

# INFRASTRUCTURE MANAGEMENT COMMITTEE

Council of the County of Maui

## MINUTES

October 12, 2009

Council Chamber, 8<sup>th</sup> Floor

**CONVENE:** 9:02 a.m.

**PRESENT:** VOTING MEMBERS:

Councilmember Joseph Pontanilla, Vice-Chair

Councilmember Gladys C. Baisa

Councilmember Sol P. Kaho‘ohalahala

Councilmember Danny A. Mateo

Councilmember Michael J. Molina (Out 11:31 a.m.)

NON-VOTING MEMBERS:

Councilmember Wayne K. Nishiki

**EXCUSED:** Councilmember Bill Kauakea Medeiros, Chair  
Councilmember Michael P. Victorino

**STAFF:** Carla Nakata, Legislative Attorney  
Camille Sakamoto, Committee Secretary

Jock Yamaguchi, Executive Assistant to Councilmember Wayne K. Nishiki

**ADMIN.:** Milton M. Arakawa, Director, Department of Public Works (Item No. 29)  
Russell Higa, County Surveyor and Right-of-Way Agent, Engineering Division,  
Department of Public Works (Item No. 29)  
Gregg Kresge, Deputy Director, Department of Environmental Management  
(Item No. 13)  
David A. Galazin, Deputy Corporation Counsel, Department of the Corporation  
Counsel

**OTHERS:** Harry Nakagawa, Vice President, Maui Chemical and Paper Products, Inc. (Item  
No. 13)  
Brooke Porter, Conservation Director, Pacific Whale Foundation (Item No. 13)  
Joseph M. Souki, American Chemistry Council (Item No. 13)  
Anthony Edington (Item No. 13)  
Mike Moran, Kihei Community Association (Item No. 13)  
Glenn Horiuchi, Hawaii Foam Products, LLC (sister company of KYD, Inc.)  
(Item No. 13)  
Ane Takaha (Item No. 13)  
Gretchen Leisenring (Item No. 13)  
Lauren Zirbel, Hawaii Food (Item No. 13)  
Pamela Tumpap, President, Maui Chamber of Commerce (Item No. 13)  
Mercer “Chubby” Vicens

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Seven (7) additional unidentified attendees

**PRESS:** *Akaku: Maui Community Television, Inc.*  
*Harry Eager, The Maui News*

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VICE-CHAIR PONTANILLA: *... (gavel) ...* The Infrastructure Management Committee meeting is now in session. The time is 9:03. Today's date is October the 12<sup>th</sup>, 2009. Again, this is the Infrastructure Committee Meeting. Here this morning, Voting Members are Member Molina, Baisa, Kaho'ohalahala, Nishiki, Mateo...I'm sorry, Mr. Nishiki is not a voting Member, but Mr. Mateo is. Thank you, Members, for being here.

At this time excused are Members Victorino as well as Chairman of the Committee, Mr. Medeiros, who is feeling ill this morning. At this time, the Chair would like to recognize the people up front from the Administration. We do have Deputy Corporation Counsel David Galazin. Also, from the Public Works we do have the Director here, Milton Arakawa. And, Milton, later on if you can introduce the person that's next to you. Supporting the Committee this morning we do have Camille Sakamoto, Committee Secretary, as well as Carla Nakata. Members, we do have two items on the agenda this morning: IM-29, a bill to exempt County-initiated or County co-sponsored projects from subdivision requirements along with IM-13, a bill relating to polystyrene disposable food service containers. At this time, the Chair will be receiving public testimony. We do have several people signed up this morning. For those of you that are providing public testimony this morning, you do have three minutes to provide your testimony, one minute to conclude. And when you come up to the podium if you can state your name and the organization that you represent, the Committee will appreciate that. So, Members...before we take public testimony, though, if everyone here could either put their cellphone to the silent mode or you can turn it off?

Thank you. The first person to testify this morning is Harry Nakagawa. Mr. Nakagawa?

**...BEGIN PUBLIC TESTIMONY...**

MR. NAKAGAWA: Good morning. My name is Harry Nakagawa, I'm with Maui Chemical and Paper Products. We're distributors of disposable food service products. That said, you would think that our position would be to encourage passing of this, this ordinance, which would essentially give us a boost in sales because there's a big difference in cost of material. That being said, our official position, as submitted on the written testimony, is to oppose this bill.

Right now, the assumption that was put forth in June 5<sup>th</sup> in *The Maui News* was that the cost of comparable biodegradable or compostable products would be only 6 to 12 percent. In actuality, if you were to look at your nutrition bid itself that is currently in place, there's a difference between the two products that are on that bid that have

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biodegradable and compostable components on the same bid. The difference is between 20 and 36 percent. Almost three times the difference.

Secondly, the exemptions portion of your bill indicates that if products are produced or packaged outside of the County, they will be exempt from the ban. This creates an *undue* disadvantage to those *local* purveyors that package products for resale. Right now, you have entities such as Takamiya's, Home Maid Bakery, others that I don't necessarily represent, but I do know repack. They'd have to compete against 7-Eleven who flies everything in from Oahu, who can use polystyrene, at a lower cost, and try to compete with them, a national chain. That's, that's really insult to injury as far as being competitive.

And getting back to the initial point, cost-wise it's unfair and untimely for this Council to try to implement this. And last, this problem is a litter problem, not a *product* issue. We, we offer both biodegradable compostable polystyrene and paper. It doesn't matter to us what the end user consumes. Bottom line is if we want to maintain our community businesses, we have to keep them competitive. And implementing this ban will not do that. It will just make it worse. Thank you.

VICE-CHAIR PONTANILLA: Thank you. Mr. Nakagawa, try...Members, any questions for the testifier? Member Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair, and thank you, Mr. Nakagawa, for being here this morning. We really appreciate your taking the time 'cause this is a big decision. You mentioned that there was a huge price difference between these styrene...polystyrene and the biodegradable stuff. Can you give us an idea, like, say on 500 of those lidded containers, you know, that everybody uses for bentos or whatever?

MR. NAKAGAWA: You know, I didn't, I didn't break down specific prices, but the difference, as I said, on the nutrition bid, which actually, you know, people are more competitive on bid situations than everyday business. The difference between a lunch tray, which is your typical luau tray --

COUNCILMEMBER BAISA: Right. Right.

MR. NAKAGAWA: --and paper which is biodegradable and the foam which is made out of polystyrene, that was 36 percent difference in the dollar amount. I don't have the specific bid in front of me, but it, it is public record, and you could look that up very easily.

COUNCILMEMBER BAISA: Okay. I think it's important that we look at that. And, you know, don't get me wrong, we all understand the need to deal with our landfill, but we also are in a crisis at this moment in terms of money. So I think money matters at this point.

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MR. NAKAGAWA: Well, you know, added to the fact that I think alternative diversion and disposal needs to be investigated further, in my written testimony, I don't know if it...you know, it may have been investigated already, but as far as alternative diversion, instead of putting it into the landfill, any polystyrene...any plastic is combustible. It can burn. Oahu has H-power. For Maui to implement H-power, it's kind of out of the budget. But HC&S burns coal. They burn bagasse to produce electricity that goes back into the grid to help sustain the community. Is there a possibility that a relationship can be developed whereby the Styrofoam, plastics can be sent to HC&S, providing them with actually a low-cost fuel source, eliminating the landfill problem, and getting rid of the product? All you'd be left with is some ash.

COUNCILMEMBER BAISA: You bring up a very interesting alternative and, you know, that's why testimony is always so valuable--is because when we problem-solve together sometimes we come up with wonderful ideas. So thank you very much for coming.

MR. NAKAGAWA: Thank you.

VICE-CHAIR PONTANILLA: Thank you, Member Baisa. Members, any more questions for the testifier? And again, Members, you do have--

COUNCILMEMBER NISHIKI: Question.

VICE-CHAIR PONTANILLA: --written testimony from Harry Nakagawa. Member Nishiki?

COUNCILMEMBER NISHIKI: You, you mentioned 6 to 12 percent, and then 20 to 30 percent. On a given item. . .you bring up percentages, but what does that mean in actual cost? Does that mean three pennies more that I would have to charge someone who is using a recyclable?

MR. NAKAGAWA: Okay. I don't have the official pricing, but as an example, I got this off of the...we, we actually participated in that nutrition bid, and we were awarded both the biodegradable and the non-biodegradable product. Okay. As an example, this is just in the bid...you know, I haven't...I didn't look up customer by customer for live examples, but this is something that exists right now. Your foam hinge container, which has 200 in a case is \$28.34. That's the bid to the County. The biodegradable counterpart is \$44.58. And that's...you know, as I said in bid situations we try to be as competitive as possible, not knowing who's participating. That's the kind of dramatic difference that you're asking the purveyors to, you know, swallow. And basically the difference may be their profit. And if that's the case, you can say "aloha no" to a lot more local businesses.

COUNCILMEMBER NISHIKI: That, that \$20 more...\$24 more would equate to 200 parcels, individual plates. So I would find out that cost by dividing \$24 by 200?

MR. NAKAGAWA: I can--

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COUNCILMEMBER NISHIKI: Is that what it is?

MR. NAKAGAWA: I can, I can do a breakdown for you and forward you the information, if you'd like.

COUNCILMEMBER NISHIKI: Okay. Thank you.

VICE-CHAIR PONTANILLA: Thank you, Mr. Nishiki. And if you could provide us that information, Mr. Nakagawa?

MR. NAKAGAWA: And who would I send it to?

VICE-CHAIR PONTANILLA: You can send it to our Staff here. And, Camille, if you can give Mr. Nakagawa the address? Thank you.

COUNCILMEMBER NISHIKI: Yeah, I guess, I guess it's *quite* a big amount. It's like ten cents.

UNIDENTIFIED SPEAKER: Uh-huh.

COUNCILMEMBER NISHIKI: It's not merely pennies like I thought it would be.

COUNCILMEMBER BAISA: No . . . *(inaudible)* . . .

VICE-CHAIR PONTANILLA: Okay. Thank you. The...again now, Mr. Nakagawa provided us with some written testimony. The next testifier is Brooke Porter.

COUNCILMEMBER BAISA: . . . *(inaudible)* . . .

MS. PORTER: Okay. Good morning. My name is Brooke Porter, and I'm the Conservation Director at Pacific Whale Foundation. And I want to thank you guys for giving me the opportunity to speak on the polystyrene and the proposed bill for that. I also have a little example I'll show you in a minute. So Pacific Whale Foundation, we long ago realized the threat that the polystyrene brings to our oceans and all the marine organisms. And I'm proud to say that Pacific Whale Foundation has been using the biocompostable alternative since 2006. And recently, we just started...switched over to using Maui Chem as a provider, and they gave us a really competitive price on that. So whereas bringing in a new product to the islands can be very costly, the popularity has significantly reduced the cost to the purveyor. When considering the environmental cost of disposing the polystyrene products, there's really no comparison. The polystyrene, it never biodegrades. It photodegrades, meaning it breaks down into smaller and smaller bits, even contaminating the marine realm on a molecular level. These small bits of polystyrene and other plastics, they're invisible to the naked eye, and they're actually the size of a type of plankton or a size class of plankton called picoplankton, and it's 2.0 or less micrometers. And to give you an example--

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UNIDENTIFIED SPEAKER: . . .*(sneeze)*. . .

MS. PORTER: Oh, bless you...a strand of human hair is about 40 to 50 micrometers.

There is a marine biologist, a couple of marine biologists who used polystyrene beads in a study to replicate filter-feeding on planktonic organisms. So they used these polystyrene bits in lieu of plankton to seek how filter-feeding organisms feed. It's a great example that they actually ingest them, and they found that *that* size was very much ingested. In addition to being consumed by the marine organisms, they also act--these small bits of plastic and polystyrene--as bio-accumulators of hydrophobic toxins. This is where my little demonstration comes in. This is oil and water, but oil is a hydrophobic. And so, you can say it's a hydrophobic toxin. There's bits of marine debris in here. . .and even if you shake it up and mix all the water, you can pull out these bits of marine debris and they're still coated in the oil because it's a hydrophobic. So all these toxins bond to bits of polystyrene and other plastics. So that said, the filter-feeding organisms are obviously consumed by bigger and bigger organisms moving all the way up to our food chain and there's a lot of studies showing that it's contaminating our human food or sources. So all the fish, everything, the more little filter-feeding organisms they eat, the more we get of these polystyrenes and other toxins. It's imperative that the Council continues to aggressively address these issues. According to a study, Hawaii's coral reefs are valued at over \$10 billion--and these are all cited in your testimony--providing over \$360 million in annual revenue. So this is a good argument as far as why we need to save them. And the proposed ban is a step towards ecosystem management. So we petition or further petition that Maui County provides an industrial compost facility pending the passage of this bill, so we can deal with all the biocompostables already in use and divert them from our landfills. And in my written testimony I said that we're in full support of the ban, but I think the rep for Maui Chem brought up a very good point on 20.26.050, the exemptions. I'd like to see. . .or letter A amended, so that we're not bringing in other things and supporting outside business. So thank you, guys.

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the testifier this morning? Seeing none, again, the testifier provided written testimony this morning. Thank you, again.

MS. PORTER: Thank you.

VICE-CHAIR PONTANILLA: The next testifier is Joseph, Joe Souki? Mr. Souki had...you want to come up or...you already, I know you already provided written testimony.

MR. SOUKI, FROM THE AUDIENCE: Yes, Mr. Chairman and Members . . .*(inaudible)*. . .

VICE-CHAIR PONTANILLA: If you can come up to the lectern?

MR. SOUKI: You want me to go?

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VICE-CHAIR PONTANILLA: Yes, thank you. And you need to identify yourself, Representative Souki.

MR. SOUKI: Mr. Chairman and Members, I'm not here as a Representative, but as a, as a citizen. And currently. . .I'm representing the, the American Chemistry Council. And my testimony is on file, and if you have any questions relative to the testimony that's on file, I'll be glad to answer. . .rather than take up your time and delivering this testimony.

VICE-CHAIR PONTANILLA: Thank you. Questions, Members? Member Baisa?

COUNCILMEMBER BAISA: Thank you very much, Mr. Souki. Always an honor to have you with us.

MR. SOUKI: Thank you.

COUNCILMEMBER BAISA: It's nice to have a person who understands the difficult decision we have before us today. But I'm very interested. . .I had time to take a brief look at your testimony, and it *appears* that the point of it is that even if we switch *products*, it still creates the litter issue that we're concerned with. Can you expand a little bit?

MR. SOUKI: Yes, that is correct. There have been some, some studies done, a number of them on. . .comparable products to, to Styrofoam. And one of them, of course, is PLA. And. . .PLA and other comparables will not naturally decompose as is alleged. Nature Works, LLC, has stated it'll take between 45 to 100 years for, for PLA to decompose in a landfill. In order to have it decompose, you would need to put it in an industrial decomposed unit where it can be carefully regulated in temperature, moisture, and turn it around. So that will provide an additional cost to the County in, in having an industrial facility as such. So this is probably the main reason, as why I mentioned, I concluded that you will be merely replacing one opala for the other. There will be no, no, no benefit except an additional cost if you wish to go into it. In the meantime, all other items are quite heavier than Styrofoam and as was mentioned previously, it will add to the cost of doing business here in, here in Maui. They have about 40 to 50 percent higher in freight cost than the other. . .I mean it's less than the others. So this basically. . .the reason, the reason, again, it will not be compost, other items. So there is no real benefit. For the--I ask the County to, to table this and go and study the matter. It doesn't preclude you from bringing it back up again after you make the, the study to determine the cost of a decompost facility to go over some of these arguments that are being made pro and con, and then you can always bring it back.

COUNCILMEMBER BAISA: Thank you very much. It appears that much more information is necessary here so that we can make a good decision. You know, I know all of us are very concerned about the environment, and we're concerned about the ocean and the impacts that trash is having on, you know, our lives. And we know we have to do something about it. We also have a Solid Waste Management Plan that we're trying to implement,

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but it will require some *huge* investments of money that we don't have. So thank you very much for bringing your perspective. Thank you.

MR. SOUKI: Okay. Thank you.

VICE-CHAIR PONTANILLA: Thank you.

MR. SOUKI: You're welcome.

VICE-CHAIR PONTANILLA: Members, any more questions? Member Molina?

COUNCILMEMBER MOLINA: Yeah, thank you, Mr. Chair. Good morning, Mr. Souki.

MR. SOUKI: Good morning.

COUNCILMEMBER MOLINA: Thank you for being here and sharing with us your comments on this issue. If I could parallel or tie this matter to the, the plastic bag ban. The Council, about a year ago or so, when the bag bill was approved, or the anti-bag bill, if you will, Plastic Bag Bill, it was given a two-and-a-half- to three-year implementation phasing period.

MR. SOUKI: Uh-huh.

COUNCILMEMBER MOLINA: Is that something that if this Council in the future decides to enact--a ban on Styrofoam--is that something that you see from a retailer standpoint as being beneficial, maybe giving the retailers about two to three years to, I guess, get rid of their existing stock before they make whatever adjustments are being required of them? At . . .from a retailer's standpoint and a Legislator's standpoint, is that something that you would support?

MR. SOUKI: That, that may have some merit, and I use the term "may" . . .

COUNCILMEMBER MOLINA: Uh-huh.

MR. SOUKI: . . . with due respect.

COUNCILMEMBER MOLINA: Sure.

MR. SOUKI: Because I think that before you come up with that kind of legislation, you need to make that study first.

COUNCILMEMBER MOLINA: Uh-huh.

MR. SOUKI: And if the study then becomes . . .in a positive way, that you can in effect decompose it and if the allegations that are made is not necessarily correct, at that time

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then you can provide an ordinance that provides some time so that the businesses can provide. But I think it's premature at this time. I think a study should be done first to make that determination.

COUNCILMEMBER MOLINA: Okay. Thank you. Thank you, Chair.

VICE-CHAIR PONTANILLA: Thank you. Members, any more questions for Mr. Souki? Seeing none, thank you very much.

MR. SOUKI: Okay.

VICE-CHAIR PONTANILLA: The next testifier is Anthony Dington *[sic]*.

MR. EDINGTON: Hello. My name is Anthony Edington, and I'm a chef. I've been a chef on Maui for about 15 years. I'm speaking in favor of this transition from the polystyrene. I have heard a few comments from people who...on I guess the selling end of it. I tend to speak from the using end of it. It has not been, I think, an area that people are focused on. One, because typically when you price something you don't price in the to-go container. However, they are used quite frequently and in some cases, as you mentioned--plate lunch and things like that--it's used almost exclusively. I would contend that that assertion that it's 50 percent more expensive is not true. I've bought them in quantity, and they were more expensive, but it was in the realm of pennies to a nickel. And I found that people had a positive response when you gave them a container that was biodegradable. Typically, they say that on the front. It says those things. People feel it. Almost everybody knows that the polystyrene doesn't break down. I bought a piece of property. We went out there, did the excavation, we found a plastic bag. The *only* thing in that bag that you could tell what it was, was the Styrofoam. Everything else had decomposed. Now, it may be true that biodegradable things need to have that process. I think we should look at getting one of those processing plants in place. However, even if you put something biodegradable in your landfill, it does break down. It doesn't stay there. And, additionally, the comments from the Whale Foundation. You know, they've talked about the Hawaiian Sanctuary, and how they go there and there is a ball of all of these plastics floating in the middle of the ocean. It's not going away. We need to make a change, and I think that it, it call, it's incumbent upon us, as the leaders of Maui, to make a statement that we're interested in our environment, in our future. And, you know, they talk about carbon tax and things like that. Well, the lower cost items are things that grow. If we take plastic and make it into Styrofoam, that's the end of it. It can be made into a chemical or something else that we might be able to utilize. That is not, I think, the highest use of plastics, to use Styrofoam container for someone's lunch. And I believe that we can make a difference if we try to direct people, give them the information. Some of them will respond and some won't, but we will have made the effort. And if we don't make the effort because of *cost*, I don't think that that's justified in the long run. Everything costs something. And I would debate that if you make 10 percent on something that cost \$25, then you'll make 10 percent of something that makes \$48, you'll probably make more money. So I don't know that it's a genuine argument that the cost to

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the *customer* is a reason for them not to do it. I've used it, and I've found it to be acceptable. Thank you.

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the testifier at this time? Seeing none, thank you again.

MR. EDINGTON: Thank you.

VICE-CHAIR PONTANILLA: Next testifier is Mike Moran.

MR. MORAN: Aloha, Chair and Committee Members. Thank you for the opportunity to testify this morning. My name is Mike Moran, and I'm with the Kihei Community Association, and I am speaking for the Association in support of this, at least of this *concept*. We don't know exactly how the bill will come out and our Association was cautious to say we're for the *concept* of it and, rather than to say that we're for the bill because we don't know exactly what the bill will be. But we're looking at it as a positive step. . .along with the plastic bag reduction bill that was passed sometime ago, and we're thinking this is another positive step for our environment. Two simple scenarios with it. When these containers are...people are finished with them, the public, the individuals, the worst ones just toss them on the side, and we have litter. And then most likely--we're surrounded by the ocean, and most likely it ends up in the ocean. And we've heard the detrimental affect this has from nearby with the ocean creatures, turtles, and so forth ingesting this stuff, to the worldwide concept where we do have this big plastic garbage dump in our Pacific Ocean. And granted--what we do on Maui is only one *small* contribution to it, but we have to say, yes, it's a contribution to it. I think the way the bill, or at least it's written so far it does allow time. It doesn't take effect, I believe it said 'til July 2011. So this allows plenty of time for users to make the, the transition. And, again, this is the positive step that you did with the Plastic Bag Bill, along the same lines. It doesn't start tomorrow, so it...or the day after it would be passed. We, too, are questioning that exception A, where we're kind of allowing the mainland big businesses the advantage. So we would ask you to please reconsider that, but our take on it is if it was...if we had to have that exception in there or nothing would be done, okay, then we'd say, yes, leave it in there. But we do think that's, in the long term, in the overall picture, it would be better to *completely* remove it from everybody's use. And we do appreciate the Council looking at these kind of situations. And we, too, are aware. We have...you know, most of our members are working people, and we look at the financial situation as well, but this seems like a small cost in the near term for a big saving in the, in the long term for our landfill as well as for our ocean. Thank you very much for the opportunity.

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the testifier? Member Mateo?

COUNCILMEMBER MATEO: Thank you.

VICE-CHAIR PONTANILLA: Mr. Moran, please?

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COUNCILMEMBER MATEO: Mr. Moran, good morning and thank you for your testimony.

MR. MORAN: Thank you, sir.

COUNCILMEMBER MATEO: In the Kihei Community Association's review of the proposed bill, did the Association have the opportunity to also touch bases with the existing businesses that utilize the material?

MR. MORAN: We did only to the very limited extent that we'd go...when we put this out we only put it out to our community *members*. Now, sometimes through the coconut wireless people will respond to us who are not members. But it would be unfair to say--did we go to the business community a large? No, sir, we did not. What we do when we have an issue before us...we used to *just* rely on the community meeting when the active people would come *in* and that was one way of measuring it. But obviously a lot of people don't come to meetings, just like a lot of people don't come to, to your Committee meetings. So we took it a step further, and we used to send out direct emails again to our members and that got more response, some people who don't come in. Now, we've tried to take it one step further. When we have a current question, as we do now, we put it on our website, and we announce it at the community meeting, and we also send out an email to try and spread the word and anyone can go to our website. They don't have to be a member. I'm sorry it's a long answer to your short question.

COUNCILMEMBER MATEO: Thank you. Thank you, Mr. Chair.

CHAIR PONTANILLA: Thank you. Members, any more questions for Mr. Moran? Mr. Nishiki? . . .*(End of tape, side 1A)*. . .

COUNCILMEMBER NISHIKI: We've been trying to get more information about this. And our Council Chair asked you about looking at some of the pros and cons about it. And I would ask you to look at some of the areas that have tried to have this ban, like Portland, Oregon. And then they did an analysis on what the alternatives would be--paper, you got to cut down trees, so you're going to use that. The cost, again, may be one thing because it is a lighter item, and the gentleman said that this could be recycled. You need to look at that because in Honolulu we have such a facility already that is operating. Perhaps that may be a better alternative than to do an outright ban. But the thing that got me that I've not ingested yet is. . .cost factors, what the alternatives are, and they still don't jive and make sense. So I think it is really premature. In, in the light of some of the research that we've done with other municipalities, bring up a lot of good, good arguments. And I'd like to present this with you to present to the Association so you can *examine* it more thoroughly with expertise, because it deems from intelligent people that you look at these concerns.

MR. MORAN: I agree with you 100 percent--

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COUNCILMEMBER NISHIKI: Yeah.

MR. MORAN: --sir, and we do try and continue, again, we're a small, you know, group, and just like you guys you're, you're distracted by so many different issues. but we certainly try and do...I was kind of assigned to do some research on it. And the best I could tell from a C-student in science way back when, is that this stuff is almost impossible to recycle. So I will certainly research what you mentioned--that it's, it's recycled in Oahu.

COUNCILMEMBER NISHIKI: Yeah.

MR. MORAN: I, I thought it was against State law to, to recycle polystyrene. So we'll have to do...we'll certainly look into that. And when I just combed the Internet to try and find a way to recycle it, I couldn't find anything except one manufacturer who makes a machine in California that they *claim* it recycles this product. But I couldn't find out any more details on it, even when it would...tried, we, we. . .you'd look for an explanation of how do you recycle it, there was no information. There was no history. It's just that they were selling a machine. And as best I could tell, well, it grinds it up, but that's not *recycling*. It's not *disposing* of it because you're still left with a residue. But we're certainly continuing to research and as I'm sure you folks are too in this going through your process.

COUNCILMEMBER NISHIKI: Yeah. It is taking place in Kapolei and the company, Pacific Allied Productions and this was sent to us by Hawaii Food Industry Association. However, they said that they'll take the foam of any size and amount as long as it is clean. So there's some prerequisites, but we'll share this with you. Thank you.

MR. MORAN: Thank you.

VICE-CHAIR PONTANILLA: Thank you. Members, any more questions for the testifier? Seeing none, thank you again, Mr. Moran.

MR. MORAN: Thank you.

VICE-CHAIR PONTANILLA: Next testifier is Glenn Horiuchi.

MR. HORIUCHI: Good morning. I'm Glenn Horiuchi, Chief Operating Officer for K. Yamada Distributors, a second generation, locally owned packaging and manufacturing. . .distributor. I'm here on behalf of our sister company, Hawaii Foam Products, a manufacturer of polystyrene packaging for restaurants and food service. Hawaii Foam is a locally owned business started in 2000. Our initial investment and subsequent operating losses during the first three years of business amounted to \$5 million. Hawaii Foam is the *sole* manufacturer of polystyrene for the food service industry in Hawaii. In other words, we produce products for the local market. We are the only one. The other manufacturer is doing industrial products.

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We do not make or distribute packaging for any multinational companies. Our polystyrene is safe. It's USDA approved product and is, is a very low-cost packaging...is very low-cost packaging with exceptional insulating properties for food service establishments. The low-cost nature of our products helps the lunch wagon and dine-out restaurant trade to minimize their cost of doing business. I'd like to briefly share with the Council what we are working on to produce an...earth-friendly alternatives. We have started R&D work on producing fully biodegradable and compostable...line of products using biomass-based raw materials. However, these alternatives are in their infancy. We are required to modify and retrofit our existing equipment. Most importantly, we need time to experiment and perfect our production. Realistically, as a company being based in Hawaii, it will take us 16 to 18 months to address the production challenges in order to produce an earth-friendly option. On behalf of Hawaii Foam, we respectfully ask that the Council defer action on IM-13 to give us time to respond, and in doing so, preserve jobs for our local workers. Okay. Thank you.

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the testifier? Member Kaho'ohalahala?

COUNCILMEMBER KAHO'OHALAHALA: Thank you. Can you give us an idea of how long a timeframe are you looking in terms of looking at alternative packaging materials like you've just described here?

MR. HORIUCHI: Well, this, this is a...bio-based...product that we are testing currently. There are a number of offerings in the marketplace that...are offered to manufacturers like ourselves. It's, it's been a long time in coming, but it's, will be shortly, within...currently and within the next year, a number of...major manufacturers will be coming on stream. Let, let me just share one, for example. Archer Daniels Midland, the largest corn processor in the world, along with Metabolics is in the final stage of completing a \$300 million processing plant in Clinton, Iowa. They will be able to make polymerized resins, just like this, all bio-based, compostable, degradable, degradable in fresh water, degradable in marine environment. So what, what it is, is that change is coming. It's somewhat costly, but the industry--after doing a lot of R&D work, two, some up to five, six years--it's, it's really a revolution that's happening. And this firm, Archer Daniels Midland, even they're proposing a bio-based monofilament. In other words, fishing line and fishing nets that are fully biodegradable and compostable, freshwater, saltwater. So we're really on the verge of having a packaging revolution here unlike years gone by. We've gone decades using styrene and high-density polyethylene like, like the bag ban, but now it's a new, kind of a new beginning.

COUNCILMEMBER KAHO'OHALAHALA: So the product then you will be working with is what you would be importing to, to Maui, and then you would be manufacturing those products --

MR. HORIUCHI: We would, yeah, we would...

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COUNCILMEMBER KAHO‘OHALAHALA: --using that particular...

MR. HORIUCHI: Yeah, currently, we’re working with a Hawthorne-based California firm called Seriplast(?). And it’s similar to what I described and with respect to Archer Daniels Midland. It’s just a different brand. We would be importing the resin. We’ve brought in 2,000 pounds, and we’re kind of doing our homework. So we have produced sheets in our Kalihi plant. We need, we need a lot, lot more time to experiment and perfect it. But to answer your question, we bring in the resin, make containers, food service containers, and then we would be transporting it to Maui for use.

COUNCILMEMBER KAHO‘OHALAHALA: Okay. Thank you for that information.

MR. HORIUCHI: ...*(inaudible)*...

VICE-CHAIR PONTANILLA: Thank you.

COUNCILMEMBER KAHO‘OHALAHALA: Thank you, Chair.

VICE-CHAIR PONTANILLA: Yeah, just a comment from, for Mr. Horiguchi [*sic*]. You know, I know, we have problems with Styrofoam containers. You know, I’m so encouraged in the work that you guys are trying to do to come up with some kind alternatives. Sometimes we say, yeah, ban, ban, ban with no alternative, but at least, you know, knowing what I’ve heard this morning in regards to your company--that you’re seeking some alternative to, to Styrofoam. So I just want to say thank you for that. Mr. Molina?

COUNCILMEMBER MOLINA: Yeah.

Mr. HORIUCHI: Thank you.

COUNCILMEMBER MOLINA: Thank you, Chair. And good morning, Mr. Horiuchi. And I think you mentioned it in your response to Member Kaho‘ohalahala. Your, your company is in Kalihi, on Oahu?

MR. HORIUCHI: Yes.

COUNCILMEMBER MOLINA: Yeah, and, you know, from time-to-time Council Members do go up to Oahu to network with our legislators like Mr. Souki.

MR. HORIUCHI: Uh-huh.

COUNCILMEMBER MOLINA: Would you be open to us at least coming by to visit your plant? Because I’m, I’m very interested to see what, you know, first of all, how you manufacture this polystyrene packaging, and then also your earth-friendly alternatives that you’re considering.

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MR. HORIUCHI: Sure.

COUNCILMEMBER MOLINA: Yeah.

MR. HORIUCHI: We're, we're always open to visitors. We, last year we invited the local legislators, and we welcome the contingency from Maui.

COUNCILMEMBER MOLINA: Okay. Thank you. Thank you very much, Chairman.

VICE-CHAIR PONTANILLA: Thank you. Maybe we'll invite you to one of our conferences so that you can provide us with some information regarding what you're doing to save this environment in our State.

MR. HORIUCHI: I'll be happy to do that.

VICE-CHAIR PONTANILLA: Thank you.

MR. HORIUCHI: Yes. Uh-huh.

VICE-CHAIR PONTANILLA: Member Baisa?

COUNCILMEMBER BAISA: Thank you very much. Thanks for being here. I know you know a lot about this, probably a lot more than all of us, and we certainly can use your help. Question--it seems that this...whenever we try to look anything up in regards to, you know, this issue that we're looking at today, inevitably there is the mention of the paper versus plastic. Now, my question is this. *If* we're going to use these biodegradable containers, what are they made of? Are they made of paper?

MR. HORIUCHI: Okay. Okay. Let me. . .let me just explain to you.

COUNCILMEMBER BAISA: Thank you.

MR. HORIUCHI: Yes, okay. What. . .these manufacturers are doing is they're using some form of corn sugar or cornstarch. In some cases, they're using soy protein combined with cornstarch, wheat starch, potato starch. So they take the basic product and extract either the starches or the sugar. Then they ferment it. They put different kinds of bugs in it. And just fermentation--okay, the, and further processing, proprietary processing, they're able to make little BBs called polymers or turn them into polymers and become little resin pellets. These resin pellets serve as the...become the raw material to extrude the material. Okay. Extrusion means you heat up the resins, and you incorporate a number of things including air, heat, and. . .and you blow up a sheet. Imagine like blowing something and a sheet like this comes out, and then you slice it and there's a lot of processes. But that, that's the key--to, to take all this biomass, convert it, and make it into little pellet forms called resin, and then convert it into something like this. Now, you

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have something like this. .it would, it's. .it's compostable. ASTM 6,400 is the standard. It's biodegradable. ASTM 6868 for an item like this. And it's really kind of a revolutionary thing.

COUNCILMEMBER BAISA: That's, you know, a very enlightening thing because I think there is a misconception that much of the replacement would be with paper that is made from wood and trees. And if it's going to be paper made from wood and trees, then there's also the impact of killing trees. So you're, that's not what you're saying. It sounds like this is biomass that we would normally throw away like cornstalks or soy. What is it? The, the pods from the soybeans or whatever it is--

MR. HORIUCHI: Uh-huh.

COUNCILMEMBER BAISA: --that we're going to use to make this alternative material. Is that a correct understanding?

MR. HORIUCHI: Well. . .

. . . like in the case of Archer Daniels Midland, they're spending \$300 million, and they'll take virgin corn products and convert it into product and make...be able to make 110 million pounds of this stuff to sell to manufacturers like ourselves; manufacturers throughout the world. They. . .they are on the verge of something very big and new. It's kind of exciting because nothing like this has happened for decades.

COUNCILMEMBER BAISA: That's good. And thank you very much for that. That's why it's so important, you know, that people like you come and share with us because there's so much misconception. The other thing...question I wanted to ask you is you mentioned that you manufacture most of the polystyrene containers that we use here in Hawaii. Do we import them also from other places?

MR. HORIUCHI: Yes, a number of distributors. . .import different containers from...there's a firm called Pacdiv(?) or Dalco. There's a number of manufacturers in the United States including the Orient that...

COUNCILMEMBER BAISA: Do they come in like from China?

MR. HORIUCHI: There is some product coming in from China. It's not FDA-approved because it's from the Orient. There is no FDA sanctioning body--

COUNCILMEMBER BAISA: Right.

MR. HORIUCHI: --out there. But there is some low-cost product coming in from China also. Uh-huh. So the sourcing is...as far, as far as finished polystyrene, it comes from. . .all over the world. Yeah.

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COUNCILMEMBER BAISA: May I ask one more question, Chair?

VICE-CHAIR PONTANILLA: Go ahead, Ms. Baisa.

COUNCILMEMBER BAISA: This is in regard to the discussion we were having earlier about cost.

MR. HORIUCHI: Uh-huh.

COUNCILMEMBER BAISA: I did some rudimentary math. You know, now days without a calculator we don't do math too good.

MR. HORIUCHI: Yeah.

COUNCILMEMBER BAISA: But just based on the numbers that we got from the gentleman, I figured out about eight cents more for one of those hinged containers, if we were to use the biodegradable that he has now, as opposed to the polystyrene.

MR. HORIUCHI: Uh-huh.

COUNCILMEMBER BAISA: And I'm wondering if that's a good comparison or, or you have better numbers?

MR. HORIUCHI: Well. . .let me, let me just share this with the gentleman from Maui Chemical. Maui Chemical is one of our distributors, yeah, and, and I don't want to reveal anything, but let's make a very simple analogy. Medium-size lunch container, hinged container --

COUNCILMEMBER BAISA: Right. Right.

MR. HORIUCHI: --somehow it costs about eight and a half cents to get it to Maui. So there's a little bit of markup. Let's call it ten cents per hinged container. That's what it is. Now, earth-friendly alternatives will be about, whatever that number is--ten cents--will be about two and one-third times that. It'll be biodegradable, compostable. It won't hurt the turtles or the fish, but it will be approximately two and one-third times the cost of a traditional polystyrene container. Okay.

COUNCILMEMBER BAISA: That's a very good piece of information. Anything else?

MR. HORIUCHI: No, I just came back from a conference with respect to this product Archer Daniels Midland is providing, and they, they stated to me that the cost...they'll sell the basic raw material at three times the traditional cost. They're spending 300-plus million on the plant, they not going to give the product away. No exceptions. You want the product, it's three times the normal.

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COUNCILMEMBER BAISA: So they get their research and development costs returned to them.

MR. HORIUCHI: Yes. They, they have been working on it approaching seven years now, and only now coming to market.

COUNCILMEMBER BAISA: Thank you very much. Thank you, Chair.

VICE-CHAIR PONTANILLA: Thank you. Member Molina?

COUNCILMEMBER MOLINA: Yeah, thank you, Chair. Just one quick question more on the lighter side for you, Mr. Horiuchi.

MR. HORIUCHI: Yes.

COUNCILMEMBER MOLINA: We're putting you to work here, yeah. You never anticipated coming to Maui, and we'd be asking all these questions, but...

MR. HORIUCHI: It's really my pleasure.

COUNCILMEMBER MOLINA: Oh, thank you.

COUNCILMEMBER BAISA: Thank you.

MR. HORIUCHI: Yeah.

COUNCILMEMBER MOLINA: Thank you. We appreciate your, your patience. My...you know, myself and, you know, our Council Chair, we really like hamburger steaks; something with a lot of gravy in those plate lunches.

COUNCILMEMBER MATEO: ...*(laughter)*...

COUNCILMEMBER MOLINA: And, you know, I'm hoping in your alternatives that you're looking at, I guess when you use cardboard or paper, anything with a lot of gravy that's going to soak through in those types of containers. Are the earth-friendly, I guess, options you're looking at, it will be able to retain, you know, gravy or foods that have a lot of sauce and what not so you don't have it soaking through?

MR. HORIUCHI: Well . . .

COUNCILMEMBER MOLINA: Because I know the polystyrene, it can prevent, you know--

MR. HORIUCHI: Yes.

COUNCILMEMBER MOLINA: --anything from soaking through, yeah.

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MR. HORIUCHI: Yes. Some. . .that's a good question. Let me digress here. We are a multi-line distributor, so we have bagasse, a sugarcane based product just like from HC&S. We have bamboo-based products. The bagasse products without a coated liner, which is not earth-friendly, will not hold up. You put gravy in there or you...the oils attack the product. They start to break down the binders. And if you were unfortunate enough to leave it on your lap, you'll be very unhappy.

COUNCILMEMBER BAISA: . . .*(laughter)*. . .

COUNCILMEMBER MOLINA: Yeah. Yeah.

UNIDENTIFIED SPEAKER: Eat quick.

MR. HORIUCHI: We sell a bamboo-based product which is much more sturdy, but the, the cost is. . .oh, not a few cents more, a third to 50 percent more than a polystyrene container. So there again we, we go back ten cents versus 14, 16 cents. And while some of the people offering testimony, yeah, well, it's just a few cents more. . .but how would you like to pay \$10 a case versus 16, and you doing couple hundred cases every quarter? It makes a difference, yeah.

COUNCILMEMBER MOLINA: Yeah.

MR. HORIUCHI: So, you know, it's just a few, few cents.

COUNCILMEMBER MOLINA: Sure . . .*(inaudible)*. . .

MR. HORIUCHI: No, it's not just a few cents. Ten dollars versus \$16 a case is not a few cents.

COUNCILMEMBER MOLINA: And the, the retailer or the non-profit that's making these plate lunches are going to pass that cost onto the consumer.

MR. HORIUCHI: Yeah, so some of the people in Honolulu...let me just share this anecdotally. We have some health food stores in Honolulu. They say, okay, you take the regular container, the price is as listed on the, on the, in the restaurant. You want the special container, you add 25 cents more.

COUNCILMEMBER BAISA: Uh-huh.

MR. HORIUCHI: So in these health food stores like Umeke Market in Kahala. . .East Honolulu is a very wealthy area, but we have sold them one case of earth-friendly products and that case has been with them for about six months now. Only a quarter more to have your, your entrée, but ah, that's okay.

COUNCILMEMBER MOLINA: Yeah.

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MR. HORIUCHI: Yeah. So that's, that's an anecdotal example.

COUNCILMEMBER MOLINA: Sure.

MR. HORIUCHI: But I'm trying to be realistic. I'm not trying to over dramatize the situation.

COUNCILMEMBER BAISA: Thank you.

MR. HORIUCHI: When you ask people to pay a little extra in certain instances and given a choice, the say, you know what, that's okay. I can live with this.

COUNCILMEMBER MOLINA: Okay. Thank you.

MR. HORIUCHI: Yeah.

COUNCILMEMBER MOLINA: Thank you, Chair.

VICE-CHAIR PONTANILLA: Thank you. Thank you, Mr. Horiuchi, for being here this morning. And we'll be contacting you in regards to one of our conferences that we're going to be holding. Hopefully, you can provide us with this kind information. Next testifier is Ane Taichaha *[sic]*?

MS. TAKAHA: Aloha.

UNIDENTIFIED SPEAKER: Aloha.

MS. TAKAHA: My name is Ane Takaha. Spelled funny I know . . .*(laughter)*. . . I don't represent anybody. I'm just a person. And the reason I'm here is because in California about four years ago, Northern California where I lived, I became aware of the Pacific. I don't know how you pronounce the G word, the big plastic thing in the ocean that we all know about and was horrified by it. And lived in California and took for granted recycling and blah, blah, blah, and then I moved here and saw things were so different, and I was really surprised by that. . .because I just assumed living on an island in the middle of the ocean we'd be *so* aware of our ocean environment. I mean it's...you know, there's no separation. So when I found out that things that I always thought and knew were recycled, like yogurt containers weren't, and when I saw people using Styrofoam clamshells, I was shocked, because where I lived in Northern California, which is pretty much behind the times I have to say. . .way north, nobody used those anymore. So I, as a person, got on the telephone, and I called California, and I said I want to know where those packages come from that you use that are biodegradable. And I got on the Internet, and I found out who produces them. Becky's distributes them here, and I got connected with the VIP Food Services. So what I did was I met with their distributor just as a concerned person, and he gave me all these samples, and I went to the South Maui Sustainability meeting and spoke and got all these people, and gave them all these

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samples, and our little army went out to all the local businesses with these samples of biodegradable products saying, hey. So I got, I just want to talk about my personal experiences. I spoke to Alive and Well, Hawaiian Moons, and Mana, and all three of these places now use either...it's brown cardboard and has a sugar, sugar or corn coating so it doesn't soak through, at least for an hour, like the Chinese food things. You have to put them in a plastic bag anyway. And they all use these, you know, healthy things for the environment now. And I, I also saw them at the culinary school, which I didn't have any part of. But particularly with Hawaiian Moons, we were having this discussion about the price and, you know, my feedback was if you put a little sign out saying...and, and I got to say how excited I am about what you said about the, oh, my God, yeah. And...but my experience was different. Our discussion was if you put a little sign out saying this is what this product will do, and I think they even have it at the culinary school, if I'm not mistaken--if you pay an extra 15 cents, you can get this and people are *happy* about that and more than willing to pay. So my experience is different with that. Okay. So I hope that, and I'm going to call them when I get home. I hope that you will talk to the people from VIP because they have the cost stuff. I didn't bring the cost stuff because I never sold the things. I just went out there and rep'd them for free because I was so concerned. But they have the cost stuff, and it's...the guy's name is Gordy Brown. He's, he's a really great person, and he's really knowledgeable with the...all the composting and the biodegradable stuff, and he's available. This is flashing. Does that mean anything?

UNIDENTIFIED SPEAKER: ...*(laughter)*...

VICE-CHAIR PONTANILLA: Yeah. Your three minutes--

MS. TAKAHA: Okay.

VICE-CHAIR PONTANILLA: --are almost...finally done...*(laughter)*...

MS. TAKAHA: Should I stop?

CHAIR PONTANILLA: We'll give you one more minute to complete.

MS. TAKAHA: Okay. First of all, burning is a horrible idea. I just want to say if you've ever lived in a town that has all woodstoves, and you walk by somebody who's burning plastic, you know it's toxic. Your eyes water, you start to cough. Imagine if we did that. Oh my God. And cost, you know, I, I feel these impassioned arguments about, you know, people are going to die if we don't have these plastic styrene things because it's...we're going to lose our business, and I know it's real. And I also know there's bigger costs. There's bigger costs, and it has to be a win-win somehow. That's why I was so excited by what this gentleman was saying. And I *do* believe that people will pay extra. And then is there anything else?

Oh, and to have it made here where we don't have the carbon footprint of shipping? Wow! And then just the one last thing. Rewinding all the way to the beginning, what got

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me involved in this--is when I found out that these plastics *never* break down, the pellets get microscopic, they're floating in the ocean attracting DDT, PCBs. The birds pick them up, feed them to their young, the fish eat them. We eat the fish. I mean costs? Healthcare? . . . *(laughter)*. . . So, anyway, thank you.

VICE-CHAIR PONTANILLA: Thank you.

MS. TAKAHA: . . . *(laughter)*. . .

VICE-CHAIR PONTANILLA: Members, any questions for the testifier? Seeing none, again, thank you very much.

MS. TAKAHA: I have these two pieces of faxes. Is anybody interested in them?

VICE-CHAIR PONTANILLA: Yeah, leave it with the Committee Secretary. We'll make copies and pass it out.

MS. TAKAHA: Thank you very much.

VICE-CHAIR PONTANILLA: You're welcome. The next testifier is Gretchen Leisenring.

MS. LEISENRING: Good morning.

So I represent...well, I'm here...I'm a volunteer for a company called Styrophobia. It's a company . . . *(laughter)*. . . I actually have these cards. If you want me to pass them out first so you can read them while I'm talking? It's a Honolulu-based alternative to the plastic Styrofoam.

VICE-CHAIR PONTANILLA: Yeah, you can give it to the Committee Secretary. She'll pass it out. Thank you.

MS. LEISENRING: So I want to stress the fact that I'm a volunteer because they're *not* paying me to be here. And there's a couple points that I wanted to talk about. I think the most important point is about Styrofoam and actually what it's made out of and what happens when we use these containers.

Styrofoam is made from two main components. It's, it's, it's styrene and, and benzene. Benzene is a carcinogen. Carcinogen . . . *(End of tape, side 1B)*. . . the stress causes cancer. That's, that's not the main one. The main one is, is styrene. Styrene is a neuro-toxin. What neuro-toxins do is . . . *(laughter)*. . . they attack your central nervous system and basically kill you slowly.

Styrene targets mostly young people.

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And this is really important because in schools when we give our kids plate lunches. . . on Styrofoam, they don't have a choice. We have a choice. We're adults. We know, we know all these things. We know these things are bad for us. We know. They, they don't know. They don't know this. And what happens when *hot* food is served on these containers is that . . . (*gasp*). . . these carcinogens are released into the food, and then we ingest the food. So the kids who are more highly susceptible. . . they're eating this food. Things like Vitamin A, spinach, for example, things that contain acid, coffee, tea, lemon, lemon chicken, and any kind of hot food--when you put these on Styrofoam containers, that's what releases the toxins into the food, and then we're eating this. It's really important that we talk about this because this is *huge*. You know, this stuff is killing us. It really is, and then you put it into the *ground*, and it's going into the ground, you know. These...the, the waste facilities that we have, they're, they're not foolproof. They leak. There's cracks. It's not, it's not a good thing that's happening. So I, nobody really talked about the specifics of what Styrofoam actually does, and I think it's really important. Next I want to talk about what. . . these containers are made of. A lot of them are made out of sugarcane waste. Right now there's no facility in Hawaii that actually produces these things, so all of it is outsourced. Hopefully that will change soon though because, you know, with the sugarcane plantation right here, it would be really easy, because we take the waste from sugarcane and we actually make these products out of it.

The cost factor. That's, that's a huge deal. The cost factor is a huge deal. You know, local companies that. . . that would be struggling if, if we made this switch. That is a, that's a really, that's a really, really big concern. I had the opportunity three or four different times this, this summer and most recently on Maui to talk to really big groups of people, one-by-one, about what would happen if we made the switch. I was most recently working at the. . . the, the reggae concert, the, the Ziggy Marley show, and I got the opportunity to be in the beer garden talking to people. That was my job there. I was talking to all the people because we were using corn cups to serve the beer in. So we were talking to people, and my biggest concern when I even started volunteering for this company was, you know, is this a viable option? You know, what is the cost difference? How can we offset the cost? How can we make it so it's, it's literally painless to make the switch--because we really need to make the switch. We do. It's...everybody knows that. It's, it's...we need to do it. We live on an island.

So we started talking to people. . . about how they would feel if, you know, they had to pay ten cents extra. The, the cost difference is about 10 to 15 cents. It depends on the size of the clamshell or the cup, or whatever. It depends on the size. It's generally between 10 to 15 cents. Sometimes it can be a little bit more. However, every single person that I've spoken to, I was talking to *hundreds* of students at, at UH. I was talking to *hundreds* of people at this concert. Every single person that I asked, and these were local people. This wasn't a bunch of people from California, you know, who are here on vacation or whatever. This was local people, people who have plate lunches, you know. This was people who live here and whose families live here. They all said, once we explained the difference and what we were doing, first of all, they were really, really excited about it. They were like, "wow, no way, no way, this is made out of corn, it

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looks just like plastic.” And they, they all said that they wouldn’t mind paying 10 to 15 cents extra. Now, I do have some statistics. I know my time is running out, but I do have some statistics. . .for personal, personal use of these products. So there’s 260 business days in a year, if you take out all the weekends, and this isn’t including holidays. So if, if you guys had one plate lunch a day, 260 days out of the year, your cost would be, and this is on the 15-cent scale, it would be \$39 extra a year that you’d each be paying. Now, weigh that cost. . .not getting poisoned, not putting things into the landfill that are going to poison the ocean --

VICE-CHAIR PONTANILLA: If you can conclude?

MS. LEISENRING: --\$39 a year is really *not* a huge price to pay. That’s a year. I mean, break it down by the day, it’s like cents.

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the testifier? Seeing none, thank you again. The next testifier is Lauren Zirbel.

MS. ZIRBEL: Good morning, Council Members. Thank you for the opportunity to testify. My name is Lauren Zirbel. I’m here on behalf of the Hawaii Food Industry Association. We represent wholesalers and retailers, and actually KYD is one of our, our members. We are opposed to this measure as it is currently written. I’m not going to repeat a lot of what was already said, but I wanted to cover a few issues that seemed to have come up.

First off, burning products and H-power is not an open burn. It’s not like burning plastic on a campfire or something. Waste-to-energy facilities are highly regulated, and they meet some of the most stringent environmental quality standards in the world. They utilize advanced technology called the air scrubbers and electrostatic precipitators, which ensure clear omissions from their stacks. It, it’s tested yearly, and they meet...they exceed, actually, EPA standards for, for waste-to-energy facilities. On the health issue, there was actually a study done fairly recently which showed that there was no contamination of food in polystyrene packaging. Polystyrene food service disposables meets stringent FDA standards and are used for, for food contact packaging and have been used for over 50 years with a proven safety record. According to the Harvard Center for Risk Analysis, a report called *The Comprehensive Evaluation Of Potential Health Risks Associated With Occupational And Environmental Exposure To Styrene*, which was published in the *Journal of Toxicology and Environmental Health* in 2002, said that margins of exposure estimated for oral exposure to styrene from food, whether naturally occurring or as a result of migration from food packaging and other food contact items, indicated that risks were quite low and of no concern. The comparison dose used to drive the margins of exposure were obtained from a study using newborn rats. So these margins were, of exposure, are expected to be protective of children as well as adults. And as far as our landfills leaking any sort of issue, actually, landfills are designed specifically to prevent any type of degradation, and all of our landfills are...they have a cement basin and leachate, which is the water that actually comes out from

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rainwater is sent to wastewater treatment facilities. So any type of degradation or material that might be toxic is actually treated. It doesn't just leach into our groundwater.

That said, we, we think it's really important to think about the economy right now, and, and the most, the most important issue we believe with this is waste disposal and the fact that these compostable items don't have a home in Hawaii. We don't have a composting facility in Hawaii anywhere that takes these products. I've interviewed numerous people that run these composting facilities, and they have to get an extra permit for post food, food waste. And actually I interviewed, on Maui, Maui Earth Compost. They don't accept those products. Eko Compost is not permitted to take food waste and neither is Maui Earth Compost. I spoke with Tim Gunter who runs Maui Earth Compost, and he stated that the permitting process for post-consumer food waste materials cost thousands of dollars because of an investment in special production equipment necessary to test for things such as viruses and intricate metals. Specific permits for post-consumer food waste are required under Federal law, 503 CRF. Gunter estimated that they would have to charge consumers \$80 a ton to drop off food waste if they obtained post-consumer food waste and alternative products permitting. With those issues in mind, we would also like to point out, as you've already stated, that in Kapolei, Pacific Allied Products is recycling polystyrene, clean polystyrene and that there are plastic-to-diesel facilities all over...well, Japan actually has a really interesting system where...I know my time's up, where they take all the different types of plastic, and they turn it into high-grade diesel. And there's a company called Telstra(?) Energy, which has an office in Honolulu, and they're looking at selling these, these machines which have a return on investment in eight to ten years. So that's another alternative besides building another waste-to-energy facility that could be used for these types of products. Do you have any questions?

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the testifier? Seeing none, thank you very much. The last testifier this morning is Pamela Tumpap from the Chamber of Commerce of Maui. If there's anyone out there that haven't signed up for public testimony and would like to provide public testimony, please see our Secretary on the outside and. . .sign up.

MS. TUMPAP: Aloha.

VICE-CHAIR PONTANILLA: Aloha.

MS. TUMPAP: Good morning, Chair Pontanilla and Members of the Committee. I'm Pamela Tumpap here on behalf of the Maui Chamber of Commerce, an organization representing many diverse businesses on this island. We certainly understand and appreciate the intent of this bill, that it is to further our environment and marine animal protection. And we feel, though, that it is pertinent to share several thoughts and ask more questions as we have not seen the rationale that was used for the creation of this bill. From our initial research, we understand that polystyrene, an FDA-approved product, has been a favored product because it is less expensive than many alternatives. Compostable products are imported and substantially more expensive to produce. We

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have also heard that the cost to bring in compostable containers to Hawaii would be as much as 40 to 50 percent higher with freight. In these challenging economic times, increased regulation that increases the cost of doing business creates further hardships for businesses and increases costs to residents. While this bill would not go into effect until 2011 and some exemptions are available, none of us has an economic crystal ball. 2011 may seem like a long way off, but for businesses who are desperately hurting right now and going to be trying to recover during that time, it is literally just around the corner. We must identify the options available and get more of a handle on what the impact to businesses will be before implementing such legislation. It is also our understanding that compostable products and biodegradable options will not compost in the landfills as they require commercial composting facilities. Further, polystyrene *is* a product that can be recycled and even turned into high-grade diesel fuel with new technologies. Therefore, if we are *serious* about such changes and supporting alternative energy, will the County be providing composting facilities? Are the landfill challenges well understood? Will the County provide incentives, and tax benefits, and credits for ventures that create composting or plastic-to-diesel fuel facilities? It's been mentioned, and we agree that education is a key component. As more consumers seek environmentally friendly, friendly products the market will be driven to meet this demand, driving the development of more environmentally friendly products and bringing price points down. Legislation such as this may be more appropriate then. We have also seen reports from other states that indicate similar legislation was not the panacea they thought it would be and in some cases had negative ramifications. And I appreciate Councilman Nishiki's comments about Portland, Oregon. That was some of the research that we identified and feel that that needs to be further evaluated. We are interested in knowing what other states and regions the Council has obtained research from and learning of these results. We, too, believe that more thinking people need to be engaged in the discussion and looking over the different available research so we can make better and more informed decisions. In the meantime, we ask that this bill be deferred until more information is publicly available and the affected industries can further research alternatives and advise legislators on the impacts the ban might have, which may include higher costs, less safe food, and more waste in the form of more paper products.

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the testifier?  
Member Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair, and thank you very much,  
Ms. Tumpap, I know it's your holiday today--

MS. TUMPAP: . . .*(laughter)*. . .

COUNCILMEMBER BAISA: --and thank you for coming, since we don't have one. You  
know?

MS. TUMPAP: Thank you . . .*(laughter)*. . . Happy to be here.

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COUNCILMEMBER BAISA: . . .*(laughter)*. . . You're a very important player in the discussion that affects business. Thank you very much. Question--I'm assuming that this is just the first of many discussions we're going to have on this bill, because, you know, it appears that there is much information that everybody needs to learn about it, and I was *hoping* that you might do us a favor, the next time we get together. I would be very excited to have some of the folks that are the major *users* of these products come and, you know, speak with...you know, talk with us so that we can ask them questions and hear from them personally. If we have another meeting, I'd love to have a few fast-food representatives, maybe people who do a lot of takeout business. You know, we have some major plate lunch folks in this...on this island, and I thought it would be really nice if they could come next time. If you could help us with that, I'd appreciate it.

MS. TUMPAP: We'd be happy to help with that. We did put something out in our E-news, unfortunately just this past Friday. And we'll be making our members aware of it. We're also looking at doing a survey of our members, particularly those who would be impacted directly, as well as the broader membership, to get their thoughts on this in addition.

COUNCILMEMBER BAISA: Thank, thank you so much. I realize that, you know, the notice is rather short. You know, we post these agendas in just a very short time, and then it's the weekend, and this is Monday morning. So it makes it kind of tough. But I think it would be very helpful if we could have some of those folks here and a survey would be very helpful. I know you do great surveys. Thank you so much.

MS. TUMPAP: Thank you, Gladys. We really appreciate it.

VICE-CHAIR PONTANILLA: Thank you. Members, any more questions for the testifier? Seeing none, thank you again, Pam.

MS. TUMPAP: Thank you so much. Aloha.

VICE-CHAIR PONTANILLA: Again, the Chair would like to call on anyone out there in the gallery that haven't provided public testimony, and if you want to provide public testimony, if you could come forward.

Seeing none coming forward, Members, without any objections the Chair would like to close public testimony.

COUNCIL MEMBERS: No objections.

VICE-CHAIR PONTANILLA: Thank you.

**...END OF PUBLIC TESTIMONY...**

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VICE-CHAIR PONTANILLA: Members, before we take the two items on our agenda this morning, the Chair is going to take our midmorning break, and we'll reconvene at 10:40. This meeting is in recess. . . .(gavel). . .

**RECESS: 10:23 a.m.**

**RECONVENE: 10:40 a.m.**

VICE-CHAIR PONTANILLA: . . .(gavel). . . The Budget and Finance Committee [sic] meeting is now reconvened.

**ITEM NO. 29: BILL TO EXEMPT COUNTY-INITIATED OR COUNTY CO-SPONSORED PROJECTS FROM SUBDIVISION REQUIREMENTS (C.C. No. 09-260)**

VICE-CHAIR PONTANILLA: Members, the first item on our agenda this morning is the IM-29, a bill to exempt County-initiated or County co-sponsored projects from subdivision requirements. The purpose of the proposed bill is to exempt County-initiated or County co-sponsored infrastructure projects from subdivision requirements. At this time, the Chair would like to call on the Director of Public Works, Milton Arakawa, to provide comments in regards this proposal. Mr. Arakawa? And if you could introduce the person from the Department?

MR. ARAKAWA: Sure. Thank you, Mr. Chair. Also with me this morning from the Department of Public Works is Russell Higa. He's our County Surveyor, and he'll be available. . . .he and I will both be available to answer any questions regarding the, the bill. But the item that you have before you pertains to a proposed bill which is intended to streamline the subdivision process for County infrastructure projects, thereby allowing construction to proceed in a more timely manner. And the bill is being proposed by the Department of Public Works. By way of background, when County projects require land acquisition, the necessary land area needs to be subdivided out from an existing parcel. Subdivision requirements would generally apply to the newly subdivided lot as well as the remainder lot. The subdivided lot will generally be improved as part of a County project. However, subdivision requirements are also typically imposed on the remainder lot. There may be new requirements imposed or there may be violations which *exist* on the remainder parcel. Although the County is willing to pay fair market value for the property it wishes to acquire, the responsibility to bring the remainder parcel into compliance with all applicable Codes lies with the property owner. And, and generally in these types of situations, the affected property owners are not proposing any development of their property at the time of the proposed acquisition. Also, although some property owners are receptive to County purchase of their property, many property owners do not look forward to losing portions of their property which are needed for public purposes. To compound the issue, the current subdivision requirements mandate that property owners bring the remainder parcel into compliance. This means that the property owner must spend his own time and money in order to remedy or cure any violations on his

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property. This adds to the imposition upon the property owner and is a major cause of delay for implementation of County capital improvement projects. We believe this differs substantially from a normal subdivision application. In such a normal application, review is undertaken to ensure that all existing structures within the area of the proposed subdivision are in compliance with applicable regulations. The subdivider in that particular case, in a normal subdivision application case, is motivated to make the necessary improvements because he wants to get his subdivision approved. And this differs from the case where the County wishes to purchase a portion of private property for County CIP. The proposed bill simply requires the submittal of the final subdivision maps in order to ensure that boundary lines and areas are correct for the parcel, which the County wishes to purchase, and the remainder parcel, and that the subdivision is subsequently recognized by the Real Property Tax office. Such subdivisions would need to be routed through the Department of Public Works, and we will review the maps for accuracy. A bill entitled A BILL FOR AN ORDINANCE AMENDING CHAPTER 18.04, MAUI COUNTY CODE, PERTAINING TO SUBDIVISION GENERAL PROVISIONS has been drafted and the Committee's review and consideration of the proposed bill is respectfully requested.

VICE-CHAIR PONTANILLA: Thank you, Mr. Arakawa. Members, any questions for the Director at this time?

The Chair for this particular meeting has a question. For this bill, you know, it mentions County-initiated or County co-sponsored exemptions. How will the Department determine which project qualifies, and are the, you know, the terms going to be defined?

MR. ARAKAWA: Mr. Chair, the current language of the bill would pertain to things like acquisition of property for road-widening lots, roadway-extension lots, roadway-improvement projects, roadway-realignment projects, drainage lots, utility lots, park lots, and easements for access or utility purposes. So that's the, the *limit* of what it would...this would bill would apply to if it's passed.

VICE-CHAIR PONTANILLA: Thank you. Can you give us an example? I think I have something in my mind that, you know, certain projects that we say that, you know, you provide us with a two-foot road-widening lot and if the County has an improvement that need to be done in this particular area. . .reading this thing here, it's the intent of the County to purchase additional lots...additional property so that the alignment of the road can be extended to a certain degree?

MR. ARAKAWA: Yes, Mr. Chair. Maybe the best way to try to answer your question is perhaps with an example. We have tried to, for instance, purchase property for our Lower Honoapiilani Road Phase IV project. In those instances, many of the, excuse me, many of the property owners that are affected are actually smaller lots with single-family homes, and we are basically attempting to widen the road. So in essence, we're attempting to purchase a portion of people's front yards. In the process of doing the proposed subdivision, agency reviews are undertaken to ensure that everything within the

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property that the County is attempting to acquire and everything within the remainder lot complies with subdivision regs and all applicable County Codes. In some instances, there are irregularities--perhaps in building construction, some cases there may be tax liens which are handled through a separate procedure--but in order for a final subdivision approval to occur, all of these potential violations and tax issues and other irregularities must be cured before we can issue approval. So in our estimation, this is radically different from say any other private subdivider who has the motivation to try to get his property subdivided basically because he wants to either sell or convey the property to others. But in the case of County CIP, the County is initiating the, the purchase. So from the property owner's side it may seem like we are imposing a burden upon the property owner in order to get the land that we want for the road-widening or County infrastructure project, you know, before the subdivision approval can be granted.

VICE-CHAIR PONTANILLA: Thank you. Members, any questions for the Department this morning? Member Mateo?

COUNCILMEMBER MATEO: Thank you, Mr. Chair. And, Mr. Director, can you give us an idea of the timetable in terms of the streamlining process and what the Department is anticipating saving in time, in terms of time?

MR. HIGA: Thank you, Mr. Mateo. It's, it's unknown. That's, that's the problem, excuse me, with our situation is the land were...because, because we deal with personalities and the constituents, everyone has their own agenda, goals. It could be dragged on or, or not. It could be friendly or not. So that's...it's hard to...all we can do is...like that's one unknown that we, we know all we need to do is...of course we, everything would be legal on the table. It's just not knowing what the other *department* would impose on us to enforce. So that's, that's pretty much what we're, we're trying to resolve. . .on the timeline regarding that. It's just we know as long as our maps are finished, it's been reviewed with the title work, it's good to go. So that's, that's...we can, we can plan that. But the other unknowns, we cannot.

COUNCILMEMBER MATEO: Okay. So we'll end up...even with the ordinance then, we still could end up with lengthy delays?

MR. ARAKAWA: Councilmember Mateo, it's possible, but *with* the ordinance at least we're eliminating a potential roadblock--and that's kind of our, our, our intent here. I do want to mention though that if there are any violations or tax liens, this *bill* doesn't excuse the property owner from complying. It just means that, that those issues would be handled separately, and it won't hold up the subdivision of property in order to proceed with the County's CIP.

COUNCILMEMBER MATEO: Okay. So, Mr. Director, you see the passage of this bill as what, in terms of the Department being able to move your CIPs?

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MR. ARAKAWA: It, it will definitely help us to expedite our County CIP. And I would also mention for the, for the Committee's consideration that the State Legislature has also passed a law in the 2008 Session which basically gives the State DOT this same power to exempt themselves from subdivision regulations when they are purchasing property for their projects, their road projects. So this is basically the same thing that we are asking for to try to expedite CIP at the County level.

COUNCILMEMBER MATEO: Okay. Thank you. Thank you, Chairman.

VICE-CHAIR PONTANILLA: Thank you. Mr. Arakawa, one fast question. You know, I know this County put in a lot of money for road improvements, yeah, road resurfacing, and the like. And this bill, as proposed, will that at least, you know, start the process much sooner, give you all that flexibility so that, you know, when we say we're going to do some work improving roadways that, you know, our ability to do that will not be hampered?

MR. ARAKAWA: Mr. Chair, as far as resurfacing projects are concerned, if, if we are simply resurfacing within the existing right-of-way, then this bill wouldn't really apply. But just for your information, too, you know we are intending to submit a separate item to the Council to talk about resurfacing and basically trying to initiate the design of the resurfacing project so that, you know, the monies can be encumbered in a much faster manner.

VICE-CHAIR PONTANILLA: Do you have any projects on the books in regards to improving roadway from right-of-way to right-of-way and, you know, because of some areas we, we do have that jog . . . *(End of tape, Side 2A)* . . .

MR. ARAKAWA: Well, the most recent example that I can think of is that Lower Honoapiilani Road Phase IV. We have some areas where we have already accepted road-widening lots and there are jogs in the rights-of-way, and with the Federal Aid project, we will basically straighten those out.

VICE-CHAIR PONTANILLA: Okay, and then how long was it in the works?

MR. ARAKAWA: The Lower Honoapiilani Road project has been in the works for...since the . . .early part of this decade.

VICE-CHAIR PONTANILLA: Thank you. Members, questions for the Director?

COUNCILMEMBER MOLINA: Recommendation?

COUNCILMEMBER NISHIKI: Chair?

VICE-CHAIR PONTANILLA: Member Nishiki?

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COUNCILMEMBER NISHIKI: Yeah.

Milton, I know that the purpose of this bill is to expedite County-initiated subdivisions, and, and you gave the reasons why, and Joe brought up a perfect example. My question is the concern for, for loopholes in it. And as an example, should the County seek to acquire 50 acres of affordable housing from a potentially large housing development on a remaining parcel, how does that, in an essence, create the developer from not having to deal with improvements?

MR. ARAKAWA: Councilmember Nishiki, the way the bill is currently drafted, we are not seeking any kind of waiver or exemption for those types of affordable housing projects. We're talking about basically County infrastructure at this point: roadway, park lots, drainage and the like, but, but not affordable housing. I mean if, if you...or if the Committee chooses to craft language to specifically exclude that. . .I, I believe that's, you know, a policy call on your part. But right now that certainly wasn't our intent, and it's not included in the language of the bill.

COUNCILMEMBER NISHIKI: Okay. And, Mr. Chairman, I, I, I did pass out some language, and I would hope that Staff would put it out in regards to concern about this. The other concern I have is a concern that we've had projects, Milton, where a lot of the work has been done by the, the County in regards to CIP--and let's be more specific on, say, Lower Honoapiilani Highway, and I think Sol and Jo Anne had this concern, and I don't know how this...passing this, this would perhaps exempt the County from collecting fees, deferred fees. But can you address that?

VICE-CHAIR PONTANILLA: Department?

MR. ARAKAWA: Councilmember Nishiki, I believe you're referring to the three-lots-or-less deferral agreements. As you know, the Council eliminated that deferral agreement option for subdivisions going forward, and I believe the law was passed in 2007. But the deferral agreements that were executed prior to that date are still in effect.

COUNCILMEMBER NISHIKI: Right.

MR. ARAKAWA: And what we intend to do, at least on the Lower Honoapiilani Road Phase IV project, which is a Federal Aid project, is that when we are ready to proceed with construction or close to ready to proceed to construction, we will enforce the deferral agreements and collect from the affected property owners to contribute to their share of the construction.

COUNCILMEMBER NISHIKI: Okay. So, so that, this is not going to affect any part of those deferrals prior to 2007?

MR. ARAKAWA: That's correct, prior to the passage of the law. It's not going to affect...this bill will not affect that.

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COUNCILMEMBER NISHIKI: Staff, does the Committee Members have the language--

COUNCILMEMBER \_\_\_: Yes.

COUNCILMEMBER NISHIKI: --change?

COUNCILMEMBERS BAISA: Yes.

COUNCILMEMBER NISHIKI: Okay. Anyway, despite that I'm not a Member I, I, I would hope that we would...someone would amend it so that perhaps a possible loophole that is there can be eliminated by adding this language, Mr. Chairman.

VICE-CHAIR PONTANILLA: Okay. That's it?

COUNCILMEMBER NISHIKI: I am done.

VICE-CHAIR PONTANILLA: Okay. Thank you. Fast question for the Department. You know, for this proposed bill, you know, it may be beneficial from a departmental standpoint in streamlining the process. Would this bill, if approved, effectively shift the burden from the Department to the Council when these exempt subdivisions come up for approval?

MR. ARAKAWA: Mr. Chair, I don't believe so 'cause we were talking about the exemptions only for the subdivision application which pertains to the, the purchase of the, the lot which this County needs for the infrastructure project. Any subsequent subdivision, any subsequent action regarding the remainder lot is still subject to all applicable rules in the subdivision title or any other applicable portions of the Code. So we're not saying that the portion of the development of the remainder lot gets exempted by any means.

VICE-CHAIR PONTANILLA: Thank you. Member Kaho'ohalahala?

COUNCILMEMBER KAHO'OHALAHALA: Yeah, thank you, Chair. Director, I just needed some clarity on that then. By this change, then you would be initiating the subdivision? Is that what it says that, that the Department would initiate the subdivision?

MR. ARAKAWA: Yes, that is correct.

COUNCILMEMBER KAHO'OHALAHALA: Okay. Can you walk me through what that process would be? So I have a piece of property that's along Honoapiilani Road, and you want to acquire a portion of it. So then you would be now saying that you would be authorized by this amendment to go ahead and do the subdivision to carve that area that you need for the road improvement; is that, is that correct?

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MR. HIGA: Thank you, Mr. Kaho'ohalahala. Yes. What this in effect would do is the negotiations would go on as usual, there would be communication back and forth, then when everything is finally agreed, and then the *subdivision* process...the next step is the subdivision process. This is the process that what, what would happen is the subdivision map would be made, okayed by the owner and the County, and then at this point the, the map would be processed through DSA, and subsequently to the tax office for revisions of real property areas.

COUNCILMEMBER KAHO'OHALAHALA: Okay. Now, what happens to the original parcel of which you are subdividing this out? What happens to, to that parcel?

MR. HIGA: The remainder lot?

COUNCILMEMBER KAHO'OHALAHALA: Yes.

MR. HIGA: Yes, that, that would be the, the record that would be adjusted at the real property, and then the agreements...Corp. Counsel would be working with the agreements with the owner on the, the deeds, the warranty transfer deeds or documents.

COUNCILMEMBER KAHO'OHALAHALA: Okay, and then this process would now require us to make a purchase of that, that acquired piece for road --

MR. HIGA: Yes.

COUNCILMEMBER KAHO'OHALAHALA: -- improvements?

MR. HIGA: Yes.

COUNCILMEMBER KAHO'OHALAHALA: And then you would get an evaluation of that property?

MR. HIGA: Yes, we, we basically do the whole...every...everything is what we normally do. It's just that it doesn't have to be reviewed by the different agencies, but that's, that's the only difference, but the *process* would be the same, the negotiations, and the checks and balances.

COUNCILMEMBER KAHO'OHALAHALA: Now, if I were the owner of that property and at the time that you come in to do the subdivision, and I wanted to also subdivide the remaining parcel, how does that fit in?

MR. HIGA: It all depends on the Director, but it wouldn't be our objective. Our objective is just to deal with County issues.

COUNCILMEMBER KAHO'OHALAHALA: Okay. When you say it depends on the Director, then what does that mean?

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MR. HIGA: That, that would...if...I've seen subdivisions where it's actually because the constituent had the leverage, where it kind of forced the departments to negotiate--"okay, I'll, I'll go, I'll go through the process, but then you have to add out another lot, you have to create another lot."

COUNCILMEMBER KAHO'OHALAHALA: So that would be all at the discretion of the Department then?

MR. HIGA: Um. . .yeah, I guess eventually.

COUNCILMEMBER KAHO'OHALAHALA: Okay. So that's why I need some clarity because we're talking about much more than resubdivision for road widening here. We're talking about discretion of the Department allowing for other kinds of subdivision to occur as well.

MR. ARAKAWA: Councilmember Kaho'ohalahala, I think the, the intent of the bill here is basically to try to segregate out any kinds of subsequent actions that the remainder lot owner may want to pursue. We're just interested in segregating out the portion of the property that we need for a County CIP. So if you, if you want to clarify that as, in terms of this bill, you know, that would be fine, but that's certainly not the intent of the bill that you have before you today.

COUNCILMEMBER KAHO'OHALAHALA: Okay. Then I think if *that's* the intent, then we should probably clarify that so that there is no opportunity. The other thing is this, if...this is just another scenario now--if you say it was at the discretion of the Director and somehow there was a resubdivision of the parcel, aside from taking out the road-widening portion. . .in the case of what would have occurred in the past where you're doing two or three subdivisions to a property, *that* subdivision would have had a requirement for road improvements to be assessed by that subdivision--is that correct?

*NOTE: Long pause.*

MR. ARAKAWA: . . . I'm not certain of your question. Maybe if you can--

COUNCILMEMBER KAHO'OHALAHALA: Okay.

MR. ARAKAWA: --clarify that?

COUNCILMEMBER KAHO'OHALAHALA: If I had that parcel and you came to see me, and you wanted to resubdivide that parcel and I negotiated with you that I would like to really do another subdivision of my parcel at the same time you're subdividing for your road widening. . .if I had to be engaged in doing that on my own as the owner of that property, my subdivision would have a requirement for the road improvements--is that correct?

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MR. ARAKAWA: Well, well, if, if the County is initiating the subdivision to basically purchase a portion of the lot for road widening, just as an example, we should be taking care of the ultimate right-of-way width that's needed from, from the--

COUNCILMEMBER KAHO'OHALAHALA: Yeah.

MR. ARAKAWA: --that property...

COUNCILMEMBER KAHO'OHALAHALA: My question was that if I were the property owner. . .

MR. ARAKAWA: Uh-huh.

COUNCILMEMBER KAHO'OHALAHALA: . . . and I wanted to do a subdivision of my property that is abutting the road in that subdivision process, would I not be responsible for the road improvements as the subdivider of my property?

MR. ARAKAWA: . . . Uh, you would expect that the reason why the County would be trying to obtain a portion of your property would be for a roadway project which...so I--unless you're talking about a parcel with two roadway frontages in which...

COUNCILMEMBER KAHO'OHALAHALA: Yeah, I'm talking about my property abutting the highway--

MR. ARAKAWA: Uh-huh.

COUNCILMEMBER KAHO'OHALAHALA: --the Honoapiilani, as an example. If I were to do a subdivision, I would be required to also pay for the road improvements that are...that's abutting my property and the highway or the road...Honoapiilani--is that correct?

MR. ARAKAWA: That is correct. If you came in for...if the County did not approach you...

COUNCILMEMBER KAHO'OHALAHALA: That's what I'm talking about. I'm the owner of that property.

MR. ARAKAWA: If you wanted to proceed with a subdivision of, of your property, say along Lower Honoapiilani Road today. . .we would require a road-widening lot from you.

COUNCILMEMBER KAHO'OHALAHALA: Okay. Of which I would be responsible for paying?

MR. ARAKAWA: You would be responsible to pay the pro rata share of the...well, you would be responsible to dedicate the road-widening lot and pay a pro rata share of the improvements.

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COUNCILMEMBER KAHO‘OHALAHALA: Okay. That’s why I want to make real clear because what this bill represents to me is that it would be, in some cases, allowing for a subdivision to occur--of which you stated right here that you may have the discretion to allow--and that we would not be assessing that subdivider their fair share costs of the road improvements. That’s what I’m, I’m, I’m understanding is the potential to occur in the current language of this bill. So is, is that a correct assumption?

*NOTE: Long pause.*

MR. ARAKAWA: . . . Well, Councilmember Kaho‘ohalahala, what happens normally is that if the County wants to purchase a portion of property, we would compensate, of course, the owner. We do an appraisal for the portion of property we want to acquire, and we’re required to pay just compensation for that. So that’s what we’ll pay. But we cannot pay that until the subdivision is approved. So normally the owner of the property would need to get his house in order, get all of the, you know, all potential violations cured, all his tax liens all squared away *before* final subdivision approval, and before he can, you know, get the money from us to actually...for us to purchase his, a portion of his property. But . . .

. . . Well, basically we, we have to pay fair market, basically, is what it is.

COUNCILMEMBER KAHO‘OHALAHALA: Okay. I understand that, Director. What I am asking though is your authority to be allowed to create these subdivisions, and my question earlier was that would that authority allow you to go *beyond* just a resubdivision of a person’s property to take out the road-widening portion, but also to allow for resubdivision of the property itself. And the response to me was, yes.

*NOTE: Long pause.*

MR. ARAKAWA: . . . No.

COUNCILMEMBER KAHO‘OHALAHALA: It’s now no?

MR. ARAKAWA: No, it is not...

VICE-CHAIR PONTANILLA: Mr. Arakawa, before you answer that, I think part of the question that Mr. Kaho‘ohalahala had indicated earlier is that he, as a property owner want to subdivide--not looking at this. What is his responsibility to the County? I know part of the responsibility is to provide the dedicated lot for road improvements. But what I’m looking at as far as the ordinance is that, you know, that’s one scenario. I want to subdivide, I still got to do the improvements. I’m gonna get paid a portion of the, a portion of the dedication at a later time when the County completes its project. In this case here, if we need a road-widening area to improve the existing road, then we will negotiate with the property owner in trying to obtain the remnant piece so that we can do

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our CIP project. In doing so, though, part of the responsibility is that the property owner of that property...we got to make sure that all the liens are paid or whatever that need to be done on the property to, to be in compliance, need to be approved by you folks.

*NOTE: Silence.*

VICE-CHAIR PONTANILLA: That's what I'm hearing.

MR. ARAKAWA: We are saying that we simply want the ability to subdivide out the, the area of land that we need for our County CIP and that any violations or tax liens or whatever else be handled as a separate matter.

COUNCILMEMBER BAISA: Yeah.

VICE-CHAIR PONTANILLA: Prior to obtaining that piece of property?

MR. ARAKAWA: No, it could be *after* obtaining the property.

*NOTE: Silence.*

MR. ARAKAWA: Because the, that's the reason for the proposed bill--is that we have had a number of delays from property owners who are reluctant to basically spend time and money to bring their property up to Code before final subdivision approval. So we simply want to subdivide out the property and deal with those other issues as a separate matter.

VICE-CHAIR PONTANILLA: So if the property owner says "no", then what happens?

MR. ARAKAWA: Then the project doesn't proceed. If the...under the *current*. . .provisions of the Code, if the property owner doesn't decide to cooperate, then the negotiation stops. The only other option we have is to come to the Council to ask for condemnation.

VICE-CHAIR PONTANILLA: Yeah. It seems like we're putting some burden on the property owner just trying to get that piece so that we can do our CIP. I don't know. You know, like you say we have the ability to condemn, but, you know, to purchase and, and to almost like threaten the property owner to comply, you know, it seems...doesn't seem fair.

MR. ARAKAWA: Yeah, and, and that's exactly correct because that is the way the *current* Code is worded. And at least with the amendment to the Code, it allows us to complete the subdivision, it allows us to pay the property owner fair market value, and at least the property owner has the necessary funds after final subdivision approval and after just compensation to remedy any of the, the violations after the final subdivision approval and after the purchase of the property is done.

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VICE-CHAIR PONTANILLA: So you still need to take care of the violations?

MR. ARAKAWA: Yes.

VICE-CHAIR PONTANILLA: Thank you. Member Kaho'ohalahala?

COUNCILMEMBER KAHO'OHALAHALA: Yeah, it's a lot more complex than I think just a simple amendment to this law. So, so I would like to make sure, Chair, that we would be closing any loops in this language here, and I'm not prepared right now to, to provide that, but it's...I have a better sense of what is actually occurring. Now, I want to ask the same the question in another way then. We go ahead, and we do the resubdivision and we do the improvements, we purchase that portion from the landowner. The landowner, following that, comes to resubdivide their property. Are they now responsible for a pro rata share of the improvements that were made prior to the resubdivision?

VICE-CHAIR PONTANILLA: Department?

MR. ARAKAWA: We. . .Councilmember Kaho'ohalahala, if we are purchasing the property from the certain property owner, we're just paying them fair market value for the property as it exists. If we purchase the property for the road, say the road-widening lot, subsequent to that you come in for a separate subdivision. . .you will probably not be subject to any kind of frontage improvements if it's already done as part of a project which is done by the County. But if the County has not, for instance, started on a, say a Federal Aid project or any kind of project to improve the road, then you may at that point. But it depends on the timing of the subsequent subdivision. If you come in, of course, when your...when the subsequent...if you come in with your subsequent subdivision application when the improvements are already done, then obviously we're not going to require anything else.

COUNCILMEMBER KAHO'OHALAHALA: Okay, and that's where the discretionary powers, to me, are, are important for us to know because your earlier statement of which you've now retracted said that you had discretion to make some of those decisions about resubdivision at the time that you were going to resubdivide under your authority and allow for the, the possible subdivision of the attached property. Now, in that scenario it would mean to me that the benefit would be going to the landowner for resubdivision and they would be under no obligation to pay a pro rata share for the road improvements. Now, if we do it in my second scenario, we've actually gone and we've improved the roads, and you're saying that at that point if they come in for resubdivision after that, they have no obligation for the road improvement. So I want to get a clear understanding of what it is that we are doing in this case here because I think if we're moving in this direction to give the benefit to the landowner who is going to resubdivide for potential other sales of property on an improved...with the improved road widening and pay no part of that, then it would, it would concern me, as a Council Member, that this is occurring. So I want to be real clear on what it is that we're doing. And for that reason

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I'm asking for clarification from you, and then at the same time I think that perhaps some added language needs to be placed in, in a bill like this. So . . . *(inaudible)*. . .

VICE-CHAIR PONTANILLA: Thank you. At this time, the Chair is going to call on the Corporation Counsel. Mr. Galazin?

MR. GALAZIN: Yes, thank you, Chair and Members. I just wanted to maybe clarify something for everybody just to make sure that we're all on the same page. Right now, the Department currently *does* these kinds of projects. They acquire roadway pieces where they need to do road widening. So this bill isn't empowering them to do anything different than they normally do on a regular basis. What this bill is designed to do is when these projects *occur* what happens is that going through the subdivision process just to carve out a little narrow strip becomes really timely, cumbersome, and can be expensive. So what this bill is seeking to do is streamline that process. It doesn't create any *different* authority that the Department already has. All it does is basically say, okay, we recognize that this is going on; we realize the County needs this portion of the roadway; we've negotiated with the property owner; it's going to become part of our right-of-way, but now all we have to do is basically take our map, record it, make sure we create this second lot. It doesn't relieve anybody of any, any responsibilities they would otherwise have, and it doesn't *change* the authority the Department of Public Works currently has in terms of *acquiring* some of these pieces. All it does is say that once this process has gone through the actual, the actual act of subdivision itself is going to be streamlined. So that's really where the focus is. I mean I realize Members may have other concerns related to it, but, but I just want to clarify what this bill is actually doing versus what the Department of Public Works is already doing.

VICE-CHAIR PONTANILLA: Thank you.

. . . Members, any more questions? Member Baisa?

COUNCILMEMBER BAISA: Yes, I, I understand what we're trying to do, and I just have one question. I want to understand it very clearly. We're saying we're going to *exempt* the County from the subdivision process. What exactly are we being exempted from?

VICE-CHAIR PONTANILLA: Department?

MR. ARAKAWA: . . . Councilmember Baisa, basically we're asking to be exempt from the requirements of the Title 18, which is the subdivision section of the Code. And the only requirements that would apply would be the mapping, basically submittal of the final map.

COUNCILMEMBER BAISA: And, and you assume that will save us a lot of time so we can move ahead?

MR. ARAKAWA: Yes, it will.

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COUNCILMEMBER BAISA: Okay. I just want to be clear about what kind of exemption we're asking for, because we want to be careful about exempting the County from stuff. You know, people are going to say, well, it's the County, so they come in here gangbusters and exempt themselves. So we got to be aware of what exactly we're exempting ourselves from. Thank you.

VICE-CHAIR PONTANILLA: Thank you. Members, any more questions for the Department? Member...Mr. Nishiki?

COUNCILMEMBER NISHIKI: Yeah, I, I don't think that we clearly understand perhaps what Sol was trying to give as an example. If the County initiates a road widening, Mr. Chairman, and at that point in time the subdivider, or the, the landowner decides at that point in time to initiate a subdivision. . .the County, through giving this power to the Department of Public Works, the Director here, can now also exempt that subdivider from paying his fee for the road widening, because at that point in time he decides that he's going to subdivide.

VICE-CHAIR PONTANILLA: Director, if you can?

MR. ARAKAWA: Councilmember Nishiki, I think there's some misunderstanding here, but basically if the County wishes to purchase property for County CIPs, let's say for a road project, we will just come in, do an appraisal, pay fair, fair market value for that piece, we'll do the subdivision, and what we are proposing here is to basically just carve it out, we'll just pay fair market value for what's there, and then we will do, the **County** will do the capital improvement project. So the County would then basically assume the cost of improving that, that property. That, that would be it.

But let's say, like...where I think we're getting hung up is that if the property owner of the remainder lot wants to do a subsequent subdivision of his own property, for his own purposes, separate from the County's purposes, he can do that as a separate matter in which case the normal subdivision process would apply. But we would not allow it as part of this bill that you have before you today. This bill is **only** for the purposes of cutting out property for County infrastructure projects.

COUNCILMEMBER NISHIKI: Yeah, and, and, and thereby while this is occurring, the applicant then would be exempt from paying any portion of that road widening. . .and yet meet the intent of what a . . .(End of tape, Side 2B). . .

MR. ARAKAWA: Well, if, if the...like I...it's all a matter of timing. Say, if the owner of the, the lot came in with his subdivision today, he would be required to not only give us the lot, the road-widening lot, but he would be required to pay his share of the improvements. But if **we** come in first and want to purchase it, we're just going to be paying fair market value for, you know, the area that we need. So it would be without improvements, and

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we would be...we, the County, would be required to put in the improvements. So it depends with, who comes first.

COUNCILMEMBER NISHIKI: Yeah, and, and if we come first, the subdivider comes in, then wants to subdivide he, or she, or they would be exempt from paying any portion of that road widening.

MR. ARAKAWA: . . . If they...

COUNCILMEMBER NISHIKI: Come in second.

MR. ARAKAWA: If they come in second, then. . .you're correct. The County is already committed to paying for the...we've already purchased the road-widening lot, and we've already committed to put in the improvements, then, yes, the subdivider could be exempt from that.

COUNCILMEMBER NISHIKI: Okay.

VICE-CHAIR PONTANILLA: I, I guess the whole point is that we don't want to have anybody take advantage of the County--

UNIDENTIFIED SPEAKER: Yeah.

VICE-CHAIR PONTANILLA: That's what I'm hearing.

COUNCILMEMBER BAISA: Uh-huh.

VICE-CHAIR PONTANILLA: And how do we protect that once we acquire all of these. . .remnant lots to, to, to do our road improvements and, you know, not have a subdivider come later on, it could be a family subdivision, take advantage of the County. Can we set, like say, set a time limit in regards to, okay, once we do the improvements, you know, if you come in within five years, you pay the County so much? Can we do that, Mr. Galazin?

MR. GALAZIN: Uh. . .that's a pretty broad hypothetical, but I could see there could be situations where that would be problematic to say that you're paying for something. . .after-the-fact if you're talking about roadway improvements. It's a little bit different than saying, oh, you're, you're paying, you know, a tie-in fee where the County does a capital improvement for something upfront, and then as people do development they, they pay into what the County has already paid. I think the general. . .general trend in terms of how our County works is that development more often drives the improvements. So. . .there would be...there could be issues. I guess it's too broad for me to say specifically, but there could be issues if you're talking about putting conditions on when a subsequent subdivision can happen on that property. I, I think the, the thing to remember is that a lot of times we are waiting for these developments to go through in

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order to, you know, give us the road-widening lots, pay these portions of the roadway improvements. But what's contemplated here by this bill are situations where we're waiting and waiting and there is *no* development, so we need to go in and take care of it ourselves. So the, the practical nature of what could be abused here, I think is, is perhaps not quite as prevalent as, as some of the Members may be concerned about. Although. . .you're right to be concerned.

VICE-CHAIR PONTANILLA: Yeah, thank you. Thank you for that information and explanation. You know, if we do have constituents out there that want a road improved, you know, and here we wait for a developer to provide us with this improvement, you know, we're going to get those constituents of ours, you know, all over our backs in regards to, you know, how come you guys not doing this work. I can see, you know, if we were to do that, that it would create another problem for this County--not completing CIPs on a timely basis. Mr. Molina?

COUNCILMEMBER MOLINA: Thank you, Mr. Chairman. You know, I want to thank Mr. Arakawa and as well as Mr. Galazin for their comments with the revelation that, you know, someone could potentially take advantage of the County, you know, a loophole. You know, I, I don't know what the intent here is today in terms of moving this out, but I'm uncomfortable, at this point, without maybe the Administration coming back with some type of language that could alleviate any kind of concern. So, Mr. Chair, for me I think I, I would prefer not to act on this. Maybe we defer. And, plus, we don't have our Committee Chair here as well, Mr. Medeiros. So I think it's, you know, important for the Committee Chair to take a look at this matter and work with the Administration, and see if there's some type of language we could insert into this bill to prevent any potential loopholes. So those are just my comments, Chair. Thank you.

VICE-CHAIR PONTANILLA: Thank you. Members, any more comments regarding this matter? Member Baisa?

COUNCILMEMBER BAISA: I feel as Member Molina does. Thank you.

VICE-CHAIR PONTANILLA: Okay. Anymore comments? None? Okay. At this time, the Chair would recommend that we defer this item. And, you know, Mr. Nishiki already started a potential amendment to make sure that, you know, those developers that want to develop will still need to uphold the provisions of Chapter 18 or Title 18. Member Kaho'ohalahala?

COUNCILMEMBER KAHO'OHALAHALA: Chair, just, just along those lines. We have projects that have already been developed, and we have, as was stated earlier, deferred some of those costs. How, how many of those projects have been deferred so that we know exactly what is outstanding in terms of road improvement? Is that, is that something that you have available for us?

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MR. ARAKAWA: *That* would be very difficult to try to get for the Council. There are deferrals, not only for three lots or less, but there are other deferrals, like, for family subdivisions that have occurred, you know, large lots and others. So I, I wouldn't be able to answer your question.

COUNCILMEMBER KAHO'OHALAHALA: Okay. Just for clarity then, what I'm asking for is that we have deferred these costs by prior developments. So that's money that should be paid to help in terms of this road-widening improvement, and you don't know how much is deferred?

MR. ARAKAWA: No, we don't. And like, like I mentioned when the projects do come up, our intent is we would research the stretch of road to be improved, and then we'll collect on the deferral agreements.

COUNCILMEMBER KAHO'OHALAHALA: Okay.

VICE-CHAIR PONTANILLA: So there is documentation?

MR. ARAKAWA: Yes. We would have to go through the individual files, basically. But if you're asking for some number for the entire County that's, you know, quite a bit of work that would be involved to try to figure out, you know, how many agreements and the costs, and so on and so forth.

COUNCILMEMBER KAHO'OHALAHALA: Okay. I only ask the question because we're the ones that are going to be ending up in this resubdivision, purchasing those, and then we have yet some deferral of amounts of money that we don't even know, that we're not even utilizing to help with this road improvement. But with this authority, we would be now required to *purchase* that, that land, and we're going to be spending more money from the County, so that's why...

VICE-CHAIR PONTANILLA: Mr. Kaho'ohalahala?

COUNCILMEMBER KAHO'OHALAHALA: Yeah?

VICE-CHAIR PONTANILLA: We haven't collected on *any* of the deferrals.

COUNCILMEMBER KAHO'OHALAHALA: Oh...*(inaudible)*...

VICE-CHAIR PONTANILLA: No, no money is involved until a road improvement is--

COUNCILMEMBER KAHO'OHALAHALA: Oh...

VICE-CHAIR PONTANILLA: --planned and projected, then we'll go after the deferrals --

COUNCILMEMBER KAHO'OHALAHALA: Okay.

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VICE-CHAIR PONTANILLA: --like the Director had said. So, Members, without any objections, the Chair would like to defer this item.

COUNCIL MEMBERS: No objections.

VICE-CHAIR PONTANILLA: Thank you.

**COUNCIL MEMBERS VOICED NO OBJECTIONS.** (excused: MJM, MPV, and BKM)

**ACTION: DEFER pending further discussion.**

**ITEM NO. 13: BILL RELATING TO POLYSTYRENE DISPOSABLE FOOD SERVICE CONTAINERS** (C.C. No. 09-165)

VICE-CHAIR PONTANILLA: The next item on the agenda is Item IM-13, bill relating to polystyrene disposable food service containers, and we do have a representative from the Environmental Management Department.

. . . And, sir, if you can identify yourself?

MR. KRESGE: Good morning, Council Chair and Council Members, I'm Gregg Kresge, Department of Environmental Management, Deputy Director.

VICE-CHAIR PONTANILLA: Thank you, Mr. Kresge. Do you have any opening comments in regards to this one particular item?

MR. KRESGE: Yes, I do. Let's see, I did discuss with Councilmember Victorino on Thursday about this ordinance because I had...I did some further research on this ordinance and, and I had some concerns that I wanted to share with him and then also share with the Council...the Council-at-large. During that conversation, Councilmember Victorino wanted me to relay that he concurs with deferring this item--and I can give the reasoning behind that, for more research and, and looking into this matter because it does have a very broad scope to it and making sure that we look at other communities that have done this ordinance, of which there's many of them. And we would like to make sure we don't reinvent the wheel, and we look at the challenges and things that happened with those communities so that we can have a successful ordinance. Thank you.

VICE-CHAIR PONTANILLA: Thank you. Members, you know, we heard a lot of testimony this morning in regards to this particular item, and it seems like, you know, you know, some of the people that do manufacture containers are looking at different sources in regards to a more friendly environmentally container. Members, any questions for the Department at this time? Member Mateo?

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COUNCILMEMBER MATEO: Member, if the Department...excuse me, Mr. Chair, if the Department can just give us a real *brief* explanation on your opening comments where you had some concerns regarding the ordinance itself?

MR. KRESGE: Okay. Yeah, as the...when I first looked at the ordinance, in the title of the ordinance it says Styrofoam, and so I did some further research, you know, to find out exactly within the definition of the polystyrene food container and found...I was actually amazed, because I don't...I personally didn't know very much about this product as far as...I know about the clamshell, you know, containers, and what Styrofoam is. But we are actually talking about food containers and clear plastic cups, and that sort of thing which is a much bigger range of food containers. And those are the containers that we often see...you know, most of. I even went as far as to go to the stores and our largest supermarkets, for example, and find out, you know, are there any alternatives that are available to the, the common resident or the consumer. And actually it's all polystyrene other than a few paper cups. And...but all the other cups, for example, are polystyrene cups, and these are the clear plastic...what you would consider a clear plastic cup. In this ordinance, those cups would be covered for retail establish...I mean for food service, but in addition this ordinance also covers *all* County functions, *all* County property, all *County*-related contracts. And so, it's a much broader sweeping...so any food service items--for example, the County Fair. We have all those food booths. None of those items would be allowed in those food booths. In addition, all of our parks facilities, community centers, any food preparer that would prepare food for the County--all those people would be included in this ordinance, at least to my reading of it. So for me I thought this is a much bigger...because I read at first, in the first part of the ordinance that it's about 300 restaurants, it actually turns out that we have over 500 permitted...in our Wastewater section, over 500 permitted grease trap inceptors. So that for us tells us how many restaurants there are. And that's...so that gives us an indication of the restaurants, but that doesn't even count for the rest of the food preparers that might make for, say, non-profit kalua pork, you know, fundraisers, you know, like on the side of the road and things like that. So anyway, we had given...all of these, all of these things that I was looking into, I found that it was time for me to, to contact some of our counterparts in other cities. And I talked to a gentleman in San Bruno, California. They're about to enact their ban in April, this coming year, and so he gave me a lot of really good information, and, and I pulled up their ordinance as well as Portland. And I wanted to find out some of their challenges, so I wrote to the Portland...theirs is handled by a bureau. And, and I just felt that we needed a little bit more time to contact some of these other communities to really get a handle on how their...you know, what they're doing. Some of them have quite a history, so we would be able to learn from them, too.

COUNCILMEMBER MATEO: Yeah, thank you. Thank you, Mr. Chairman.

VICE-CHAIR PONTANILLA: Thank you. Members, any more questions? Member Baisa?

COUNCILMEMBER BAISA: I just had one quick question. I meant to ask the person who is here from the container industry, but I forgot to get into the details. They mentioned

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making things out of corn, cornstarch. What does that come from? The ears of corn, the kernels, or does that come from the rubbish, like the cob and the, and the leaves?

MR. KRESGE: I, I, I can try to answer that question, although I'm not a specialist. So, typically, the *starch* would come from the *kernel* itself.

COUNCILMEMBER BAISA: I would think so.

MR. KRESGE: Yeah, and then...except we do have the products that are made of bagasse. And so, that bagasse is a waste product. So...but that's the paper, that's the paper product that you would see. And typically those paper products...I tend to see...I've seen them kind of like brown paper plates or brown, you know, long plates.

COUNCILMEMBER BAISA: Right.

MR. KRESGE: They do have some sort of coating on them so that they are more liquid-resistant. I guess there's, like, different types of coating. Some of them can be a plastic coating, and some of them can be a . . .biodegradable coating. But from the starch product that they actually make the clear plastic cups out of, from you know biodegradable corn product. I think that those come from the corn kernels.

COUNCILMEMBER BAISA: I asked the question because we all know the story of what happened with biofuels when they began to use the corn for the biofuels and what happened to the cost of corn products. So I think this is, as you say, a much more complicated decision than we can do in a couple hours. So I agree. I think we need more information.

MR. KRESGE: And, and I just wanted to interject on one other thing. We're not, we have no disagreements with the intent of the ordinance. We just really want to be prepared . . .*(laugher)*. . . and make sure that we can handle this in the most beneficial way for the community, and make sure...a lot of this is going to be about education. And we need to make sure that we have that in place, you know, before we take some real heavy enforcement issues.

COUNCILMEMBER BAISA: Thank you very much. What I'd like to see us focus on, and I know this is pie in the sky 'cause we've been trying for years, is how do we deal with litterers. I am so tired of rubbish along the road. You know, a few weeks ago we had that great community cleanup. And as you drive now you see *all* the containers out on the road again, the plastic bags, the cups, the beer bottles, the plates, whatever. I don't know how we can deal with that, but we, it begins with education, but it appears we need litter cops. Thank you.

VICE-CHAIR PONTANILLA: Thank you. Members, any more questions for the Department at this time? Chair has one. You know, you talk about, you know, time that you guys need to look at this thing. How much time do you folks require?

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MR. KRESGE: Well, when I saw the deadline for the administrative rules on this, I did talk to Councilmember Victorino and I stressed my concern, because we have 180 days from when this passes. And that tends to be right in the middle of budget, and I know for myself I'm extremely busy during budget, and it's, and if we need to be able to put the resources towards this I'd like to have a longer timeframe. He did agree with that. Again, you know, that would be for discussion among, you know, this body at large. So we would request that we have a longer timeframe. I asked him for at least a year to put together...or 12 months to put together the administrative rules on that portion of it. So that's kind of...that was...I have to apologize because the Phillies game was on, and he was a little distracted, but he did make time for me . . .(laughter). . . So I have to appreciate that. So, anyway, that's as far as we got in our discussion.

VICE-CHAIR PONTANILLA: Yeah, and one last question from me. In regards to the Plastic Bag Bill, do we have any rules on that, administrative rules?

MR. KRESGE: Actually, I'm going to, I'm going to turn that over to our Corp. Counsel, David Galazin.

VICE-CHAIR PONTANILLA: Sure. Mr. Galazin?

MR. GALAZIN: Yeah, Chair, actually I did provide the Department recently with a working draft of the administrative rules for the Plastic Bag Bill so they could get started. And I'm still awaiting feedback on the, on their take on the mechanics of, of how it would be implemented, but I have at least a framework for them to start with.

VICE-CHAIR PONTANILLA: Thank you. Members, questions for Mr. Galazin or Mr. Kresge at this time? You wanted to make a statement?

MR. KRESGE: Yeah, I would like to make just one more statement. I just need to correct the record a little bit and this is just because we have had some questions about this, and I want to make sure that we go in with the correct information. And I did talk to one of the testifiers, Ms. Zirbel, who came up, and she was very informed, and I appreciate her doing her research and providing those sources for her, for her research. I just did want to say that we do have...our, our landfill here is different than it is on, on, in Oahu, and, and how they handle their leachate. We don't take our leachate to the wastewater treatment plant and we don't have a cement liner in our landfill. Ours is actually a clay liner topped with a high density polyethylene liner that is all permitted as per Subtitle D, with EPA and DOH...our State Department of Health. We actually take the leachate and put that back on the...we spray it back on to the working face to keep the dust down. So I just wanted to let you know 'cause it's been a concern for citizens that we don't take the, our leachate to the wastewater treatment plant. It is a standard practice in a lot of jurisdictions and including Oahu, but we don't do that here. Thank you.

VICE-CHAIR PONTANILLA: Questions for the Department? Member Kaho'ohalahala?

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COUNCILMEMBER KAHO‘OHALAHALA: Are you putting it in injection wells?

MR. KRESGE: No, we’re not putting it in injection wells. We spray it back onto the face, and then by doing that what...there’s two things that we accomplish by doing that. First, of all, it’s, it helps keep the dust down, like I mentioned, but the other thing, too, is we get evaporative process out of that. And so, the water content of that is reduced greatly. So basically when we reapply it back onto the face, we greatly reduce the quantity of leachate that we have.

*NOTE: Silence.*

VICE-CHAIR PONTANILLA: . . . That’s it?

COUNCILMEMBER KAHO‘OHALAHALA: Yeah . . .*(inaudible)* . . .

VICE-CHAIR PONTANILLA: Thank you. If there’s no more questions for the Department, with no objections the Chair would like to defer this item.

COUNCIL MEMBERS: No objections.

VICE-CHAIR PONTANILLA: Thank you.

**COUNCIL MEMBERS VOICED NO OBJECTIONS.** (excused: MJM, MPV, and BKM)

**ACTION: DEFER pending further discussion.**

VICE-CHAIR PONTANILLA: That’s all the business that we have for this morning on Infrastructure Management. I want to thank the Committee Members, also Mr. Nishiki for being here this morning, Staff, as well as the Administration. The meeting of the Infrastructure Management for October the 12<sup>th</sup> is now adjourned. . . .*(gavel)* . . .

**ADJOURN:** 11:47 a.m.

APPROVED:

  
JOSEPH PONTANILLA, Vice-Chair  
Infrastructure Management Committee

im:min:091012

Transcribed by: Jessica Cahill

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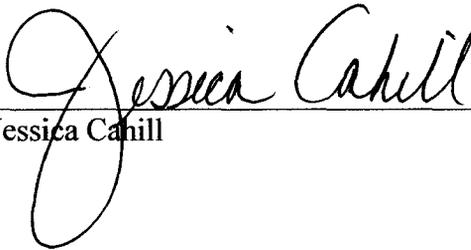
**October 12, 2009**

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CERTIFICATE

I, Jessica Cahill, hereby certify that the foregoing represents to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED this 2nd day of November, 2009, in Wailuku, Hawaii.

  
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Jessica Cahill