

**ECONOMIC DEVELOPMENT, AGRICULTURE,
AND RECREATION COMMITTEE**

Council of the County of Maui

MINUTES

August 18, 2011

Council Chamber, 8th Floor

CONVENE: 9:04 a.m.

PRESENT: Councilmember Mike White, Chair
Councilmember Elle Cochran, Vice-Chair
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member
Councilmember Donald G. Couch, Jr., Member
Councilmember Joseph Pontanilla Member (In 9:06 a.m.)
Councilmember Danny A. Mateo, Non-Member (In 9:10 a.m.; Out 10:35 a.m.)
Councilmember Michael P. Victorino, Non-Member (In 9:34 a.m.; Out 10:15 a.m.)

EXCUSED: Councilmember G. Riki Hokama, Member

STAFF: Carla Nakata, Legislative Attorney
Camille Sakamoto, Committee Secretary
Scott Kaneshina, Legislative Analyst (In 9:52 a.m.; Out 10:12 a.m.)

ADMIN.: Glenn T. Correa, Director, Department of Parks and Recreation
Bradley Pierce, Park Maintenance Superintendent, Department of Parks and Recreation (Item No. 13)
Doug Myers, Golf Course Maintenance Supervisor, Department of Parks and Recreation (Item No. 13)
Lisa Almeida, Parks Special Events Specialist, Department of Parks and Recreation (Item No. 12)
Sananda K. Baz, Budget Director, Office of the Mayor (Item No. 12)
John Buck, Administrative Assistant, Office of the Mayor (Item No. 12)
Carmelito P. Vila, Manager, Motor Vehicle and Licensing Division, Department of Finance (Item No. 12)
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel

Seated in the gallery:

Jeremiah L. Savage, Deputy Director, Department of Finance (Item No. 12)

OTHERS: Three (3) additional unidentified attendees

PRESS: *Akaku: Maui Community Television, Inc.*

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CHAIR WHITE: ...*(gavel)*... Good morning, Members and those of you in the audience. The meeting of Economic Development, Agriculture, and Recreation Committee will come to order. It's August 18th and it's 9:05 in the morning. Before we begin, I'd like to ask everyone to turn off their noisemakers and as somebody said the other day, if, if somebody's got a pager, we'd like to put it in the archives cabinet out in the front.

COUNCIL MEMBERS: ...*(Laughter)*...

CHAIR WHITE: Joining us this morning is Committee Vice-Chair, Elle Cochran.

VICE-CHAIR COCHRAN: Good morning, Chair.

CHAIR WHITE: Gladys Baisa.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR WHITE: Robert Carroll.

COUNCILMEMBER CARROLL: Good morning.

CHAIR WHITE: Don Couch.

COUNCILMEMBER COUCH: Good morning.

CHAIR WHITE: And my understanding is that Riki Hokama and Vice-Chair Joe Pontanilla will be a little late. And I believe that we will be joined by Danny Mateo, who's a non-member, a non-voting Member. So with that, I'd also like to welcome Glenn Correa, Director of Parks and Recreation, sitting in the middle there; and Brad Pierce, Parks Maintenance Superintendent --

MR. PIERCE: Good morning, Chair.

CHAIR WHITE: --and Doug Myers, the Golf, Golf Course Superintendent, who's sitting on the far left. And those are the folks that are here for EDR-13. And in, in addition, Jeff Ueoka, Deputy Corporation Counsel; and our Staff, Camille Sakamoto and Carla Nakata. So good morning to you all and thank you for being here. And I don't believe we have anyone signed up for public testimony. Is that still the case? Okay, thank you, Yvette. So with no objections, we'll close public testimony.

COUNCIL MEMBERS: No objections.

ITEM NO. 13: OVERALL CONDITION AND OPERATION OF THE WAIEHU MUNICIPAL GOLF COURSE (MISC.)

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CHAIR WHITE: With that, we'll move right into EDR-13, which is the overall condition and operation of the Waiehu Municipal Golf Course. And today the Committee is not going to get a full report on this because we've had the, the report on the condition. But the Committee will be considering today whether or not to pass a resolution authorizing the Council Chair to initiate another golf course care audit as was done, I believe, about three years ago. So with that, I'd like to ask for opening comments by Mr. Correa and Mr. Pierce.

MR. CORREA: Good morning, Committee Chair. . .Mr. White, and Members of the Council.

VICE-CHAIR COCHRAN: Aloha.

MR. CORREA: I would like to take this time to really thank my employees, who at the golf course are doing a lot of good work down there. So, if there's an audit need to be done, we, we're ready. Thank you.

CHAIR WHITE: Mr. Pierce?

MR. PIERCE: No comment.

CHAIR WHITE: Okay. Members, any, any questions for the Department?

COUNCILMEMBER PONTANILLA: Chairman?

CHAIR WHITE: Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Okay. Thank you. Good morning, Mr. Correa.

MR. CORREA: Good morning.

COUNCILMEMBER PONTANILLA: I, I know you love being here.

MR. CORREA: Yeah.

ALL: ...*(Laughter)*...

COUNCILMEMBER PONTANILLA: And no, I, I just want to make this comment because I had a meeting last night and my meeting was, you know, we had lot of people that golf at Waiehu. In fact, they golfed at the last tournament and they see the improvements that are being done currently and they really appreciate, you know, what you folks are doing. For the first time in a long time, they see employees working while people are golfing. So, you know, that only tells me that through proper management, you know, you can get things done. So I, I, I just want to say, you know, the comments that were made to me last night. Keep up the good work.

MR. CORREA: Thank you.

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CHAIR WHITE: Thank you. Members, any other comments? Questions for the Department? Okay. The Chair's interest in bringing this forward is certainly not a, to question the progress that had been made, because I think we all have gotten the same kinds of comments--that we're moving in the right direction. The Chair brought this forward because it has been three years since the audit, and I think it's appropriate to bring the, the folks back in, just to provide us another set of eyes. And as you all know, we consistently get comments that the golf course isn't...you know, well, in the past, we've gotten comments that the golf course isn't being well taken care of and we're, and we're subsidizing an operation that's costing the County a lot of money. But one of the things the Chair would like everyone to recognize is that because we've set up the golf course as a separate operation with its own fund, all the improvements that--whether it be the building that is there or others--all of those expenses are tied to that golf course. Whereas in other parks, where we've got baseball diamonds, soccer fields, and especially swimming pools and community centers, none of...because Parks doesn't have a special fund for the entire Department, none of those improvements are amortized and charged to a specific park. So, again, when we look at the park, park operations, we're subsidizing very heavily the swimming pools, the community centers, the soccer players, the tennis players, and everyone else. So I think it's important for us to move forward and, and keep the golf course in, in really good condition, but at the same time, realizing that these calls for privatization, the calls for all these changes need to be taken in the light or kept in the light of the fact that we're subsidizing other operations throughout the County very heavily. And we just need to you know, maybe back off just a little bit on our calls for the, the golf course to be self-sufficient when, when we fully subsidize every other operation in the County. So, I want to thank all of you for your, your attendance today. I was expecting a little more in the way of questions, but if there are no further...oh, Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Yeah. Chairman, you know, what you just explained to us is true. And it, it's not only the Parks Department that we, you know, through the golf course that we subsidize, but we also subsidize the, the solid waste area. And you know, we subsidize really, really heavy in, in that area because of the cost just to provide the service. So, you know, for me, you know, we always talk about privatization of the golf course. You know, of course you hear it from the, the golfers, saying no, you know, what's going to happen to the fees? We really don't know because we don't know how much the cost to really spruce up the golf course and, and, you know, what, what's it going to take. So, you know, I welcome, you know, the, the opportunity to have another audit done, you know, that would give us an indication--hopefully it's the same guy--an indication that, you know, how much work has been done in the last, what, three years to really spruce up that golf course. So, you know, just like you, I'm willing to, you know, support the Department in, in trying to get that golf course the way it should be, 'cause that's where I learned how to golf maybe 30, 40 years ago. It, it was such a golf course that you can compare it to any of our resort courses. And, and I really mean that. That's how nice it was. Thank you.

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CHAIR WHITE: Well, I, I grew up playing golf at Kahuku Golf Course, playing barefoot and we used to play what we called winter rules. If you could find a weed to put your ball on within three feet of your lie, you could use that 'cause there was very little grass there. Ms. Baisa?

COUNCILMEMBER BAISA: Alright. Yes. Thank you very much, Chair. It's always good to have time to think. ...*(Chuckles)*... Okay. I'm getting back in the golf course mode. You know, we talk about this a lot during budget and then we don't talk about it until, you know, next year's budget, and here we are, we have this unusual situation where we're talking about it in between. But I wanted to ask--and I noticed that we have Budget Director here--but somebody, who's going to be contracting for this audit? You know, we're talking about an independent audit, but there's no more description about what is going to be asked for in that audit. You know, there's management audits, there's financial audits, there's many kinds of audits. So I'm kind of anxious to know will, what, what are we going to ask for? And I think it would be very important to have some kind of a financial piece to it, 'cause we've sit here, sat here for a lot and talked about, you know, should we rent out the carts, should we do something different, or, or where can we get more money from or whatever, that money would be an important part of it, just not how do we handle the money.

CHAIR WHITE: Yeah. You bring up a very valid point. And, and, and Mr. Mateo has joined us in the back there. If you'd like to come join us, we'd be happy to have you. And Mr. Pontanilla, I apologize. I didn't recognize you, when, when you first came in. But the point that you bring up is an important one. But the, the type of audit that we are talking about is just the turf, basically the grounds-keeping audit. There is another type of audit that Mr. Pierce or one of the others might be able to speak to, that is, that focuses on the operations side. So if it's the Committee's desire, we could look into having, getting the pricing on that kind of audit. The turf audit, I believe, last time was between two and three thousand dollars.

COUNCILMEMBER PONTANILLA: Five thousand.

CHAIR WHITE: Five thousand. Okay. So Mr. Pierce, if you can share with us what the cost might be?

MR. PIERCE: Thank you, Chairman. The financial audit that we're referring to is by a company out of the southeastern part of the United States, NGF, National Golf Federation. And they provide a very thorough financial comparison on whether or not the feasibility of privatizing a facility. That audit would cost approximately 20,000 to 25,000 dollars. And they come into an area and, and examine the course, the different courses on the island, different courses in the State, and then they, they, they come back with recommendations, feasibility, you know.

COUNCILMEMBER BAISA: Chair?

CHAIR WHITE: Uh-huh. Yes, Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much for that. And you know, I really think we might want to take a look at that. You know, I've been here five years, been through five budgets.

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And every year we get into this question about how we can have more revenue, how can we cut down the subsidy, what more can we do? And, you know, if we're spending, subsidizing to the amount that we are, the cost for an audit or feasibility doesn't sound like that big a deal. Because, you know, if, if there's a better way to cut down on the subsidy then we'll save a lot of money. Sometimes you spend money to make money. Thank you.

CHAIR WHITE: Right. Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, Chair. And yeah, I, I, share the same sentiments as Ms. Baisa. And hearing the amounts of monies that we do put into this during this past budget session, I'm looking at the report with the USGA and enterprise fund creation, their observation and recommendation. Number one was to address the weed explosion and, and which I see and from Mr. Pontanilla's comments, that's being addressed and the grounds are, are being brought back up to par, and then also create a stand-alone operation does not require subsidies of the County. So I like that section. I'd like to see more elaboration and, and more expansion on what has come about with that part –

CHAIR WHITE: Uh-huh.

VICE-CHAIR COCHRAN: --if any. So hopefully that will come out in this audit, if it goes through. So that's important, you know, as against, again, no offense to golfers, be coming from a non-golfers standpoint here –

CHAIR WHITE: ...*(Laughter)*...

VICE-CHAIR COCHRAN: --but it's...golf is good. We have 15 other courses on this island that people can go and play also. But...and as I understand, this particular municipal course is one of the best in the State or maybe in the nation at one time, I guess in the early beginnings of it. And I think we could do that again and attract more business and attract more players and, and thereby revenue, so.

CHAIR WHITE: Yeah.

VICE-CHAIR COCHRAN: Thank you, Chair for looking more into this.

CHAIR WHITE: Thank you. Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Yeah. Member Cochran brings up a pretty good point. And, and, you know, according to the person that came and did the audit, you know, as we improve the golf course, at one time, you know, we tried to increase fees and we have, we had lot of resistance from the golfers, especially the retirees that were golfing there. The comment that he made the last time was that as we improve the golf course, you know, we, we look at the fees as far as increasing the fees as we go along. Presently because of the present situation economically here on Maui, you know, Waiehu is now tasked to compete with some of the

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private golf course. And when you look at our fee structure, you know, for, you know, non-resident or, or tourist that come over here and play, at one time we had lot of tourists play at our Waiehu golf course and that kept the golf course going. But because of the down economy and the lack of play--because, you know, tourists now has, have the ability because of pricing by resort courses, guess where they going? To the resort courses. So we need to improve that golf course, yeah, and in order to compete with those resort courses at this time. So it's going to take time in, in sprucing up the golf course, but I, I think they already made some inroads, you know, in the last maybe six months. So, you know, my recommendation is again, the audit to see where we at; the financial side, yeah, maybe; and, you know, give the golf course a chance to achieve some of the things that were recommended, not only, you know, the future audit but, you know, the recommendation of the golf course through the last audit that we had. Had we done it three years ago, you know, we probably wouldn't be here talking story. So, thank you.

CHAIR WHITE: Thank you. Mr. Mateo, do you have any words of wisdom for us regarding the two audits?

ALL: ...*(Laughter)*...

COUNCILMEMBER MATEO: My golf course has, has windmills and dragons so –

ALL: ...*(Laughter)*...

COUNCILMEMBER MATEO: --I, I'm not a golfer. But Mr. Chairman, you know, I, I support audits. Audits is not a bad thing. Audits is really a good thing in helping us understand both economically and structurally what actually is needed. The last time the golf course had an audit or an evaluation from the...what was it?

COUNCILMEMBER PONTANILLA: USGA.

COUNCILMEMBER MATEO: US...Yeah, this particular audit, you know, a lot of it was negative because the golf course needed help. And the only reason this was done was because the, the horrible condition that the golf course was in, and it's nice to see change. So I, I'm hoping, Mr. Chairman, that, that as we continue to subsidize, that change continue to, to...continue on this golf course, because, I mean, you know, it's right on the ocean. This is one of the most beautiful spots to have a course. And why it's not generating more is really beyond me. But, you know, for us, our problem is with improvement, somebody's got to pay for it. And the current structure the way it is now, whenever you start to mention rate increases, you know, this place is full, you know and everybody comes out and says no. Well, who the hell's going to pay for it? Bottom line is, it is has to be a shared cost eventually. So soon as we're up to par, soon as the golf course is, you know, at that peak, then by all means, gentlemen, we will have that discussion. Thank you, Mr. Chair.

CHAIR WHITE: Thank you.

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COUNCILMEMBER PONTANILLA: Chairman?

CHAIR WHITE: Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Thank you. You know, I had noted here and I forgot to mention, you know, we do have employees that came from private golf courses, and through my recollection, you know, talking to some of those employees, they were trained to do the work, private golf courses. So my question to and, and you know my challenge to the Department is that, you know, taking a look at your employees, see what training is required. The other thing is that I, I know some of the employees need to be certified to do certain functions. You know, make sure they up to par in regards to the certification and the training to properly maintain a golf course. So, thank you.

CHAIR WHITE: Any other comments, Members? The Chair's...is the Chair's sense correct that, that you would like us to consider the financial audit? Is there anyone that would object to us coming back with a new reso which would include both types of audit? Would there be any objection?

COUNCIL MEMBERS: No objections.

CHAIR WHITE: Okay. With that, the Chair would recommend...

COUNCILMEMBER PONTANILLA: Chairman?

CHAIR WHITE: I'm sorry. Yes?

COUNCILMEMBER PONTANILLA: It was mentioned by the Department that it's going to cost \$20,000 to do the audit? I, I, I don't know if the Department has that kind money to go forward with an audit, but for me, I would like to give the Department the opportunity to work on the golf course the way it is, and you know, looking at the previous audit, because previous audit gave some indication that as you improve, you raise rates. And if the audit that's going to be made telling us that we gotta raise rates, then we already have some information in regards to that. So yeah, I, I support the audit, the financial side but not at this time.

CHAIR WHITE: So your, your thought is we should hold off for...well, let's...maybe Mr. Pierce, you can give us some thoughts on whether there's a timeframe within which the audit, the financial-type audit might be best done or do you feel that that's something that would be appropriate at this time?

MR. PIERCE: It would probably best for them for us to get our golf course back up to, to the best condition we, to, to keep improving it. So I would think that either the next Fiscal Year 2013, and that way there we can also budget it in.

CHAIR WHITE: Well, this...for those of you who are looking at the cost of this, the reason this is being identified as the Chair's, the Council Chair's responsibility to initiate the audit is that it's

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coming out of the *Council's* audit fees or audit line item. So I believe there's enough money in that line item for both types of audits.

MR. PIERCE: When I contacted NGF, they need about four months to do the audit. And they can come in at any time, 'cause they're going to be looking at finances and all that. Our rounds would be up as our...has been pointed out, the nicer the course the more rounds. But they can come in at any time. And, and we just have to contact them.

CHAIR WHITE: Mr. Pontanilla, since the, since any upgrades and changes would come to your Committee, would it be appropriate for us to get into this, this type of an audit at this time if we can get answers that might help us during the Budget deliberations next year?

COUNCILMEMBER PONTANILLA: Yeah. It would be good if we can get some information prior to, you know, we deliberate on the, on the Budget. You know, I've had conversation with a former auditor that used to work for this County, in regards to the golf course. And you know, what you mentioned about subsidy and the like, he had provided me with some information that we should, in his opinion, we should give this golf course, the people the ability to improve it and then through that, you know, increase the rates. But if you, if we require an audit, I would think, probably the first of next year.

CHAIR WHITE: What was, what was the timeframe, the first part of next year?

COUNCILMEMBER PONTANILLA: Yeah.

CHAIR WHITE: Next fiscal year or calendar year?

COUNCILMEMBER PONTANILLA: Calendar year.

CHAIR WHITE: Okay. Okay. Mr. Couch?

COUNCILMEMBER COUCH: Thank you, Mr. Chair. I'm looking at the resolution and it doesn't...I mean, you could do a financial audit from what the resolution said. It doesn't limit it to just the turf audit. As a matter of fact, the last whereas can be construed to need a financial audit as well. This just authorizes the Council Chair to contract for an independent audit of some sort, of any sort that the Chair chooses, and, and both are implied in the whereases--in my opinion.

MS. NAKATA: Mr. Chair, Staff would just recommend that the Committee make clear what it is that it's authorizing. So whether the Committee is authorizing a turf or grounds-keeping audit or a financial audit or both, that would provide clearer guidance to the Council Chair.

CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: While I understand that and we're trying to get this through, Council Chair's sitting right here...(chuckles)...so we can...if he's paying attention. So we can, we can

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tell him what we're looking for. Unless, I don't know, I just...if we're trying to get this going and give them the opportunity to wait yet another meeting...

CHAIR WHITE: Yeah. I, I don't think there's a huge rush, you know.

COUNCILMEMBER COUCH: Okay.

CHAIR WHITE: If, the Chair's thought was to come back at our next meeting with a revised resolution that would outline in more detail what, what the intent of the Committee is. Any other comments? Ms. Cochran?

VICE-CHAIR COCHRAN: Yeah. Thank you, Chair. The, I mean, I think looking at financials is very important. And, you know, not to slight what Mr. Pontanilla's getting at, I understand the improvements and that in turn would hopefully generate more players and more revenue. But in your, in your reso, you know, inventory of equipment, man hours logged, all that kind of stuff is all to enlighten us a little bit more on the financials of this course which we fork in millions of dollars into staying afloat. So I am completely in support of doing a financial audit and yes, by all means, the earlier the better, before Budget. We have so much stuff to digest that, during that time, and this is a really controversial thing. Every year, all the time, Ms. Baisa has, you know, said it herself, how many years she's been dealing with this, and who knows on and on for all the rest of the people that have been here. So personally, as a newcomer, I would, I would love to see that, the financial aspect incorporated, too. But as Mr. Couch mentioned, a lot of it is notated in your items 1, 2, and 3, number...so it's kind of breaking it all down and looking more into detail –

CHAIR WHITE: Right.

VICE-CHAIR COCHRAN: -- on each of these areas which I think is, is great to include and then some.

CHAIR WHITE: Yeah.

VICE-CHAIR COCHRAN: So thanks for again bringing this up. And, and you know, thank the Department for, for taking the steps forward.

CHAIR WHITE: No, I, I think, I think the, the Department is making some exciting--

VICE-CHAIR COCHRAN: Yeah.

CHAIR WHITE: --steps forward and we need to support that. And I agree with your comments that the financial audit, we need to balance whether doing it early is going to give us an added level of understanding of what the options are--and that's my sense. So between now and our next meeting, we'll make the necessary changes to the resolution and bring it back for further discussion. Ms. Baisa?

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COUNCILMEMBER BAISA: I just want to say something that apparently is very obvious. You know, most of us sitting here are not golfers, and while I've been to Waiehu Golf Course, it's normally to have lunch.

CHAIR WHITE: Uh-huh.

COUNCILMEMBER BAISA: Because I don't play golf. And so you know, while it may be very clear to Mr. Pontanilla--and I really appreciate the fact that he is a golfer and he does go and so that he does know. But for the rest of us, we probably are not at the comfort level that he is about, you know, this whole thing 'cause we're not familiar with it. And I don't think it's to be construed in any way as negative. You know, audits are done for, for improvement so that you have people come in with independent eyes and they take a look and they say, you know, I took a look at this, I'm a professional, and in my professional judgment these are some of the things that I think you should do.

CHAIR WHITE: Uh-huh.

COUNCILMEMBER BAISA: And, so to me that's the value of that audit. And, you know, I don't care if we do it now or later, but I think the sooner we get it--if we're going into budget again with the idea that we going be asked to subsidize--we really would like to have, those of us that don't really...are not hands on, and don't have a real picture in our mind of what the greens look like or what people are talking about. . .might appreciate that very much. And, you know, we talk about subsidies and we talked about it just the other day when we were in the Water Committee, and, you know, right away it gets brought up, well, you subsidize the golf course and you subsidize this and you subsidize that, so I think it's a relevant thing for us to have firsthand information so that we make good judgment based on sound information.

CHAIR WHITE: Uh-huh.

COUNCILMEMBER BAISA: Thank you.

CHAIR WHITE: Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, Chair. I'd like to do a site inspection.

ALL: ...*(Laughter)*...

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

CHAIR WHITE: A, a what?

VICE-CHAIR COCHRAN: I want to do a field trip to the golf course, please?

COUNCILMEMBER COUCH: Every hole.

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ALL: ...*(Laughter)*...

COUNCILMEMBER BAISA: The nineteenth hole.

ALL: ...*(Laughter)*...

CHAIR WHITE: Yeah. Unfortunately, “fore” is not a quorum.

ALL: ...*(Laughter)*...

VICE-CHAIR COCHRAN: Ha ha.

COUNCILMEMBER COUCH: It is.

COUNCILMEMBER BAISA: Oh, man.

COUNCILMEMBER COUCH: It is.

COUNCILMEMBER BAISA: One, one for, one for the Chair.

COUNCILMEMBER COUCH: It is here.

CHAIR WHITE: ...*(Laughter)*...

COUNCILMEMBER PONTANILLA: Chairman?

CHAIR WHITE: Yes, Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Just, just another comment. You know, as we improve the golf course, because we do have two vendors there, the pro shop and the restaurant. . .as we improve the golf course--and, and they can attest to this--because the work that they’ve done, you see more and more customers going to the restaurant and, and probably to the pro shop. So as you see improvements, you see greater numbers, you know, it increases the, the revenues for vendors--because they pay a hefty amount to this County. Just the pro shop alone, the guy gotta come out with like \$23,000 a month.

CHAIR WHITE: Right.

COUNCILMEMBER PONTANILLA: And probably, I, I don’t know about the restaurant side but, you know, between the two, it, it’s almost like \$30,000 a month to this County.

CHAIR WHITE: That’s right.

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COUNCILMEMBER PONTANILLA: So, thank you.

CHAIR WHITE: And, and you bring up a really important point is if we're not, if we're not keeping the course in good shape, we're not generating the, the traffic necessary to, to justify the kinds of rentals that we're charging for the people that are leasing those facilities. So that's a, that's a very important point. Okay. With, without objection, the Chair would like to, unless there are further comments, the, without objection, the Chair would like to defer this item and make the necessary adjustments to the reso, make it a little bit more clear on what ...*(inaudible)*...

COUNCIL MEMBERS: No objections.

CHAIR WHITE: Okay.

COUNCIL MEMBERS VOICED NO OBJECTIONS. (excused: GRH)

ACTION: DEFER pending further discussion.

CHAIR WHITE: Okay. Thank you, all. Thank you, Mr. Pierce and Mr. Myers. And Committee will next be taking up EDR-12, regarding fees for vendor concessions in County parks.

ITEM NO. 12: FEES FOR VENDOR CONCESSIONS IN COUNTY PARKS (MISC.)

CHAIR WHITE: Committee is in receipt of a Miscellaneous Communication, dated May 26th, from the County Clerk, referring the matter relating to fees for vendor concessions in County parks, including a proposed revised Page 15 of Appendix B of the proposed revenues portion of the Fiscal Year 2012 Budget. And joining us for this discussion will be Mr. Baz, Budget Director; John Buck from the Mayor's Office; and of course, Glenn Correa with the Parks will be staying with us, and...so we welcome you all; and Lisa Almeida, Special Events Specialist, Parks Department.

... Members, we're going to take a five minute recess. ...*(gavel)*...

RECESS: 9:37 a.m.

RECONVENE: 9:44 a.m.

CHAIR WHITE: ...*(gavel)*... As, as difficult as it may be, I ask the Economic Development, Agriculture, Recreation Committee to come back to order.

COUNCIL MEMBERS: ...*(Laughter)*...

CHAIR WHITE: It's August 18th and it's now, 9:45.

And we are on item EDR-12 regarding fees for vendor concessions in County parks. So with that, I'd like to ask the Director of the Parks Department, Glenn Correa, for his comments.

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MR. CORREA: Thank you, Committee Chair White. I have in front of me also, John Buck from the Mayor's Office, who wants to speak on the behalf of the concession issue.

CHAIR WHITE: Okay. Thank you. Mr. Buck?

MR. BUCK: Good morning, Chair White and Committee Members.

VICE-CHAIR COCHRAN: Good morning.

MR. BUCK: Basically, what, I, I, I should clarify that, you know, we haven't got anything set in stone so we're open up for recommendations and discussion. And where we're at right now, we're started, but what the whole concept is from the Mayor's Office, is that we are looking for additional ways to generate incomes for the County, especially for the Parks Department to do the much-needed, you know, repairs that is always required. And in the economic state and, and trying to balance the budget every year, it seems like some of the times our repair budget goes down a little bit every year to make those repairs. So what we're trying to do is look at ways to make additional income. And what brought this all about is that the, I'm sure the Department, I don't know if the Department has really had some inquiries but I do know from the Mayor's Office that we've had inquiries about the various lunch wagons that are going around and setting up, that they've expressed interest at coming into our parks and setting up, you know, in some of the beach parks to sell like sodas and maybe some snacks and stuff. And we have that presence down by around Big Beach. But what the ideas was, was to RFP the...identify various beach parks where this would work. I do know that in some communications already with Councilmember Couch in, in regards to identifying locations in South Maui, there might be some issues with the locations in South Maui. But as I said before, we're really looking at opening this up for discussions, want to see...may...we'll take recommendations how to do it, but the plan was, was to identify various beach parks to set up, put out to bid, it'd be like an RFP, put it out to bid, the highest bidder gets for the park at various beach locations for right now, basically just to sell sodas and shave ice and, you know, snacks and stuff. And one of the things with the, you know, we're proposing, a proponent now of healthy living and healthy communities, that part of the bidding process would be they would have to include healthy snacks, you know, healthy things just besides junk food. So we want to encourage healthy eating, too. That was for Mr. Couch's benefit, no. But I, I mean, we should look at all options but that's where we're at right now. It's, it I mean, as you know, if you drive by the harbor, there's a lot of food vendors down there right now and they are busy, and like I said before, we are getting a lot of calls from various. . existing food vendors, especially the lunch wagons who want to set up in the park. So that's where we're at. And if Mr. Baz has any other comments, I'll let him speak.

CHAIR WHITE: Okay. I, I want to welcome Mr. Baz. I don't think I introduced you at the beginning of this item. So thank you for being here. And, and, Members, do you have any questions for Mr. Buck or Mr. Baz or Mr. Correa or others? Mr. Couch?

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COUNCILMEMBER COUCH: Thank you. And I want to thank Mr. Buck for including the, the stuff we're talking about. The Mayor and I and Mr. Spence and a few other people went to Washington, D.C., for Pioneering Healthy Communities, and part of it was allowing for healthier snacks at locations that people can get to, so I want to thank you for including that. I wanted to...I've got a ton of questions here but I'll just start from the top. I noticed in the, in the ordinance that you're looking at, you're trying to do a minimum of \$300 a month per designated area. I'm just curious why you picked that number when two, three lines above, at a fixed location there's a five-year lease for Tutu's at Hana Bay for \$4,000 a month. Why the disparity and, and why not--

MR. BUCK: ...*(Inaudible)*... Thank you, Mr. Couch. That was just a starting point. Where we're, what we're looking at will be the same as happens with Tutu's, the golf course, and the, the two concessions at the golf course--it will be the highest bidder that bids for that opportunity to operate out of the, the park. So it was just, it was just a figure that we've thrown in, but we know, we knew that was a low-ball figure, because it's going to be based on the highest bidder going in there. So, 'cause what happens with the Tutu's, they...it goes out to bid every five years and whatever the highest bidder is, is what gets posted in the budget ordinance, so that's what we're planning on doing on, in this case, too.

MR. BAZ: Thank you, Mr. Chair, just wanted to --

CHAIR WHITE: Yes, please feel free to.

MR. BAZ: --elaborate on Mr. Buck's last comment, about the budget ordinance, Rates and Fees section. And it, if you noticed this past year, Tutu's was lowered from \$6,000 a month to \$4,000 a month, and that's based on the bids that came in. And what you'll see in next year's Budget is a change to the golf course concessions that currently in Rates and Fees is \$27,500. When the bids came in, it was only about \$23,000, so you, you'll see those fluctuate based on what's in here. And, and as was mentioned, we wanted to start with just some kind of a number.

CHAIR WHITE: What I'm, I believe clarification should also be made that these are *fixed* facilities. These are not, these are not lunch wagons coming in. The golf course facility and Tutu's are all in, in County buildings.

MR. BAZ: Yes. That's, that is correct. So there's additional cost and benefit to the vendor.

CHAIR WHITE: Right.

MR. BAZ: Cost to the County, benefit to the vendor. Thank you.

CHAIR WHITE: Mr. Couch?

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COUNCILMEMBER COUCH: However it does say, “portable food vendors in or on buildings, parks or land under jurisdiction of the County”. So I, I’m assuming you’re allowing, you’re going to be allowing somebody to come into a potential building on a park, is that correct?

MR. BUCK: One of the areas that we were looking at was in...it was built for that, was the Lahaina Aquatic Center. It does have a concession there and that was one of the areas that we’re looking at. . .as a building. We were looking at the lunch wagon concept right now so we, there would be no really expense as far as having to build buildings, you know, or provide the services or. And we thought it, with it being portable it wouldn’t be a real fixed structure there, that it, it could come out every night and not get vandalized and whatever, things. And we could work on that as--this is just kind of a starting point and then we can look at do we want a, a more permanent building to expand what, what’s going on in, in the concessions, but we’re looking at right now, just provide a service to the tourists and people that use the parks instead of having to drive down, pick up stuff at the store, bring it in, that you know it’s there as a convenience for them and providing additional income to the County.

COUNCILMEMBER COUCH: Okay. I, I have a bunch of other questions, but I’ll let the other Members talk.

CHAIR WHITE: Okay. Ms. Baisa?

COUNCILMEMBER BAISA: Yes. Thank you very much. Thank you, Mr. Buck and Administrative team for your recommendation. It’s a good starting point. I was just wondering, did you try to get any information from other people that are doing this type of thing, what, what the potential income is for this? Or is everybody not talking? . . .*(laughter)*. . .

MR. BUCK: I guess it must, must be, must, you know, be, I, it must be profitable to the people who are doing it because, you know, we get, we’re starting to see more and more alongside of the roads. And I haven’t got any, you know, real figures, what’s the potential income. You know I heard that some of the vendors done at harbor, are doing quite well, and if we can get a percentage of that, that, you know, would help our budget. Of course, we have no jurisdiction what’s going on at the harbor. I will let you know that the County of Kauai is going through public hearings right now, administrative rules in regarding concessions in their beach parks, too, so, you know, this is not a new concept.

COUNCILMEMBER BAISA: Definitely not a new concept. I did want to comment on the healthy snacks. While I am totally supportive of the idea of having healthy snacks, I am also very aware of the fact that these are beaches or parks or whatever and a lot of people like to go and enjoy what they enjoy. So I would suggest that we might have a variety of things so that for people like me who want to go and enjoy a Ball Park frank. . .there’ll be others that want to have yogurt and you know, that’s...the choice should be there if we’re going to make this successful. Thank you.

CHAIR WHITE: Mr. Baz, you wanted to add a --

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MR. BAZ: Yes.

CHAIR WHITE: --comment?

MR. BAZ: Thank you, Mr. Chair. Another consideration, if you look at the proposed Rates and Fees is awarded annually, and that question came up of why would Tutu's be a five-year lease and this one we're looking at annually. And that has to do with couple things. One is this is new; and so we wanted to make sure we get the weeds out before we do long-term commitments. The second thing is, is that as it becomes more profitable, the vendors will compete for and, and will be willing to pay more and more dollars. So if we do it on an annual basis versus a five-year basis, I mean there may be subject to more fluctuations in revenue and that, that's true, but we're hoping that in the initial stages at least it'll be a fluctuation up. So those are just another consideration in that area. Thank you.

CHAIR WHITE: Thank you, Mr. Baz. Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you, Chair. And. . .no, I'm...this would be, yeah, revenue generator for sure. I'm just curious, I guess at this point we're only discussing food vendors, food and drink type of merchandise sale. What if they start going, wow, we call for beach chairs and charcoal and sex wax and you know...that's for surfboards for people who don't surf.

COUNCILMEMBER COUCH: ...*(Laughter)*...

COUNCILMEMBER VICTORINO: : I knew that.

CHAIR WHITE: I knew what it was.

VICE-CHAIR COCHRAN: And items like that.

ALL: ...*(Laughter)*...

COUNCILMEMBER VICTORINO: Sorry, Junior. I knew that. Thank you, Ms. Cochran.

CHAIR WHITE: I knew that as well.

COUNCILMEMBER VICTORINO: ...*(Inaudible)*... We all knew that.

VICE-CHAIR COCHRAN: So --

CHAIR WHITE: But there were, there were a couple of --

VICE-CHAIR COCHRAN: --you know, umbrellas.

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CHAIR WHITE: --jumps . . .(inaudible). . .

VICE-CHAIR COCHRAN: I saw eyebrows raised so I had to clarify. So, we're only focusing on food, like food vendors per se here at this point?

MR. BUCK: That's correct. We wanted to start, we wanted to start it off there. If we go into other areas, then we might be competing with some of our existing operators who provide some of the services and, you know, like some of the rentals of boogie boards and stuff. But there has been definite need for food vendors. Like I said, we've gotten calls. And then as we, this pans out, we wanted a starting place, as this pans out, then we can always consider where we're going to expand. That might include, you know, having to put in a more of a permanent structures and, you know, we're also down the road maybe looking at the idea that, you know, right now, example could be Kanaha, that maybe instead of...maybe one of the things of the concessioner can do farther down is maybe run the camping program and monitor the campgrounds and they collect the fees. And of course give us the, you know, a portion of the fees of the camping permits and, and, you know, things like that. That's one area we may be able to go in the future. But right now, we're just looking at the food, food vendors.

VICE-CHAIR COCHRAN: Uh-huh.

MR. BUCK: They're out there, I think they're going to expand more because...but Mr. Couch will, also knows that we do have a situation down in South Maui where we do have vendors who setting up alongside of the road and they are causing...there are some concerns of not only safety but as far as just the, their locations. And we were thinking that maybe this would draw off those people to maybe move from the current locations and, and maybe we could have a win-win situation here.

VICE-CHAIR COCHRAN: One follow-up, Chair?

CHAIR WHITE: Sure.

VICE-CHAIR COCHRAN: Thank you. So I recall discussing this during budget. And in reflection on what happened in Waikiki, Ala Moana Beach Park, with those concessions, there was a lot more added trash that was produced because of this. So, just, you know, looking how are we going to address that or, or just notate it, you know, that, that could be a big concern...oh, Mr. Couch has that notated. As it is, I've already...we have Maui Disposal containers at our County parks right now, so obviously our litter receptacles can't even handle what we have at this point. So just a little notation, Chair.

CHAIR WHITE: Yeah. That's a very valid point.

VICE-CHAIR COCHRAN: Thank you.

CHAIR WHITE: Mr. Pontanilla, followed by Mr. Victorino, followed by Mr. Couch. Mr. Pontanilla?

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COUNCILMEMBER PONTANILLA: Thank you, Chairman. You know, kind of fascinating, I like the idea, you know, bringing in revenue to the County. But rather than go hog wild all one time, maybe we should make like say, a pilot program at, at one of the parks. Because what I envision is that if there's a popular vendor there, it, it may hamper the park itself, because we may lack some infrastructure, parking, bathroom facilities, things like that, yeah. So wherever we choose, we gotta make sure that the things that we provide the community should be there. The other thing is that, you know, we all talk about Tutu's, yeah, and their lease, \$6,000 or \$4,000 a year. One of the things that, you know, and I had a conversation earlier with the Budget Director in regards to, you know, monthly payments, I would rather see an annual payment. In, in other words, if \$300 is the number that we looking at, rather than \$300 a month, you pay us \$3,600 a year, so if the vendor doesn't make it--because they going have to include in their budget a number for revenue. So, if, if we don't generate the revenue, then, you know, they gotta explain why. And that's the reason why for an annual fee rather than a monthly fee. So I, I, I'd like to see something like that. Again, you know, like Mr. Buck had said, you know, we gotta take a look at, you know, what, what type of vendors, which parks, so this is basically starting from scratch. I...several years ago when we were talking about downhill bicycling, one of the ladies up in Kula gave me a report regarding how much one park--Hanauma Bay, I think it was, how much they make a month, almost \$40,000 as a, as a lease to the City and County. So, yeah, really we can make some money, you know. So, you know, if and when we venture into this, I, I'd like to see a pilot. Thank you.

CHAIR WHITE: Okay. Thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you. And first of all, Chair, I'd like to say thank you for allowing me to be here. I know this is the first time and I also want to say that I came in special, not only for this, but because our esteemed Parks Director was here and I was so taken by that, I had to come in.

ALL: ...*(Laughter)*...

COUNCILMEMBER VICTORINO: So I want to recognize Mr. Correa and his outstanding work. No, I want to recognize his outstanding work, and then you guys were talking about the golf course. I've heard many, lot of, many positive comments, the golf course is and has continued to get better, so I want to recognize that, you know. Mr. Correa and your Department has done an excellent job over the last eight months, you're keeping your word, so I'll keep my word. You said, I show up, you show up, I showed up. Okay, this issue. First of all, I'm concerned on two areas. Number one, I agree with Mr. Pontanilla, a pilot program; and a pilot program in various regions would be also important. You know, West Maui, South Maui have different dynamics than you would have in Central Maui. There are more tourists that use our parks there, so the potential for them to make more is extremely better there. So I'd like to see higher rates and, and, you know, things of that nature in those areas versus Central Maui, because Central Maui, Kanaha is still used basically by locals, okay, windsurfers, people like that, but really still more on the local. What about Keopuolani, you know, that's another different type of park. Are we

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going to put vendors in our Little League parks for which the Little League has their concession and has had a concession for many years? Another issue is where War Memorial. If we going to issue a concession for War Memorial for all the football games, which the MIL has been one of the ways they derive income to offset the travel costs and all of that stuff. You know, there are many dynamics, ladies and gentlemen, in this community when you talking vendors. I like the concept. I think the concept has come to fruition; in other words, it's time to look at it. So there's many issues that have to be dealt with. I just feel like this is a good time to discuss it, you know, whether it's 300, 500, 1,000. I disagree with Mr. Pontanilla about annually because I think then you chase away a lot of good people, maybe semiannual or quarterly, I don't know. But yeah, I agree with him in the sense of getting some money up front so that if they fail or if they leave town like what has just happened with our infamous Northern League baseball team, that we're not stuck with bills, and the County will be stuck with some bills. Hopefully we'll collect them all, and I know Mr. Correa and his Department is gonna work real hard. But this is important, you know, these are things that I don't want us or somebody else being left holding the bag. But it's a good idea, its time has come. I hear a lot of people...in fact, I've been at parks sometimes and I want to get a soda or something, then I gotta get in the car and drive all the way to wherever I need to find a soda and come back. So, I think it's, it's the time, the time has arrived, but I think we got different dynamics. We gotta be really careful that we don't hurt a lot of our youth and non-profit groups, that the little extra income they make off of their little, quote, vending for their events--whether it's the weekend with Little League or MIL with their football or baseball and all that, you know--I wouldn't want to hurt 'em because they're struggling right now. And again, remember, we have the highest per capita of travel expense of any league because we're a tri-isle. And that would be impacting Molokai, Lanai, Hana. Our rural areas would be directly impacted if somehow those vendors were to go into those particular venues and eliminate the MIL and other non-profit, Little League, Pony, whatever it might be, Mr. Chair. So, something to really consider. This is great. I support it in concept, but I'd like to see more numbers and more specifics on how we're going to implement that. And then the last thing I'll say, I kept hearing, oh, the guys on the roadway on Beach Road, you know, a lot of traffic. Well, you gotta remember that traffic is driving by all day. People pull over. When you go to parks, those would have to be people that specifically go to the park for whatever reason, whether they going to the beach or event. And I don't want family events to be inhibited either. Like for example on Kalama, you have a nice little serving area. I hope that wouldn't be changed for a vending, you know be used for a vendor and then a family has a picnic, different organizations have their picnics and they wouldn't be able to use the room. So again, I throw all that out there, Mr. Chair –

CHAIR WHITE: Uh-huh.

COUNCILMEMBER VICTORINO: --because it's important we look at everything, 'cause the worst thing we want to do is make money off of the back of those who are struggling already--our non-profits and other entities and families. I don't want them to be feeling like they now cannot, you know, bring food in. And, and I, I, I'm exaggerating a little bit in that area, but I just don't want vendors coming in and saying, oh, you can't bring this in, you can't bring that in. That would be the last thing I want to see on any vendor and I'm just afraid some of this may occur.

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But again, conceptually, Mr. Chair, I agree wholeheartedly and I'm very thankful that the Parks had brought this, because this was discussed, Joe, two, three years back, yeah, we brought this same issue up. So this is not something new. I think it's been around, but maybe the time is now and the time is right to put something forward. Thank you, Mr. Chair.

CHAIR WHITE: Thank you. And you, you know, you make some very good points and I think this is, just points out the complexity of doing something like this, because you've got parks where, I know the, the people that use the park don't want anything there. They don't want any interference, they don't want any outside influence, and yet if you look at some of the challenges that we have with, with parks maintenance, the Chair's feeling is that it would be wonderful to have added presence there. Because that added presence in some of our parks may simply deter some of the vandalism that takes place, may deter the, you know, the theft of toilet paper and paper towels and things that people at certain times of the day and certain parts of their lives find very important. So I'd like, you know I brought this forward because we need to give them something to go on. And just for clarification, either Mr. Baz or Mr. Buck, what the request is for \$300 is simply the minimum rate, that's not the rate.

COUNCILMEMBER VICTORINO: Yeah.

COUNCILMEMBER BAISA: Right.

CHAIR WHITE: So it would be put out to bid as you pointed out.

MR. BAZ: Yeah.

CHAIR WHITE: So I believe Mr. Couch was next, followed by Ms. Baisa.

COUNCILMEMBER COUCH: Thank you. And as Mr. Victorino so eloquently. . .and eloquently put it, we don't want to go near. . .established businesses. The, the one problem in South Maui is that almost every park--I think there's one that isn't across the street from established businesses, and that's what the fear is of the Kihei Community Association and, and the people of South Maui is that the businesses across the street. So for instance, Kalama Park and, and whatnot, we got to be very careful about something like that, I just want to point out to the Administration. The other thing is the Little League, as, as Mr. Victorino mentioned. The new park, the South Maui Community Park and can we do something about that name? South Maui Community Park is...we'd like to see if we can do something about the naming. ...*(Laughter)*...

COUNCILMEMBER COUCH: Maybe make it the, the Glenn...

CHAIR WHITE: Stick, stick to the subject, please.

COUNCILMEMBER COUCH: Sorry. ...*(Chuckle)*... The South Maui Community Park has a built-in concession stand for, I'm assuming, for the, the, the soccer leagues and for the Little League or whoever is going to go up there, so we don't want to compete with those, as, as Mr. Victorino

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said. As far as the stuff in Makena, I guess that goes to my question on “designated area”. What is a “designated area”? The, the issue with Makena, several issues. People are parking their trucks within 15 feet of the roadway; they’re putting signs out within 15 feet of the roadway, which is normal setbacks; and then their customers, which are generally tourists who as we know leave their brains on vacation back at home, they stop in the middle of the road, they stop right at the edge of the road. So they’re causing traffic issues in Makena and the residents there are saying somebody’s going to get hit some time and then the County’s going to be liable because of their deep pockets for a lawsuit there. So we have to work on how we handle that as well. And I agree with Mr. Pontanilla, we do need a pilot project--and, and my guess is Kanaha is going to be the, the most likely suspect there for a good, a good test. But you’ve got the issue, too, of these, these roadside vendors--we don’t want to squelch businesses but you’ve got restaurants that have to do SMA permits and they have to do all of these permits, and then all of a sudden a truck comes up, puts up a tent, a permanent tent for more than 30 minutes. I believe the, the current rule is 30 minutes, but they put up an awning and benches and they’re essentially skirting the SMA rules as well. So, we have to take all these into consideration. We don’t want to discourage but we do want to encourage safe, extremely safe instances on, at least on County property. And I, I think most of the parks in Makena that they’re going to are County pieces of property. So, are you guys taking that into consideration, Mr. Correa or Mr. Buck?

MR. BUCK: Well, as far as in the designated parks area, we would designate an area that they would set up that would probably have the least amount of impact, taking safety into consideration, the least amount of impact on the use of the park. As far as...and that would maybe helpfully, that those vendors who were not--you know, we know two vendors we’re talking about right now, hopefully, they will decide by, might be more profitable go to another park that’s maybe got higher traffic than people driving by. Or it might get to the point that, you know, we start working on the issues about what’s going on, that they might be encouraged--because we have this opportunity for them to bid on a park--that they’d be more likely to put a bid in so they would stay in business and not be shut down. You know, we want to keep, try to encourage keeping the businesses open, but then we need to address some of those safety issues. But in the County parks itself, they will be areas that would have the least amount of impact, even if we have to carve a little niche some place for them to set up so it doesn’t impact them. And, and in regards to the trash, yeah, there would probably be an increase in trash. One of the things that could be part of the, you know, as again, we’re open up for discussion because maybe part of, one of the things is, is that you help with the trash, keeping, ensuring at least around “x” amount of feet out, around where you’re setting up concessions that they be in charge of, be sure the trash cans are emptied on a regular basis. That could be part of the contract too when we put it out to bid. So we’ll take some of that stuff into consideration.

CHAIR WHITE: Thank you. Okay. Ms. Baisa?

COUNCILMEMBER BAISA: Yes. Thank you very much, Chair. This is a wonderful discussion. First of all, I want to say that I really think that Member Pontanilla has come up with a pearl--and that is the idea of a pilot program, where we find a spot or couple spots that don’t have all of these concerns that we’re talking about, like it’s not close to other vendors or it’s isolated. You

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know, I remember the days when we had younger children and we used to go to Hookipa a lot and we would've really liked to have something there 'cause it's kind of far away from everything and unless you packed it, there was nothing. So you know, we could find spots like that and just do maybe a year contract and see how it works. And then it would give us a better idea of what the revenues are. It also would give us an idea of the impacts and then we could sit here again and, you know, take a deeper look at this with some information. As it is, we're kind of...you know, we all know what we're dealing with, with the competition. We know what we're dealing with in terms of, you know, what we want or maybe parking or whatever, but I think once we have an experience, then this discussion would be a lot more productive. And I certainly want to say that I think that whatever contract we do, we need to address the issue of trash. You know, I've heard that in other, in places throughout the country, you know, they have wrappers and, you know, like fast food places have wrappers with the identification or their logo on it. And so if there's too much of that, then they fine these people and make them pick it up or they charge them a fee to pick it up or something. So, you know, we can think about that. If you going to cause a profusion of stuff all over the place, then I think you should be required to pick it up. You don't only get the, the rewards of it. You have to do some of the, the stuff that's associated with doing it. So I think how we do this first contract will be very important, but I think Member Pontanilla has a very good idea of doing a pilot, a small one and then we go bigger. But let's get going because, you know, this is a revenue generator and we're talking about money, we're all strapped for money and we're also looking for jobs and this provides people with work. So thank you.

CHAIR WHITE: Yeah. Ms. Cochran?

VICE-CHAIR COCHRAN: Thank you. I was just curious about a rotation basis of the vendors themselves, you know, if...to have the same guy there every Saturday, you know, or was there any thought into, you know, looking into rotating the type, I mean, we're talking about healthy snacks, certain vendors might just sell pasteles; other one, only shrimps; you know or hamburgers. So, just curious, I mean, to spread out the variety of what is being sold or where one particular type of, you know, foods would be more popular than others. Or would that just be up to vendor themselves--choosing where they want to be or, or how does that...was that thought, thought put into?

MR. BUCK: We haven't really given it much thought. One of the issues though will come up and it's quite evident with the CORA's enforcement. So we, we could look at that, but I think if you have the same vendor in the same parks, makes the enforcement of the illegal operators a lot easier on the Department and then the other enforcement officials. Part of the, the process of bidding--and like they've done in some of the other municipalities--part of the bid process, they would submit a sample menu that would be approved by the, the Department to be sure there's a variety. Instead of having just one item, I think, you know, I'd like, you know, even though we're trying to promote healthy eating, I still like the. . .was it a Ball Park frank? What's the big controversy now, which is the best hot dog or something? But anyway...

VICE-CHAIR COCHRAN: Maui hot dogs.

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COUNCIL MEMBERS: . . .*(Inaudible)*. . .

MR. BUCK: I provide, I provide...Maui hot dog, of course. But part of the bidding process would include the, a sample menu that they will be selling and the prices, because what we don't want is a hot dog being selling for 10 bucks, you know. If that's the case the vendors going to do, then we may not go with that particular vendor. But that's how most municipalities, when they set it up they, they also have to approve the price range that the prices are going to be and the type of food that's going to be sold, and also look at how much rubbish is going to be generated from that particular item too.

CHAIR WHITE: Mr. Baz, you had a comment?

MR. BAZ: Yeah. Thank you, Mr. Chair. Just a couple of notes on that. One is that and I think we had this discussion when it came up during the budget session is, is that the vendors will sell what the market will bear. Whether it's healthy food or Ball Park franks or Maui Dogs or whatever they're going to sell, it's going to be what people are going to want to buy and, you know, that's, that's just general business sense. And yes, you know, it'd be very, it'd behoove us to put in restrictions that, you know, that we need to approve necessarily what those things are and what they're selling at, because we don't want gouging and things like that. But again, if they gouge too much, then the next time it comes up for bid, then, you know, or they're not going to have any sales either, so people will go to some other place to, to go shop around. The other item for consideration is that, you know, we were hoping to generate revenue and that revenue would then could possibly go to the cost of extra trash pickups--whether they be through contract of Maui Disposal or Ka Lima or Parks employees or whatever, we have to figure that part out. But you know, so the consideration of, yes, there will be more trash? I guarantee you there'll be more trash. But there will be also revenue to cover those costs. Additional usage in the, in the restrooms may mean additional cleanings, and we're going to have a better facility if we can generate more revenue for these facilities. Also the, the...I was reminded that this--just for your consideration and discussion, Hookipa and Kanaha are both State-owned land, so we would have to get permission from DLNR or somebody for that use.

VICE-CHAIR COCHRAN: I had follow-up.

CHAIR WHITE: Okay.

VICE-CHAIR COCHRAN: You know, there's certain parks that get events that happen such as canoe races, and I think they were selling food, the State race just happened in Lahaina. So were those vendors being charged to be there and if not, how are they going to feel about now being charged to be at, at things like this or? And also, there's people that sell stuff on the side of the road for free, they don't have to pay a rent there ...*(chuckle)*... I see them in Lahaina and off Ukumehame and places.

COUNCILMEMBER COUCH: Oh, yeah, that's what, that's what this fees supposed to be for.

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CHAIR WHITE: So which one of you would like to address that? Go ahead.

MS. ALMEIDA: In that particular instance, we also have our event permits, which are temporary up to three-day permits that the Parks Department issues for all different types of events. And in that particular instance, there was an event permit –

VICE-CHAIR COCHRAN: Uh-huh.

MS. ALMEIDA: --for that canoe race, which allows them to do food concessions and things of that nature under the umbrella of the permit, provided all necessary paperwork is submitted prior.

VICE-CHAIR COCHRAN: And they had a fee?

MS. ALMEIDA: Yes. There's...

VICE-CHAIR COCHRAN: Well, how much was...

MS. ALMEIDA: The permit fees as set forth in the County Code. So, are you referring to Hanakaoo Park?

VICE-CHAIR COCHRAN: Yeah. Or just in --

MS. ALMEIDA: Canoe Beach?

VICE-CHAIR COCHRAN: --in any, any event that might occur somewhere.

MS. ALMEIDA: Well, so it's dependent on the specific location and the type.

MR. BAZ: Mr. Chair? Reference to that is in Appendix B, which is the Rates and Fees part of your Budget –

VICE-CHAIR COCHRAN: ...*(Inaudible)*...

MR. BAZ: --where it references the community center fees and stuff like that. And there, in there would have detail of...and there, there's one category that's basically any other type of facility. I'm sorry, I don't have the page number for you in reference, but it's in Appendix B of your Budget Ordinance.

VICE-CHAIR COCHRAN: Okay. So...

CHAIR WHITE: Ms. Almeida, do you have a sense of what that fee was?

VICE-CHAIR COCHRAN: Just a roundabout. Is that ...*(inaudible)*...?

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CHAIR WHITE: Just a round figure.

MS ALMEIDA: It was probably put in by the canoe club, which means that it would have been approximately, maybe two or three hundred dollars, depending on how many beach parks were involved.

CHAIR WHITE: And that would be a daily fee or a fee for...

MS. ALMEIDA: That would be a daily fee and that's in addition...that's the fee itself, not including custodial deposits and things of that nature.

CHAIR WHITE: Okay. Thank you. Ms. Baisa?

COUNCILMEMBER BAISA: This sparked another idea. You know, being that we don't know how much to charge for a fee because we don't have historical information to use, you know, I remember in my fundraising past, which goes way, way back to doing the rodeos when I was starting MEO. We used to do fundraising and we would not only pay for a booth space, but we would also give a percentage of our take. And I don't know if that's still done 'cause you know I've been out of that kind of fundraising for a while, but that's an option. And, you know, that would make a big difference because if we give somebody something for \$300 and it winds up that they're making, you know, quite a bit of money 'cause they hit on a park that really does well or vendors that bring in really good food, they could be bringing in a substantial amount of money and we're going to have no access to any of that. And I think that if you do that, it could be something moderate, doesn't have to be a lot, but something. And that would help us with this idea of having to spend some of money that we get from this. 'Cause what we're looking for is additional money, not money to spend on that project. You know, if we take in fees from the, from the concession and then we spend the fees to pick up the trash and do all the maintenance, then what are we making to add to the County budget? Actually we're, we're providing a service to the beachgoers, but we're not, we're not with the eye on the prize--which is more revenue. So it could be a moderate fee and a small percentage, and then, again, it's a pilot, so you try it out and then you get the idea. And everybody's going to say oh, yeah, they going to cheat and how are you going to keep track of that and whatever. But while you may lose some of it, at least you get some of it.

CHAIR WHITE: Is it correct to assume that you all have, when you have a contract with somebody like Tutu's, you have the ability to audit their books to verify revenues and things of that sort?

COUNCILMEMBER BAISA: No. This is my, fundraiser is my history.

MR. BUCK: I would like to address Ms. Baisa's question as far as percentages. That's kind of the reason why we wanted to go to a bid process and the highest bidder gets it. From my experiences of 26 years in the Parks Department, if you look at Type V, it says whatever the fee is and 10 percent of the gross, whatever is higher. My experience is nobody has *ever*, in

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26 years, has paid that 10 percent--that I know of. So, well, it's 15 percent now. So, just from my experiences, maybe I'm wrong, but from a lot of the events I've done. So we feel it's better, and the market will bear what. . .the, the, the high bidder...I mean, technically, somebody could right now by ordinance do a commercial activity in a beach park under a Type 5 license, and they would be paying, I think it's \$400 a day or 15 percent of the gross. Okay. And then anything more than three consecutive days they would have to get Council approval. So if you times that by 30 days, that kind of would be what an individual vendor would be paying every day, I mean for the month. So that's kind of why we do the bid, we're going to do the bidding process--just to try to make things a little bit easier and then trying to figure out the 10 percent.

COUNCILMEMBER BAISA: Chair?

CHAIR WHITE: . . .*(Inaudible)*. . .

COUNCILMEMBER BAISA: I think I heard you say "the fee or".

MR. BUCK: Yeah. It was either, whatever is greater. And in my experiences, it's *always* been--if it's a \$300 rental, their gross income was always \$3,000, so they only paid the \$300, it was never over.

COUNCILMEMBER BAISA: I, I, you know, we're all smiling here but, you know, I'm not smiling because, I, I'm concerned about the tax consequences of this. Because if this is business income, then it needs to be reported appropriately and it needs to be taxed appropriately. And I think that's our job, as a people that are letting a contract, to make sure that happens. And, you know, I don't go there--that if, if it's always going to be less than the fee, 'cause that's not true. Many times it is more than the fee. I, like you, Mr. Buck, I've been in this game for probably 40, 50 years, and I've been fundraising my whole life. I know the potential. I used to do the Makawao Rodeo and it wasn't unusual that we bring three, four, five, I made \$3,000 one day to put in a new lift in a van. You know, there's money, and the prices today are much, much higher than they were then. So we're not talking about little money, if you happen to get a good park and a good vendor. So I don't know, you know we could require them, with, in today's technology, there's no reason why they cannot punch in the sales. These computers don't cost that kind of money anymore.

CHAIR WHITE: No.

COUNCILMEMBER BAISA: Yeah.

CHAIR WHITE: Mr. Couch?

COUNCILMEMBER COUCH: Thank you. And Ms. Baisa, I want to find out where your camera is 'cause you're looking right at my notes on percentage of sales . . .*(laughter)*. . . or, or great minds think alike. I think that's more like it.

COUNCILMEMBER BAISA: I think that's ...*(inaudible)*...

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COUNCILMEMBER COUCH: There you go. On the percentage of sales, you can always do...the vendors always have to provide a GET --

COUNCILMEMBER BAISA: Uh-huh.

COUNCILMEMBER COUCH: --license, a quarterly if they make so much per month so. You can always request to look at their GET. I think it's, I forgot what the form number, 49 or something like that. . .and, and do your percentage off that. But Ms. Baisa's right, there, you can bring in a lot, *a lot* more than what our minimum fee might be. And, and you're right, you're going highest bid so maybe you can put as part of the bid a percent as well. The other issue is, what do you do about, I mean, does this, is this going to affect the local fisherman that go alongside of the road and sell akule or the pasteles that, that you see here and there? Is, is that, is this going to be a part of that 'cause those are *occasionally* on a weekend or however, when they catch their fish, or sometimes strawberries come around or...I don't know.

CHAIR WHITE: I, I believe we only have jurisdiction in the *parks* or if it's on our property. Mr. Baz?

MR. BAZ: Thank you, Mr. Chair. We, actually, looked at, at that and it came a discussion of some of those vendors on South Kihei Road that are currently occupying parking stalls to sell their goods and, and food and things, as an issue and that this may, if it's on *County* property--and the language in here is actually taken out of Chapter 3.4 [*sic*] of our Maui County Code, is in or on buildings, parks, or land under the jurisdiction of the County. The most of, I can tell you just from experience most of those fish vendors are on State highways, which we don't have jurisdiction over, or private lands such as the, over by the Kahului Harbor. And so all of this discussion--whether it's percentages or whatever--comes down to enforcement. And if we have the personnel--just like we have the personnel in Real Property Tax to do enforcement--if we have the personnel to do enforcement, then we can catch every penny that wants to come through. If we set the policies that we try to get as much as possible without having to do the nth degree enforcement, you know, this is something that we're look...want to discuss with you and get your input as well.

COUNCILMEMBER COUCH: Alright. Thank you.

CHAIR WHITE: Okay. Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Thank you, Chairman. Just one more comment from me. In regards to, you know, making a pilot program, you know, as we do the rules or the policies regarding, you know, if we venture into, you know concessions in a park, by having that pilot, you know, we can, one year, have one year to take a look at the things that need to be added in the policy or rules that would help out, you know, kind of refine this thing. So, I, I think with the pilot, you, you can do, you know, both, yeah--see how the program is working and, and then taking a look at the different rules or policies that we set, maybe making some adjustments, you know, during that one particular period. So...thank you.

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CHAIR WHITE: Okay. Thank you. Mr. Mateo?

COUNCILMEMBER MATEO: Mr. Chairman, thank you very much. And, and I agree. I think, you know, the pilot program gives us the opportunity to actually get a better gauge as to *what* possibilities are in terms of what these vendors actually make. So within this, this short window we'd have the opportunity to take a look at fee and percentage or which, whichever source we'd like to do. But I think, you know, after listening to all of the discussion and the Department looking at it for quite a length of time, I think the next step for us is, is do it. You know, recognize the sites, create the criteria for the vendors to abide by, add the procedures and the processes, and do it. You know, 'cause we can talk until we all blue in the face, but I think, you know, like the consensus is, this is an opportunity for *us* and a service for the people at the parks, so it, it fits. And Mr. Chairman, thank you for bringing this item up for discussion because it's really been valuable. So, you know, I think, I think there is an extreme opportunity. And, gentlemen and lady, we look forward to the whens, the wheres and the hows. Thank you.

CHAIR WHITE: Thank you. Any other comments or questions?

VICE-CHAIR COCHRAN: I just have a comment, just having, coming back from Portland, Oregon. They have full-on city blocks that are occupied by these portable lunch wagons and they're like high-end, like fine-dining almost, you know, kind of concept, where the foods are just outrageous. So it's a, it's a good thing. And yeah, Portland's thriving on, on these types of vendors, so thank you for thinking of this and let's move it forward. Thank you, Chair.

CHAIR WHITE: Thank you. To the Department and Administration, you can see there's a lot of interest and yet, some caution as well. The Chair's experience on, on Kaanapali Beach--and we, we built a structure for beach activities, beach rentals and things of that sort. And our, our lease is \$5,000 a month and, or 11 percent. And our experience is they hit 11 percent about half the time, so we pay the percent, they pay the percentage rent half the time. This, and the, the reason I felt this is an important issue to discuss is that I realize there are people that don't want anything to happen in our parks other than what's going on now, but at the same time, I think there is a valid reason for us to evaluate a park-by-park implementation of something. And so my question to you all is are you planning to bring any kind of legislation to us that would outline your intent as to, you know, going beyond just the lunch wagons and doing, doing additional things in the parks. I know there's been some discussion about transforming some buildings into potential concessions. So is there an intent to at some point provide us with, with legislation?

MR. CORREA: Thank you, Committee Chair White. For the Parks Department, we'll look into this and we'll get you folks whatever information you folks need before we implement anything so that we all can agree on the site, the rules, the policies, and the fees so that we can make this thing happen. Thank you.

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CHAIR WHITE: Okay. My understanding is that to move forward we would need the Budget and Finance Committee to, to move on the, the minimum fee so that we can add that to the Budget. Is that correct, Mr. Baz?

MR. BAZ: Mr. Chair, from my understanding that is, that is correct. So what we would like, maybe from this Committee, whether it's official or just from your comments, is a sense of, a sense of direction that you would like us to present. We would be happy to present to, an amendment to the Budget and Finance Committee for the Rates and Fees for 2012.

CHAIR WHITE: Yeah. I think it's the sense of the Committee that we'd like to move forward along the lines proposed by Mr. Pontanilla, where we don't go...we're not giving you permission to go hog wild, but permission to move ahead. If...Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Thank you. Thank you, Chairman. You know, for the Department, you know, you, you've heard our concerns and, and recommendations. If you can work on some rules or ordinance of some kind so that we can move forward in doing this, you know, making this a reality? Once those things are set, then you know I'll take it up in my Committee in regards to fees and rates for this type of concession for the parks.

CHAIR WHITE: Thank you. Mr. Baz?

MR. BAZ: Thank you, Mr. Chair. The understanding of the Administration in presenting the proposed Fiscal Year '12 Budget and the amendment to include this vendor concession for portable food vendors was based on current County Code 3.40 and our, our ability to have concessions and things like that. And the idea was that in Rates and Fees, we present to the community what, you know, a presentation of what the Rates and Fees that are possibly going to be charged. And so that was the, the idea of us going forward with this, as far as just from Maui County Code 3.40. I guess it would help us if you'd like us to provide you with a more detailed, maybe amendment to Maui County Code which then would be, probably referred to either this Committee or I'm assuming the Policy Committee, or to present the idea to Budget and Finance as maybe a single park initially or a single set of parks initially and, and work off of the existing authorization in the County Code.

COUNCILMEMBER PONTANILLA: Okay. Can I have a short recess?

CHAIR WHITE: Sure.

COUNCILMEMBER PONTANILLA: Maybe a one minute.

CHAIR WHITE: We're in recess. . . .(gavel). . .

RECESS: 10:37 a.m.

RECONVENE: 10:40 a.m.

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CHAIR WHITE: . . .(*gavel*). . . Thank you, Members. The Economic Development, Agriculture, and Recreation Committee is back in session. It's now 10:40 on August 18th. Mr. Couch?

COUNCILMEMBER COUCH: Is Mr. Pontanilla finished –

COUNCILMEMBER PONTANILLA: Yeah.

COUNCILMEMBER COUCH: --with his thought there?

COUNCILMEMBER PONTANILLA: Thank you, Chairman, for that short recess. I needed to confer with our Budget Director. Since we didn't include any, in the budget process, any revenues for this particular area then you know, the sooner we handle this thing, you can add more revenues to the 2012 Budget. Thank you.

CHAIR WHITE: Thank you. Mr. Couch?

COUNCILMEMBER COUCH: Thank you. And this question is probably for Mr. Ueoka or possibly Mr. Lito, who's hiding in the back there. . .(*Chuckles*)...

ALL: . . .(*Laughter*). . .

COUNCILMEMBER COUCH: When we do this permit, how is that going to clash with the roadside vendor permit? 'Cause we are, we are talking about the, the, the trucks. The ones at the harbor are on State property, but the trucks are on County property and eventually this is what we're going to, but I'm kind of concerned that if we do the, the pilot park, is that going to cut out the trucks now or how's that going to affect what's going on with the trucks?

CHAIR WHITE: Whichever one of you would like to take a shot at that?

MR. UEOKA: I'm not 100 percent sure, but my understanding is that there are *no* current roadside vendor permits issued to, to food trucks in County parks, so there wouldn't be a direct clash there.

COUNCILMEMBER COUCH: But this talks about any designated area that the County. . .under the jurisdiction of the County. And these trucks are on County property.

MR. UEOKA: Correct. It would probably be with coordination with the Department of Finance, where we would make sure that they did not issue a roadside vendor permit to an area within a County park that there was an existing concession agreement in.

CHAIR WHITE: We, we've been joined by Mr. Lito Vila. Mr. Vila, if you would, wouldn't mind adding your comments and introduce yourself with title.

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MR. VILA: Good morning, Mr. Chair. Thank you. Lito Vila, the Motor Vehicle and Licensing Administrator. I administer the vendors' licenses, roadside vendors' licenses on behalf of the Director of Finance. And just to go back to that vendors by, on Kahului Beach Road. As I understand it, Kahului Beach Road is a State highway within so much. After that it's private property. Last I checked, it's owned by A&B. At this point in time, the County has not issued any vending licenses for those operators over there.

COUNCILMEMBER COUCH: My concern was Makena.

CHAIR WHITE: Right.

COUNCILMEMBER COUCH: And Makena, some of...I believe you have issued permits there. How is that going to coincide or conflict with these? Because these are vendor concessions now--and I'm assuming these are intended to pick up those vendors on, in, on Makena, the truck vendors on Makena. At least that's what it, it looks like here and it should because, then otherwise we're going to have two separate permits, and this one may conflict with the other, especially enforcement part. And that's the biggest thing, concern I have, is the enforcement.

CHAIR WHITE: I guess that, I guess that means it goes to you, Mr. Vila.

COUNCIL MEMBERS: ...*(Laughter)*...

MR. VILA: Okay. Thank you. Those, let's see, I have not seen any proposed verbiage for this proposed ordinance or if even there is one, I've only seen the agenda item. So I would recommend that when the proposed ordinance come out, that we compare with the current vendor ordinance. Presently, the vendor ordinance does not...exclude, there's an exclusion factor in there where it, it excludes County parks because they have their, currently, their own regulations for those. In anticipation of what may be coming up, I would guess or anticipate that we would need to look at the overlap of County public parking spaces bordering those parks that would have those concessions. There will be overlap. As far as Makena is concerned, Makena Alanui is a County highway. Makena Beach Park is owned by the State. The State had, I don't know if they still have a concession over there, I don't know if it's still in effect, but vending in those will require approval from the department, the landowner. So, and there is...hopefully that kind of answered your question?

COUNCILMEMBER COUCH: Sort of.

CHAIR WHITE: Maybe for Corp. Counsel--how would, how would you define "designated area" as it's shown in the, in the Budget Fee Schedule?

MR. UEOKA: Uh...

MS. ALMEIDA: ...*(Inaudible)*...

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MR. UEOKA: Designated area in the proposed, or in the draft, the...

CHAIR WHITE: The, the Budget Fee Schedule shows, is stated as, "portable food vendors in or on buildings, parks or land under jurisdiction of the County, awarded annually, limit one vendor per designated area, minimum of \$300 per month per designated area."

MR. UEOKA: . . . That falls under, I believe the County Code Section is 3.40, and that just goes over the authority of the County to do concessions in, on County property or leases in general. So I'm going to assume the designated area, when actually applied, would be limited to...well, I guess it would depend on which department is going to be issuing these, but because these all are in *parks*, I would assume therefore, the designated area would be list, limited to parks.

CHAIR WHITE: I guess the question is then, would the, whether the Department would take a look at, you know, in coming up with the, the pilot program, whether the Parks would look at where there already existing permits for roadside vendors and maybe not put one in a park near where there is, or the, the people in the, that are currently roadside vendors would be able to bid on the, the park locations as well, if they wanted to.

COUNCILMEMBER COUCH: Okay. And, and that's my, my concern, Mr. Chair--that, that when we do this pilot project, that we don't ace out those guys at this point. And eventually, once we get the program going--and this is for future--once we get the program going it all goes under one designee, probably Parks. And they...yeah, I know you don't want to do that . . .*(laughter)*. . .

MS. ALMEIDA: . . .*(Inaudible)*. . .

COUNCILMEMBER COUCH: But it all goes under one person and, and one department and we can have the proper enforcement and the proper... 'cause right now the, the, the Department of...I mean Department of Finance, they issue the permits and they're done, there's no...they don't have an enforcement vehicle, they don't have any way of, of checking on what's going on over there. And that's part of the issue. So, ultimately, we want to bring everything underneath one department and, that has an enforcement arm, which we do have park rangers right now. We may have to add more with, with the revenue that we get from these guys, but we need a little bit more control over, over the...the kind of, the Wild West out there down in South Maui.

CHAIR WHITE: Well, we have, you know, Mr. Correa's here. I believe he's known as the Lone Ranger so...

ALL: ...*(Laughter)*...

COUNCILMEMBER PONTANILLA: Mr. Chair?

CHAIR WHITE: Mr. Pontanilla?

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COUNCILMEMBER PONTANILLA: Thank you. You know, Mr. Couch bring out some good points. The only issue I have in, in regards to what I see that's being proposed, when you say land under...land under jurisdiction of the County of Maui, those roadside vendors actually are within the County road right-of-ways so, how does Public Work, Public Works tie into this here? What is being proposed is basically, what I'm hearing--you know, doing a pilot program in a park--but with the wording that I see, you know, "under jurisdiction of the County of Maui", it's open to all of the County roads that we own. So that's something that we need to address in regards to providing permits to the roadside vendors –

CHAIR WHITE: Uh-huh.

COUNCILMEMBER PONTANILLA: --because looking at this, the jurisdiction for the roadside vendors are basically Public Works.

CHAIR WHITE: Yeah. Mr. Baz, you had a comment?

MR. BAZ: Yeah. Mr. Chair, thank you. Since this was proposed in the Fiscal Year '12 Budget, I do have a little bit of, of reference to the discussion with the Deputy Corporation Counsel that helped to draft this. And what we looked at was Chapter 3.40, which is the existing, you know, rule, Code that allows us to have concessions and, and leases and things like that. In that 3.40, there is a specific reference to Chapter 13.04.150, which is specifically Refreshment Concessions within County parks. And the Director of Finance is going to be the one to designate buildings within the County parks and recreational areas that are suitable for permanent refreshment concession facilities, and permanent refreshment concession facilities shall be administered in accordance with Chapter 3.40. And it goes on to talk about temporary refreshment facilities. . .concessions may be permitted by the Director of Finance in buildings and on areas in the County parks that are not designated as permanent refreshment concession facilities, under the following conditions--and it goes through a specific list of conditions which the Parks Department reviews to be able to give non-profits and MIL and things like that use of, of those areas. So when we looked at it, that's what we were looking at--the existing County Codes. And according to this, it's the Director of Finance that would designate that. So since he has control over the roadside vendors *and this*, then we'd assume that they would have coordination in that.

...(Pause)...

CHAIR WHITE: . . . Okay. Mr. Pontanilla?

COUNCILMEMBER PONTANILLA: Thank you. This kind of bothers me because --

ALL: ...(Laughter)...

COUNCILMEMBER PONTANILLA: --I, I think this, I take this kind of serious because Public Works has the ability to govern road right-of-ways. And you know, we, we have safety committees that look at sidewalks and the like. I don't know if they look at, you know, providing food

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concessions on the side of County road right-of-ways. You know, that, that's an issue. So ...*(chuckle)*... if, if we going to move only for the parks, then I think we need some language change in here, just to take care of parks. Leave out the, you know, "other jurisdiction under the County of Maui" and just identify parks and, and buildings. . .make it more clean. Then the roadside vendors, you know, somehow be addressed, you know, by Public Works or by Finance. . .how we going to, you know, enforce any, you know, violation in regards to roadside vendors. So . . .

CHAIR WHITE: . . . Okay. Any other comments or questions? I, I apologize that, you know, I thought we were going to be done by 10:30 for a midmorning break, and I've been going on because I figured we might as well wrap it up rather than taking another recess. I think we've had a great discussion. I appreciate all your comments and concerns. And without objection, we will defer this item.

COUNCIL MEMBERS: No objections.

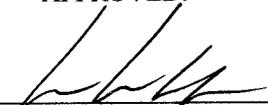
COUNCIL MEMBERS VOICED NO OBJECTIONS. (excused: GRH)

ACTION: DEFER pending further discussion.

CHAIR WHITE: Thank you all very much. This hearing of the Economic, Agriculture, and Recreation Committee is adjourned. . . .*(gavel)*. . .

ADJOURN: 10:54 a.m.

APPROVED:



MIKE WHITE, Chair
Economic Development, Agriculture,
and Recreation Committee

edr:min:110818

Transcribed by: Julie Zaner

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CERTIFICATE

I, Julie Zaner, 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 9th day of September, 2011, in Wailuku, Hawaii.



Julie Zaner