

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

JADE T. BUTAY
INTERIM DIRECTOR

Deputy Directors
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:
DIR 1.11327

December 12, 2017

DEPT. COMM. NO. 103

The Honorable Ronald D. Kouchi
President and Members of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki
Speaker and Members of the House
Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki and Members of the Legislature:

By way of background on July 14, 2017, Governor David Y. Ige, under Hawaii Revised Statutes (HRS) Section 76-11.6 approved and authorized a five (5) year Special Project (DIR1.11265) to create and establish the Office of Security and Law Enforcement reporting to the Director of the Department of Transportation (Department) effective August 1, 2017 to July 31, 2022.

The mission of this office is to oversee, manage and direct operations to provide a safe and secure environment for the travelling public consistent with existing Federal statutes. This office will design, coordinate and oversee/manage/administer the department's Airports, Harbors and Highways division law enforcement and security requirements and to resolve existing oversight, contractual and staffing issues. Under this office a unified command structure will provide the Department with command and control of law enforcement and security to promote the freedom of movement for people and commerce at all of the Department's critical infrastructures and systems.

The office will initially be comprised of management and administrative support staff and its immediate task is to transfer the 57 Deputy Sheriffs and two (2) administrative staff positions assigned to the Airport Sheriffs Detail (ASD) at the Daniel K. Inouye International Airport (HNL) from the Department of Public Safety (PSD) to the Department. This will be accomplished through PSD's supplemental budget bill which will relinquish, detach, and transfer the 59 "U" funded positions to the Department.

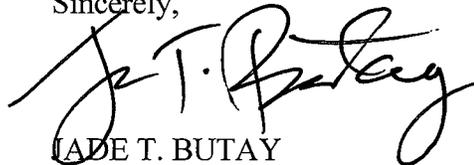
Congruent with the acceptance of the 59 positions, the Department has submitted TRN-06 (18) which will provide the Director of the Department with statutory law enforcement and security authority consistent with the existing law enforcement and security authority possessed by the PSD Director. This statutory law enforcement and security authority will allow the Department to resolve oversight, contractual and staffing issues under one program office with a unified command structure.

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For your information and consideration, enclosed is the First Report to the Legislature on the progress made thus far to establish this office. In addition, we have included the establishment of this office as a new initiative in our report of Government Operations in Act 100 (09) dated December 1, 2017.

In accordance with HRS 93-16, I am also informing you that this report may be viewed electronically at: <http://hidot.hawaii.gov/library/reports/reports-to-the-legislature/>

Sincerely,

A handwritten signature in black ink, appearing to read "Wade T. Butay". The signature is fluid and cursive, with the first name "Wade" being the most prominent.

WADE T. BUTAY
Interim Director of Transportation

Enclosure

Report to the 2018 Hawaii State Legislature:

**Pursuant to Section 76-11.6, Hawaii Revised Statutes,
Providing Information Relating to the Special Project
Approved to Authorize the Department of Transportation to
Establish an Office of Security and Law Enforcement**



**PREPARED BY:
STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
DECEMBER 2017**

DEPARTMENT OF TRANSPORTATION
REPORT TO THE LEGISLATURE

BACKGROUND

Under Hawaii Revised Statutes (HRS) Section 76-11.6, Governor David Y. Ige, authorized the Department of Transportation (Department) to create and establish an Office of Security and Law Enforcement whose mission is to oversee, manage and direct operations to provide a safe and secure environment for the travelling public consistent with existing Federal statutes. This office will design, coordinate and oversee/manage/administer the department's Airports, Harbors and Highways division law enforcement and security requirements and to resolve existing oversight, contractual and staffing issues. Under this office a unified command structure will provide the Department with command and control of law enforcement and security to promote the freedom of movement for people and commerce at all of the Department's critical infrastructures and systems.

The office will initially be comprised of management and administrative support staff and its immediate task is to transfer the 57 Deputy Sheriffs and two (2) administrative staff positions assigned to the Airport Sheriffs Detail (ASD) at the Daniel K. Inouye International Airport (HNL) from the Department of Public Safety (PSD) to the Department. This will be accomplished through PSD's supplemental budget bill which will relinquish, detach, and transfer the 59 "U" funded positions to the Department.

Congruent with the acceptance of the 59 positions, the Department has submitted TRN-06 (18) which will provide the Director of the Department with statutory law enforcement and security authority consistent with the existing law enforcement and security authority possessed by the PSD Director. This statutory law enforcement and security authority will allow the Department to resolve oversight, contractual and staffing issues under one program office with a unified command structure.

REPORT

On July 13, 2017, by letter (DIR1.11255) the Department notified the PSD pursuant to paragraph 18 of the Memorandum of Understanding dated July 1, 2002, executed between the Department and PSD providing law enforcement services at the then Honolulu International Airport (HNL) with 57 Deputy Sheriffs and two (2) administrative staff positions assigned to the Airport Sheriffs Detail (ASD) would be terminated in 180 days. These positions were established as "U" (interdepartmental transfer) positions and their law enforcement services are paid for by the Department's Airport special funds to comply with Federal security requirements.

On July 11, 2017, PSD held an informational briefing with the Hawaii Government Employees Association (HGEA) on the conceptual plan to transfer the PSD personnel assigned to HNL from PSD to the Department.

On July 13, 2017, based on informal discussions between the HGEA and PSD on PSD personnel assigned to the HNL, HGEA requested consultation.

On July 14, 2017, Governor David Y. Ige, under HRS §76-11.6 approved a five (5) year Special Project (DIR1.11265) to create and establish the Office of Security and Law Enforcement reporting to the Director of the Department effective August 1, 2017 to July 31, 2022.

On July 18, 2017, by joint letter PSD and the Department responded to HGEA's letter of July 13, 2017, extending an invitation to HGEA to submit any questions or concerns regarding the organizational transfer of the 59 positions.

On July 18, 2017, the Department, PSD, Department of Human Resources Development (DHRD) and the Department of the Attorney General-Employment Law Division (ELD) met at PSD to discuss the Special Project and a Supplemental Agreement.

On July 28, 2017, the Department, PSD, DHRD, and ELD met at the Department to discuss the Special Project and a Supplemental Agreement.

On July 31, 2017, the Department convenes an internal meeting to discuss the Special Project and Supplemental Agreement regarding the transfer of command and control of the ASD.

On August 1, 2017, the Department met with PSD to discuss the Supplemental Agreement at PSD.

By letter (DIR 1.11271) dated August 2, 2017, then Director Ford N. Fuchigami appointed Mr. Sidney A. Hayakawa as the Interim Security Manager for the Office of Security and Law Enforcement.

On August 2, 2017, by letter (DIR 1.11274) the Lieutenant of the Airport Sheriffs Detail (ASD), for the Oahu District (Daniel K. International Airport, Kalaeloa Airport and Dillingham Airfield) was notified of the Special Project and requested a meeting of all personnel assigned to the ASD to brief them of the purpose and objective of the Special Project.

On August 9, 2017, the Supplemental Agreement was executed between the Department and PSD providing the Department with command and control over the 59 positions assigned to the ASD at HNL.

On August 10, 2017, a briefing was held at the Airport Conference Center to brief the Deputy Sheriffs and support staff assigned to ASD on the termination notice, interim appointment, Supplemental Agreement. The briefing was conducted by then Director Fuchigami and PSD Director Nolan P. Espinda. Also in attendance was Sanford M.C. Chun, Executive Assistant for Field Services, HGEA.

On August 11, 2017, by letter (DIR 1.11279) Lieutenant Thomas Medeiros, Harbor Enforcement Unit/Facility Security Office was notified of the Special Project and requesting a meeting of all personnel assigned to the Harbor Police to brief them of the purpose and object of the Special Project.

By letter dated August 15, 2017, PSD requests consultation with HGEA of the Supplemental Agreement.

On September 8, 2017, then Director Fuchigami approved the memorandum (DIR1.11294) approving the use of cost savings under TRN 995 from January 1, 2018 to June 30, 2018 (remainder of FY 18) to fund the three (3) exempt positions-Security Manager, Assistant Security Manager and Secretary II authorized under the provisions of the Special Project.

On September 11, 2017, the HGEA filed a Step 1 Class Action Grievance (GRV-17-0386) on behalf of BU 03 and BU 14 members against PSD regarding the Supplemental Agreement and its intention to transfer complete supervisory and operational control to the Department of the 57 Deputy Sheriffs and two (2) support staff.

On September 12, 2017, PSD and HGEA met to consult on the Supplemental Agreement between the Department and PSD.

On September 18, 2017, then Director Fuchigami approved the memorandum (DIR1.11295) regarding the Notification of Intent to Establish the Office of Security and Law Enforcement under the Department (Non-Delegated).

On September 26, 2017, PSD Director Espinda sent a letter to HGEA on timely consolidation on the Supplemental Agreement.

On September 29, 2017, HGEA requests information from PSD on the Supplemental Agreement.

On October 3, 2017, PSD representatives met with HGEA representatives on the one-time transfer of Deputy Sheriffs II from the Airport to non-airport positions across the State.

On October 5, 2017, PSD Director Espinda issued a written notice to all Deputy Sheriffs II assigned to the ASD providing them with a voluntarily opportunity to transfer from ASD back to the Sheriffs Division with a response date by October 20, 2017.

On October 5, 2017, by letter PSD responded to questions raised by HGEA on the Supplemental Agreement.

On October 5, 2017, by letter PSD responded to questions raised by HGEA on the one-time voluntarily transfer of Deputy Sheriffs II to non-airport positions across the State.

On October 10, 2017, Acting Security Manager Hayakawa briefed representatives of the Department of Budget and Finance on the Special Projects and the transfer of the 59 U funded positions from PSD to DOT under the Supplemental Budget for FY-19.

On October 24, 2017, by letter (DIR1.11319) informed HGEA on TRN-06(18) and the transfer of the 59 U funded positions from PSD to DOT under the Supplemental Budget for FY-19.

On November 2, 2017, Interim Director Jade T. Butay and Acting Screening Manager Hayakawa briefed the Harbor Police on the Special Project.

On November 3, 2017, DHRD announced the availability of the exempt Security Manager, Position #122430, EM-07 through their NEO/GOV website under Exempt #122430 with a closing date of November 10, 2017.

On November 15, 2017, by letter to HGEA, PSD requested consultation on the Revised Memorandum of Understanding between the Department and PSD.

On November 21, 2017, the Department conducted an informational briefing with HGEA on the Special Project at the Department.

On November 26, 2017, 11 Deputy Sheriffs II (Recruits) were assigned and reported to the ASD, and seven (7) Deputy Sheriffs II, who previously requested transfer, were voluntarily transferred back to the Sheriffs Division from ASD.

On December 1, 2017, the Department (Airports Division) reported the Special Project as a new initiative in Act 100 (Report to the Legislature).

On December 7, 2017, the Revised Memorandum of Agreement superseding the Supplemental Agreement was executed between the Department and PSD relinquishing command and operational control of the ASD to the Department.