




STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

February 1, 2010

TO: The Honorable John R. Penebacker, Chairperson  
Committee on Administrative Services  
Board of Education

FROM:   
Kathryn S. Matayoshi, Interim Superintendent

SUBJECT: Keanae School consolidation

1. RECOMMENDATION

It is recommended that Keanae School be closed, and that if no charter school is approved to operate at the Keanae School facility by December 31, 2010, the property be turned over to the Department of Land & Natural Resources (DLNR).

It is further recommended that the Board hold its decision-making meeting on this matter on Maui, as requested by the task force that undertook the Keanae School consolidation study.

2. RECOMMENDED EFFECTIVE DATE

Upon approval of the Board.

3. RECOMMENDED COMPLIANCE DATE (if different from the effective date)

Same.

4. DISCUSSION

a. Conditions leading to the recommendation

Pursuant to Chapter 38, Hawaii Administrative Rules, prior to its amendment that became effective on June 15, 2009, complex area superintendent Lindsay Ball appointed a task force, as provided by the earlier version of Chapter 38, to conduct a study to determine whether Keanae School should be consolidated with Hana High & Elementary School. On February 5, 2009 former superintendent Patricia Hamamoto

advised Board chair Garrett Toguchi that the task force had been appointed, and listed its members.

The task force held four meetings, plus a public hearing as required by Chapter 38 on its draft report prior to finalizing it.

The task force considered three alternatives, and recommends that they be considered in this priority (the first listed is its recommended highest priority):

- i) Reopen Keanae School as a K-5 school.
- ii) Continue to maintain Keanae School in its present inactive status.
- iii) Formally close Keanae School.

The task force report is attached for your reference.

Complex area superintendent Ball, who attended all of the task force meetings and the public hearing, has considered carefully the task force recommendation, recommends that Keanae School be closed.

My recommendation is based primarily on my consideration of the information contained in the task force report, including the following matters:

- o Keanae School has not operated since school year 2004-05, when it had seven students in grades K-3.
- o With an estimated 21 students in a reopened K-5 school at Keanae, the school would be too small to operate cost-effectively while offering the breadth of educational programs that is available at Hana School.
- o Keanae children have better social opportunities at Hana School than they would have at a small Keanae School in the very close-knit Keanae community.
- o It is not likely that the student population in a Keanae School attendance area would be large enough to warrant reopening of the school in the foreseeable future.
- o The Keanae School facility is old and is in poor condition. Bringing the school to a minimally acceptable condition would require the expenditure, spread over a number of years, of more than \$1 million in current dollars.
- o Formally closing the school and turning the property over to DLNR will relieve the Department of Education (DOE) of ongoing annual costs of approximately \$32,000.
- o Formally closing the school would bring closure to the long-running question of the future of the school, would enable the community to plan and provide input into uses that would benefit the community, and would increase the probability that funds would be made available to stop the physical deterioration of the facility.

The principal reason for reopening Keanae School would be to relieve the young children in Keanae from the long (approximately one hour each way) ride between school and home. The long ride requires them to get up early and return home late. It reduces the quality and quantity of family time. It probably adversely affects their performance in school, because they arrive tired from the long ride. However, having the Keanae children attend school in Keanae would reduce their educational opportunities and would reduce the per-student resources available to the remaining students at Hana or elsewhere in the state. Members of the Keanae community believes Keanae would be a stronger community if the school were reopened. The

school would serve as an organization that would rally the community, increase its cohesion, and better engage parents in the education of their children.

The principal reason for maintaining Keanae School in its present inactive status is to preserve it in the event enrollment increases sufficiently to warrant reopening. There is some interest in making the facility available to a yet-to-be-organized charter school. As noted above, it does not appear that an increase in the student population sufficient to reopen the school is likely. My recommendation that the facility not be turned over to DLNR until December 31, 2010, will give those interested in starting a charter school at the Keanae School facility time to organize. If additional time is required, the charter school organizers would have the opportunity to ask the Board to extend the turnover date beyond December 31, 2010, upon provision of evidence that a charter school is being actively pursued, and there is reasonable probability that a charter would be granted.

There is also some concern in the Keanae community that, if the facility were turned over to DLNR, DLNR would be less responsive to the community's desire to use the facility for community purposes than the DOE has been. However, evidence that this would be the case has not been provided.

b. Previous action of the Board on the same or similar matter

The possible consolidation of Keanae School has not been previously considered by the Board.

c. Other policies affected

None.

d. Arguments in support of the recommendation

See "Conditions leading to the recommendation" above for a more detailed discussion. In summary, the arguments in support of the recommendation are:

- o The educational and social opportunities for Keanae children are greater at Hana than they would be at a small (21 students in grades K-5) school in Keanae.
- o Reopening the school would reduce the per-student resources at Hana and/or elsewhere in the state.
- o Formally closing Keanae School would save DOE approximately \$32,000 in annual maintenance cost and more than \$1 million (spread over a number of years) in physical improvements.
- o It is not likely that the student population in Keanae would increase to the point where reopening the school would be warranted.
- o Formally closing Keanae School would bring closure to the long-standing question of the future of the school and would enable the community to move forward to determine and implement other uses of the facility to benefit the community.

e. Arguments against the recommendation

See "Conditions leading to the recommendation" above for a more detailed discussion. In summary, the arguments against the recommendation are:

- o Reopening Keanae School would eliminate a long commute to school for young children living in Keanae.
- o Formally closing Keanae School would remove the opportunity that a reopened school could serve as a community rallying point and better engage parents in the education of their children.
- o Keeping Keanae School in its current inactive status would continue its availability for community uses and keep open the possibility of reopening the school if enrollment were to increase and/or if additional funding became available to operate a reopened school without taking resources from other schools.

f. Findings and conclusions of the Board committee

To be determined.

g. Other agencies or departments of the State of Hawaii involved in the action

The Department of Land and Natural Resources would, by statute, be the entity to which the Keanae School facility would be turned over if the Board approved the school's closure.

h. Possible reaction of the public, professional organizations, unions, DOE staff and/or others to the recommendations

Some will favor the recommendation to close the school, for one or more of the reasons listed under "Arguments in support of the recommendation" above.

The Keanae community has been outspoken about its desire to reopen the school or, if this is not currently feasible, to maintain it in its current inactive status, for the reasons listed under "Arguments against the recommendation" above.

h. Educational implication

Other than making a nominal amount of current funds now devoted to the maintenance of Keanae School available to the DOE "system," the recommendation to close Keanae School would not have any educational implications. The Keanae students' status would not change – they would continue to attend Hana School.

i. Personnel implications

A ½-FTE custodial position would be eliminated if the Keanae School were formally closed.

j. Facilities implications

Formally closing Keanae School and turning the facility over to DLNR will eliminate the need to spend more than \$1 million over a multi-year period in the rehabilitation of the facility, enabling these resources to be directed to other DOE facilities.

k. Financial implications

Formally closing Keanae School will save approximately \$32,000 in annual costs to maintain the facility in its current inactive status and more than \$1 million over a multi-year period in capital costs.

5. OTHER SUPPLEMENTARY RECOMMENDATIONS

None.

KSM/RGM

Attachments:

Task force report  
Complex area superintendent's recommendation

c: The Honorable Garrett Toguchi, Chairperson, BOE  
Office of School Facilities and Support Services  
Lindsay Ball, Complex Area Superintendent

JAN 22 2010

LINDA LINGLE  
GOVERNOR OF HAWAII



KATHRYN MATAYOSHI  
INTERIM SUPERINTENDENT

STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
MAUI DISTRICT  
54 High Street, 4<sup>th</sup> Floor, Rm. 401  
Wailuku, Maui, Hawaii 96793

January 12, 2010

Dear Superintendent Matayoshi:

The Keanae Task Force was established in accordance with Chapter 8-38, Hawaii Administrative Rules Consolidation of Public Schools to explore the public school education options for the children within the Keanae community. The Task Force has met with members of the Keanae community since July 2009. Members of the Task Force listened to many concerns brought forth by members of the community as well as public school officials. Most prevalent were the discussions pertaining to the safety of the students traveling to and from Hana and the cost effectiveness to offer high quality education to Keanae students.

The drive from Keanae to Hana School is approximately one hour, one-way. This is a considerable time to drive to school, but not unreasonable throughout the state. For example, there are children attending public schools in Lahaina who travel that distance to and from school each day. The inclement weather in Hana and conditions of the road make this one hour drive dangerous at times. When the weather causes hazardous driving conditions, there is a plan in place to ensure the safety for the students of Keanae. The current practice to reduce risk to the Keanae students is for bus driver to stay in constant contact with the Hana School principal and will refrain from transporting students to Hana.

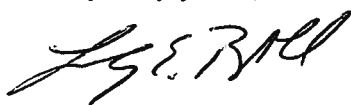
The cost to reopen Keanae School would surpass one million dollars. The number of students that would attend Keanae School and the Weighted Student Formula (WSF) policy would dictate one teacher to provide instruction in grades K-5. It would be unreasonable for one teacher to provide highly effective instruction that meets the Hawaii Content Performance Standards to students in grades K-5. In addition, the million dollars would barely cover the costs required to meet the needs of the 21<sup>st</sup> century learner which includes access to internet services. The only internet service available in Keanae is via satellite and this service would be expensive to maintain. Overall, the school would have to be fully staffed to meet the requirements of a few students whose needs can be met at Hana School.

The funds provided to reopen Keanae would be taken from Hana's WSF funds. The loss of these funds would have a negative impact on the quality of education provided to the elementary students at Hana School by increasing the student/teacher ratio.

The Task Force findings show that the cost to reopen Keanae School and the quality of education the Keanae students would receive do not correlate. According to the data provided, the recommended ratio for staffing indicates the students would receive less than adequate education because one teacher would be responsible to provide instruction for six grade levels, grades K-5. To improve the quality of instruction, additional expense would be required. To benefit the students, it is recommended in the report to have two teachers, one providing standards-based instruction in grades K-2, and an additional teacher providing standards-based instruction in grades 3-5.

I feel it is safe for Keanae students to be transported to Hana and would expect the driver and the Hana principal to continue with the safety plan that is currently in place. With consideration of the current economic status of Hawaii and the Department of Education, and the anticipated cost to maintain and operate both Keanae and Hana School, my recommendation would be to close Keanae School and continue to transport the students to Hana.

Very truly yours,



Lindsay Ball  
Complex Area Superintendent  
Hana, Lahaina, Lanai, Molokai

Cc: Randy Moore, Ass't Superintendent ✓  
Bob Carroll, Keanae Task Force Chair

Attachments: Task Force report on consolidation study and recommendation Keanae  
and Hana School

January 7, 2010

To: Mr. Lindsay Ball  
Complex Area Superintendent

From: Robert Carroll, Chair *Robert Carroll*  
Task force to study the consolidation of Keanae and Hana Schools

Subject: Task force report on consolidation study and recommendation  
Keanae and Hana Schools

This is the report and recommendation of the task force you appointed pursuant to Chapter 8-38, Hawaii Administrative Rules, to study the possible consolidation of Keanae and Hana Schools.

We considered three alternatives, and recommend that they be considered in this priority (the first listed is our recommended highest priority):

- 1) Reopen Keanae School as a K-5 school.
- 2) Continue to maintain Keanae School in its present inactive status.
- 3) Formally close Keanae School.

We request that when the Board of Education meets to discuss and act on the possible consolidation of Keanae School, the meeting be held on Maui to afford community members the opportunity to attend and present testimony.

As provided by Chapter 8-38, your task force considered the following:

- (1) The advantages and disadvantages of consolidation in respect to efficient school administration and providing equal educational opportunity;
- (2) The adequacy of facilities, equipment, programs, transportation service, and other support services at the school which may be closed and the school to which students may be transferred;
- (3) Social impact on the children, schools, community and those involved in the consolidation;
- (4) The net financial savings that may be realized from consolidation, including projections of additional expenditures at the school which may receive transferred students;
- (5) Potential new residential developments, projected changes in enrollment, and other relevant demographic considerations;
- (6) Suitability of using portions of the school facilities to accommodate space requirements of other department or state activities; and
- (7) A suggested timetable for implementation if consolidation is recommended.
- (8) Other issues not specifically addressed in Chapter 8-38.



Your task force met on the following dates:

Thursday, July 23, 2009 from 3 to 5 p.m. at Keanae School  
Thursday, August 27, 2009 from 5 to 6:53 p.m. at Keanae School  
Thursday, September 17, 2009 from 4 to 6:15 p.m. at Keanae School  
Thursday, October 8, 2009 at 3:50 p.m. at Keanae School (no quorum).  
Thursday, January 7, 2010 from 6:20 to 6:58 p.m. at Keanae School

These meetings were conducted in accordance with Chapter 92, Hawaii Revised Statutes (the “Sunshine Law”).

Your task force held a public hearing on its findings. The public hearing was held at Keanae School on Thursday, December 3, 2009 from 6:15 to 8 p.m. A summary of the oral testimonies and copies of the written testimonies are attached in Appendix A.

Twelve individuals offered oral testimony at the public hearing. Three of these individuals also provided written testimony. Five others provided only written testimony. A petition to keep the school open was submitted with 171 signatures. All testifiers were in favor reopening Keanae School open, for the following reasons:

- If Keanae students must go to Hana to school, they have to get up early. The long bus ride is dangerous, tiring, and adversely affects student attendance and performance at school. It is difficult for the bus drivers to control student riders while driving the bus. If students miss the bus in the afternoon, they need to find a ride from Hana to home. Spending so much time traveling limits family, homework, and basic childhood time. Children get tired of riding the bus and drop out of school by the time they get to high school.
- Without a school, neither adults nor children in Keanae have anywhere to go for school help, research, or study time – basic needs that every other community has access to.
- There are drawbacks to a larger school (Hana) – social acceptance, bullying, peer pressure.
- A community without a school is not a complete community. Since Keanae School closed, the community has lost communication and unity.
- The school could offer a hands-on Hawaiian culture-based educational program.
- If the school is closed, the community and not the Department of Land & Natural Resources should be the official caretaker of the facility, maintaining it for community use. It should not be turned over to the DLNR. Several testifiers said the community would be willing to assume the responsibility for repairing and operating the facility.
- DLNR owns 242.3 acres in the area. If this area is developed for homesteaders, there will be more school children in the community. If Keanae School is turned over to DLNR now, it would be difficult to reopen it if it were needed in the future.
- The DOE should market the possible use of the Keanae School facility to others, to generate additional “use of facilities” income.

The DOE has determined that the highest grade level that could be offered at Keanae would be the 5<sup>th</sup> grade, because neither the size of the student body nor the facilities at Keanae would be adequate to offer a middle school program at Keanae.

The DOE has also determined that it is not cost-effective to operate Keanae School as a free-standing school. As a free-standing school, Keanae School would require administrative staff and supervision by the complex area superintendent.

If Keanae School were reopened as a K-5 “branch” of Hana School, the estimated enrollment would be 21, comprised of 15 current students in those grades now attending Hana School, plus all three Keanae children in grades K-5 who are now homeschooled, plus an estimated three more students who are now attending a school other than Hana School because their parents do not want to subject them to the daily drive to and from Hana. The DOE has determined that a re-opened school at Keanae with 21 students in grades K-5 would require two teachers because the breadth of standards for six grade levels could not be addressed satisfactorily by only one teacher. In addition, if special education students were at Keanae School, a special education teacher at Hana School would be required to provide time to observe and assist the Keanae teachers to modify the curriculum to accommodate any special education students.

We therefore considered three possibilities:

- i) Keanae School is repopulated with K-5 classes as a “branch” of Hana School.
- ii) Status quo: the Keanae School facility remains under the control of the Hana School principal, but all Keanae students continue to attend school in Hana.
- iii) Keanae School is formally closed, and the facility is turned over to the Department of Land and Natural Resources.

Our findings follow, in the order listed above.

**(1) The advantages and disadvantages of consolidation in respect to efficient school administration and providing equal educational opportunity.**

<b>Repopulate Keanae School with K-5 classes</b>	
<b>Advantages compared to “status quo”</b>	<b>Disadvantages compared to “status quo”</b>
<u>Efficient school administration:</u> <ul style="list-style-type: none"> <li>• None.</li> </ul>	<ul style="list-style-type: none"> <li>• As a “branch” of Hana School, Hana administrators and Keanae teachers would need to spend time traveling between the two schools.</li> </ul>

Advantages compared to “status quo”	Disadvantages compared to “status quo”
<p><u>Providing equal educational opportunity:</u></p> <ul style="list-style-type: none"> <li>• Because students would be spending two hours fewer commuting to and from school, they would arrive at school less tired, more likely to have had breakfast, more ready to learn, and would have more time for homework and be less tired to do homework.</li> <li>• A multi-age organization of classes offers learning opportunities to both younger and older students in a class that are less available in a traditional graded school.</li> <li>• Students would likely miss breakfast less frequently. There were four occasions in SY 2008-09 when the school bus to Hana arrived too late for the bus riders to eat breakfast before school.</li> </ul>	<ul style="list-style-type: none"> <li>• Because there would at most be two teachers at Keanae, the teacher(s) would need to teach a range of grade levels.</li> <li>• If the chemistry between student and teacher were detrimental to the student, there are limited opportunities to place students with a different teacher.</li> <li>• Separate quarterly standards are required to be taught for each grade level. This makes teaching multi-grade levels difficult.</li> </ul>

<b>Keanae School is formally closed and the facility is turned over to DLNR</b>	
Advantages compared to “status quo”	Disadvantages compared to “status quo”
<p><u>Efficient school administration:</u></p> <ul style="list-style-type: none"> <li>• The Hana School principal is no longer responsible for the maintenance and administration of the use of Keanae School by others.</li> </ul>	<ul style="list-style-type: none"> <li>• None</li> </ul>
<p><u>Providing equal educational opportunity:</u></p> <ul style="list-style-type: none"> <li>• None.</li> </ul>	<ul style="list-style-type: none"> <li>• None.</li> </ul>

**(2) The adequacy of facilities, equipment, programs, transportation service, and other support services at Keanae School and at Hana Elementary School.**

The two schools have the following facilities:

	Keanae		Hana	
	number	sq.ft.	number	sq.ft.
Total Number of Classrooms Buildings	1	2,578	16	53,704
Total Number of Classrooms:	3	2,578	40	53,704
classroom use	1	776	37	
other uses (list)				
Library	1	1,026		
Serving Kitchen	1	776		
Computer Lab			1	
Administration			0.5	
PSAP			0.5	
VOC-Tech			0.5	
Pihana Na Mamo			0.5	
Total Number of Non-Classroom Buildings	0		5	34,495
Admin. office			1	2,950
cafeteria/kitchen			1	5,790
Library			1	7,493
locker-shower			1	2,899
Gymnasium			1	15,363
Total sq.ft. all buildings		2,578		88,199

DOE's criteria for determining the number of classrooms needed for instructional purposes are:

- \* one classroom for each special education teacher
- \* one classroom for every 20 students grades K-2
- \* one classroom for every 25 students grades 3-5.

Based on these criteria, two classrooms would be needed at Keanae if it were reopened with 21 K-5 students. The Keanae facilities would physically accommodate the expected K-5 enrollment.

If Keanae school were reopened with 21 students and two teachers, furniture and equipment costing approximately \$22,000 would be needed at Keanae:

Furniture for students and teachers	\$12,000
Computers	7,000
Printer	1,200
Copier	1,200
Fax machine	300
Total	\$21,700

The condition of the Keanae facilities is poor. The building is an old frame termite-damaged building in need of substantial repair. No asbestos-containing materials are present. The building was on the DOE's list of "whole school renovation" projects, but

the work for Keanae has been deferred pending a determination of the future of the school. The estimated cost to renovate the building is \$270,000.

The large capacity cesspool was replaced with a septic system in accordance with a consent agreement with the U.S. Environmental Protection Agency.

At present, Internet service at Keanae School is available only by satellite. The cost of this service (estimated at \$667 per month) is included in the financial analysis below.

Hana School currently has the following teaching staff at the various grade levels:

	no. of students	no. of teachers
Special ed		
Pre-K	0	0
K-5	14	1
Grades 6-12	36	4
Regular ed		
Pre-K	14	1
K	44	2
Grade 1	35	2
Grade 2	21	1
Grade 3	32	2
Grade 4	15	1
Grade 5	24	1
Reading teacher		1
Subtotal elementary	185	11
Grades 6-12	115	8
Total	336	19

The following programs and support services are now available at Hana [elementary level only]:

Four-day academic week (Monday-Thursday)
After-school tutoring three days per week
Two hours of tutoring Friday
Arts and cultural program Friday
School-community library on campus library on campus

Keanae students now attending Hana School who transferred back to Keanae would have to rely on community organizations to provide these same services.

Transportation is now (as of January 6, 2010) provided to 21 Keanae students who attend Hana School at the following grade levels:

Elementary K-2	11 students
Elementary 3-5	4 students
Middle 6-8	4 students
High 9-12	2 students

A bus would still be needed to transport students in grades 6-12 from Keanae to Hana if Keanae School were re-opened. A smaller bus could be used if the bus contractor had a smaller bus and could switch the smaller bus with a larger bus. However, bus contractors typically charge the same for any size of Type I bus (more than 15 passengers) to retain flexibility to adjust their service as demand for bus service changes. The financial analysis in section 4 of this report assumes there would not be any student transportation savings if Keanae School were reopened.

There are no curb-to-curb special education students currently transported from Keanae to Hana.

### **(3) Social impact on the children, schools, community, and those involved in the consolidation.**

If Keanae School were reopened, the 15 current (as of January 6, 2010) students living in Keanae but attending Hana would not be subjected to the one hour each way commute to school. The positive impact on these students would be:

- They would be able to sleep an hour longer in the morning.
- They would be more likely to have breakfast with their families or at school, rather than skipping breakfast because they overslept or the bus arrived late at school.
- They would not be subjected to inappropriate behavior of older students on the school bus.
- They would not be exposed to the dangers of being in a vehicle traveling Hana Highway.
- They would not arrive at school with the effects of motion sickness.
- Their parents would be more able to pick them up at school if they became ill at school.
- They would not be subject to the stress of needing to use the toilet during a one-hour bus ride.
- They would not be subject to being stranded on the highway if the bus breaks down.
- Because they would not begin the bus commute to Hana School until the 6<sup>th</sup> grade, they would be less likely to drop out of high school because of too many years making the long bus ride to school.
- They would have more time after school for homework, chores, and family time.

The positive impact on the Keanae community if the school were reopened would be:

- A community bond provided by a school in the community: school-based activities would pull the community together.
- Increased feeling of community self-worth: the community feels valued because a school is provided for its young children.

However, there are social drawbacks to operating a small K-5 school at Keanae:

- Social interaction among students is more limited because there are fewer students.
- It is easier for students to be “labeled” and harder for them to shake the “label” if there is only one class per grade level, and if students remain in the same class for several years.

If Keanae School were “officially” closed and the facility turned over to the Department of Land and Natural Resources, the future uses of the facility would need to be worked out with DLNR. Some members of the community are concerned that DLNR may be less accommodating of community use of the facility than the DOE.

If Keanae School remained in its current inactive status – controlled by the DOE but with all Keanae students bussed to Hana – the potential would remain for the school to reopen in the future if enrollment warranted reopening.

**(4) The net financial savings that may be realized from consolidation.**

Three analyses are required: (a) the cost to continue to maintain Keanae School on a inactive status, (b) the savings that would result if Keanae School were formally closed, and (c) the cost if Keanae School were reopened.

Keanae’s future repair and maintenance and capital improvement project costs total approximately \$1,110,000:

Backlog projects	\$1,069,000
Current but deferred projects	<u>41,000</u>
Total	\$1,110,000

These projects do not need to be completed prior to the re-opening of Keanae School, but will be scheduled as funds are available. Realistically, it is probable that it would be five to ten years before all these projects were completed. Details are in the following two tables:

Project Number	Project Name	Type	Status	Total Estimated Cost
E0601511	PKG 02-RESRF/RESTRP	R&M	Backlog	50,000
E0601965	RESURFACE PLAYCOURT	R&M	Backlog	100,000
E0602270	A PNT EXT	R&M	Backlog	46,000
E0602758	01 RPLC B RAIL STDS	R&M	Backlog	16,000
E0602755	A PAINT FLOORS	R&M	Backlog	31,000
E0602757	01 REFENCE PLAYCRT	R&M	Backlog	15,000
E0602760	A RPLC RR FIXT	R&M	Backlog	36,000
E0602762	A REROOF	R&M	Backlog	50,000
E0620192	A PAINT INT	R&M	Backlog	25,000
E0620364	A RPL WINDOWS	R&M	Backlog	50,000

E0620366	A RENOVATE RESTROOMS	R&M	Backlog	56,000
E0620365	A RENOVATE KITCHEN	R&M	Backlog	46,000
E0620914	CAMPUS RPL FENCING	R&M	Backlog	21,000
E0621305	A REWIRE BLD	R&M	Backlog	55,000
C0002405	ADA Transition Accessibility	CIP	Backlog	375,000
C0002512	Cesspool Removal	CIP	Backlog	37,000
C0003127	Electrical Upgrade	CIP	Backlog	60,000
	Total			1,069,000

Project Number	Project Name	Type	Status	Total Estimated Cost
E0620010	A RMV PLAYGND EQPT	R&M		5,000
E0620915	A Rpr Sidewalk	R&M	Construction	26,000
E0621110	A STRUCTURAL STUDY	R&M		10,000
X5200307	2007 Whole School Renovations			0
	Total			41,000

The annual savings to the DOE that are likely to be realized if Keanae is closed and the facility turned over to DLNR are approximately \$32,368:

	Annual amount	Basis of calculation
Elimination of electricity costs	960	12 mo cost to 7/17/09
Elimination of water costs	1,886	12 mo cost to 6/29/09
Elimination of custodial costs	23,831	0.5 FTE including fringes @ 37%
Elimination of building repair & maintenance costs	6,058	2.35/sq.ft. x 2,578 sq.ft.
Subtotal	32,735	
Offset – loss of Keanae School facility rental income	367	FY 2008-09 amount
Total	32,368	

The cost to operate a re-opened Keanae School would be approximately \$300,000 annually:

Position title	no. of positions	avg cost per position, incl fringes	total avg full cost
Teacher	2	77,095	154,189
Educational ass't	0	40,628	0
Driver	1	39,015	39,015
Cafeteria helper	0.5	37,950	18,975
Custodian	0.5	47,663	23,831
Food delivery van	1		17,886
Internet service via satellite			8,000



Additional utility costs			5,000
Ongoing inactive costs			32,368
Total			299,265
Note: fringe rate is	37.04%		

If any of the Keanae students required special education services, it is possible that an additional teacher would be required at Keanae, at a cost of approximately \$77,000, plus a one-time cost of furniture and a computer of approximately \$5,000.

A portion of the \$299,265 annual cost to operate a re-opened Keanae School would be incurred if the school were not reopened but continued to be inactive, so the appropriate analysis is what additional cost would be incurred if the school were reopened. The additional cost, which assumes two teachers are transferred to Keanae from Hana and an additional educational assistant is hired at Hana, is approximately \$130,000:

Position title	no. of positions	avg cost per position, incl fringes	total avg full cost
Educational ass't	1	40,628	40,628
Driver	1	39,015	39,015
Cafeteria helper	0.5	37,950	18,975
Food delivery van	1		17,886
Internet service via satellite			8,000
Additional utility costs			5,000
Sub-total: additional cost to re-open			129,504
Ongoing inactive costs			32,368
Cost to DOE to re-open vs turn over to DLNR			161,872

Testimony from parents at our task force meetings was that they would forego school-provided meals if Keanae School were reopened. However, the DOE is obliged to provide meals to any students eligible for free or reduced price meals [7 CFR part 210.23].

In summary, the annual costs to the DOE are:

Re-open Keanae School with 21 students (assumes DOE allocates additional funds to Hana School and does not require these costs to be paid from the current allocation to Hana)	\$161,872
Continue Keanae School as inactive	32,368
Turn the facility over to DLNR	zero

The one-time costs to re-open Keanae School are:

Start-up costs to refurnish and re-equip Keanae School for 21 students and two teachers.	\$ 21,700
Costs, spread over five to ten years, to address deferred maintenance and non-compliance with the requirements of the Americans with Disabilities Act.	<u>1,110,000</u>
Total	\$1,131,700

A testifier suggested there are funding opportunities through (i) federal funds for native Hawaiian educational services and the rehabilitation of facilities [CFDA 84.362A] and (ii) the federal American Recovery and Reinvestment Act [CFDA 84.395]. DOE staff researched both programs and determined that it is not likely that DOE would be able to increase its utilization of these two programs to reopen Keanae School.

Unless the DOE allocates additional resources to Hana to pay for the two teachers at Keanae, the transfer of two teachers from Hana would mean two fewer teachers at Hana for 15 fewer students, resulting in larger class sizes at the elementary level at Hana.

**(5) Potential new residential developments, projected changes in enrollment, and other relevant demographic considerations.**

The 25-year enrollment history of Keanae School is in the table below:

	Keanae grade levels	Keanae enrollment	Keanae enrollment per grade	Hana enrollment	combined enrollment	combined enrollment per grade
1983-84	K-8	37	4.1	317	354	27
1984-85	K-6	32	4.6	355	387	30
1985-86	K-5	25	4.2	392	417	32
1986-87	K-5	24	4.0	379	403	31
1987-88	K-5	24	4.0	388	412	32
1988-89	K-5	23	3.8	385	408	31
1989-90	K-5	14	2.3	362	376	29
1990-91	K-5	16	2.7	385	401	31
1991-92	K-5	13	2.2	419	432	33
1992-93	K-3	9	2.3	423	432	33
1993-94	K-3	7	1.8	434	441	34
1994-95	K-3	5	1.3	445	450	35
1995-96	K-3	9	2.3	438	447	34
1996-97	K-3	9	2.3	457	466	36
1997-98	K-3	7	1.8	440	447	34
1998-99	K-3	10	2.5	412	422	32
1999-2000	K-3	7	1.8	411	418	32
2000-01	K-3	3	0.8	402	405	31
2001-02	K-3	3	0.8	387	390	30
2002-03	K-3	6	1.5	389	395	30
2003-04	K-3	3	0.8	388	391	30

	Keanae grade levels	Keanae enrollment	Keanae enrollment per grade	Hana enrollment	combined enrollment	combined enrollment per grade
2004-05	K-3	7	1.8	384	391	30
2005-06				356	356	27
2006-07				357	357	27
2007-08				327	327	25
2008-09				334	334	26
2009-10				337	337	26

Projections for the current year and upcoming six years at Hana (there are no separate projections for Keanae) are:

Actual enrollment, 2008-09	334
Actual enrollment, 2009-10	337
Enrollment projected in fall 2008	
for 2009-10	323
for 2010-11	322
for 2011-12	324
for 2012-13	329
for 2013-14	338
for 2014-15	347

Projected enrollment at Hana is well below the capacity of the school and is below the enrollment for the 20-year period 1984-85 through 2005-06.

The Department of Hawaiian Home Lands owns 242.3 acres of land in Keanae that may in the future be developed for residential use, thereby generating additional students who might attend a school in Keanae. At this time DHHL has no plans and no timetable to develop plans for its Keanae property.

**(6) Suitability of using portions of the school facilities to accommodate space requirements of other department or state activities.**

Some members of the Keanae community believe the current site of Keanae School was given to the Territory of Hawaii for school purposes. DOE staff research shows that Keanae School is located on 3.53 acres of land owned by the State of Hawaii. It was conveyed to the Department of Public Instruction (DPI) of the Territory of Hawaii in two transactions. A fractional interest was conveyed by S.K. Kamaukoli, Mrs. Nele Elemakule, Mrs. Pro. Hookano, Mrs. Keahi Hookano, Joe Hookano, Anakolia Kawailohe, S.K. Makaena, and Akina on October 14, 1908. An additional fractional interest was conveyed by Ben Wilkins on November 30, 1909, when the Territory conveyed two government lots of 2.10 and 1.92 acres at Keanae to Mr. Wilkins in exchange for his conveyance to the DPI of his fractional interest in the 3.53-acre parcel.

Neither deed contains a reversionary clause.

The land was subsequently “set aside ... for the site for the Keanae School lot, to be under the control and management of the Department of Public Instruction” by executive order of Governor J.B. Poindexter on October 8, 1934.

A resolution introduced in the 2009 Legislature requested the DOE to turn the Keanae School facility to the Department of Land & Natural Resources.

Possible uses of Keanae School, if it were formally closed, include

- parent use as a homeschool presented in a classroom setting.
- a charter school.
- a community center.

**(7) A suggested timetable and transition plan for implementation.**

Effective School Year 2010-11.

**(8) Other issues not specifically addressed in Chapter 8-38.**

A testifier said that Keanae School should be made available to Keanae residents as an emergency shelter. Facilities are designated as emergency shelters by county and state civil defense officials, not by DOE officials.

Attachments:

- A – Summary of oral testimonies and copies of written testimonies
- B – Minutes of the task force meetings
- C – Report of the Task Force subcommittee on social impacts