

BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

MINUTES

November 8, 2010

Council Chamber, 8th floor

CONVENE: 9:04 a.m.

PRESENT: Councilmember Joseph Pontanilla, Chair
Councilmember Danny A. Mateo, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Sol P. Kaho`ohalahala, Member (in 9:14 a.m., out 10:38 a.m.)
Councilmember Jo Anne Johnson, Member
Councilmember Michael J. Molina, Member
Councilmember Michael P. Victorino, Member

EXCUSED: Councilmember Bill Kauakea Medeiros, Member
Councilmember Wayne K. Nishiki, Member

STAFF: David Raatz, Legislative Attorney
Scott Kaneshina, Legislative Analyst
Yvette Bouthillier, Committee Secretary

ADMIN.: Frederick Pablo, Budget Director, Office of the Mayor
Lori Tshako, Director, Department of Housing and Human Concerns (BF-92)
Jo-Ann Ridao, Deputy Director, Department of Housing and Human Concerns (BF-95)
Leola Muramoto, Senior Services Administrator, Department of Housing and Human Concerns (BF-92)
Wayde Oshiro, Housing Administrator, Department of Housing and Human Concerns (BF-92)
Buddy Almeida, Housing Specialist IV, Department of Housing and Human Concerns (BF-92)
Gary Yabuta, Chief, Department of Police (BF-96, BF-101)
Clayton Tom, Deputy Chief, Department of Police (BF-96, BF-101)
Greg Takahashi, Business Administrator, Department of Police (BF-96, BF-101)
Patrick Matsui, Chief of Planning and Development, Department of Parks and Recreation (BF-98)
Cary Yamashita, Chief, Engineering Division, Department of Public Works (BF-100)
Traci Fujita Villarosa, First Deputy Corporation Counsel, Department of the Corporation Counsel

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

OTHERS: Item 95: Wyatt Brown, Interim Executive Director/Coordinator, Lokahi Pacific
 Cindi Pojas Smith, Board Member, Lokahi Pacific
 Daryl Atay, Area Specialist, United States Department of
 Agricultural (USDA) Rural Development
 Maude Cummings, Executive Director, Family Life Center
 Others (4)

PRESS: Akaku: Maui Community Television, Inc.
 Claudine San Nicolas, *The Maui News*

CHAIR PONTANILLA: . . .(*gavel*). . . The Budget and Finance Committee meeting for November the 8th, 2010 is now in session. Good morning, Members.

COUNCILMEMBER VICTORINO: Morning.

CHAIR PONTANILLA: At this time, the Chair would like to introduce the Members that are here this morning. We do have Member Victorino.

COUNCILMEMBER VICTORINO: Good morning, Chair.

CHAIR PONTANILLA: Good morning. Member, Chair Mateo.

VICE-CHAIR MATEO: Good morning, Chair.

CHAIR PONTANILLA: Good morning. Member Johnson.

COUNCILMEMBER JOHNSON: Aloha.

CHAIR PONTANILLA: Good morning. Member Baisa.

COUNCILMEMBER BAISA: Good morning.

CHAIR PONTANILLA: And Member Molina.

COUNCILMEMBER MOLINA: Good morning, Chair.

CHAIR PONTANILLA: Good morning. Thank you. Excused at this time are Members Kaho`ohalahala, Medeiros, and Nishiki. With us this morning from the Administration, we do have our Budget Director, Mr. Pablo --

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MR. PABLO: Good morning.

CHAIR PONTANILLA: --and our--good morning, Fred--First Deputy Corporation Counsel Traci Fujita Villarosa. Supporting the Committee this morning are Yvette Bouthillier, our Committee Secretary; Scott Kaneshina, Legislative Analyst; as well as David Raatz, our Legal Analyst. Members, we do have a heavy agenda this morning. Hopefully we can, you know, complete all of the agenda'd items before noon. I understand that there's one Member that's gonna leave at about 11:00. So, Members, we do have some people signed up for public testimony. For those that are providing public testimony this morning, you do have three minutes to testify, one minute to conclude. At this time, the Chair, before we take public testimony, if everyone can turn off their cell phones or turn it to silent mode. Okay, Members, again we do have two people signed up for public testimony this morning. At this time, the Chair would like to call on Wyatt Brown from Lokahi Pacific. Wyatt, you have three minutes to provide public testimony. Chair will give you an additional minute to conclude. If you can state your name and organization that you represent, the Committee would appreciate that. Mr. Brown?

...BEGIN PUBLIC TESTIMONY...

MR. BROWN: Good morning, everyone.

COUNCILMEMBER BAISA: Good morning.

CHAIR PONTANILLA: Good morning.

MR. BROWN: My name is Wyatt Brown, and I am the Interim Executive Director at Lokahi Pacific. And I'm, I'm here to support that and also here--later on, if you folks have any questions--to hopefully answer those questions, make you more comfortable about a decision. Before you, we have for you, this is Item No. BF-75...95, excuse me. And what is going on is we are asking for \$700,000 to help us build seven affordable homes in Kihei. This is located on the corner of Kenolio and Leilani Streets which is...the nearest crossroad is Ohukai, to kind of give you an idea where that's located. And what we are building are three-bedroom, two-bath, single-family homes with a, with a single carport. There will be about 1,400 square feet under roof including the small lanais and, and the carport. . .*(Inaudible)*. . . And each lot will be approximately 5,300 square feet. And our target price right now is \$265,000 for each home. And according to a recent poll by the Maui Realtors Association, in July and August, the median

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

price was 500,000. So you can see that's significantly below the, the average selling price; and in fact, it's even under the County of Maui affordable sale price guidelines which is \$298,100. And basically how we arrived at this, in 2006, we completed building seven...I'm sorry, 12 affordable homes in Lahaina. It was called our Kuhua project. They sold for about \$250,000. And in the support documents that I presented today are, are letters of support from some of those homeowners who are very happy to be living in those homes today. And with the success of that project, about a year later, we were approached with this project that is before you today out in, out in Kihei. And the developer was an affordable housing developer on Oahu, and he, they made a decision that they did not want to finish the project, and so we were contacted. And we have used some HOME funds, monies that were available. We were one of the few agencies that are able to use those funds. And we purchased the property and have used those to make some of the improvements. We are about 90 percent done with the site work and we've had a lot of challenges. I won't get into those now, but certainly if there's questions later I'd be happy to explain some of those. And those challenges have put us in the position today, we're, we're sort of falling on your mercy and asking for your help, the \$700,000 to help us complete this project. It will be completed with those funds in excess of \$500,000 of HOME funds that are available to be used on the project and then through the sale price of the homes to the perspective homeowners. That's all I have to say now. I don't want to take up any more of your time, but certainly if you have questions, I'll be here to answer them. Thank you for your time.

CHAIR PONTANILLA: Thank you. Members, any questions for the testifier? Seeing none, thank you again, Mr. Brown.

MR. BROWN: Thank you.

CHAIR PONTANILLA: Next testifier is Cindi Pojas Smith.

MS. SMITH: Good morning. I'm Cindi Pojas Smith, and I'm a Board Member for Lokahi Pacific. And I'm here to ask for your support for the project. As Wyatt mentioned, it's the seven affordable homes in the Kenolio Leilani project, and we already have seven, you know, pre-approved or pre-qualified borrowers that have been waiting for--or buyers, I should say--that have been waiting for approximately two years. So I'm just here to ask you for support. It's a good project and that's it. Thank you.

CHAIR PONTANILLA: Thank you. Members, any questions for the testifier? Seeing none, thank you. Is there anyone out there that would like to provide public testimony that haven't signed up? Thank you. Please state your name,

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

organization you represent, and once you conclude your testimony, if you can sign up with the Secretary in the back.

MS ATAY: Okay. Thank you. Good morning. My name is Daryl Atay. I am from United States Department of Agriculture under the agency name of Rural Development. I'm in support of Lokahi Pacific's Leilani, Kenolio Leilani Subdivision. We are...well, we have the applications on hand at our office. And with these funds, then we can move on in updating the files and making their homeowner, homeowners' dreams come true for the seven families. Any kokua that you can assist will be appreciated very much not only by us but from the homeowners themselves. Thank you.

COUNCILMEMBER VICTORINO: Chair?

CHAIR PONTANILLA: Thank you. Members, questions? Mr. Victorino?

COUNCILMEMBER VICTORINO: Please, if I may?

CHAIR PONTANILLA: Ms. Atay, please.

COUNCILMEMBER VICTORINO: Ms. Atay, please, if I may?

MS. ATAY: Yes.

COUNCILMEMBER VICTORINO: Thank you, my dear. So I understand that you as, as, as...this will be like USDA loans --

MS. ATAY: That's correct.

COUNCILMEMBER VICTORINO: --for these um, um, um --

MS ATAY: For the families.

COUNCILMEMBER VICTORINO: --for the families.

MS. ATAY: We have Section 502, Rural Housing Loan. It's 80 percent of the median income limit, so we work with very low- to low-income families.

COUNCILMEMBER VICTORINO: Okay. Okay and so you said you have the paperwork in hand, so is, like Ms. Pojas mentioned earlier, you are the agency that are prequalifying these --

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MS. ATAY: That's correct.

COUNCILMEMBER VICTORINO: --various families.

MS. ATAY: Yes.

COUNCILMEMBER VICTORINO: Okay. Thank you for...

MS. ATAY: And they been sitting with us for . . . (*chuckles*). . . two years now.

COUNCILMEMBER VICTORINO: Okay.

MS. ATAY: So we want to go ahead and update these files. And hopefully these clients still qualify, because it's been sitting at our office for awhile. And everybody's lives does change --

COUNCILMEMBER VICTORINO: Right.

MS. ATAY: --during the course --

COUNCILMEMBER VICTORINO: Okay.

MS. ATAY: --of time.

COUNCILMEMBER VICTORINO: Okay. Okay. And I would assume that there're other applicants waiting in the wings even if these don't all qualify.

MS. ATAY: Yes.

COUNCILMEMBER VICTORINO: Okay.

MS. ATAY: Aside from the Kenolio, we do have a lot of people on the wait list.

COUNCILMEMBER VICTORINO: Okay. Okay. Thank you. Thank you, Mr. Chair.

CHAIR PONTANILLA: Thank you. Members, any more questions for testifier. Seeing none, thank you.

MS. ATAY: Mahalo.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

CHAIR PONTANILLA: Again, is there anyone else that wanna provide testimony that haven't signed up yet? Seeing none, if there's no objections, the Chair would like to close public testimony.

COUNCIL MEMBERS: No objections.

...END OF PUBLIC TESTIMONY...

ITEM NO. BF-92: AMENDING FY 2011 BUDGET (LANAI SENIOR CENTER)
(C.C. NO. 10-204)

CHAIR PONTANILLA: Thank you. I was gonna put Item 95 at the end of calendar, but I think I'll just go, go ahead with this particular agenda. Hopefully we can resolve all of the issues this morning. Okay, Members, we do have several, many on the agenda this morning. A lot of them is basically budget amendments as well as receiving money for the County of Maui. So the first item this morning we have AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE LANAI SENIOR CENTER. The proposed bill is to add an appropriation for the Lanai Senior Center project in the amount of \$122,125 to provide funding for necessary adaptations to the project. The Director of Finance has certified the additional revenues for Fiscal Year 2011 which is available through Carryover Savings in the General Fund. So at this time, the Chair would like to call up Ms. Tshako for comments. Ms. Tshako is the Director for Department of Housing and Human Services. And also we do have from the Department several people that represent Housing and Human Services. At this time, the Chair would like to recognize the presence of Member Kaho'ohalahala. Ms. Tshako, comments?

MS TSUHAKO: Thank you. Good morning, Mr. Chair and Members. Thank you for having me. I'd also like to take a moment to introduce Leola Muramoto, who is our Senior Services Administrator. The budget amendment which is before you today is a request for an additional amount of \$122,125 so that the Department can complete the Lanai Senior Center. This is a project which is very important to us as well as to the community on Lanai. If I can take a minute to give you a very brief overview of the project itself, and then in particular I will defer to Ms. Muramoto about the request for the budget amendment. In 2006, an assessment was conducted to make renovations on the existing building; however, based on the cost of that renovation, the decision was made to replace the existing building. And this was done in consultation with members of the community as well as those senior citizens who regularly utilize the services there. The Center, it was felt, wasn't adequately serving the seniors and since the community on

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

Lanai had also voiced a need for a larger space, plans were drawn for a new senior center which in essence doubled the size of the existing facility. . . .(clears throat). . . Excuse me. Because of the ground slope from Gay Street to Fraser Avenue, which created a considerable under-building space on the Fraser Avenue side, the design was...the design was done to show a usable space on the bottom, so a ground, ground floor level from the street and then a portion of the building on the bottom. We proceeded with those plans and actually made contact with the Finance Department and set aside some space for them to house their DMV offices there. In addition, our Department has Immigrant Services staff that works part-time and there was a space allotted for that person as well. The under space also included room for storage as well as washing and drying machines and other, other storage areas for equipment that would be necessary to upkeep the building. The additional space on the bottom didn't, did not increase the footprint of the building and we felt would provide the seniors and the community convenience of service. In 2008, the Council approved 1.5 million, and in 2009, an additional \$600,000 was approved for this project. What has happened since that time is that DCAB has decided, based on the design of the building, that the Department needed to put in an elevator. The Department had originally thought that because the building would be accessible from the street level as well as through the parking on the bottom level that an elevator for accessibility would not be necessary, that we had actually addressed all the accessibility issues. The DCAB, DCAB's directive to redesign the building and to add that elevator really was a huge setback for us, because it increased the cost because of redesign and it also changed the character of the original design of the building. So what we have before you today is a request for additional funding which will allow the Department to install some fire sprinklers and heat detectors in the elevator pit which are required for the, for that, for the facility as, as it is currently designed; to do some electrical work; as well as to do the DCAB revisions; and build out the large storage room on the lower level which includes a restroom, shower facility, and washer/dryer as well as a 50...approximately a \$50,000 change order set aside. Because as in any construction project you have a certain percentage of your work that...or a certain percentage of your budget that needs to be set aside in the event that there are change orders that come along. So the Department is here today to answer your questions about the project as well as the need for this budget amendment. And I will ask for your consideration and support. Thank you.

CHAIR PONTANILLA: Thank you, Lori. The fund is not for change order but...change order, but it is a contingency fund for exactly that purpose. And hopefully we don't use it. At this time, the Chair would like to call the representative for Lanai to ask questions of the Department at this time. Member Kaho`ohalahala?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

COUNCILMEMBER KAHO`OHALAHALA: Thank you, Chair. And thank you, Lori, for being here. You know, this has been an ongoing process, and I have had discussions with, with Lori on this months ago. And I wanted to ask, Lori, you gave us some of the breakdown in this total amount. But I have a breakdown on, on all of the costs that's being included in this. And I just wanted to know, Chair, if this was available to the Members, you know? 'Cause I see that it's not in our folder.

COUNCILMEMBER BAISA: . . .*(Inaudible)*. . .

CHAIR PONTANILLA: Okay. Members, you have a copy of that --

COUNCILMEMBER BAISA: No.

CHAIR PONTANILLA: --breakdown?

COUNCILMEMBER BAISA: No.

COUNCILMEMBER VICTORINO: Nope.

CHAIR PONTANILLA: What we can do is I can have Staff make copies for all of the Members of the breakdown. Oh, I don't know. Staff, you have any...

COUNCILMEMBER VICTORINO: Yeah. Chair, Chair.

CHAIR PONTANILLA: Oh, okay. He's gonna make copies. Oh, I'm sorry. Director Tsuhako has copies for the Members.

. . .*(Pause to distribute copies)*. . .

CHAIR PONTANILLA: Okay. All the Members got a copy? Member Kaho`ohalahala?

COUNCILMEMBER KAHO`OHALAHALA: Yeah. I'm, I'm trying to look at their copy. It's a little bit different from, from my copy. Okay. I'm not seeing some of the things that I have on my copy that's...

MS. TSUHAKO: Yeah. So, Mr. Kaho`ohalahala --

COUNCILMEMBER KAHO`OHALAHALA: Yes.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MS. TSUHAKO: --I believe that the first, the copy that you, that you have has some broad areas, and, and the, the table that we just submitted and distributed to you and the other Members has a little bit more detail about what is included. For example, in the original copy, it just says Additive Alterative [sic] A-2, and in the second, there's a description provided for what Additive Alterative [sic] A-2 is.

COUNCILMEMBER KAHO`OHALAHALA: Okay. And then I have an amount of...for Pacific Architects. Is that included in this?

MS. MURAMOTO: In the original draft --

COUNCILMEMBER KAHO`OHALAHALA: Uh-huh.

MS. MURAMOTO: --the Pacific Architects was included; however, that was already contracted out.

COUNCILMEMBER KAHO`OHALAHALA: Okay. So it's not reflected in this change?

MS. MURAMOTO: In the revised --

COUNCILMEMBER KAHO`OHALAHALA: Okay.

MS. MURAMOTO: --worksheet that you have in front of you now.

COUNCILMEMBER KAHO`OHALAHALA: And then...okay, because when I looked at the original, it, my question was what that component was? You know, you had a construction monitoring services.

MS. MURAMOTO: In the, in the past count, in our past CIP projects, we've used Public Works to help us with the construction monitoring, doing an actual construction; however, with, prior to the bid going out, the former administrator Robin Tanaka asked, informally had a conversation with Public Works. And at that time, he recalled the explanation that things were getting tighter for them and to send one of their staff out to do an ongoing monitoring would require the staff to be out all day and that would impact them. He did not pursue asking for their assistance and then decided that it would be best to contract with Pacific Architects. In the past when we've done constructions on properties, such as the ceramic building at Kaunoa as well as the Leisure classrooms and offices, we utilized the services from Public Works. Part of it was because they were here and they could stop in. The former administrator also had experience as the assistant administrator for the Housing Department, and he was physically on property to help facilitate that

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

also. We have used a private company in the past and this was with the construction for the West Maui Senior Center. That particular project had a number of special concerns regarding special drainage issues, and it was felt at that time that we would need specific expertise to help with that for the on-site as well as the off part, off-site inspections.

COUNCILMEMBER KAHO`OHALAHALA: Okay. So the contract right now you said is already been given out to Pacific Architects?

MS. MURAMOTO: Correct.

COUNCILMEMBER KAHO`OHALAHALA: And that would take care of all of what you just described in terms of monitoring the --

MS. MURAMOTO: Monitoring.

COUNCILMEMBER KAHO`OHALAHALA: --construction of the, of the site?

MS. MURAMOTO: Correct.

COUNCILMEMBER KAHO`OHALAHALA: Okay. And then the, the type of, the type of expertise that this monitoring requires?

MS. MURAMOTO: It would be when we're looking at any of the groundwork or engineering or...there would be someone there to, to actually oversee the, the Lanai Builders, the contractors.

COUNCILMEMBER KAHO`OHALAHALA: Okay, okay. Because, yeah, I have that as, as part of this. That's why I'm, I was a little confused when I'm looking between the two, so. You know, I really, Chair, I don't really have any kind of concerns, but I know early on in the process while they were trying to get their approval through the, one of the review bodies for urban design review, one of the, the questions that I had raised then, very early on when we were still looking at the drawings on, on paper, was that the, the requirement now of the elevator, you know, to this building added another cost element to this, as has been described by the Department. But one of my concerns was that that design puts, puts the lua or the bathroom at the front of the building. And I, I thought it was a shame that you have a senior center building on Lanai that's gonna sit on the square of Lanai City Park, and the main walkway entrance into the building, that first structure that you're coming to is going to be protruding out into...that would be sixth, seventh, fifth, sixth, Seventh Street. That, that frontage is going to be the bathrooms. And then because of the bathrooms, you cannot have picture

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

windows in them for lighting, so you've got two narrow light windows at the top of the building, so a blank wall with two narrow windows for lighting was now designed into that so that it would be the...and I just thought it was interesting that with such a beautiful opportunity to allow seniors to be seated in the, in their building looking out into Dole Park and the square of Lanai City that they're really recessed toward the back and then the bathroom got to be placed upfront. So when I asked in the Design Review Board review whether or not this component could be changed and redesigned to put the bathroom to the back side of the building, which is facing nothing but another apartment complex, the Lanai City Apartments, and then allow the seniors to be placed forward of the building so that they would take advantage of the morning light that comes from that direction and would be open in their view to the, the park and get the afternoon light as it sets, the sun sets in the west. And I was told then that it would be a problem to try and change that at that point, because it would require another change in the design and that would cost, you know, it was estimated \$50,000. And then I'm looking now at a change order of \$122,000 here, and I, I cannot help but think that, you know, at the moment when I was asking these questions about whether or not consideration would be given to look at the aesthetics of the building and look at the opportunity to help the seniors who are going to be the users of that building, to be given the best opportunity to utilize the space and the lighting and the, the environment. But anyway the answer was no because it was going to be costly, too much money, but here we are now at this juncture, the ground is being broken, we went there and did the groundbreaking, and then now we're gonna add another \$122,000. And I just cannot help but feel like, you know, why couldn't we have at least taken an opportunity to change the design so, so it's a little unfortunate. But we will have the bathrooms at the front of the Seventh Street, you know, as...and I just thought that as a way to welcome people to your facility...yeah, they won't know that the bathrooms are there until they have to use it, but the structure itself puts the, the lua up in front. So other than that, we need it. The community wants this. It's gonna serve a purpose. I just think it's unfortunate we couldn't have spent a little bit more in making it a better facility, so that's my two cents or that's my \$122,000 cents.

CHAIR PONTANILLA: Thank you for your two cents, you know.

COUNCILMEMBER KAHO`OHALAHALA: Yeah.

CHAIR PONTANILLA: What you said makes sense, but. Member Baisa?

COUNCILMEMBER BAISA: Yes. Thank you very much, Chair. And I understand what Member Kaho`ohalahala is saying. It's a facility that has been long anticipated. What I'm struggling with is this idea of an elevator. You know, I

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

didn't understand what elevators mean until I acquired an elevator at MEO. And it's not just a elevator, but it's the operation of that elevator that is extremely expensive. I'm wondering if everybody is aware of what it's gonna cost just monthly to maintain that elevator. Maybe Mr. Pablo can give us an idea 'cause we do have a couple in this building. But if I'm not mistaken, it's some ridiculous figure like almost \$800 a month.

CHAIR PONTANILLA: Thank you. Maybe Mr. Pablo can answer that question.

MR. PABLO: Thank you, Chair and Councilmember Baisa. At the present time, I don't have that information, but, but that some, that's something that we could get through, through our Finance office in Accounting Section.

COUNCILMEMBER BAISA: You know, I've been gone for five so going on six years now and when I left it was \$800 a month, so I can't imagine what it is now. But I think it's something we have to think about, because this is going to factor into our budget. And it's a lot of money.

CHAIR PONTANILLA: Yeah, thank you.

COUNCILMEMBER BAISA: So you know, I don't know if there were alternatives to putting the needed...and I, I think the things they're putting in are great. I mean it's wonderful to have storage, and a place for washers and dryers, when you're dealing with seniors, or bathrooms or whatever. But maybe the property didn't lend itself to anything else, but it's really sad that we have to get into an elevator, because...not only that, but this elevator is on Lanai. And I don't know if it means having to fly technicians over there if something goes wrong. And we know how often we have people here. So that, that's my concern.

CHAIR PONTANILLA: Thank you. Member Johnson?

COUNCILMEMBER JOHNSON: Yes and I agree with Member Baisa. I think that when DCAB requested that in the historic court house in Lahaina that a elevator be placed in that, it was nothing but problems. It's still to this day is nothing but problems. You ruin the historic character of the building. It...you know, I understand about accessibility, but I'd say, you know, I don't know how it is recently, but 50 percent of the time, the elevator was not working anyway. So, it, it just, you know, it's a very difficult situation. And you know, for me, one of the ways... 'cause I live on a second floor apartment and I bought a thing called a Garaventa which actually transports people, you know, up and down. It, it's flexible, you know, it's not required to be hard-wired, it's portable, and all you need is just a large wheelchair, a large, wheeled wheelchair. That's all you need.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

And it can be safely operated. And for me, I think that DCAB really needs to look at alternatives to destroying and costing unnecessarily taxpayer' dollars for these kinds of amenities when the first thing that happens in the case of a fire, you're told do not use the elevator. The first thing that happens when the power goes out, do not...you can't use the elevator. So you know, why we are still stuck back in, you know, prehistoric times as far as technology goes, I think is really unfortunate. And plus it's delayed the project, so I wish that I had had an opportunity, because I was unaware of this, to not make the mistakes of the past and to actually give them some solutions that are relatively inexpensive and that certainly don't require that kind of, you know, capital like 122,000, not to mention the time, Mr. Chair. That's the other thing. So I know that Ms. Tsuhako and, you know, staff really tried to do their best, but in the future I think if they just look at other alternatives it would be far better, you know, than putting in an elevator that, just by past history, does not really work. And for the same aesthetic concerns as were raised by Member Kaho`ohalahala, I really think this is really regressive. And I wish there was some way we could go back to the original design, and I'll be happy, I'll even give them a good price on my Garaventa. But I tell you they could even try it and just see how it works, try it in some other venue, because they're available right here with service locally, so there's not a problem. So for those people that have to go to the expensive solutions, I would say it's really not, it's not necessary, and it's really something that DCAB really should educate themselves on. Thank you.

CHAIR PONTANILLA: Thank you. Member Molina?

COUNCILMEMBER MOLINA: Yeah. Thank you, Chair. Good morning. I have a question for either Ms. Tsuhako or Ms. Muramoto. With regards to the issues Mr. Kaho`ohalahala brought up, design and so forth, was there a committee...I presume there was community input on the design. Was there a committee that decided this is the way we want to go and who made the final call? Can, can you provide us that information?

MS. MURAMOTO: When the decision was made to instead of renovating the building and actually constructing the new senior center, we asked for input from not only the seniors but also the general community on what kind of facility they thought would be appropriate for Lanai. In terms of when we needed to make the redesign to include the elevator, when the concern on the bathrooms being moved to the front of the building, when that came up, there was concern that the original source of funding of...was in jeopardy if the contract wasn't executed. And so the, if we had to go into a redesign we also risked losing the 1.5 million which was gonna lapse in December. And so there was that...I'm not making excuses,

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

I'm just saying that there was that decision of whether to actually go into a redesign or run the risk of having the money --

COUNCILMEMBER MOLINA: Uh-huh. And it's --

MS. MURAMOTO: --lapse.

COUNCILMEMBER MOLINA: --it's unfortunate that issue of the bathrooms wasn't, you know, brought up sooner, but it is what it is. Who's the, I guess, the architect or what was the...

MS. MURAMOTO: Pacific Architects.

COUNCILMEMBER MOLINA: Pacific Architects. And so they filled...

MS. MURAMOTO: They also designed the West Maui Senior Center.

COUNCILMEMBER MOLINA: Oh, okay.

MS. MURAMOTO: And it's, it's quite senior friendly as well as community. I think they've done a very good job at West Maui, and I think we'll be very proud of the design on Lanai also.

COUNCILMEMBER MOLINA: Okay. And I can concur with you on the West Maui site. That's for sure. So, well, I guess kind of caught between a rock and a hard place here, Mr. Chair, so. Thank you. Thank you, Chairman.

CHAIR PONTANILLA: Thank you. Members, any more questions? ...*(chuckles)*... Just like to make a comment.

COUNCILMEMBER KAHO`OHALAHALA: Chair?

CHAIR PONTANILLA: Member Kaho`ohalahala?

COUNCILMEMBER KAHO`OHALAHALA: I, I just want to follow up. You know, I am looking at two, two different pieces of paper right now. And then the original breakdown that I got first has that component for the construction monitoring services. And then here I have two other additional amounts that are not reflected on this. Because the, the bottom totals are the same, 122. So I'm, I want to ask the question about you have, on this other breakdown, two Lanai Builders amounts, and one is for materials and labor to secure the center. And then you have another that says fill and seal the existing cesspool. So are those items no

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

longer a part of what's being done, or have they already been paid for? Because the only difference I see is that the contingency fund is different between the two. So --

MS. MURAMOTO: Correct.

COUNCILMEMBER KAHO`OHALAHALA: --can you explain to me?

MS. MURAMOTO: The 2,000 and the \$4,000 that you're looking at your original --

COUNCILMEMBER KAHO`OHALAHALA: Right, yeah.

MS. MURAMOTO: --worksheet, those were change orders that occurred during the demolition process, the demolition period. And those were paid out of the existing contingency. So they, existing contingency instead of your worksheet amount is now at 17,000.

COUNCILMEMBER KAHO`OHALAHALA: Okay, but the 17,000 reflects having paid out those other two items?

MS. MURAMOTO: Two item, three items.

COUNCILMEMBER KAHO`OHALAHALA: Three items, the monitoring --

MS. MURAMOTO: The monitoring service --

COUNCILMEMBER KAHO`OHALAHALA: --and the --

MS. MURAMOTO: --and the two --

COUNCILMEMBER KAHO`OHALAHALA: --two Lanai company, yeah.

MS. MURAMOTO: --change orders, right.

COUNCILMEMBER KAHO`OHALAHALA: And then that brought it down to the 17...

MS. MURAMOTO: Seventeen thousand, correct.

COUNCILMEMBER KAHO`OHALAHALA: Okay. Okay. Thank you. And I just want to add, you know, aside, Chair, from the fact that, you know, I, I tried to make these comments about the, the restrooms, I did take back those original

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

design drawings, that was handed to me at the time that the Urban Review Design Board was meeting on this facility structure, from the architect himself. And I did hand carry them back to Lanai so that they could be displayed at the current senior center, and when I did take them back, I asked them about this, whether or not they thought the concern of the bathroom was, you know, of any interest to them. And, you know, I guess when you place the, the need for the elevator, it changed the design so that now you had to fill other spaces where the, I guess, the, the column for the elevator was now going to be fit. But even at that, you know, we tried to look at whether or not it was possible. And I always think that anything's possible when it's still on paper, you know. And, but the architect...I asked the question at the, the hearing itself. He was there, he was present with Robin, and that's how I got the designs. And I looked at them and I asked him why wouldn't we be able to move the bathrooms to the back? Because it seems that...and again, the bathrooms are going to be located outside of the, the proper center itself. So seniors would have to walk outside of the building to go to this bathroom facility now that's going to be a stand-alone in the front of the building to even access the bathroom. And I said if you kept it on the inside wouldn't that been more convenient for them. And Maggie, when she looked at that, she agreed that there was room to try and consider how spaces could be changed in the facility. And then looking at how you access the, the basement area of that as well, you know, how you got from the, the current street level to the basement part, that there was nothing but--if you used the elevator, you'd have to come around--but there was no connection from the main building into the basement where storage was going to be. So, so I just thought that those were simple kinds of fixes that would have made it more a friendlier building for seniors to be using. And it was just told to me well, it's gonna cost about \$50,000 to do that, and there was a hesitancy about even trying to move forward. So I said well, I'll take the designs back to Lanai. But I just wanted to ask them how they felt about this. And they thought that, you know, they were handed something that this is what you're going to get. You know, but, so anyway, I want to make sure that we're clear that, you know, there was an opportunity to have a discussion on Lanai about that. There was some concern about how they were going to get there. But we ended up with the design that...because of no change order. And then so, so anyway welcome to Lanai's...

CHAIR PONTANILLA: Thank you, Mr. Kaho`ohalahala. . . .(chuckles). . .

COUNCILMEMBER BAISA: . . .(Laughs). . .

CHAIR PONTANILLA: Yeah. Chair would just like to make some comments. You know, it would have been nice if we had added land to separate the DMV and the Senior Center. Again, when you look at verticals, you know, sometimes we gotta

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

follow the law, put in elevators. Elevators cost money, I understand that. I come from an environment that have a lot of elevators. And so, you know, all things being weighed, I, I guess, you know, although this is not the best of the best, but, you know, at least the community will have a senior center with the bathrooms outside as well as a place for DMV being located. Members, if you have any more questions, the Chair would like to make his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR PONTANILLA: Thank you. The Chair's recommendation is to pass on first reading "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, LANAI COMMUNITY PLAN AREA, GOVERNMENT FACILITIES, LANAI SENIOR CENTER, TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", and filing of County Communication No. 10-204. The Chair also requests that we allow Staff to make nonsubstantive changes to the bill for consistency.

VICE-CHAIR MATEO: Mr. Chairman, I move for the passage of the proposed bill as you have just, as you have just read, including the filing of the communication as well.

COUNCILMEMBER VICTORINO: Mr. Chair, I second the motion.

CHAIR PONTANILLA: It's been moved by Chairman Mateo, second by Mr. Victorino. Any more discussion, Members? If not, all in favor of the motion, please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any noes? Seeing none, motion is carried, seven ayes, two excused, Members Medeiros and Nishiki.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

VOTE: **AYES:** **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Johnson, Kaho`ohalahala, Medeiros, Molina, and Victorino.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmembers Medeiros and Nishiki.**

MOTION CARRIED.

ACTION: FIRST READING of bill; and FILING of communication by C.R.

ITEM NO. 95: AMENDING FY 2011 BUDGET, APPENDIX A, SPECIAL PURPOSE REVENUES (AFFORDABLE HOUSING FUND, FAMILY LIFE CENTER, INC. MOKUHAU APARTMENTS, AND LOKAHI PACIFIC KENOLIO LEILANI SUBDIVISION) (C.C. No. 10-221)

CHAIR PONTANILLA: Members, the next item is BF-95, AMENDING FISCAL YEAR 2011 BUDGET, APPENDIX A, SPECIAL PURPOSE REVENUES (AFFORDABLE HOUSING FUND, FAMILY LIFE CENTER, INC. MOKUHAU APARTMENTS, AND LOKAHI PACIFIC KENOLIO LEILANI SUBDIVISION). The purpose of the proposed bill is to amend the Fiscal Year 2011 Budget, Appendix A by adding a proviso for the Family Life Center, Inc. for purchase of Mokuhaul Apartments in the amount of \$200,000. This amount is supplemental request to a prior grant of \$1.2 million. The second part of the amendment is for Lokahi Pacific to do improvements at Kenolio Leilani Subdivision in the amount of \$700,000. The funds would be used to complete the off-site improvements and have the project readied for subdivision approval in December 2010. Members, we do have these comments from the Family Life Center. These comments is the Executive Director and also Mr. Brown from Lokahi Pacific. So at this time, I would like to call on Ms. Ridao. Comments?

MS. RIDAO: Thank you, Chair. I just wanted to remind the Council that in 2009, in fact the Council did appropriate \$1.2 million from the 2010 Affordable Housing Fund appropriations. These funds were to be used towards the purchase price of 1.8 million dollars of the 16-unit Mokuhaul Apartments. In addition to the 1.2 million dollars from the Affordable Housing Fund, Family Life Center applied for funding from the State Rental Housing Trust Fund. And they were awarded a

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

400,000, 1 percent interest loan from the Rental Housing Trust Fund. So if you add those numbers up you can see that it only comes to \$1.6 million, and they are short 200,000 to, to purchase the Mokuhau Apartments. The Department is recommending approval and asking for your support of this \$200,000 request. Part of the...the timing here is important because initially Family Life Center had only until November 2010, to use their 400,000 from Rental Housing Trust Fund; however, this morning, the Executive Director Maude Cummings, who is in the audience this morning, did hand to me e-mail from Rental Housing Trust Fund that will give her an extension until February 2011, to close this transaction. So either Maude and I are here this morning to answer any questions that you may have about that particular request. Would you like me to continue on Lokahi?

CHAIR PONTANILLA: I think we take one at a time.

MS. RIDAO: Okay.

CHAIR PONTANILLA: Thank you. Members, any questions for this first item, Family Life Center? Mr. Mateo?

VICE-CHAIR MATEO: Mr. Chairman, thank you. Ms. Ridao, is there a reason why the Weinberg Foundation did not respond for their request?

MS. RIDAO: You know, I did not speak with anyone from the Weinberg Foundation. And I don't know if Maude would have any kinds of response. Did they respond to you, Maude? You want to come up?

CHAIR PONTANILLA: Ms. Cummings, please.

MS. CUMMINGS: Good morning. Thank you for that question. We applied to the Weinberg Foundation back in February of March, or March of this year. The, the process is that you have to submit a letter of inquiry which is reviewed first, and then they will respond to you to, to let you know whether you can submit a full grant application. That process took seven months. We . . .(chuckles). . . we had several conversations with the individual in charge, and, and their process is that their board meets when they decide to. They don't have a set schedule for reviewing applications, so it did take seven months. We received a letter about 30 days ago, inviting us to submit a full grant application, and so that application will be submitted at the end of November. That is when they requested it. They...so we are hopeful. They did indicate, to their, in their correspondence to us, not to get our hopes, to keep our hopes low, because they have had many requests. But we are nonetheless submitting that.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

...*(Laughter)*...

COUNCILMEMBER VICTORINO: Hopeful.

MS. RIDAO: Expectation.

MS CUMMINGS: I've never received correspondence like that. It says please keep your hopes low.

...*(Laughter)*...

MS. CUMMINGS: But we are, we are going forward with that process and we are submitting a grant application.

CHAIR PONTANILLA: Okay.

VICE-CHAIR MATEO: Thank you very much. New terminology.

MS. CUMMINGS: Yes.

VICE-CHAIR MATEO: Thank you very much. Thank you, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Members, any more questions?

COUNCILMEMBER KAHO`OHALAHALA: ...*(Inaudible)*...

CHAIR PONTANILLA: Member Molina?

COUNCILMEMBER MOLINA: Yeah, thank you , Chair. Good morning, Ms. Cummings. Just if you could refresh our memories, the location of Mokuhaul Apartments, that's Wailuku and approximately where?

MS. CUMMINGS: It's in Happy Valley --

COUNCILMEMBER MOLINA: Happy Valley.

MS. CUMMINGS: --right behind the old TK Supermarket.

COUNCILMEMBER MOLINA: TK Supermarket, okay, alright, thank you. Thank you, Chair.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

CHAIR PONTANILLA: Thank you. Chair has one question for either of the Department or Mr. Pablo. You know, in the letter, what Ms. Cummings related to that we're looking at a deadline of November, end of November which this expires.

MS. RIDAO: Uh-huh.

CHAIR PONTANILLA: You know, this amendment will not pass second and final reading until early December. Can you provide us with some information? If we pass it through our Committee, is that enough? Because we're not gonna meet second and final until sometime in middle December?

MS. CUMMINGS: I can answer that if you...in my...

CHAIR PONTANILLA: Ms. Cummings, go ahead.

MS. CUMMINGS: In my conversations with the Rental Housing Trust Fund, they indicated that all they would need is just to be kept updated of the process and, and what is happening. And they did extend the deadline to February of 2011, so I would just need to send them a formal letter saying, telling them what the outcome of this meeting was.

CHAIR PONTANILLA: Okay, fine. And, and, Department, if you can work with Ms. Cummings in, in getting that letter to us before first reading if we go ahead and pass this item this morning. Comments, Department or...

MS. RIDAO: I'm sorry, Chair. We were having a discussion here. What was your question?

CHAIR PONTANILLA: Ms. Cummings had indicated that she had some discussion with the State people --

MS. RIDAO: Yes.

CHAIR PONTANILLA: --in regards to the extension of this deadline to sometime in February 2011. And depending on what happen in this meeting, you know, she is gonna follow up with a letter to the Department to get assurance that or some response that the deadline will be extended to February 2011.

MS. RIDAO: Yes, Chair. I could in fact call Byron Chock at HHFDC and ask him to in fact send us a letter right away.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

CHAIR PONTANILLA: If you could. If we move forward then, you know, we're gonna need that --

MS. RIDAO: Yeah.

CHAIR PONTANILLA: --correspondence prior to first reading.

MS. RIDAO: Okay.

CHAIR PONTANILLA: Thank you. Members, any more questions for Ms. Cummings or the Department?

COUNCILMEMBER VICTORINO: No. Recommendation.

CHAIR PONTANILLA: If not, thank you, Ms. Cummings.

MS. CUMMINGS: Thank you.

CHAIR PONTANILLA: Okay, Members. We're going to take the second item off this agenda'd item, the Kenolio Leilani Subdivision. At this time, the Chair would again recognize Ms. Ridao.

MS. RIDAO: Thank you, Chair. As earlier testified by Wyatt Brown of Lokahi Pacific, the Kenolio Leilani Subdivision is in the process of final subdivision approval. As stated, these units will be single-family, three-bedroom units for sale at approximately two, not to exceed \$265,000. The reason we are requesting the \$700,000 is that HOME funds will not allow...you cannot use HOME funds for off-site improvements such as curbs and gutters on the outside of the property as well as the connection to the infrastructure: water, sewer, and electrical, electricity. Anything that is off site cannot be paid for with HOME funding. The 700,000 will be used primarily to pay for off-site improvements, and any remaining funds will be used for the direct cost of the construction of the units. So as the Department feels this is units that will be provided in Kihei where they're, they are close to a work environment, we are very much in support of this project. It is an infill project right next to other subdivisions and very small, seven units only. So we are in support and ask for your support also. Thank you.

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

VICE-CHAIR MATEO: Mr. Chairman, thank you. Ms. Ridao, the additional request for 700,000 for off-site improvements, can you give me more information? You

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

reference, you, your reference was to curbs and gutters. Can you tell me what off-site improvements would be...this 700,000 would pay for?

MS. RIDAO: Sure. We had to--well, not we--Lokahi Pacific had to comply with the requirements of the subdivision improvements which required a sidewalk on the whole side of Kenolio Road as well as Leilani Street. It also required us to do some road-widening improvements all on Kenolio Road. There was extensive cost, I think, in the, in the connection of the waterline. There were some challenges there as far as where the connection would be and how far away it was. So that was an extensive cost as well as sewer and electricity.

VICE-CHAIR MATEO: And there was no considerations of requesting an exemption for some of these off-site improvements?

MS. RIDAO: They did not do a 201H application and primarily I think because it was a small project. But yeah, there was no exemptions provided.

VICE-CHAIR MATEO: Okay, thank you. And then secondly, Ms. Ridao, can, can you tell me what the catch is that whenever...you know, this is not the first time with this particular organization. This the second time that the taxpayers, you know, could possibly eat the cost of them not completing a project. Can you tell me where it is written that that leaves us to hold the bag if this project does not move forward? 'Cause we're gonna have to reimburse the fund, the HOME monies that the project already spent.

MS. RIDAO: Yes, you are correct. If this project is not completed, bottom line is that the County will be responsible for the HOME funds that were used. However, I would like to share with the Council that at the, at the Department's urging, we asked Lokahi Pacific to consider bringing onboard as consultants "Tito" Hokoana, Gerald "Tito" Hokoana who is a realtor as well as Hans Riecke who I'm sure you're familiar with as an architect. Those two people assisted Lokahi Pacific in the construction...subdivision process and construction of the homes at, in Lahaina at Kahua [*sic*], and they were very instrumental with that development. They have agreed to come onboard. They in fact are working for free at this moment and have agreed to help Lokahi Pacific through that process. So it makes me feel a lot more confident that this project will in fact be successful.

VICE-CHAIR MATEO: Okay. But, but for future projects, I guess, and that's really not the discussion, but what guarantees do we have that, that as projects come forward and they're utilizing both HOME monies and County monies that we don't get stuck?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MS. RIDAO: At this moment, there are no further Lokahi Pacific projects being requested for HOME funding. I don't know if there's a way that we can guarantee you, you know, that if a project gets HOME funding and is not able to get to a point of completion. I do know it's... it would be our responsibility as a Department to review the application and make sure that it is completed as thorough as possible that this is...you know, that the project has the best chance of success. As far as I know, this is the first time that we have run into that situation.

VICE-CHAIR MATEO: That situation, you mean having to potentially reimburse?

MS. RIDAO: Well, the first, you know, prior to this, you had to approve a 167,000 amount to pay HOME back. And that was the first time I know --

VICE-CHAIR MATEO: Yeah.

MS. RIDAO: --that that has ever happened.

VICE-CHAIR MATEO: Okay. So but the monitoring agency then to be sure that that doesn't happen again is our Department?

MS. RIDAO: Yes. It's, it's the Department of Housing and Human Concerns' responsibility, correct.

VICE-CHAIR MATEO: Thank you. Thank you, Mr. Chairman.

CHAIR PONTANILLA: Thank you. Ms. Ridao, does Lokahi Pacific have the, the funding to, to put up the verticals?

MS. RIDAO: Yes. As you heard from Daryl Atay this morning, Lokahi Pacific will be working directly with USDA for the construction of the homes. And I...as I explained to this body before, that program is...it's a wonderful program in that they're able to adjust the interest rates so that the, the client can actually have the best chance of qualifying for a loan.

CHAIR PONTANILLA: Thank you. Members, any more questions for the Department? Member Molina?

COUNCILMEMBER MOLINA: Thank you, Chair. Good, good morning, Ms. Ridao. And thank you for the additional information that you provided for us this morning. What is the...and I guess following up on Chairman Mateo's line of questioning, the, if for whatever reasons things don't work out, they don't go

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

forward with this project, what is the amount the County would be responsible for to pay, I guess, the HOME funding at . . .*(inaudible)*. . .

MS RIDAO: The HOME funding amount that was utilized for this project so far is \$1,045,707.57.

COUNCILMEMBER MOLINA: Okay. Okay. So I guess like with anything there is an element of risk, yeah. You know, Mr. Chair, for me, I, at this point, I'm willing to give--speak for myself--Lokahi Pacific another opportunity on this. It sounds like, you know, a small infill project but it's got some merit. But if I could follow up with a quick question to Corp. Counsel, with regards to, for the, for any future projects where the County is, I guess, somewhat responsible for any HOME fund repayments, could there be a possibility this Council can amend the...we could amend the ordinance, you know, as far as the Affordable Housing Fund and, you know, usage of the monies from the Affordable Housing Fund to address concerns like what Mr. Mateo brought up? Or would that have to go through a Charter change or can we just amend the ordinance, add additional language, or can it be done through a resolution? Are there any kind of mechanisms that we, we can put in there that will provide, I guess, a level of comfort for the Council in the future?

MS. FUJITA VILLAROSA: Are you, are you talking about the County's obligations?

COUNCILMEMBER MOLINA: Yeah.

MS. FUJITA VILLAROSA: Okay. I think that might be...and I'm not sure, because I haven't, I haven't seen the agreement between the County and the Federal government, but that, I would think that would, requirement would be a Federal requirement --

COUNCILMEMBER MOLINA: Oh.

MS. FUJITA VILLAROSA: --that the Council would not have authority to change.

COUNCILMEMBER MOLINA: Uh-huh.

MS. FUJITA VILLAROSA: So we would have to, to check that to see if that is the case.

COUNCILMEMBER MOLINA: Okay. Now, Mr. Chair, from, through, through your, from under your signature if you could get some, I guess, something in written form, I guess, from Corporation Counsel to address this concern --

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

CHAIR PONTANILLA: Yes, we will.

COUNCILMEMBER MOLINA: --. . .(*inaudible*). . . if it's possible.

CHAIR PONTANILLA: Yeah.

COUNCILMEMBER MOLINA: Thank you. Thank you.

CHAIR PONTANILLA: Members, any more questions for the Department?

COUNCILMEMBER JOHNSON: Mr. Chair?

CHAIR PONTANILLA: Member Johnson.

COUNCILMEMBER JOHNSON: Yeah. I just wanted to find out, because it was my understanding that we had a CIP Coordinator or somebody that was kind of overseeing Capital Improvement Projects. And although this is not specifically our project, where Council has a financial obligation or a financial interest and is a stakeholder, is that scope and duty of that CIP Coordinator, are they able to play any role in looking at projects such as this to provide that kind of oversight?

CHAIR PONTANILLA: Department?

MS. RIDAO: Councilmember Johnson, as far as my understanding is concerned, no, that CIP person only takes care of County projects, County CIP projects.

COUNCILMEMBER JOHNSON: Okay. Well, Mr. Chair, having heard that and of course with the last project that we just approved, which we paid an arm and a leg for somebody to oversee that, I, I look at it this way, that we should look at that position and look at the description of what the duties and responsibilities are. Because I think anything that utilizes substantial amounts of taxpayer dollars or any kind of funding where we are wholly responsible, there's got to be some level of protection and oversight. And so I don't know if it falls within the duties and responsibilities, but, you know, we've, we've got a lot of things that, you know, taxpayer dollars are committed to. And I think that we need to take a look at that position and, you know, also seeing is there duplication if we are having to pay for outside services on anything that County taxpayer dollars are being utilized for. Thank you.

CHAIR PONTANILLA: Thank you, Member Johnson. I was gonna mention that I kinda forgot about the Lanai project, because construction is so slow right now that I'm sure we have engineers that could do inspection work at this time. But I

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

guess the contract was consummated much, much earlier in regards to hiring of an inspector. Members, any more questions for Lokahi Pacific? If not, I, I have one. What is the responsibility for the Housing Department in regards to loans that we provide to...or provide grants or loans to some of the nonprofits that do housing for the people of this community? You know, kinda related to Member Johnson's question, you know. I know the Department doesn't have one CIP coordinator to ensure projects are done on a timely basis and that the County's money is being spent well. You know, is there anyone in Housing Department does, that does follow up in the areas of ensuring that the County money is well spent, was being spent properly?

MS. RIDAO: Yes. Our Housing Division, Wayde Oshiro and we now have Buddy Almeida who are, who are responsible for the use of HOME funds. And HOME funds are actually not released through the County unless we are provided with documentation as to how the monies would be spent. And usually those are statements from, say, the contractor or the subcontractor for request of payments. And those are checked by our Housing Division.

CHAIR PONTANILLA: So the Housing Division goes out there, look at the project site, ensure that whatever is being requested of has been done?

MS. RIDAO: Yes. And in fact, on this project, I, myself have been out there.

CHAIR PONTANILLA: Good. At least we have one inspector.

...*(Laughter)*...

CHAIR PONTANILLA: Members, any more questions for the Department? If not, the Chair would like to make his recommendation.

COUNCILMEMBER VICTORINO: Recommendation.

COUNCILMEMBER BAISA: Recommendation.

CHAIR PONTANILLA: Thank you. The Chair's recommendation is to pass on first reading AMENDING FISCAL YEAR 2011 BUDGET, APPENDIX A, SPECIAL PURPOSE REVENUES, (AFFORDABLE HOUSING FUND, FAMILY LIFE CENTER, INC. MOKUHAU APARTMENTS, AND LOKAHI PACIFIC KENOLIO LEILANI SUBDIVISION), and filing of County Communication No. 10-221.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

VICE-CHAIR MATEO: Mr. Chairman, I move for the passage of the proposed bill as you has just, as you have just read, including the filing of the communication.

COUNCILMEMBER VICTORINO: Mr. Chair, I second the motion.

CHAIR PONTANILLA: Thank you. It's been moved by Chairman Mateo, second by Member Victorino. Any more discussion, Members? Seeing none, all in favor of the motion, please say aye.

COUNCIL MEMBERS: Aye

CHAIR PONTANILLA: Any opposed? Seeing none, motion is carried, seven ayes, two excused, Members Medeiros and Nishiki.

VOTE:	AYES:	Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho`ohalahala, Molina, and Victorino.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmembers Medeiros and Nishiki.

MOTION CARRIED.

ACTION: FIRST READING of bill; and FILING of communication by C.R.

CHAIR PONTANILLA: Okay, Members. Thank you, Ms. Ridao.

MS. RIDAO: Thank you, everybody.

ITEM NO. 96: AMENDING FY 2011 BUDGET, APPENDIX A, GRANT REVENUE (DEPARTMENT OF POLICE, COPS HIRING PROGRAM) (C.C. No. 10-222)

CHAIR PONTANILLA: Our next item is BF-96, AMENDING FISCAL YEAR 2011 BUDGET, APPENDIX A, GRANT REVENUE (DEPARTMENT OF POLICE, COPS HIRING PROGRAM). The purpose of the proposed bill --

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

VICE-CHAIR MATEO: Chair.

CHAIR PONTANILLA: --is amend Appendix A by adding a COPS Hiring Program grant in the amount of \$1,639,000 for the hiring of six officers, oh, six officer positions over a three-year grant period. At this time, joining us is Chief Yabuta.

...*(Pause)*...

CHAIR PONTANILLA: Chief, any comments, opening comments in regards to this particular item?

MR. YABUTA: Hi. Good morning. This is a wonderful opportunity that the County of Maui has, not only the Police Department, but also the, the community of Kihei in anticipation of opening up a new police station and the increasing population and businesses in South Maui. Because of the U.S. Department of Justice's COPS program we were able to qualify and receive six additional positions that we anticipate on expanding our staffing coverage in Kihei, District 6, South Maui. I believe ourselves and the Honolulu Police Department are the only departments in the State of Hawaii that have received this grant opportunity. And I know for a fact that the Hawaii Police Department has put in an application as well as the Kauai Police Department. And they're on standby yet, so it's a great opportunity for us.

COUNCILMEMBER VICTORINO: Chair.

CHAIR PONTANILLA: Thank you. Member Victorino followed by Member Molina.

COUNCILMEMBER VICTORINO: Thank you. Thank you, Chief, for being here. These six positions, is this the program that was funded, what, last year through the stimulus, the ARRA monies?

MR. YABUTA: That's correct.

COUNCILMEMBER VICTORINO: Okay. And so if I'm correct and I remember when we were up in NACo, most of these were like funding for like two or three years, and thereafter we then would be picking up whatever the officers' expenses, salaries, et cetera, right?

MR. YABUTA: That's correct. It's, it's funding for three years.

COUNCILMEMBER VICTORINO: Three years, okay.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MR. YABUTA: And it comes out to 1.632 million dollars roughly. And, and the basis for the grant is that we are in, in a poor economy right now, like, like a lot of departments throughout the nation. And, and the purpose of the grant was to give the law enforcement, the local law enforcement agencies an opportunity to be adequately staffed and wait for the, the economy to become robust once again and, and hopefully in three years. And yes, the County would have to assume funding those positions permanently after that. But 1.6 million dollars, sir.

COUNCILMEMBER VICTORINO: No, no and I, please, Chief, I, I, I was there when this was presented to us in NACo along with Council Chair, Budget Chair Mateo, and, you know, we were all for this, too. And, and I believe it's a good way of number one, hiring a few more officers during this downturn in the economy and the monies coming in from the Feds to assist us. And three years from now hopefully, as you have mentioned, whether robust or anyhow we can afford then to keep these officers in the, in the, in the budget. But, you know, so I'm all for this, but I just wanted the public to be clear that this is not something that's ongoing that will last forever. It is, has a sunset timeframe, in other words, three years. And so that they, they understand that the next three years, most of this money is picked up by the Feds. Thereafter, we then, the County of Maui picks up these expenses, and I believe it, you know, we get six trained officers in three years and, you know, that'd be something that all of us can use, yeah. So, no, no, Chief, I'm very happy you brought it forward, but I just want clarification just so the public understood what we were endeavoring in. So thank you, Chief, and thank you for working so hard to make sure these funds, because I know many municipalities, if Mr. Pontanilla can attest to, were all gonna jump in and try to get this monies, 'cause many of the municipalities throughout the nation are hurting big time right now, and this money was a methodology of retaining and training new officers. And this was something that I think was very important. So thank you, Chief Yabuta. Thank you, Chief...Chair Pontanilla.

CHAIR PONTANILLA: Member Molina?

COUNCILMEMBER MOLINA: Thank you, Mr. Chair. Good morning, Chief. And first of all, thank you for doing these series of outreach programs the Department is doing with the various communities. I think that's really important to reach out and get feedback from the community with regards to the police. You have six positions in Kihei, so, as Mr. Victorino had mentioned, you're looking at three years. Does this...how much does it help in terms of your staffing out there? I presume you'd still be short in terms of the requirement for the South Maui region?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MR. YABUTA: Well, the, the calculation of six fiscal positions equates to one additional beat.

COUNCILMEMBER MOLINA: Uh-huh.

MR. YABUTA: So to staff one additional beat, the equation comes out to six officers, you know, through the, the vacation scheduling and days off and so forth. So that's why we came up with the six officers --

COUNCILMEMBER MOLINA: I see.

MR. YABUTA: --to staff an additional beat. Actually that, you know, there is an established beat in District 6 already. We just can't fill it now. So we, we staff with four beats on a regular basis as opposed to Kihei, I mean, excuse me, Lahaina District where we, we staff five beats. So it, eventually we would have had to ask the County for an additional positions in that area, especially with the Kihei station coming up. So this is a...it's a real booster in my opinion, sir.

COUNCILMEMBER MOLINA: Yeah. That's a very, great analogy. It is certainly a booster in terms of assisting us with...of course our upcoming revenue challenges, you know, every little bit helps at this point. So thank you for, you know, applying for this grant. It certainly is a big help to the County and to the South Maui region. Thank you, Chief. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Members, any more questions for the Chief? Member Johnson?

COUNCILMEMBER JOHNSON: Yes. Thanks very much. Because, Chief Yabuta, you expressed concern you don't have, I guess, the other beat in Kihei completely filled. What happens if for some reason you go and you try and fill these positions and you don't get applicants? How will this affect the monies that you've been allocated?

MR. YABUTA: You know, I have total confidence in, in filling these positions or else I wouldn't have asked for them. We're at the highest staffing level we have ever been in our, our history of our Department, and it's a combination of a lot of things. With the poor economy, you have a lot more people wanting a job. They...because of the collective bargaining agreement, our officers get a well deserved salary. And, and also I gotta give credit to my people, Mr. Takahashi, our community relations people, as far as, you know, changing the advertising and the recruitment style, much more aggressive now. So I, I think all three of those factors give me the confidence to come to here today before this Council

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

and say we're gonna fill these positions definitely. This is a priority especially with grant funding.

COUNCILMEMBER JOHNSON: Yeah. And, and how long have the other, I guess, positions remained unfilled on that, on the beat? You know, because I understood you to say that there were some unfilled positions right now.

MR. YABUTA: Pretty much since 2003, when we, when we pretty much transcended from Wailuku Central District handling Kihei, South Maui coverage, when we changed the general orders to describe that particular district, that beat was added in about 2003. It's just that we haven't been able to fill that on a regular basis.

COUNCILMEMBER JOHNSON: Okay. I, I guess that's...you know, it's always been difficult, you know, because I know you're continuously recruiting. And that would be my only, you know, question on, in that regard. The other question I have is obviously if...let's just assume that you go and you fill the positions and you fill the ones in the existing beat that you've had out there as well as for this additional beat in Kihei. And this would...is this the second year of this particular grant money or is it the first year?

UNKNOWN SPEAKER: First year.

MR. YABUTA: Well, the grant starts when we're ready to...when we get the position numbers and so forth --

COUNCILMEMBER JOHNSON: Okay.

MR. YABUTA: --and we're at, at the position where we can hire at the entry level. And --

COUNCILMEMBER JOHNSON: Okay.

MR. YABUTA: --and so we have our application and, and there's a lot of paperwork involved --

COUNCILMEMBER JOHNSON: ...*(Chuckles)*...

MR. YABUTA: --electronically and physically. We just submitted paperwork to the U.S. Department of Justice COPS program on the 15th, which had to have Mayor's approval. So we're still going through the negotiation process...well, it's a done deal, but we're still fulfilling the requirements of, of the, of the loan, well, of the grant.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

COUNCILMEMBER JOHNSON: Yeah.

MR. YABUTA: And so, again, we're looking at next year before we can start
...*(inaudible)*...

COUNCILMEMBER JOHNSON: Okay. So 2011, which would be 2012 Budget cycle.

MR. YABUTA: This year, which is why we're here today.

COUNCILMEMBER JOHNSON: Okay.

MR. YABUTA: Yeah.

COUNCILMEMBER JOHNSON: Okay.

MR. YABUTA: Yeah.

COUNCILMEMBER JOHNSON: So in, I guess, just playing this out to its conclusion, assuming everything goes okay and all the paperwork is done and the monies are released and whatnot, three years down the road, and let's say things haven't improved that much. I mean I, we can hope but let's say that they're not that much better and we have difficulty in terms of budget. Because I know that certain pay increases, as you noted, were in...were, were negotiated with collective bargaining, but we never know what's gonna happen financially. What will happen to these positions, assuming they're filled and they're full-time people, how will we be obligated as a County then to maintaining the pay, the benefits, you know, any other, any other benefits --

MR. YABUTA: Well, I think what the --

COUNCILMEMBER JOHNSON: --beyond...

MR. YABUTA: --what the Council has done before and, you know, County government has done before is they unfunded these positions for a particular time period. I believe that would be one option. But again, you know, you know, there's certain requirements of, of grants, and, you know, and just the basic necessity of having additional staffing in, in South Maui in District 6, you know, we see it as a priority which is why we applied for the grant in the first place.

COUNCILMEMBER JOHNSON: Right, right. And, and a lot of times they look at this, the Federal Government does, as job creation; therefore, their hope would be that

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

we're creating permanent employment. And I guess my only thought was that many times what has happened, not necessarily in your Department but in other departments, we fund these positions, then all of a sudden, you know, when we have to start picking up the tab, you know, if there is a warm body there we have certain obligations contractually, you know, to continue that on, including the benefits. There's vesting, there's all sorts of other things.

MR. YABUTA: This will, this will be a patrol...this will be part of the patrol function which is our frontline and be...before we can start looking at other types of assignments, you know, this is a fundamental...these six officers will be...will be staffing at fundamental patrol position. And --

COUNCILMEMBER JOHNSON: Okay.

MR. YABUTA: --you know, again, you know, we anticipate on having a mandate...mandatory five beat shift rotation. And so, you know, this position will be vital. So it's something that --

COUNCILMEMBER JOHNSON: Well, I...

MR. YABUTA: --you know, we can't say well we're not gonna go with the beat today because, you know, we, we don't have enough bodies. I mean eventually we're gonna have to say our minimum manpower, our minimum staffing for District 6 will be five positions per shift.

COUNCILMEMBER JOHNSON: Yeah. And, and out of that, the six positions or, you know, that are created out of this, the monies that we're looking at right now which is the 1,639,000. That is just for one year or that's for the three years?

MR. YABUTA: That's for the three years --

COUNCILMEMBER JOHNSON: Okay.

MR. YABUTA: --for the six positions.

COUNCILMEMBER JOHNSON: Okay. And then did you give the Chair...or, you know, 'cause I, you know, I've looked and if it's there I apologize, but basically I'm looking, you know, at future budgets, because I like to see the benefits. You know, what's the total cost including all the, you know, the, you know, the EUTF, all of the pension benefits? You know, what is the actual cost gonna be when we're looking at like budget? Would you know for each officer approximately what that would be?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MR. YABUTA: Well, that would be the normal salary and funding for what we have right now as far as a police officer in an equivalent pay scale.

COUNCILMEMBER JOHNSON: Yeah. I, and I just --

MR. YABUTA: And if you wanted we can...we...do we have that figure available or?

MR. TOM: ...*(Inaudible)*...

MR. YABUTA: And the, yeah, and, and included in the, in the grant is not only the salaries but all the fringe benefits as well.

COUNCILMEMBER JOHNSON: Okay. So that would be...Member Kaho`ohalahala gave me...it's roughly 90...a little over 91,000 per officer per year.

MR. YABUTA: That's correct.

COUNCILMEMBER JOHNSON: Okay. ...*(Chuckles)*... I'm in the wrong job. Anyway, God bless and thank you so much, because I just need to understand where this goes, because sometimes when we look at something, we're looking at the snapshot right now. And as Member Victorino had said and, and also Member Molina, it's wonderful but we need to understand our part of the equation, too. We need to understand our obligation to the officers.

MR. YABUTA: Absolutely.

COUNCILMEMBER JOHNSON: Okay.

MR. YABUTA: Sure.

COUNCILMEMBER JOHNSON: Okay. Thank you.

CHAIR PONTANILLA: Thank you. And just a couple of questions for the Chief. I'm assuming that, you know, within three years, this program will be funded by the Federal government. After three years, I'm sure you're going to get retirement attrition and the like, whereas some of these officers could easily be put into different positions when that happens. So I, I see this as a benefit in regards to, you know, anything that...hopefully our Kihei station is completed in three years time, that this will really support the Kihei Police Department. So the other question that I had is in regards to the award date for this thing. We needed to...according to the Grant Administration Division, the award start date

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

supposed to have been September 1, 2010. And this document that was signed is October 14, 2010, so how do we ensure that we're gonna get the grant?

MR. YABUTA: Well, we...from what I understand, we're, we have been awarded the grant.

CHAIR PONTANILLA: You have been awarded --

MR. YABUTA: We have been --

CHAIR PONTANILLA: --the grant.

MR. YABUTA: --awarded the grant, and all the necessary forms and documents have been transmitted from the County to the U.S. Department of Justice. So it's just a matter of corresponding and following up on certain procedures. That's, that's pretty much something that's...you know, we've been congratulated by Senator Inouye's office on and so forth, so I can't see any retraction as far as the grant.

CHAIR PONTANILLA: Okay, good. Thank you. Members, any more questions for the Department? Member Baisa?

COUNCILMEMBER BAISA: Yeah. Just a quick question while we're discussing the recruitment. Chief Yabuta, how are we doing with recruitment? Do we still have a lot of vacancies or is that better or how we doing?

MR. YABUTA: Yeah. Again, we've been, our staffing of 337 sworn officers is the highest in Maui Police Department history. And again, I give credit to the three factors that I have previously mentioned: the economy, the recruitment effort, and also the, the adequate pay now for our police officers in the State of Hawaii. We have an 8 percent vacancy.

COUNCILMEMBER BAISA: And that means how many?

MR. YABUTA: That comes out to 31 vacancies right now. We have how many offers, Mr...? We have 29 offers, conditional offers out there, so.

COUNCILMEMBER BAISA: So you might fill them all?

MR. YABUTA: I...you know, one day, I'm going to come in front of this Council and say we're almost there.

...*(Laughter)*...

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

COUNCILMEMBER BAISA: Well, you know, a lot of progress has been made in the time I've been here, because I remember we've always struggled with all these vacancies. So we are doing better. Thank you.

COUNCILMEMBER VICTORINO: Chair.

MR. YABUTA: Thank you.

CHAIR PONTANILLA: Thank you. Member Victorino?

COUNCILMEMBER VICTORINO: I want one...and one more quick question for Chief Yabuta. It's my understanding that we have a large number of senior officers over the next few years that are being, are considering retirement. Is that true?

MR. YABUTA: Well, you know, we, you know, we had to guard ourselves, because this, this is the final year of the collective bargaining agreement --

COUNCILMEMBER VICTORINO: Right.

MR. YABUTA: --the four years at 6 percent each and a 4 percent step movement for, for those that reach 25 years of service or more, so that was the end of, of a great, great contract. To date, sir, we have four, I think, announced retirements. So the impact is a lot less at this point in time than what we had anticipated, but I understand it will be...so you're going to have retirements every year. And that's why we have to keep the, the recruitment effort aggressive, we have to, you know, have continuous recruitment, and we have to work with the Department of Personnel Services so we can fulfill our ranks and our, our vacancies.

COUNCILMEMBER VICTORINO: Well, and the reason for that question is, you know, again the concern that in three years, let's say funding which ends through the Fed then becomes difficult for the County. And so a year out or so, you and whoever in the financial department would be looking at things of this nature and trying to make contingency plans that maybe, you know, these retirements, these, these then 6 officers somehow fill in these positions and not have to be laid off. Because that's the last thing we want to do is bringing in somebody in for three years and then at that point, say hey, we don't have money. Now I know this exists in some of the municipalities in the mainland that they hire and they're told right off the bat, three years from now, we don't have funding, we let you go. But I don't think we want to get into that kind of a push-and-shove situation, Chief. So you're, you're, you are looking at all of these various aspects.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MR. YABUTA: Absolutely.

COUNCILMEMBER VICTORINO: Okay --

MR. YABUTA: Absolutely.

COUNCILMEMBER VICTORINO: --thank you, Chief. Thank you, Chair.

CHAIR PONTANILLA: Thank you. Members, any more questions? Member Kaho`ohalahala?

COUNCILMEMBER KAHO`OHALAHALA: Yeah, thank you. Chief, this is just an off-the-cuff kind of a question, because you had mentioned that you're trying to fulfill the requirements of the grant. And then assuming that in the, the grant application itself, there are sets of conditions under which you need to meet and stuff. My question has to do, when we go for Federal funding and in this case Department of Justice, in acquiring those grants, do we also have responsibility where we are going to be required to give privacy information over to the Department of Justice should they request this kind of information?

MR. YABUTA: Not privacy issues, but the reporting methodology is quite extensive, and, you know, we practice many grants. And I give credit to my people, my administrative services people and a lot of the commanders, you know. We've been commended for our reporting of grant disbursements so it's something that we're, we've experienced in the past, we're experiencing now, and this is no different, sir. But privacy issues, we've, we've never had any problems as far as regulating any, any matters that would come, come to that particular matter.

COUNCILMEMBER KAHO`OHALAHALA: So the acceptance of, of these grants don't make a further requirement of us to render those kinds of information that might be considered to be privacy issues?

MR. YABUTA: No.

COUNCILMEMBER KAHO`OHALAHALA: Okay. Thank you.

CHAIR PONTANILLA: Thank you. Members, any more questions? If not, the Chair would like to make his recommendation.

COUNCILMEMBER VICTORINO: Recommendation.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

CHAIR PONTANILLA: Chair's recommendation is to pass on first reading, as amended, a bill...not as amended...hang on, I'm going to do the amendment now.

...*(Laughter)*...

COUNCILMEMBER VICTORINO: Okay, sir.

CHAIR PONTANILLA: If there's no objections, Chair would like to amend the bill.

COUNCILMEMBER VICTORINO: No objections.

CHAIR PONTANILLA: The proposed bill needs to be amended to reflect the following proviso, and the proviso would be on sheet...of the ordinance which doesn't have a number, the second page, mm. COPS hiring program...that the proviso read: provided, that disbursement for salaries and premium pay is limited to 6.0 equivalent personnel. That's an amendment.

COUNCILMEMBER JOHNSON: So move, Mr. Chair.

COUNCILMEMBER VICTORINO: Second.

CHAIR PONTANILLA: Okay. It's been moved by Member Johnson, second by Member Victorino.

COUNCILMEMBER VICTORINO: ...*(Inaudible)*...

CHAIR PONTANILLA: Members, any more questions?

COUNCILMEMBER VICTORINO: Write 'em down.

CHAIR PONTANILLA: If not, all in favor of the motion, please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, seven ayes, two excused, Member Medeiros as well as Member Nishiki.

COUNCILMEMBER VICTORINO: Okay.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

VOTE: **AYES:** **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho`ohalahala, Molina, and Victorino.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmembers Medeiros and Nishiki.**

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Let's see, there's one more area. On the first sheet, the amendment would be on the last line after 1.63 million dollars, that we add: and increase by 6.0 EP.

COUNCILMEMBER VICTORINO: Okay. So move, Mr. Chair.

VICE-CHAIR MATEO: Second.

CHAIR PONTANILLA: It's been moved by Member Victorino, seconded by Member Mateo. Let me read this thing again. I'll just go by. . .well, I'll just read the whole thing. SECTION 1. Ordinance No. 3751, as amended, "Fiscal Year 2011 Budget", Appendix A, Part I, "Grant Revenue - Schedule of Grants by Departments and Programs for Fiscal Year 2011", is hereby amended as it pertains to the Department of Police, by adding a COPS Hiring Program grant in the amount of \$1,639,000, and increase by 6.0 EP, to read as follows:. . . So the addition would be "and increase by 6.0 EP".

COUNCILMEMBER VICTORINO: Got it.

CHAIR PONTANILLA: Okay. So now the Chair would like to make his recommendation. Okay, Chair's recommendation is to pass on first reading...

COUNCILMEMBER VICTORINO: Chair, excuse me.

CHAIR PONTANILLA: Yes.

COUNCILMEMBER VICTORINO: Did we vote on the amendments?

CHAIR PONTANILLA: No. I, no, I just caught myself.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

COUNCILMEMBER VICTORINO: Okay. Sorry, Chair.

CHAIR PONTANILLA: So any more discussion on that amendment?

COUNCILMEMBER JOHNSON: No.

CHAIR PONTANILLA: Seeing none, all in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, seven ayes, two excused, Members Medeiros and Members, Member Nishiki.

VOTE:	AYES:	Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho`ohalahala, Molina, and Victorino.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmembers Medeiros and Nishiki.

MOTION CARRIED.

ACTION: APPROVE.

CHAIR PONTANILLA: Okay.

COUNCILMEMBER JOHNSON: Back to the main motion.

CHAIR PONTANILLA: Back to the main motion. The Chair recommendation is to pass on first reading, as amended, "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART I, GRANT REVENUE - SCHEDULE OF GRANTS BY DEPARTMENTS AND PROGRAMS, DEPARTMENT OF POLICE", and filing of County Communication No. 10-222. And also the Chair would like to ask that Staff, with your permission, to have Staff make any nonsubstantive changes to the bill for consistency.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

VICE-CHAIR MATEO: Thank you. Mr. Chairman, I move that the proposed bill, as you has, as you have just recognized as amendment, pass on first reading as well as including the filing in the motion.

COUNCILMEMBER VICTORINO: Mr. Chair, I second the motion.

CHAIR PONTANILLA: Thank you. Members, any more discussion? All in favor of the motion please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion is passed. Seven ayes, two excused, Members Medeiros and Nishiki.

VOTE:	AYES:	Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho`ohalahala, Molina, and Victorino.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmembers Medeiros and Nishiki.

MOTION CARRIED.

ACTION: FIRST READING of revised bill; and FILING of communication by C.R.

ITEM NO. 101: AMENDING FY 2011 BUDGET, APPENDIX A, GRANT REVENUE (DEPARTMENT OF POLICE, BULLETPROOF VEST PARTNERSHIP (C.C. No. 10-226)

CHAIR PONTANILLA: Okay. The next item on our agenda is BF-101, AMENDING FISCAL YEAR 2011 BUDGET, APPENDIX A, GRANT REVENUE (DEPARTMENT OF POLICE, BULLETPROOF VEST PARTNERSHIP). The purpose of the proposed bill is to amend Appendix A by adding \$13,000 for a Bulletproof Vest Partnership grant from the Bureau of Justice assistance. So at this time, the Chair would like to call on the Department for comments.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MR YABUTA: Good morning again, Council. This is another grant that we have been receiving for quite some time now. It's a, it's a grant to fund our ballistic vests for our officers. And we are requesting that the Council take this into account that it's strictly an officer safety issue, and again we've been doing this for some, quite some time.

COUNCILMEMBER VICTORINO: Chair?

CHAIR PONTANILLA: Thank you.

COUNCILMEMBER VICTORINO: Chair?

CHAIR PONTANILLA: Questions, Members? Member Victorino.

COUNCILMEMBER VICTORINO: Real quickly and again, Chief, thank you. You know, through the years, that has been one of my, my concerns. You know, I bring it up every budget session that our, our men and women of the police force have the best equipment, and vests as being one of the major items for their protection. So this grant, each and every year, we've been very fortunate to get this, this grant to help assist us in buying and purchasing some of the best vests available. Is that correct?

MR. YABUTA: That correct. It doesn't supply all the vests --

COUNCILMEMBER VICTORINO: Yes.

MR. YABUTA: --for our Department, but, you know, \$13,000 is, is, is a good source of money so that, to help us out with our budgeting.

COUNCILMEMBER VICTORINO: Especially in these austere times, yes, definitely, no question in my mind, Mr. Chair. I mean every bit of help we can get anywhere to make sure our men and women of the police force are protected as best they can be. I, I have no qualms with it. So thank you, thank you, Mr., Chief Yabuta, and thank you, Chair.

CHAIR PONTANILLA: Thank you. Members, any more discussion? See none, Chair would like to make his recommendation. Okay. The Chair's recommendation is to pass on first reading "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART I, GRANT REVENUE - SCHEDULE OF GRANTS BY DEPARTMENTS AND PROGRAMS, DEPARTMENT OF POLICE", and filing of County Communication No. 10-226. And also the Chair

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

would like to request that we allow Staff to make nonsubstantive changes to the bill for consistency.

VICE-CHAIR MATEO: So moved.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR PONTANILLA: Thank you. It's been moved and second. Members, any more discussion? Seeing none, all in favor of the motion, please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any noes? Motion is carried, seven ayes, two excused, Members Medeiros and Nishiki.

VOTE:	AYES:	Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Kaho`ohalahala, Molina, and Victorino.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmembers Medeiros and Nishiki.

MOTION CARRIED.

ACTION: FIRST READING of bill; and FILING of communication by C.R.

CHAIR PONTANILLA: Thank you, Chief Yabuta, for being here this morning --

MR. YABUTA: Thank you.

CHAIR PONTANILLA: --Takahashi and Deputy Chief Tom. Okay.

MR. YABUTA: Thank you. Thank you, Council.

CHAIR PONTANILLA: You guys wanna take a break or...?

COUNCILMEMBER JOHNSON: Yeah, that's . . . *(inaudible)* . . .

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

COUNCILMEMBER VICTORINO: Yeah, yeah.

VICE-CHAIR MATEO: Somebody leaving, yeah? Somebody leaving?

CHAIR PONTANILLA: Take a break?

COUNCILMEMBER VICTORINO: Yeah, take a break.

CHAIR PONTANILLA: Okay. Chair is gonna call for a ten-minute recess, and we'll reconvene at 10:50. Meeting is in recess. . . .(*gavel*). . .

RECESS: 10:39 a.m.
RECONVENE: 10:58 a.m.

ITEM NO. 98: AMENDING FY 2011 BUDGET (WEST MAUI SKATE PARK) (C.C. No. 10-224)

CHAIR PONTANILLA: The Budget and Finance Committee meeting is now reconvened. Members, our next item is BF-98, AMENDING FISCAL YEAR 2011 BUDGET (WEST MAUI SKATE PARK). The purpose of the proposed bill is to amend Fiscal Year 2011 Budget by increasing Revenues, Special Assessments by \$850,000 and adding an appropriation for the West Maui Skate Park in the same amount. The funds are available through Park Assessment in the West Maui District. So at this time, the Chair would like to recognize Mr. Matsui from the Parks Department.

MR. MATSUI: Thank you, Mr. Chairman. What you have before you is budget amendment re-appropriating County funds from the Park Assessment Fund for the West Maui Skate Park. As you know, in prior years, we've had County Park Assessment Funds and a \$450,000 grant from the Federal government, Land and Water Conservation Fund Act, and the, and the amount available for construction was 950,000 with those two funds. We recently opened bids, and the low bid came out to \$1,188,900 in the low bid, yes.

COUNCILMEMBER VICTORINO: Whoa.

MR. MATSUI: We had a lot of bidders. It was very competitive. So, you know, we feel comfortable that it's a very good bid. We had some deductive alternates that would have allowed us to award the contract, but those alternates were things that we would have to put back into the contract anyway to complete the project. So

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

the County funds will lapse December 31st of this year, so we anticipate that happening and what we want to do is roll over that 500,000 County funds and ask for an additional 350,000 more from the West Maui Park assessment. So the total appropriation we're asking for is \$850,000. Part of that we're asking for 100,000 for contingencies during construction.

CHAIR PONTANILLA: That's it?

MR. MATSUI: That's it.

CHAIR PONTANILLA: Thank you. Members, any questions for...well, I'll call on Member Johnson first.

COUNCILMEMBER JOHNSON: This is like the never-ending saga. And, and you should get an answer when from the, the Federal agency?

MR. MATSUI: Yes, we should. Last week, we had a telephone conference, televised conference call with the national people who were here in Hawaii. And it was held with all of the outer islands and on Oahu, and, and with the Oahu contingent. And they assured us that, that it's coming through. There's just one technical thing of reviewing our appraisal.

COUNCILMEMBER JOHNSON: Okay. And that you don't anticipate any problems with?

MR. MATSUI: No. No, we don't.

COUNCILMEMBER JOHNSON: Okay. That being the case, then their response, once you provide them with that documentation, how much longer will it be after that, that they'll give you the go-ahead?

MR. MATSUI: We've already submitted that to them.

COUNCILMEMBER JOHNSON: Okay.

MR. MATSUI: So they're reviewing it right now.

COUNCILMEMBER JOHNSON: So like by the time this gets to the Council for first reading . . .(chuckles). . .?

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

MR. MATSUI: We're looking at, yeah, by the time the County money becomes available and that we're ready to award, that we'll have the go-ahead from the Federal government also.

COUNCILMEMBER JOHNSON: Okay. Now what if some strange reason you wouldn't get the go-ahead? Then you've gotta do something else? You know, is there is another way that you can satisfy their concerns?

MR. MATSUI: Yeah. Their concerns are just technical reviews. They, they wanted to make sure that the appraisal was done correctly, and that's what they're reviewing.

COUNCILMEMBER JOHNSON: Okay. Okay, so it's not the amount. It's just that there's a certain protocol that you're supposed to use in that?

MR. MATSUI: Yes. That's correct.

COUNCILMEMBER JOHNSON: Okay. Alright, thank you so much.

CHAIR PONTANILLA: Members, any more questions for the Parks Department?

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

CHAIR PONTANILLA: If none, the Chair would like to make his recommendation.

COUNCILMEMBER VICTORINO: Recommendation.

COUNCILMEMBER BAISA: Recommendation.

CHAIR PONTANILLA: Chair's recommendation is to pass on first, on the Council first reading, "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; PARK ASSESSMENTS FUNDS; WEST MAUI COMMUNITY PLAN AREA; PARKS AND RECREATION, WEST MAUI SKATE PARK; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", and filing of County Communication No. 10-224. And the Chair also requests that we allow Staff to make nonsubstantive changes to the bill for consistency.

VICE-CHAIR MATEO: Chairman, I move for the passage of the proposed bill as you have so cited, including the filing of the communication.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

COUNCILMEMBER JOHNSON: Mr. Chair, I second the motion.

CHAIR PONTANILLA: Thank you. It's been moved by Council Chair Mateo, second by Councilmember Johnson. Members, any more discussion? If not, all in favor of the motion, please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any noes? Motion is carried with two excused, Members Medeiros and Nishiki

VICE-CHAIR MATEO: Three.

CHAIR PONTANILLA: Oh, I'm sorry. Three excused and Member Kaho`ohalahala.

VOTE:	AYES:	Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Molina, and Victorino.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Councilmembers Kaho`ohalahala, Medeiros and Nishiki.

MOTION CARRIED.

ACTION: FIRST READING of bill; and FILING of communication by C.R.

ITEM NO. 97: AMENDING FY 2011 BUDGET, APPENDIX A, GRANT REVENUE (CIVIL DEFENSE AGENCY, NATIONAL OCEANIC ATMOSPHERIC ADMINISTRATION AWARD) (C.C. No. 10-223)

CHAIR PONTANILLA: Okay. The next item, Members, Chair is gonna defer this item if there's no objections.

COUNCIL MEMBERS VOICED NO OBJECTIONS. (excused: SPK, BKM, WKM)

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

ACTION: DEFER no discussion.

ITEM NO. 100: AMENDING FY 2011 BUDGET AND BOND AUTHORIZATION ORDINANCES (LAHAINA WATERSHED FLOOD CONTROL) (C.C. No. 10-225)

CHAIR PONTANILLA: Thank you. So our final item this morning is BF-100, AMENDING FISCAL YEAR 2011 BUDGET AND BOND AUTHORIZATION ORDINANCES (LAHAINA WATERSHED FLOOD CONTROL). The proposed, the purpose of the proposed bill is to increase the bond by 2.5 million dollars and appropriate the funds for the Lahaina Watershed Flood Control project to represent the County's share in securing \$6 million in Federal funding. Due to the unexpected delays in the grant process, these funds were not encumbered in Fiscal Year 2010; therefore, the Department is requesting that we reappropriate in Fiscal Year 2011. So at this time, the time Chair would like to call on Public Works.

MR. YAMASHITA: Thank you, Chair Pontanilla. This was, request is being made so that we could carry over a balance of approximately 2.5 million dollars for the Lahaina Watershed Flood Control project. In Fiscal Year 2010, 6.275 million dollars was appropriated for this project. And of that 6.275 million dollars, we have expended approximately 1.4 million for Phase II-A which is a culvert crossing beneath Hokiokio Road, and the remainder 2.375 million was used to supplement Phase I of that same project. We had originally anticipated Phase II to be awarded in Fiscal Year '10; however, complications with the, the agencies as far as transferring funding from Federal Highways to national, Natural Resources Conservation Services was not accomplished in time. So therefore we had an earmark of \$6 million of Federal funds that was also deferred to Fiscal Year '11 on the Statewide Transportation Improvement Program. So therefore the 2.5 million dollars is the, is the County share for its portion of the work to supplement the \$6 million already appropriated through a Federal earmark.

CHAIR PONTANILLA: Thank you, Mr. Yamashita. Members, any questions for the Department. Member Johnson?

COUNCILMEMBER JOHNSON: Yes. So if I understand you , the original amount, the 6.275 million, if I take out the 1.4 and the 2.375 that does leave the 2.5 remaining. Is that where you're getting that from?

MR. YAMASHITA: That is correct.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

COUNCILMEMBER JOHNSON: Okay. So it's just that it, it's a mechanical utilization of the money then as opposed to anything else.

MR. YAMASHITA: Yes, it is.

COUNCILMEMBER JOHNSON: Alright, thank you.

CHAIR PONTANILLA: Thank you. Members, any more questions for the Department? If none, then the Chair would like to make his recommendation.

COUNCILMEMBER VICTORINO: Recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR PONTANILLA: The Chair's recommendation is to one, pass on first reading "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2011 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; BOND/LAPSED BOND; WEST MAUI COMMUNITY PLAN AREA, DRAINAGE, LAHAINA WATERSHED FLOOD CONTROL; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND THE TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)"; two, pass on first reading "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3749 BILL NO. 37 (2010) RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI"; three, filing of County Communication No. 10-225; and four, allow Staff to make nonsubstantive changes to allow up, to the bills for consistencies.

VICE-CHAIR MATEO: Mr. Chairman, I move for the passage of the proposed bills as you have just cited including the filing of the communication as well.

COUNCILMEMBER VICTORINO: Mr. Chair, I second the motion.

CHAIR PONTANILLA: Thank you. It's been moved by Chairman Mateo, second by Member Victorino. Any more discussion, Members? If not, the Chair will call for the...all in favor of the motion, please say aye.

COUNCIL MEMBERS: Aye.

CHAIR PONTANILLA: Any opposed? Seeing none, motion carried, six ayes, three excused, Member Kaho`ohalahala, Member Medeiros, and Member Nishiki.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

VOTE: **AYES:** **Chair Pontanilla, Vice-Chair Mateo, and Councilmembers Baisa, Johnson, Molina, and Victorino.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Councilmembers Kaho`ohalahala, Medeiros and Nishiki.**

MOTION CARRIED.

ACTION: FIRST READING of bill amending the Fiscal Year 2011 Budget; FIRST READING of bill amending the Bond Authorization bill; and FILING of communication by C.R.

CHAIR PONTANILLA: Members, that's all we have for this morning. The Chair would like to thank all of you for being here. I'd like to thank the Administration also for being here, as well as, as well as our Staff. Chair would just like to make a short comment. About a week and a half, I had the privilege of going to San Francisco for bond rating with Mr. Young, as well as Sheri Morrison of the Administration. And it was quite an experience in regards to what the bond raters are looking at in, in county government. And understand that we, we got, I guess, AA+ from Standard & Poor's which is...you know, and now we're the best in the State, just to put it short, we're the best in the State.

COUNCILMEMBER BAISA: ...*(Inaudible)*...

CHAIR PONTANILLA: So, you know, congratulations to, you know, Mr. Young as well as Ms. Morrison for doing outstanding job, you know, explaining the County's situation. And what I learned is that all they look at is does the county have enough money to pay their bills? And that's what basically they look at. And this way, investors that want to invest in county bonds, our County bonds, they also look for that. So happy to hear that we got AA+ with Standard & Poor's, so thank you.

COUNCILMEMBER JOHNSON: Thank you.

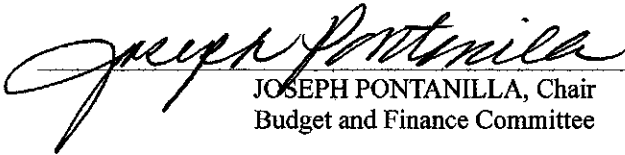
CHAIR PONTANILLA: The meeting for this morning is now adjourned. ...*(gavel)*...

ADJOURN: 11:12 a.m.

BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

APPROVED:



JOSEPH PONTANILLA, Chair
Budget and Finance Committee

bf:min:101108:af

Transcribed by: Ann Freitas

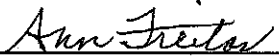
BUDGET AND FINANCE COMMITTEE
Council of the County of Maui

November 8, 2010

CERTIFICATE

I, Ann Freitas, 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 the 1st day of December, 2010, in Pukalani, Hawaii



Ann Freitas