

Grand Hyatt Kaua`i Resort & Spa



"Green" Initiatives

Presented: September 28, 2008

Kaua`i Renewable Energy Conference



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Agenda

- Reduce/Reuse/Recycle
- Impact
- 2008 Progress
- Upcoming Projects
- Education
- Partnerships
- Best Practices
- Media

Conservation Commitment

We are committed to reducing our impact on the environment by conserving natural resources and reducing waste.

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Commitment





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Reduce

- CFL's reduce our energy usage by nearly 800,000 (kWh)/yr.
- LED's installed in hallway & exit lights provide 10,000 hours of light vs. 2,000
- Light timers & sensors galore (public restrooms and stairways).
- Air-conditioning is on an Energy Management System, controlling times for use.
- Electronic timers & variable speed drives on exhaust fans & pumps reduce electrical needs by 250,000 kWh.
- Waste is minimized at catering events by using glass & china dinnerware and cloth napkins. Water, juice & condiments are provided in bulk containers, not individual servings.



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Reduce cont'd

- To go containers are biodegradable corn-based plastic.
- A towel and linen conservation program allows guests to choose if they want their linens and towels changed each day, saving over 500,000 gallons of water/year
- Guestrooms feature sink aerators, low-flow showerheads & toilets, reducing water usage by 40-50%.
- Green Earth dry cleaning machines replace petroleum based solvents with silicone – a gentle & abundant natural resource.
- Landscaping practices Integrated Pest Management choosing biological controls over chemicals.
- Grass used is Seashore Paspalam, a salt tolerant, hardy grass that requires less water.



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Reuse

- Green waste is used for compost.
- Waste cooking oil is collected and processed into bio-diesel fuel.
- All usable hotel items such as mattresses, art, furniture, dishes, etc. are sold in fundraisers for local charities.
- Our heat to energy conversion uses heat produced by the air-conditioning system to heat water for our guestrooms, laundry and swimming pools. This process decreases environmental pollution and conserves 205,000 kWh each year.



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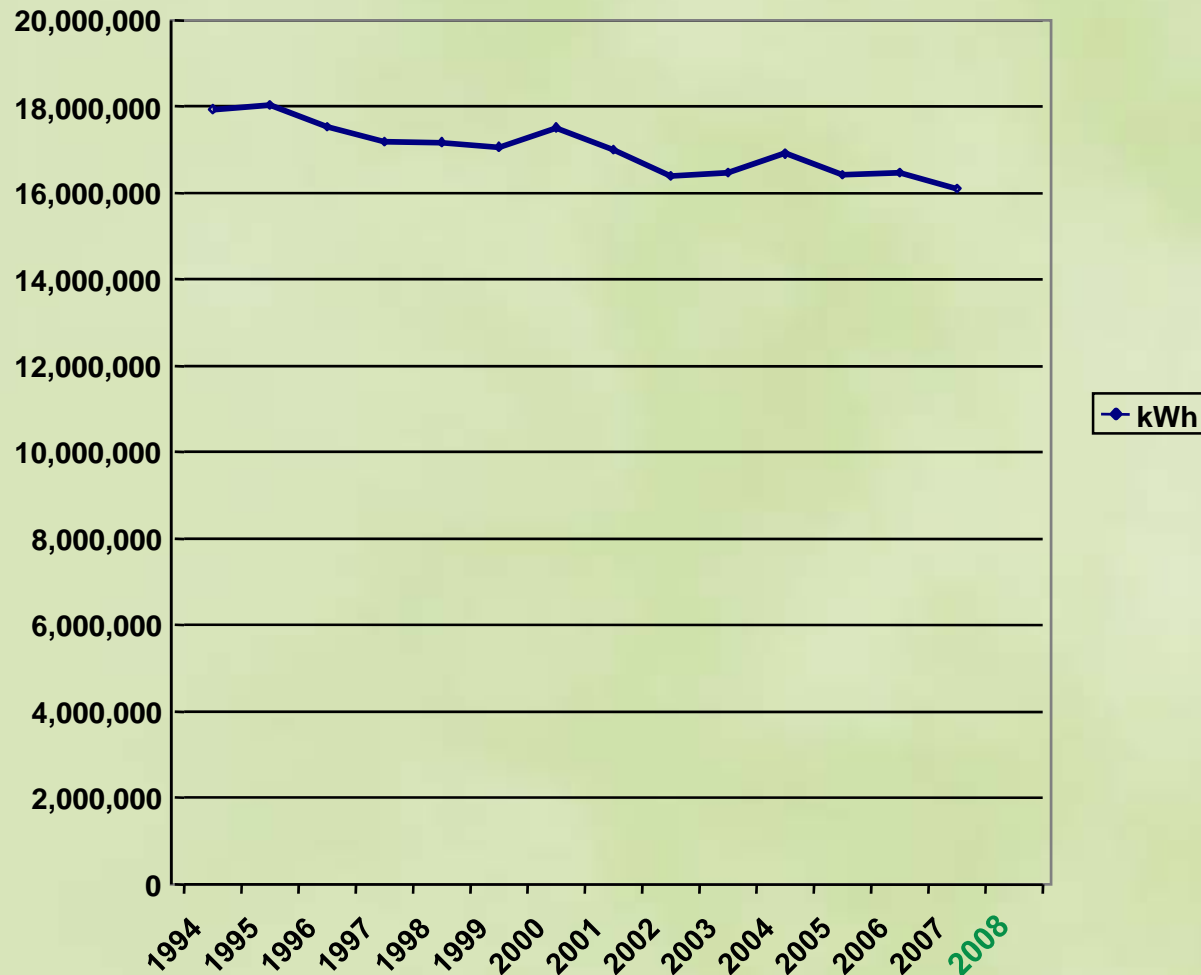
Recycle

- Cardboard
- Glass
- Aluminum
- Paper – white, colored, magazines, newspaper
- Cooking oil
- Green waste
- Locations around property for guests
- Each office workspace

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Impact

- Small steps add up – reduction of 1.5 MILLION kWh/yr!





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Impact

- That's nearly 1 million tons of reduced CO₂ and 28,000 fewer barrels of oil.
- Our photovoltaic solar system will further reduce this by 7,000 barrels.
- 13 tons/mo of recyclables are diverted from the landfill.
(~4,000 bottles=1 ton)



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2008 Progress

- All take-out packaging is made of biodegradable corn-based plastic materials.
- Photovoltaic solar panels will generate 438,000 kWh/yr.
- Have reduced use of plastic cups drastically.
- Spa uses washable acrylic cups.
- Small and medium sized banquets use acrylic cups.
- Reduced number of daily newspapers by placing in hallways instead of delivering to each room.

Upcoming Projects

- We will place recycle bins in guestrooms.
(Currently sorted back-of-house)
- Working with other resorts to institute island wide in-room recycling bins.
- To reduce the use of plastic water bottles, we are testing and will possibly move to a filtered water machine option for guests.
- We are looking into ways to reduce wet waste and partners to pick it up/use it.
- Cloth laundry bags will replace plastic ones currently used in the rooms.



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Education

- Provide guests with information in the rooms about our environmental initiatives.
- Educate our new employees at orientation.
- Encourage carpooling
 - Provided vanpool info to employees
 - Created independent carpool board
- Education & awareness has led to employees requesting an island wide carpool website & residential recycling.

Partnerships

- Partnerships with County.
- Transportation needs (employees & guests)
 - Worked with Sheraton Kauai to assess South Shore commute
 - Possible alternate times and routes
 - May underwrite cost for employees to ride
 - Offering prizes, incentives to ride
- Partnerships with Agriculture Developers to reduce freight, waste, and use local product.
- Working on using Kauai made products for all amenities.



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Best Practices

- Form a Team.
- Partner with Experts.



Servidyne's Scope of Work

- Single-source project management
 - Hire all contractors
 - Source all equipment
 - Oversee construction in a timely fashion
- Use of preferred local contractors and equipment vendors
- Extension of Grand Hyatt Kauai engineering staff
- Coordination with utility for incentives
- Measurement and verification of savings



An Attractive Opportunity

Implementing the expanded projects will deliver

- Lower Energy & Operating Costs
 - Savings of \$507,400 per year – at current rates
- Reduced Environmental Impact
 - 759 Tons of annual CO2 greenhouse gas emission reductions, which is the equivalent of planting 175 acres of trees or removing 86 cars from the roads of Kauai
 - “As part of Grand Hyatt Kauai’s ongoing commitment to preserving our island’s valuable resources....”
- Increased Occupant Satisfaction
 - Newer, more reliable systems offer improved comfort



Value to Owners

- At a capitalization rate of 6%, the project would improve the value of the Grand Hyatt Kauai - a premier asset in the marketplace - by **\$8.5 million US**
 - \$507,400 NOI improvement / .06 cap rate

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Media



Low-Impact Luxury

Whether it's for good karma or energy savings, many favorite Hawai'i destinations are going green.

WHILE THE STATE AND PRIVATE ENTERPRISE GET TOGETHER TO SOLVE THE ENERGY SITUATION, Hawai'i hotels and resorts have also been doing their part. Some properties like Kona Village have been treading lightly since their inception: the 125 thatched-roof bungalows on the property are built aboveground without foundations and the in-room "no TV/telephone" policy keeps energy use to a minimum. Newer properties like the 390-villa Ka'anapali North Beach Resort, scheduled to open in fall of 2011, are setting new standards as they aim for LEED certification. Here are other exciting sustainable changes:

Kaua'i

Grand Hyatt Kaua'i Resort and Spa Thanks to a comprehensive environmental plan instituted by this 602-room resort in 1995, 12 tons of trash have been kept out of landfills each month, and composted kitchen food waste and oils are collected and processed into biofuels. Lately, a conversion to compact fluorescent bulbs has saved the resort over 800,000 kilowatts a year; electric timers on fans and water pumps have conserved 250,000 kilowatts. But the big news is an 8,500-square-foot 280-kilowatt photovoltaic project installed above the parking lot. This system is expected to generate 438,000 kilowatt hours of power each year, reducing the hotel's CO₂ emissions by more than 237,000 tons, and translating into about 7,000 fewer barrels of oil. kawaii.hyatt.com

Marriott Resort & Beach Club Starting this month, the 26,000-square-foot, 850,000-gallon swimming pool here will be warmed year-round with renewable energy from a combined heat and

power plant: two propane-fueled Caterpillar engines that will produce approximately 30 percent of the resort's energy. Waste heat generated from the engines will also provide 100 percent of the resort's hot water. Guest rooms and suites now have water-conserving showerheads and faucets; laundry facilities use a water reclamation system; and rain sensors calculate precipitation to prevent wasted irrigation of the landscape. Coffee grounds from the dining facilities' kitchens go into a compost soil additive, and the takeout utensils and containers at the Aupaka Terrace restaurant are made from fully biodegradable potato- or corn-based plastic. marriott-hawaii.com

Sheraton Kaua'i Resort This '60s classic will be one of the first properties in Starwood Hotels & Resorts Worldwide's program to install energy-efficient backup diesel generators called EnviroGen Energy Modules, made by BluePoint Energy. Recipient of a 2006 Green Business Award from the state of Hawai'i, Sheraton Kaua'i implemented many projects geared to conserve energy, reduce waste, control expenses and benefit the environment, including recycling of aluminum cans, plastics, glass, office paper, newspaper, cardboard, batteries, fluorescent light bulbs and green waste. Money earned by the recycling program is donated to the Arc, the nation's largest organization devoted to individuals with intellectual disabilities. sheraton-kauai.com

O'ahu

Marriott Ihilani Resort & Spa at Ko Olina is the first property in Hawai'i and one of the first in the nation to adopt the PURE™ system, which creates an allergy-friendly environment for guests. The hotel's topmost 17th floor, which includes 13 guest rooms and the Presidential Suite, has recently been converted to be allergy-friendly; indoor meeting facilities and the Ihilani Spa are scheduled to begin their PURE™ conversions by the end of the year. marriott-hawaii.com

The Kohala Hotel & Resort For the past year, this beloved grande dame has undergone a rather extensive restorative face-lift. Besides the low-VOC interior and exterior paint for co-

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Media cont'd

THE STAY LIST - The hotels and inns on the list give back to the community, work to conserve and sustain, and — day in and day out — celebrate the very best that their destinations have to offer.

