



UNIVERSITY OF HAWAI'I SYSTEM

ANNUAL REPORT

REPORT TO THE 2006 LEGISLATURE

Progress Report on
the Lyon Arboretum
University of Hawaii at Manoa

Senate Concurrent Resolution 174

December 2005

**Status Report on the Harold L. Lyon Arboretum
November 29, 2005**

**In response to:
SCR 174 of the 23rd Legislature of the State of Hawai‘i**

The following report responds to the Hawai‘i Legislature’s request for a joint report from the University and the Lyon Arboretum Steering Committee on changes which have taken place at the Arboretum since July 1, 2005. Originally scheduled for August 2005, the report has been delayed in the hope that issues with the Department of Land and Natural Resources would be resolved. The report, prepared jointly by Dr. Barbara Polk, Chair of the Steering Committee and Dr. Clifford Morden, Interim Director of Lyon Arboretum serves as an update to the on-site briefing of legislators at the Arboretum in late August. It has been sent out for review by Steering Committee members, as well as reviewed and approved by the appropriate University officials. Except for the first item below, which provides a context for several of the other areas addressed, the organization of the report follows the request contained in SCR 174.

Progress on Meeting the Requirements of External Agencies:

To resolve past land use issues in the conservation district with the Department of Land and Natural Resources (DLNR), the University hired Group 70 to work with the Lyon Arboretum Interim Director to prepare the After The Fact-Conservation District Use Application (ATF-CDUA) that has been submitted to the Office of Conservation and Coastal Lands (OCCL) of DLNR. In addition, an environmental assessment (June 2005) and a management plan (September 2005) were prepared and submitted to DLNR. Changes in DLNR requirements for these documents have delayed the approval process.

A public hearing regarding the documents in the CDUA was held November 28, 2005, and it is anticipated that approval will be an agenda item for the Board of Land and Natural Resources in December 2005. At that time, the University anticipates that a permit will be granted for carrying out the normal operating functions of LA. In the interim, all commercial activities of LA have ceased (including sales in the gift shop and fee based education programs at all levels), as have grounds improvements such as tree plantings, trail construction, etc. With the exception of the resumption of non-fee based educational programs for K–12 students, only the basic operations of the arboretum are being attended to at this time, and this situation will continue until a permit is granted.

Efforts To Improve the Arboretum’s Educational Program

Prior to closure of Lyon Arboretum (LA) in September 2004, the educational program comprised several parts: enrichment programs during the academic year for K–12 students, summer programs for K–12 students, UH class meetings for specific purposes, and classes for the general public. The lack of ADA compliant access to the Children’s

Learning Center, where many of these activities took place, combined with restrictions on revenue generating activities at LA have delayed the full resumption and expansion of these programs.

However, we are pleased to report that with the temporary addition of a portable, handicap accessible toilet and provision of alternate activities for disabled students as needed, many of the classes for K–12 students are up and running, and most should resume in the Spring (pending DLNR approval). In addition, the Interim Director is actively working with colleagues to bring more UH classes to LA and build to curriculum based on LA resources. He is also seeking to institute summer programs for local and national college students (programs that will bring revenue to LA).

Community education classes will resume after the DLNR restrictions are removed, as will full-scale K–12 summer programs.

Efforts to Improve the Arboretum's Research Program

Micropropagation and seed storage research continues at LA. In addition, two proposals have been submitted on pig control research, several new student projects have begun, and collaborations with non-UH researchers are on-going. The Interim Director has initiated outreach efforts to DLNR, the US Fish and Wildlife Service, and other external groups, as well as to UH faculty, to encourage use of LA for research on conservation and restoration projects.

Efforts To Improve Facilities and Grounds:

Although the legislature provided funding for facility renovation, these projects await approval by DLNR, as discussed above. In anticipation of this approval, work has begun to design the needed renovations, using a pro bono consultant arranged for by the Interim Director. LA plans to hire a temporary projects manager to oversee the CIP projects beginning in the spring.

New planting and trail development also await approval by DLNR. Priority has been placed on using the new legislative appropriation to hire additional staff to improve collections and grounds once this approval is received.

Planned and Actual Use of Funds:

The University has provided approximately \$350,000 for LA operations this year. This amount covers current staff salaries, utilities, and very limited operating expenses. In addition, proceeds of the Lyon Trust deposited at the UH Foundation currently amount to approximately \$60,000. These funds are being used to pay the salaries of current staff until they can be transferred to G-funds. In the future, this account will provide for additional operational needs.

The legislature has already been provided with a plan for the use of the additional \$500,000 appropriated for the current fiscal year. In future years, almost all of this amount will be used for additional personnel and conversion of current personnel to G-funds. Because hiring has been delayed pending resolution of issues with DLNR, money not used for personnel in the current fiscal year will be used for badly needed equipment, student help, and temporary personnel in critical areas, as previously reported to the legislature (November 7, 2005).

The Interim Director has established a Special Fund Account through RCUH to receive revenues from education programs, visitor collections, plant sales, gift shop proceeds, and any other future commercial activities. This account will give the arboretum direct control of these funds, and will provide a clear, accurate record of income and expenditures. Until DLNR issues are resolved, LA does not have authorization to engage in any commercial activities, so this new account currently holds only revenues accrued through visitor donations.

Getting a firm grasp of all arboretum accounts and distributions has been one of the priorities of the Lyon Arboretum Interim Director. Recently the UHM Chancellor has arranged for additional fiscal support to the Director until a permanent administrative officer can be hired. A problematic component of the financial and inventory accounting system in the past was the utilization of Lyon Arboretum Association (LAA) instead of a Special Fund to receive monies raised by LA through education programs and fundraising activities. LAA then returned these funds through the UH Foundation for specific projects, which were not always the priorities of the LA, and sometimes bought equipment directly, leaving its ownership unclear. An MOA with LAA is being developed that will more carefully address the financial relationships between the two organizations. Meanwhile, opening the special fund account has solved much of the problem.

University of Hawaii Foundation accounts had previously been established for donors who had specific bequests for their donations; new donations will also be handled through the UHF. LA hopes to consolidate accounts to the extent possible by encouraging new donors to add to existing accounts with the same purpose, rather than creating new ones.

The proposed budget for the current year is appended, with expenditures to date shown. It does not include external grant funds which directly support specific activities and over which the Interim Director does not have discretion (e.g., grants for the Micropropagation Lab.)

Plans to Increase Non-General Fund Revenues

These plans are only beginning, and include soliciting donations from the community, limited expansion of such commercial activities as weddings and festivals, application for grants and donations from charitable trusts, and increased research grant development. In addition, an agreement to rent space to an Invasive Species Analyst from DLNR will

provide both expertise and revenue to LA. Arrangements for a summer program for local and mainland college students are underway.

The UHM Chancellor recently directed staff to work with LA to plan a major fund raising event during the spring to celebrate full resumption of activities at the arboretum.

Progress in Hiring a Permanent Director

The current Interim Director is only part-time, due to prior commitments he had made for the academic year. All parties agree that LA needs a permanent, full-time Director. The University intends to develop a position description with input from all concerned parties and conduct a national/international search during the spring semester, with an anticipated start date in summer or Fall 2006. The UHM Chancellor has taken a personal interest in this matter and ensured that LA will receive full support from her office during this process.

Clarify UH Organizational Structure and Reporting Lines

The administration of the Lyon Arboretum has been shifted from the College of Natural Sciences. The Interim Director reports directly to Dr. Gary Ostrander, Vice-Chancellor for Research and Graduate Education. The university approved organizational chart for the arboretum currently consists of the permanent position employees reporting directly to the Arboretum Director. Part time and temporary employees report directly to their supervisor. Job descriptions and salary placement for the permanent employees are being reviewed and updated. Job descriptions for anticipated new hires are presently being prepared and will be completed in the coming weeks. A new organization chart including these positions will be part of this process.

Actions to Clarify Partnerships with Groups External to the University:

The Lyon Arboretum has historically allowed other groups or agencies to occupy arboretum facilities. Four such groups presently have been given space at the arboretum: the Lyon Arboretum Association (LAA), *Halau Ku Mana* (a Hawaiian charter school presently housed at Paradise Park adjacent to the Lyon Arboretum property), the Garden Club of Honolulu, and the UH-Manoa Center for Conservation, Research and Training (CCRT). The relationship between Lyon Arboretum and LAA is presently being redefined and a Memorandum of Agreement (MOA) is in the process of being developed. *Halau Ku Mana* has students that are actively involved in rebuilding the *loi* and rock walls near the ethnobotanical section of the arboretum and a draft MOA is in place. A staff member of CCRT has been housed at Lyon Arboretum for many years by verbal agreement between past Arboretum and CCRT directors. The Garden Club of Honolulu maintains an office at the arboretum, and an MOA between the Garden Club and Lyon Arboretum is in place. As mentioned above, a fifth agreement is currently being developed between DLNR and Lyon Arboretum to establish a conservation research position to study the potential of alien plant species becoming invasive pests within the natural ecosystems if they are allowed to enter the state.

Progress on Developing a Physical Facilities Master Plan

A Physical Facilities Master Plan is not currently under development. However, Lyon Arboretum, in conjunction with the consulting firm Group 70, has prepared and submitted to DLNR a management plan entitled "*The Land Management Plan for the Harold L. Lyon Arboretum of the University of Hawai`i*" (September 2005). This plan provides basic information on intended uses of the Arboretum lands and facilities, and will be used to set priorities for CIP projects beginning in Spring 2006

Status of Health, Safety, and Disability Access Compliance Issues:

The arboretum is presently open to the public, but services are limited. Five of the buildings that formerly served as sites for many activities are now closed due to their poor physical condition. Once the permit is granted, appropriate permits for building renovation and reconstruction will be applied for. These changes will include making the buildings and grounds ADA compliant and renovating the buildings so they will be structurally sound and habitable.

In the meantime, LA has installed a portable handicap accessible bathroom. Plans are being developed by a pro bono consultant to meet other accessibility requirements, including enlarging a bathroom in the main building (Building H), improving and leveling walkways in the vicinity of Building H, redesigning the entrance to the gift shop in Building H, and designing ADA compliant access to the Children's Learning Center.

The staff and volunteers continue to maintain the trails, post warnings to the public when trails develop problems that cannot be immediately fixed, and monitor older trees to remove branches that may pose a danger to the public.

Conclusion:

The University is grateful to the legislature for providing the support, encouragement, and funding to allow Lyon Arboretum to move forward on a much stronger footing than it has previously had. The monies appropriated are being and will continue to be used to support these efforts. Although it will take some time to make the physical plan fully useable, the University looks forward to having a stronger arboretum that is more fully integrated into the teaching, research, and service missions of the Manoa campus and the University as a whole.

Lyon Arboretum Budget 2005-06

General Funds

		Projected 05-06
Current Allocation for Positions	\$279,799	\$279,799
Proposed Salary Increases	8,292	4,146
Proposed Position Conversions	171,547	85,774
Proposed New Hires	319,512	159,756
Total	\$770,858	*529,475

Special Tuition Funds (UH Allocation)

	(current)	(projected)
Allocation: \$52,000	July 1 – Oct 31	July 1 – Jun 30
Expenditures		
Utilities (water, electricity)	7,927.02	24,000
Security	515.35	2,000
Hazardous Waste	210.00	3,000
Communications	1,713.26	13,500
Miscellaneous Supplies	2,550.34	9,500
Present and Projected Balance	39,084.00	0

RCUH Revolving Account

Purpose: Recently established account for education, plant sales, gift shop, etc.

Present Balance **\$2,890.87**

Yoshinaga Gift Proceeds

Purpose: To fund projects in seed storage and germination

Present balance **\$4,276.69**

Mabel Lyon Income Fund (UH Foundation)

Present Balance **\$14,803.04**

Harold L. Lyon Arboretum (UH Foundation)

Purpose: For arboretum programs; used this year largely to cover employee salaries

Distribution	Amount	Transaction	Balance
Start of fiscal year			184,656.74
Cash Contribution	1230.49	income	185,887.23
Income-perpetual trust	12,872.00	income	198,759.23
Institutional Membership	320.00	debit	198,439.23
UH Agreement (salaries)	56,289.50	debit	142,149.73
UHF Admin Fee	944.11	debit	141,205.62
Encumbered (salaries)	71,237.69	debit	69,967.93
Present Balance			69,967.93

Lyon Memorial Fund (UH Foundation)

Purpose: Recently established for maintaining the appearance of memorials at LA

Present balance **\$3000.00**

Arboretum Fund (UH Foundation)

Purpose: to support LA activities

Distribution	Amount	Transaction	Balance
Start of fiscal year			16,313.01
Cash contributions	293.00	income	16,606.01
Books and Subscriptions	36.00	debit	16,570.01
Supplies	98.93	debit	16,471.08
Administrative expenses	30.00	debit	16,441.08
Services (air conditioning)	195.00	debit	16,246.08
Protocol	72.68	debit	16,173.40
UH Agreements	257.80	debit	15,915.60
UHF Admin Fee	6.76	debit	15,908.84
Encumbered	1,715.51	debit	14,193.33
Present Balance			14,193.33

Hartt-Harold Lyon Arboretum (UH Foundation)

Purpose: for Support of Research Projects

Distribution	Amount	Transaction	Balance
Start of fiscal year			49,326.75
Endowment distribution	1,091.53	income	50,418.28
Present Balance			50,418.28

Young Memorial Garden (UH Foundation)

Purpose: for maintenance of Hong Yip Young Memorial Garden

Distribution	Amount	Transaction	Balance
Start of fiscal year			1,372.95
Endowment distribution	34.92	income	1,407.87
Present Balance			1,407.87

Lyon Arboretum Visitors (UH Foundation)

Purpose: funds from donations at Lyon Arboretum and used for program support and employee salaries

Distribution	Amount	Transaction	Balance
Start of fiscal year			25,686.32
Cash contributions	1,383.57	income	27,069.89
Supplies	151.26	debit	26,918.63
Institutional Memberships	35.00	debit	26,883.63
UHF Administration Fee	48.43	debit	26,835.20
Present Balance			26,835.20

Lyon Arboretum Proposed Endowment (UH Foundation)

Purpose: recently opened account; specific endowment as yet undetermined.

Distribution	Amount	Transaction	Balance
Start of fiscal year			1,470.00
Interfund transfer – in	241.25	income	1,711.25
Present Balance			1,711.25

*** Proposed use of salary savings from General Fund**

	<u>Item</u>	<u>Quant.</u>	<u>Est. Cost</u>
1	New water lines	1	9,000
2	Communication system for grounds	1	20,000
3	Jeep Road Engineering and repair	1	100,000
4	Pickup truck	1	25,000
5	Project Manager	1	25,000
6	Computers	8	3,000
7	Emergency Hire - Education	1	6,000
8	Emergency Hire - grounds maintenance	2	6,000
9	Trail maintenance materials	1	3,000
10	Utility Carts	1	11,000
11	Lawn Mower	1	5,000
12	Trail and display maps	1	1,000
13	Tent Cottage H	1	8,000
14	Transformation Hood (for micropropagation lab)	1	4000
15	Air Conditioning Units	2	500
	Total		\$254,000

Balance, if any, will be drawn from UHF accounts