUC's distribution planners, a work-room for KIUC's line crew, and a community conference room
- 3,200 square feet for a materials and tools warehouse
- 44,000 square feet for a driveway and parking lot
- 24 employee parking stalls
- 24 guest and public parking stalls
- 6,400 square foot pole storage area



Member and Community Benefits

The Anahola Service Center will provide much needed space for employee training sessions. Due to limited space at the Kapa'a Service Center, KIUC either conducts multiple repetitive training events with smaller groups or holds larger training sessions at KIUC's Lihu'e offices. The multiple spaces and the large conference room planned for the Anahola Service Center will better accommodate simultaneous and more flexible scheduling of various specific training sessions for small groups of employees as well as larger training sessions applicable to many employees.

The office space area will include a community conference room approximately 20 feet by 50 feet in size, and is envisioned to be used for community meetings and for training purposes during regular business hours and subject to KIUC policies. This conference room will have a separate entry to ensure that the community will have access without interfering with KIUC's utility operations or compromising utility security, and will also include separate restrooms and a small kitchen, as well as video monitor and internet Wi-Fi capability. Tables and chairs will be included to accommodate seating for approximately 50 people.

A new waterline will be constructed along Kuhio Highway in order to provide service to the Anahola Service Center. Additionally, a fire hydrant will be located next to the building, which will enhance firefighting capabilities in the immediate area surrounding the new Center.

The Anahola Service Center will have a 20-foot wide, double-lane entrance and exit to mitigate traffic impacts on Kuhio Highway.



4463 Pahe'e Street, Suite 1, Lihu'e, HI 96766-2000
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Questions and Answers — July 2020

What are the total project/build costs?

We anticipate the construction cost will total several million dollars. In order to protect the integrity of the bidding process, we are not able to provide a specific estimated cost.

What will the traffic impact be with construction?

We anticipate minimal traffic impact for the on-site work. For the off-site work (work along Kuhio Highway), the contractor will be following State Highways guidelines for working within State Highways right of way to minimize the impact on traffic. The work along Kuhio Highway would be extension of 8" waterline, left turn storage lane, acceleration and deceleration lanes.

Is an EIS required for this new project?

In compliance with HRS chapter 343 an environmental assessment was prepared and published, and a Finding of No Significant Impact ("FONSI") was issued on September 26, 2013. Notice of the FONSI was published in the October 8, 2013 Bulletin of the Office of Environmental Quality Control.

Will KIUC be hiring locally for construction project?

We will be soliciting bids from local contractors and encouraging them to hire locally for as many aspects of the work as possible.

Will KIUC be hiring locally for the Service Center?

KIUC does not anticipate creating new positions to staff the service center. All personnel currently working out of the Kapa'a Service Center will be relocated to the Anahola Service Center.

What kind of jobs/positions will be working out of the Anahola Service Center?

We have 14 employees currently working at the Kapa'a Service Center and they will all be relocated to the new facility in Anahola. This includes 11 members of the east side line crew and 3 distribution planners.

What is the staffing capacity of the Anahola Service Center projected to be?

The Anahola Service Center has been designed to house the 14 employees currently working from the Kapa'a Service Center.

Does KIUC offer an apprentice, mentorship or internship program?

KIUC offers summer internships to college students who apply and are selected based on career interests, education and experience. KIUC also has an apprenticeship program. There are occasionally job openings for the following Helper Apprentice Qualified positions: Construction, Instrument and Control Electrician, Meter Electrician, Power Plant Maintenance Person, and System Electrician. Anyone interested in the apprenticeship program should contact KIUC's Human Resources Department.

How long is the KIUC lease for the property?

The original lease, signed in 2014, specified a term of 25 years. We have since received approval from the Hawaiian Homes Commission to extend the lease for the Substation and Service Center parcels for an additional 30 years.

What is the current appraised value rate? And is KIUC leasing at that rate?

An appraisal was conducted by DHHL for the leased area. KIUC's understanding is lease rates were based on the appraised value. In year 26, the rent will be reopened and redetermined by DHHL, and thereafter will be reopened and redetermined every 10 years.

Will KIUC build a foot path/bike path from community to the proposed Anahola Service Center?

The design does not include a foot path/bike path from the Anahola Service Center to other points in Anahola.

With the build of the community conference room, how will the community access this feature?

KIUC will be utilizing a similar process as we do for our Lihu'e headquarters conference room. The room will need to be reserved in advance and the meetings will need to take place during regular business hours. The use of the conference room will be subject to KIUC's "Use of Facilities" policy.

Will there be an entrance separate from the main corporate entrance?

The entrance to the community conference room will be separate from the KIUC corporate entrance.

How large will this designated community conference room be?

The conference room will be 20' x 50' in size. We will have tables and chairs available for use in the conference room to accommodate up to 50 people.

Can we confirm how KIUC plans to facilitate/coordinate access to the conference room outside of normal business hours?

Due to the need for site security and protection of utility assets, the community conference room will be available for use only during normal business hours. The use of the conference room will be subject to KIUC's "Use of Facilities" policy.

Most homestead/community meetings happen outside of normal business hours during the week and on the weekends, can we get clarity on what this will look like.

Due to the need for site security and protection of utility assets, the community conference room will be available for use only during normal business hours. The use of the conference room will be subject to KIUC's "Use of Facilities" policy.

What is the projected capacity of the septic system that will be used for this size facility?

The septic system design is based on the number of employees to be housed at the service center.

With KIUC construction/eventual staff, this will provide positive foot traffic for AMP kitchen, vendors and services.

This is our hope. We would be happy to partner with local businesses to provide information on available services/restaurants to construction staff and KIUC staff who will be working in the facility.

Will there be a turn off lane on both sides to allow the big trucks and member entry? Did you all negotiate with State Highways to do some widening before construction begins? Will speed limits be reduced as vehicles approach the area?

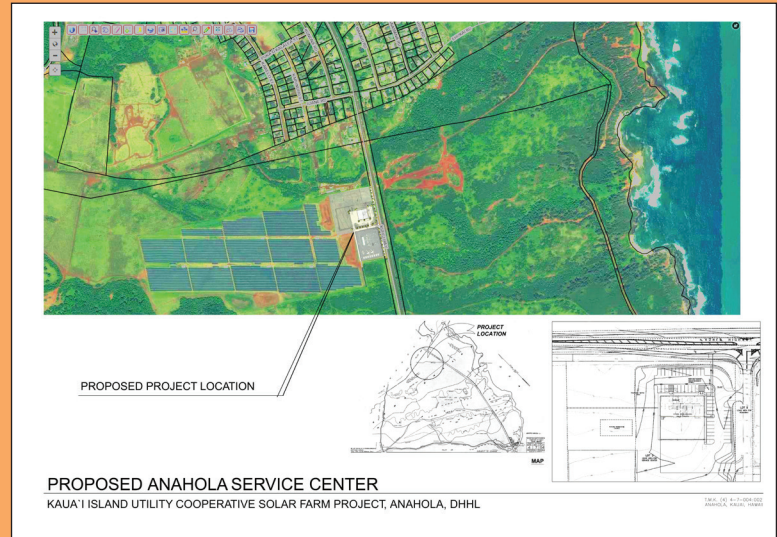
Yes, construction of left turn storage lane, acceleration and deceleration lanes for the service center were required in the review process with the Department of Transportation.

When will construction start?

We expect construction to begin in August or September 2020 subject to obtaining building permits, receiving bids, award and a notice to proceed to the contractor. Work will be coordinated with the various governmental agencies for building and highway construction inspections.

How will the community be able to access use of the conference room?

We will be developing a process for reserving the conference room during business hours. Community members will likely be instructed to call or email in advance to request a date/time. We will have a short agreement form to be filled out prior to the use of the reserved date/time. The use of the conference room will be subject to KIUC's "Use of Facilities" policy.



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