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M I N U T E S
ECONOMIC DEVELOPMENT, AGRICULTURE,
AND RECREATION COMMITTEE
COUNCIL OF THE COUNTY OF MAUI
COUNCIL CHAMBER, 8TH FLOOR
WAILUKU, MAUI, HAWAII
SEPTEMBER 1, 2011

APPROVED:



Committee Chair

ORIGINAL

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1 also joining us are -- let's see. We have -- no, we
2 have no Non-Voting Members today. Joining us from the
3 Parks Department is Deputy Director Pat Matsui. Good
4 morning, Mr. Matsui. And Brad Pierce, Park Maintenance
5 Superintendent. And in the gallery, we have Doug Myers,
6 Golf Course Superintendent. And with Deputy Corporation
7 Counsel, Jeffrey Ueoka here to answer any legal
8 questions. And, of course, today, we have Camille
9 Sakamoto, our Committee Secretary, and Legislative
10 Analyst, Scott Jensen. Good morning.

11 It does not appear that we have any testifiers
12 signed up. So if there are no objections, we will open
13 and close public testimony.

14 COUNCIL MEMBERS: No objections.

15 CHAIR WHITE: Thank you, Members.

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

18 CHAIR WHITE: This morning, we have just the
19 one item on the agenda, and as we continue the
20 discussion about the overall condition of Waiehu Golf
21 Course -- we, at our last meeting, discussed the
22 resolution to authorize the Chair of the Council to
23 enter into an agreement to update the turf audit.
24 Several of you had voiced a concern that maybe we needed
25 to do more than just a turf audit. So, initially, we --

1 the Chair had thought that it would be good to just
2 simply add the two audits together into one resolution.
3 But, after talking with Staff, we've decided to put them
4 in two separate resolutions. So before you today, we
5 have two proposed resolutions, one for the turf audit
6 and one for an operational and management audit.

7 So we'll take up the first -- though it's
8 under the same number, we'll take up the first reso on
9 the turf audit, if you don't mind.

10 COUNCILMEMBER HOKAMA: Mr. Chairman?

11 CHAIR WHITE: Yes.

12 COUNCILMEMBER HOKAMA: If I may ask a point of
13 information, please.

14 CHAIR WHITE: Uh-huh.

15 COUNCILMEMBER HOKAMA: What Staff told you
16 what we can and cannot do, please?

17 CHAIR WHITE: Well, it was suggested that it
18 might be a better idea to have two -- two separate
19 resos. And I -- I agreed. So --

20 COUNCILMEMBER HOKAMA: Okay. We'll -- we'll
21 come to that point later in the meeting. Thank you.

22 CHAIR WHITE: Okay. So, Members, the
23 resolution that we are looking at is the one attached to
24 communication dated August 24th, authorizing the Council
25 Chair to contract for an updated turf advisory service

1 visit at the Waiehu Municipal Golf Course. So with
2 that, I'd like to ask Mr. Matsui if he has any opening
3 comments?

4 MR. MATSUI: Yeah. We would welcome any more
5 advice we can get from the -- for the -- for the turf
6 side. As far as looking at operations and -- and the
7 management and marketing side of it, you know, the --
8 the cost we looked at -- we've looked at it before --
9 one proposal we got was \$22,000. And we thought that
10 was kind of steep. You know, we do have a lot of
11 information already in-house on -- as far as rates and
12 fees. And -- and so we thought that was kinda steep
13 amount to pay for that kind of information.

14 CHAIR WHITE: Okay. Thank you very much.
15 Members, any questions?

16 COUNCILMEMBER PONTANILLA: Oh, I get.

17 CHAIR WHITE: Mr. Pontanilla?

18 COUNCILMEMBER PONTANILLA: Thank you. When we
19 had the audit the last time, that was done by the USGA
20 Association. One of the things that was offered to us
21 at the time was a review at a later time by the person
22 that did the inspection. I don't know at what cost, but
23 he had offered us to take this plan, the one that we --
24 that he had done, with all the recommendation, and come
25 back at a later time to see the progress and provide us

1 more information in regards to the improvement of the
2 golf course. So I thought I'd bring that up, you know,
3 as a comment, so that we all understand that what was
4 offered at the time by USGA in regards to the audit that
5 was done for County of Maui. So if the offer is still
6 there, you know, I -- I -- I think one of the things
7 that we should be discussing is an update from that
8 particular person who did the first audit.

9 Thank you.

10 CHAIR WHITE: Mr. Matsui, any comments to
11 that?

12 MR. MATSUI: That's what we were looking at,
13 that -- you know, that same person would follow up from
14 his report and -- and see how far we've come, what we've
15 implemented, and then give a follow-up recommendation.
16 But I believe we still would have to pay him for his
17 services, additional cost.

18 COUNCILMEMBER PONTANILLA: Thank you. And --
19 thank you, Mr. Matsui. And -- and this thing was left
20 on our desk. Probably, you're gonna be discussing this
21 thing. And what I saw is, basically, what Mr. Gilhuly
22 had done for us, except for the operational -- the
23 financial side. He did some financial analysis in
24 regards to, you know, while you improve the golf course
25 to a point where golfers will take advantage of -- you

1 know, of the improvements of Waiehu Golf Course. So
2 like I said the last time -- and -- and, you know, as
3 the golf course improves, you'll see more golfers
4 golfing at Waiehu. And for the vendors themselves, the
5 pro shop as well as the restaurant, you know, hopefully,
6 they see an increase in their activities, selling golf
7 things and -- and providing food service to -- to the
8 golfers.

9 So thank you.

10 CHAIR WHITE: Yeah. You bring up a -- a good
11 point that the -- the degree to which the course is
12 upgraded has a significant impact on the people who are
13 -- the vendors that are renting from the County.

14 COUNCILMEMBER PONTANILLA: Yeah. And -- and
15 one -- one more comment. We know what needs to be done.
16 We gotta give the Parks Department, the golf course crew
17 a chance to do these improvements. Because when we had
18 gotten the report, I -- I -- I don't think hardly
19 anything was done in regards to the recommendations that
20 was set forth. But with this new Administration, I -- I
21 see that action has -- you know, has already begun in
22 regards to utilizing some of the recommendations that
23 were made by Mr. Gilhuly, who represented the USGA at
24 the time, that did the audit of our golf course. So I
25 -- you know, I -- I would love to give the golf

1 superintendent the opportunity to -- to utilize the
2 recommendations that were given to us way back when so
3 that these improvements can be done. And -- and they
4 already have begun to do the improvements. And like I
5 said the last time, talking to golfers, they really see
6 improvements already in the last -- how many months --
7 six months, you know, as they move along on this
8 recommendation.

9 So thank you.

10 CHAIR WHITE: Thank you. Either Mr. Matsui or
11 Mr. Pierce, Mr. Pontanilla's comments about the past
12 audit, could you give us a comparison between the turf
13 audit and the -- and whether that is able to be expanded
14 to include other things, versus the second issue that
15 we're dealing with today with the performance and
16 management type audit? I think, if I'm understanding
17 Mr. Pontanilla's point, he's suggesting that there may
18 be more that the USGA turf audit can offer us that we
19 might find very helpful.

20 MR. MATSUI: From my reading of the audit, it
21 was more on the maintenance of the turf. You know, they
22 may have suggested some -- I guess, you know, like you
23 said, the better the course is maintained, the more
24 revenue we will get. So I think from that standpoint.
25 But as far as rates and fees, you know, I don't think

1 they got into that. And I'm not sure if they are --
2 that's their area of expertise.

3 CHAIR WHITE: Mr. Pontanilla?

4 COUNCILMEMBER PONTANILLA: Thank you. You
5 know, we always talk about the rates and fees for the
6 golf course in -- in the last, I don't know, maybe eight
7 years now. And one of the things that we all talk about
8 is the condition of the golf course. And we've had
9 testimony telling us that, you know, they don't mind
10 paying the higher fees, provided that they have a golf
11 course that can be -- well, they need to at -- at the
12 time improve the golf course so that, you know, it's
13 more playable rather than having all of those weeds, not
14 only on the fairways, but on -- on -- in the -- on the
15 tee box as well as on the greens. You know, several
16 weeks ago, they were saying -- well, golfers were saying
17 that they saw improvements on the greens, saw
18 improvements on -- on the tee box. And, in fact, in --
19 in this audit, once we start doing the improvements,
20 then, as Council Members here, we -- we -- we decide as
21 far as, you know, what the fees gonna be. They make a
22 recommendation, we decide. And, you know, once we see
23 the improvements that is being made at the golf course
24 and the number of plays, you know, hopefully, it does
25 increase, then we can, you know, start the conversation

1 about maybe -- not maybe, but start raising the fees for
2 the -- to the players so that we can, you know, gain
3 revenues and -- and -- and properly support the golf
4 course in their maintenance repair work.

5 Of course, some of the CIPs that -- you know,
6 when I look at the -- the pro shop and the restaurant,
7 you know, we -- we need major work on that particular
8 building. And -- and, you know, it -- it's not only
9 gonna take the rates and the fees from the players, but
10 probably need some support from the General Fund just
11 to, you know, improve that building or rebuild
12 something. So -- but in the meantime, you know, as they
13 improve the golf course, then, you know, as far as the
14 rates and fees, you know, we can take a look at that and
15 make it more comparable to some of the other golf
16 courses within the State of Hawaii, municipal golf
17 courses.

18 CHAIR WHITE: Okay. Any other comments or
19 questions? Mr. Couch?

20 COUNCILMEMBER COUCH: Thank you. Thank you,
21 Mr. Matsui, for coming. Chair, I guess I have a
22 question for you before I ask Mr. Matsui. I read this
23 -- both of these resolutions as that Council Chair is
24 authorizing it and the funds come from Council Chair, is
25 that correct?

1 CHAIR WHITE: I believe it comes from the --
2 the audit funds that are in the Council --

3 COUNCILMEMBER COUCH: Right.

4 CHAIR WHITE: -- Council's purview.

5 COUNCILMEMBER COUCH: So it's not coming out
6 of Park funds?

7 CHAIR WHITE: That's my understanding.

8 COUNCILMEMBER COUCH: Okay. So I guess I'd
9 like to see if Mr. Matsui would like to talk about the
10 operational audit, again, knowing that it's --

11 CHAIR WHITE: If you don't mind, I'd like to
12 just deal with the turf audit --

13 COUNCILMEMBER COUCH: Oh, okay.

14 CHAIR WHITE: -- first. Then we'll take up
15 the --

16 COUNCILMEMBER COUCH: Okay.

17 CHAIR WHITE: -- operational and management
18 audit.

19 COUNCILMEMBER COUCH: All right. Thanks.

20 CHAIR WHITE: If you don't mind. Ms. Cochran?

21 VICE-CHAIR COCHRAN: Good morning, Chair.
22 Thank you, Department, for being here. And, of course,
23 everybody knows this is my -- one of my favorite topics.
24 But I'm looking at your -- you know, your suggestion or
25 whatever, as Mr. Hokama alluded to, in regards to

1 separating out the two audits. I'm kinda going through
2 comments of different audits from around the nation
3 here, by National Golf Foundation Consulting, NGFC. And
4 in a lot of these audits, they have combined all of
5 it -- from operation, management, concessions, physical
6 condition. So it's -- looks like un -- not unheard of
7 to -- to do it that way. You know, I -- I know we
8 talked a lot about the -- the condition, the -- the
9 weeds and upgrading. And, obviously, that will entice
10 more people to wanna play, thereby getting more fees
11 and -- and so on and so forth. You know, what's also
12 interesting to find in some of these audits from other
13 areas is that they've turned to a nonprofit golf, you
14 know, operation. So I think a big question for us --
15 for me, anyway, is, will we continue to self-manage,
16 turn it over to -- if there's such a thing as a
17 nonprofit golf foundation here -- or outsource? And I
18 think, from there, we can figure out really how much
19 money, how much time, energy and effort do we want to
20 put into this course. So I don't know. That's just on
21 the top of my list of priorities in regards to
22 addressing this Waiehu Golf Course, because there's some
23 really overarching questions that are -- you know, I was
24 told this course was top in the, I think, State or
25 nation at one time or other, location, everything was

1 just top notch. And then it fell into disrepair to
2 where we are today. I would like to know, when did that
3 start, when did that downturn happen, and why wasn't --
4 it's too late to cry over spilled milk, I guess, but the
5 point is, you know, unfortunately, we're in this
6 situation. So, you know, I -- I understand the need for
7 this audit, but I also see that we could possibly
8 combine it all. And I'd like to know what the timeline
9 is on this audit and when we expect some answers to the
10 concerns.

11 COUNCILMEMBER HOKAMA: Chairman?

12 CHAIR WHITE: Yeah. Ms. Baisa was up next.

13 COUNCILMEMBER HOKAMA: Oh, I'm sorry.

14 CHAIR WHITE: But before you -- before we go
15 to that, would you like to answer the question on the
16 timing?

17 COUNCILMEMBER HOKAMA: Point of information,
18 then, Chairman?

19 CHAIR WHITE: Sure.

20 COUNCILMEMBER HOKAMA: The audit as we are
21 reviewing has nothing to do from a departmental
22 administration; it is totally through the Office of the
23 Council Chair. The Council Chair will procure -- as I
24 have done in the past, with the 2008 audit, under the
25 parameters of the Chief Procurement Officer that the

1 Council Chair holds -- will procure the audit, set the
2 parameters of the audit, and the audit will be presented
3 back to the Chair for presentation to the Council and
4 the appropriate standing committee. So we will be the
5 ones that set the parameters of what the Chair will be
6 procuring for, we'll set the potential anticipated
7 deadlines of the audit.

8 And just for the Members' knowledge, we went
9 with the USGA because they're the certifying national
10 organization that rates and ranks the golf courses.
11 They are the organization; not NGF, not YBC or ABC,
12 whatever you have. It's the USGA, the United States
13 Golf Association. They rank the courses. We follow
14 their guidelines, we follow their rules, if we wanna
15 have a certification of a professional entity. So I
16 will share that with the Members.

17 And maybe we can ask the Chair of how we would
18 help the Council Chair procure this audit. And while
19 the Department will be asked to participate, it will be
20 controlled and under the auspices of the Council Chair's
21 Office.

22 Thank you, Chairman.

23 CHAIR WHITE: Correct. Thank you for that
24 clarification. And the two audits really are a bit
25 different in -- in scope and -- and cost. I believe the

1 USGA is significantly less -- less costly.

2 Ms. Baisa?

3 COUNCILMEMBER BAISA: I think Ms. Cochran was
4 waiting for an answer.

5 CHAIR WHITE: Oh, I'm sorry. Yeah.

6 MR. MATSUI: I would prefer the approach of,
7 one, getting the USGA's help in bringing the physical
8 plant up to where it should be. And then, from there,
9 if -- if the Council so desires, to look at different
10 ways, maybe, you know, taking over the carts or, you
11 know, doing something else with the restaurant or, you
12 know, all of those, even privatizing, which I don't
13 agree with. But that's within the Council's purview.
14 But I would take the two-step approach. One, go with
15 getting the turf and the course in shape, and then --
16 then the second part, you can start looking at the
17 operation side.

18 VICE-CHAIR COCHRAN: Thank you.

19 CHAIR WHITE: Okay. Ms. Baisa?

20 COUNCILMEMBER BAISA: Yes. Thank you very
21 much. Needless to say, like my colleague, Ms. Cochran,
22 I'm a little dismayed at this is the fifth year I'm here
23 and the fifth year I'm hearing about the golf course and
24 the issues and the grass and the management and the
25 supplements and all of that. It's getting old.

1 I'm looking at this proposal that we have
2 before us from NGF. And it's interesting to note that
3 while, you know, it is from NGF, it's really a proposal.
4 And I'm not supporting the -- that they be the person to
5 do it, but I am looking at the scope of the audit. And
6 I like it. It pretty much says what I am hoping we'll
7 get out of whatever work is done by an independent
8 auditor. It gives us a very broad overview of what is
9 necessary and goes into great detail about a lot of the
10 things that we care about. So although it's been said
11 that this may not be the best organization to conduct
12 the work that we're asking for, I like the scope of work
13 in it.

14 And I lean towards having one entity. I just
15 think that whoever's going to come has to tackle the
16 whole ball of wax. They have to be able to look at what
17 needs to be done physically, what needs to be done in a
18 management -- you know, what the things that have --
19 improvements have to be made in management, funding of
20 whatever. I'd like to see one comprehensive report.

21 And as far as the cost of it, you know, it's
22 the story of you gotta spend money to make money. And
23 getting a qualified body in here to do a quality job is
24 going to take money. And I think it will be money well
25 spent, because we're throwing good money after bad money

1 if we don't stop the erosion and the capital going out
2 the door. So I'm ready to spend the money. And I'd
3 like to see a complete over -- you know, overview of
4 what it's gonna take.

5 And if we can't solve this problem, then I
6 don't know what we're gonna do after that, but, you
7 know, time is -- is going. The clock keeps spinning.
8 And it's like I've been here a long time and, every
9 year, we talk about the same things. And this is a new
10 attempt to try to approach the -- the -- you know, the
11 funding from another viewpoint, of an independent
12 qualified body coming in here, doing a complete review,
13 and giving us a complete report. And I'd like to see
14 something like that.

15 Thank you.

16 CHAIR WHITE: Thank you. The -- I guess the
17 Chair has a question for either Mr. Matsui or
18 Mr. Pierce. The question is whether or not the NGF --
19 and, again, the Chair provided this proposal from NGF as
20 a way of showing you what the scope of this type of a
21 thing can be. It doesn't mean that we would be using
22 them. It would be -- it would put out for a variety of
23 bidders. And I'm not sure how many such companies are
24 around.

25 But the question in my mind is, it's been my

1 understanding that the turf audit by the Golf
2 Association is not duplicated in the -- in the NGF
3 proposal. And so if you could clarify that, I would
4 appreciate it.

5 MR. MATSUI: Yeah. My -- my understanding is
6 they're not dealing with -- with the turf so much. I --
7 I think they would have some broad recommendations on
8 the turf, but not specific. And -- and, yeah,
9 basically, there's the management and operations that --
10 that would come from their report. And you're correct,
11 they're one of many firms that do this kind of audit.
12 So, you know, I -- I think you would do a procurement
13 kinda thing and see what kind of feedback you get and
14 bids from other firms.

15 COUNCILMEMBER PONTANILLA: Chairman?

16 CHAIR WHITE: Mr. Mateo -- Mr. Mateo.
17 Mr. Pontanilla?

18 COUNCILMEMBER PONTANILLA: Thank you. New
19 name. I'd just like to make a comment in regards to
20 this golf course, my personal observation. Okay. And,
21 you know, pardon me if I hurt anybody, but I think the
22 golf course got into this situation is because of poor
23 management. Poor management. And -- and not saying
24 that in the last eight years, but probably the last 20
25 years, because, as Ms. Cochran had said, this golf

1 course was really pristine, could compete with any of
2 the resort golf courses. But I think the management of
3 this golf course wasn't done properly. Wasn't done
4 properly.

5 We get this report on the turf. Was there any
6 goals set in trying to meet these objectives? I don't
7 think so. So we can make all of the reports that we --
8 we want, all of the audits, but if we do it or not,
9 that's the question.

10 Cost of Government, when you look at Cost of
11 Government, they come out with recommendations. Do we
12 do the recommendations? Sometimes. Not all of 'em.
13 Same thing with these reports that we do, audit reports.
14 We spent thousands of dollars, hundred thousand dollars.
15 And if management is not gonna adhere to these reports
16 and recommendations, that's what you get out at Waiehu.

17 CHAIR WHITE: Uh-huh.

18 COUNCILMEMBER PONTANILLA: Poor management of
19 a golf course. But I think, in the last six months,
20 this management group has been doing all they can to
21 improve this golf course. And all I'm saying is that,
22 yeah, we had this report three, four years ago, but
23 nothing was done at the time.

24 And according to Mr. Gilhuly at that time, it
25 would take like two years just to do the -- the tees,

1 the greens, you know, to improve. And then -- and --
2 and the last item to -- to -- to get improvements on
3 would be the fairways.

4 And he made some good observations in regards
5 to how we should raise rates. We raise rates as we
6 improve the golf course, you know.

7 Yeah, I agree that we should have an
8 operational review, operational re -- we're gonna find
9 out the same thing, what I'm just telling you,
10 management of the golf course, you know. Do we have
11 properly trained employees to maintain the golf course?
12 Do we have employees that can maintain the equipment?
13 Are they certified? I don't know. Probably none of us
14 know over here.

15 So I can welcome the operational review, but
16 I'd like to give the golf -- the Parks Department and
17 the golf course a chance to improve this turf before we
18 move forward on spending 20-some-odd thousand dollars
19 for the operation.

20 CHAIR WHITE: We are focused on just the --
21 the turf review --

22 COUNCILMEMBER PONTANILLA: Yeah. Right.

23 CHAIR WHITE: -- at this point. But --

24 COUNCILMEMBER PONTANILLA: So I would like to
25 have the -- the golf course to at least have, you know,

1 another year and-a-half to show us improvements. Thank
2 you.

3 CHAIR WHITE: Thank you. Mr. Hokama?

4 COUNCILMEMBER HOKAMA: I am happy some Members
5 have greater patience than I, Chair.

6 I was directed by Council in -- in terms
7 past -- to get this audit done. And I would agree
8 almost word for word with Mr. Pontanilla, we had bad
9 management. 'Cause we knew what it took to get it
10 corrected. No leadership. And, yet, within, basically,
11 nine months, we have a new team that has put forth
12 effort.

13 I've just golfed there. I was part of a -- I
14 participated in a golf tournament for a high school
15 fundraiser. And I can tell you that what I have seen in
16 nine months pleases me. I think Mr. Correa has made
17 adjustments in his team that is definitely showing
18 visible evidence of improvement, you know. Some of the
19 tees are much better. I think it's number -- one, two,
20 three -- fourth tee, I know it's looking quite well.
21 Some of the greens are looking -- you know, getting
22 there. Of course, Number 2 is the annual boogiemane
23 green for -- for almost -- that course, for decades, but
24 they're making efforts. I can see efforts on the
25 fairways. For whatever reason, I don't know why Number

1 1 is still the boogieman of the golf course. We always
2 seem to have a hard time with Hole Number 1.

3 But it's visible, Chairman. I think you can
4 see some of the effort that the ground crew is making.
5 And so they have shown, visibly, the improvements over a
6 very short period of time. And I think that's because
7 there's interest in the management team. We have people
8 who wanna make it happen.

9 Because at the end of the day, Chair, if
10 things don't get better, people like me will look at
11 other options, including privatizing it. Because I
12 cannot keep pouring bad money, as Ms. Baisa says, into a
13 sinkhole when other operations, at least, will break
14 even or maybe make us a slight profit. So I'm -- you
15 know, I'm happy to give the Department a chance. They
16 have shown me in nine months the improvement. And I --
17 and I would agree with Mr. Pontanilla, I think we should
18 continue to support them, allow them additional time.

19 But I think what the golf audit will do, the
20 -- the USGA audit will do, update will do, is to show us
21 where we came from and where we are today, and what it
22 takes now to get to that level that Mr. Matsui has
23 talked about.

24 I would like to hope and see that our
25 employees, our Department, can perform and set higher

1 standards because the golf course that everybody talked
2 about in Hawaii, from a public golf course standpoint,
3 is Wailua, Kauai. They host collegiate tournaments,
4 it's known nationally. It is -- has always been rated
5 as one of the top. And it's because the resident users
6 as well as the employees of that county take great pride
7 in that course. I mean, you see resident golfers
8 weeding because they have pride in their course. We
9 used to have that on Waiehu. For whatever reason, we
10 choose not to do those little things that you would
11 think you would do as a golfer.

12 And I've been whacking a golf ball for 50
13 years, Chair. So I can give you some experience. But,
14 again, I think moving the USGA one forward is
15 reasonable. I also believe that there should be an
16 operational.

17 And if we need cameras on the golf course to
18 ensure attendance of employees, then let's do it. We
19 get the calls. We get the complaints. So let's talk
20 about the issues of operations of the course so that
21 management can do what they need to do. I'm tired of
22 hearing people checking in and not being at the job.
23 I'm tired of hearing guys showing up for work, but not
24 at work. We got too many resident eyes at the golf
25 course. So we either gotta do something about it, or

1 allow the Department to do what they need to do. And if
2 not, then I'm -- more than happy for Council to step in
3 and make the appropriate adjustments, Chair.

4 But at this point, I'm happy to support
5 Mr. Matsui -- well, Mr. Correa and Mr. Matsui and his
6 golf course team because, again, I have seen the
7 improvements in nine months. And I believe they deserve
8 continued support from us.

9 Thank you.

10 CHAIR WHITE: Thank you. Mr. Couch?

11 COUNCILMEMBER COUCH: Thank you, Mr. Chair.

12 Just thinking outside the box here, I know I've -- I've
13 been involved in a couple of companies that have done
14 golf course revamping, basically. And these were some
15 of the biggest golf courses here. That they shut the
16 golf course down for six months to a year, do what's
17 needed to be done, and it comes back as a jewel. Any
18 reason we don't wanna do that this time? I mean, I
19 would sacrifice one year to make it really good without
20 everybody walking all over it and hitting all over it.
21 Just a thought.

22 CHAIR WHITE: Mr. Matsui, Mr. Pierce, or
23 Mr. Myers?

24 MR. MATSUI: It's something we could do, but
25 it's gonna take a lot of money. You know, we looked --

1 we got some proposals to revamp the greens. A lot of
2 the new greens now have a subsurface drainage system.
3 You know, the turf, you know, they have a subbase and
4 then a base. And -- and, you know, they -- the soil and
5 everything is amended so it's really easier to maintain.
6 So it's something we can do, but the -- the cost is
7 really high. I -- I -- what is it like -- for the whole
8 course was, I don't know, something like 50,000 per
9 green or something. Yeah. So it's very expensive.
10 And -- and I -- I don't think we can get that kind of
11 money.

12 COUNCILMEMBER PONTANILLA: Chair?

13 CHAIR WHITE: Wait a minute, I think,
14 Ms. Baisa.

15 COUNCILMEMBER BAISA: Thanks very much, Chair.
16 You know, it appears to me that we're kinda caught up
17 here in what is considered a catch-22. You know, it
18 appears to me that we keep -- those who are familiar
19 with the golf course -- and, again, I apologize, not
20 being a golfer, I may not totally understand. But I do
21 understand business, and I had to make a payroll every
22 -- every two weeks for many, many years, so I'm very
23 familiar what management can and cannot do. But what I
24 keep hearing is, one of the situations we're dealing
25 with is that, based on prior audit and prior

1 information, we need to improve the golf course.
2 Because that's part of the secret to getting people to
3 come, is they wanna play in a -- in a nice golf course
4 that's well-maintained. And then when they come, they
5 pay and then your revenue goes up. I mean, it makes
6 perfect sense. But then what I am hearing -- and this
7 is the most disturbing thing I heard just a minute
8 ago -- was, apparently, there needs to be a substantial
9 investment in order to get those greens to where they
10 need to be. So are we willing, at some point, to make
11 substantial investments in those greens and in the
12 facilities to bring it to the point where it will then
13 yield the revenues that we need in order to make it
14 self-sufficient or even see a profit? I think that's
15 the decision that we really need to deal with as a
16 Council. Otherwise, we're gonna be here next year and
17 we're gonna be giving money to the -- to the golf course
18 and we're gonna hear, well, the reason we have to do
19 this is because we have to fix the greens.

20 You know, I think this Council needs to make a
21 decision at one point or another, is this something we
22 wanna invest in and hope for a profit, or we don't want
23 to do that. And then we can, you know, make appropriate
24 decisions. Otherwise, we're just gonna go on talking
25 about this year after year after year, and it's not

1 gonna get solved. It's this -- you know, it's hard for
2 me to keep saying, okay, more time, more time, more
3 money, more money. And then I hear people say, well,
4 it's gonna cost \$50,000 to do one green. Are we willing
5 to make that investment? 'Cause it's not just one
6 green; it's a bunch of 'em. So, you know, how do we
7 really feel about continuing to subsidize the golf
8 course, to get it to the point where it will be back to
9 its former glory that we heard about and will yield what
10 we want? I -- I think that's really the question we're
11 looking at here. It's not about an audit.

12 Thank you.

13 CHAIR WHITE: I think the Chair's thought is
14 that, with the USGA audit, we would be well advised to
15 make sure that's included in the scope, if they're
16 coming in and making recommendations as to what needs to
17 happen, what -- what would it cost. And I don't know
18 whether -- I would assume they're in a position to help
19 us with those cost estimates. But it would make some
20 sense to ask that they include that in their turf
21 review.

22 Additionally, to Ms. Cochran's comments about
23 the cost and -- and the -- the thoughts from others
24 about privatization, the Chair has asked Finance and
25 Parks to put together a summary of -- of the cost to

1 operate three different parks. One, I believe we asked
2 for comparisons between Waiehu Golf Course operations
3 and War Memorial complex, I believe Hannibal Tavares
4 complex in Pukalani, and I -- and one other. It may
5 have been -- it was either Lahaina or Kahului, Central
6 park. The purpose of that is to provide the -- the
7 Members a comparison between the degree we subsidize
8 things like swimming pools per swimmer, to subsidize the
9 football, soccer, baseball, and all the other
10 activities, because I think it's -- it's fair to look at
11 the golf course from the perspective that, yes, we're
12 collecting money from these people and, yes, we're
13 putting money into it, but we're putting money into
14 every park throughout the County. And so I think it's
15 fair to compare the subsidy that we're providing to the
16 golf course with the subsidy that we're providing
17 elsewhere. And I think that's gonna give us the same
18 level of comfort that we may get from some of these
19 audits. So -- Mr. Pontanilla?

20 COUNCILMEMBER PONTANILLA: Thank you for that
21 information. Just to let you know that we spent over a
22 million dollars last year fixing the Wailuku tennis
23 courts, over \$1 million. So when we talk about the golf
24 course, you know, we haven't expended that kind of money --

25 CHAIR WHITE: Right.

1 with this resolution is to provide support to the golf
2 course staff with updated information and -- and I think
3 the addition of the cost estimate to do a -- a greater
4 level of -- of work on it is -- is appropriate. So with
5 -- Mr. Couch?

6 COUNCILMEMBER COUCH: Thank you. Thank you
7 for that information, Mr. Pontanilla. And -- and, yeah,
8 we would have to deal with the two -- two vendors. But
9 I'm guessing that after, maybe, a year's worth of
10 sacrifice, everybody will have a much better product.
11 And just to address Mr. Matsui's numbers, even if you
12 use \$50,000 a green, that's \$900,000 to fix the green
13 which we -- we budget \$3 million a year for the golf
14 course, if I'm not mistaken. So this is not in the
15 realm of -- of, you know, throwing things out, unless my
16 math is wrong. I'm pretty sure that that -- yeah, we
17 got -- we got enough. I mean, if we did a million
18 dollars on -- on a couple tennis courts, 18 holes for
19 900,000 -- 18 greens for 900,000 isn't a -- a bad deal.

20 CHAIR WHITE: Yeah. But it's more than just
21 the greens; it's the tees and the fairways as well.
22 But -- but your point is -- your point is well-taken.

23 Ms. Cochran?

24 VICE-CHAIR COCHRAN: Thank you, Chair. Yeah,
25 just following up. Yeah, I don't think 900,000 is

1 astronomical. And it sounds like to improve it to the
2 point where -- well, versus the 2.8 million we pour into
3 it now and look at what it is. So, you know, I
4 understand the concern about closing and the vendors,
5 what-have-you, but it sounds like it's not totally
6 impossible. So it -- you know, when you see little
7 areas in other parks where you gotta rope it off,
8 because if you're trying to replant grass, you can't
9 have people tromping on it and continuously playing ball
10 on it. It has to take time to grow and everything. And
11 so I guess it's just a constant game of catch-up, you
12 know. If you're gonna reseed or whatever you do, and
13 weed while people are continuously playing on it, it --
14 I, you know, concur with Ms. Baisa that it's just --
15 we'll be in the same predicament. I mean, yes, I -- I
16 support you folks, I hear improvements are coming along,
17 that's wonderful, I commend for you that. So I kinda
18 like the thinking outside the box from Mr. Couch here.

19 And in relation to comparing and contrasting a
20 golf course to swimming pools, tennis, ball parks,
21 skateparks, what-have-you, you know, without a swimming
22 pool -- people can't like go to KBH, for example, and
23 just go swimming in your pool. I mean, that wouldn't --
24 the public? So, I mean, the public --

25 CHAIR WHITE: They -- they do.

1 VICE-CHAIR COCHRAN: -- needs to -- I know
2 they do, but that's not -- I mean, I can't just go
3 tromping into the Hyatt as a public citizen off the
4 streets and go swimming, you know. But, here, I have a
5 public pool to access, you know. So that's kinda how I
6 look at it. That's something that's part of every
7 municipality type thing.

8 So, anyways, that's just my comment in regards
9 to swimming pools and tennis and things. Thank you.

10 CHAIR WHITE: Any further comments?

11 COUNCILMEMBER PONTANILLA: Yeah.

12 CHAIR WHITE: Mr. Pontanilla?

13 COUNCILMEMBER PONTANILLA: -- you know, we --
14 we say \$900,000, you know, is -- is like a drop in the
15 bucket. But we gotta remember that the \$2.8 million is,
16 you know, taking into consideration, we do have
17 employees that we need to pay. We -- we do have
18 equipment that we need to upkeep. So \$900,000 in
19 addition to 2.8, actually, is what we talking about.

20 CHAIR WHITE: Yeah.

21 COUNCILMEMBER PONTANILLA: Thank you.

22 CHAIR WHITE: Yeah. The -- the reason the
23 Chair is interested in comparing it to other facilities
24 is that the parks -- or the golf course, because it's a
25 fund, has the depreciation of the buildings, has the --

1 has the full load of employee costs with retirement
2 benefits and -- and health care, et cetera, et cetera,
3 which is not charged to the other parts of the park.

4 If -- if there are no further discussion --

5 COUNCILMEMBER HOKAMA: Chair?

6 CHAIR WHITE: Yeah. Mr. Hokama?

7 COUNCILMEMBER HOKAMA: Maybe that would be
8 an -- a good component to -- to include in the -- the
9 general scope of the USGA one, is, at least, you know,
10 the -- no, I guess it's the Northeast or Northwest
11 Division that the USGA, Mr. Gilhuly represents, also
12 comes on a regular basis to look at other courses in
13 Hawaii. So the -- the USGA and Mr. Gilhuly is very
14 familiar with Hawaii courses, Hawaii turfs, Hawaii wind
15 conditions, the challenges of the salt, chlorine
16 factors, salinity levels.

17 But maybe what might be good is for part of
18 this assessment -- or Department can get it -- what all
19 the other municipalities' courses in Hawaii run at, what
20 are their budgets, what are their employee lines, and,
21 also, look at private sector, resort courses, the amount
22 of employees and what kind of budgets they get to deal
23 with. Because you will find, more than likely, from
24 what I've checked, we give, as a County, to our course
25 more money than some resort courses get for their

1 operations. So isn't that an interesting point to
2 verify and see? If that's true, what are we not doing
3 correct where, even for the resort courses, they can run
4 at a lower annual budget with less employees?

5 CHAIR WHITE: Yeah. The question is, what's
6 -- what's included in their accounting. So --

7 COUNCILMEMBER HOKAMA: No.

8 CHAIR WHITE: -- I'll let Mr. --

9 COUNCILMEMBER HOKAMA: I would agree. And --
10 and so apples to apples. But you and I both know,
11 because we've run numbers and we've run operations,
12 Chairman. So I think that would be something good for
13 the Committee to have as part of the information in
14 making an informed decision. Thank you.

15 CHAIR WHITE: Thank you. Any further
16 questions? If not, the Chair's -- Chair would like to
17 make a recommendation.

18 COUNCIL MEMBERS: Recommendation?

19 CHAIR WHITE: The Chair recommends the
20 adoption of the revised proposed resolution entitled
21 Authorizing the Council Chair to Contract for an Updated
22 Turf Advisory Service Visit at the Waiehu Municipal Golf
23 Course.

24 VICE-CHAIR COCHRAN: So moved.

25 COUNCILMEMBER COUCH: Second.

1 CHAIR WHITE: It's been moved by Ms. Cochran
2 and seconded by Mr. Couch that we pass the revised
3 proposed resolution authorizing the Council Chair to
4 contract for an updated turf advisory service at the
5 Waiehu Municipal Golf Course. All those in favor, say
6 "aye".

7 COUNCIL MEMBERS: Aye.

8 CHAIR WHITE: Those against, say "no".

9 COUNCILMEMBER PONTANILLA: Can we have some
10 discussion?

11 COUNCILMEMBER COUCH: Oh, yes.

12 CHAIR WHITE: Oh, I'm sorry.

13 COUNCILMEMBER BAISA: Yes.

14 COUNCILMEMBER PONTANILLA: Jeez.

15 CHAIR WHITE: Sorry. The Chair -- the Chair
16 felt we had lots of discussion already. You know?

17 COUNCILMEMBER PONTANILLA: Chairman?

18 CHAIR WHITE: Yes. Mr. Pontanilla?

19 COUNCILMEMBER PONTANILLA: You know, we -- we
20 had a lot of discussion and -- authorizing the Council
21 Chair to contract for an updated turf advisory service
22 visit at the Waiehu Municipal Golf Course. And, you
23 know, what -- what I just heard from Mr. Hokama, you
24 know, the person that did this audit for us does come to
25 Hawaii on a regular basis. I don't know if we should

1 consider this particular group that did the -- the first
2 audit. And since this guy, you know, comes here
3 regularly, he would be, to me, the best person to see
4 what improvements have been done. And mind you, this
5 guy is -- he does the USGA audits, yeah.

6 CHAIR WHITE: Yeah. The -- the resolution
7 calls for it to be done by the same person who did it
8 last time.

9 COUNCILMEMBER PONTANILLA: Okay.

10 CHAIR WHITE: So this is not -- this one would
11 not be sent out to -- to bid as the other one would
12 because this is a -- is the United States Golf
13 Association. The other is a private company. So --

14 COUNCILMEMBER PONTANILLA: Okay. Good.

15 CHAIR WHITE: Mr. Hokama?

16 COUNCILMEMBER HOKAMA: Chairman, I would just
17 ask for you and the Committee's consideration to maybe
18 help the -- the Council Chair fulfill his procurement
19 requirements with this request, if maybe we might wanna
20 consider a deadline or a submittal time that the audit
21 should be -- we would ask the Council Chair to conduct
22 the audit and report back to Committee or the full
23 Council by a certain deadline. So that if it makes
24 sense to look at some of the concerns during Budget,
25 then we -- we may have at least a preliminary report

1 from -- from this -- from the entity to help guide us in
2 making better decisions, or, you know, we may wanna wait
3 'til maybe after whatever is the normal growing season
4 and let the Department do their thing with the turf and
5 whatnot, and then get a report. But I think it might be
6 helpful to Chair Mateo to maybe give him some parameters
7 to consider so that he knows that if there's an urgency
8 from this Committee, that he might say, you know, I'm
9 gonna put out a procurement proposal in the next X -- X
10 number of weeks or so. But I think it would assist him
11 in moving this forward for our Committee, Chair.

12 CHAIR WHITE: Thank you for that comment.
13 It's the Chair's recollection that this process will
14 take approximately four months to get in line and get
15 the report -- get the visit done and the report back.
16 Is that your recollection, Mr. Matsui or Mr. Pierce?

17 MR. PIERCE: Chair, the -- the four-month
18 timeline would be for -- was when we were discussing the
19 NGF type audit, that was the proposal. I'm not sure
20 what the turnaround time is for USGA. But when
21 Mr. Gilhuly does come, he generally visits all the
22 courses in -- in Hawaii. You know, he sets aside a
23 time. He also does the audit over on Kauai, for your
24 information.

25 CHAIR WHITE: Okay. Thank you. Is there a --

1 my assumption would be that the -- we would initiate --
2 the Chair would initiate the -- the request for a visit
3 on a -- on very short order. Do you have a sense of how
4 long it might take, or how often Mr. Gilhuly visits?

5 MR. PIERCE: I've been trying to get in touch
6 with them. Their -- their main offices are in the East
7 Coast and slightly disrupted by the passing hurricane
8 that just went through. But I actually have -- I'm
9 trying to get in touch with their West Coast offices
10 this week and try to determine what the turnaround time
11 would be.

12 CHAIR WHITE: Okay. Thank you.

13 MR. PIERCE: I haven't heard anything yet.

14 CHAIR WHITE: Okay. Mr. Couch?

15 COUNCILMEMBER COUCH: Thank you, Mr. Chair. I
16 just wanna ask Corp. Counsel now if we're okay with --
17 if we're within the Procurement Code that we can name a
18 -- an actual vendor for this audit. I -- I just wanna
19 protect ourselves. Are -- are we within the -- the
20 provisions of the Procurement Code by naming somebody,
21 saying we want them to do the audit?

22 MR. UEOKA: I believe you are. The -- you can
23 do a sole-source. They are a specialized group. As
24 Mr. Hokama stated earlier, they are the entity that
25 rates golf courses throughout the United States. If

1 this does go through, the matter can be further vetted
2 to ensure that it's okay.

3 COUNCILMEMBER COUCH: Okay. Thanks. I just
4 wanted to make sure that we're not skirting any other
5 State laws.

6 CHAIR WHITE: Uh-huh. Mr. Hokama, having
7 heard the response from the Department, do you have a
8 sense of what date would make sense?

9 COUNCILMEMBER HOKAMA: Again, as the
10 Department responded, the USGA does regular visits. And
11 if I remember correctly -- and I may be wrong -- I
12 believe they do quarterly visits. Because there's a lot
13 of courses, and each course wants X amount of time with
14 -- with the representative from the USGA, especially if
15 they're planning to host some type of more formal
16 tournament play, whereby the course rating and
17 everything else needs to be at top level for -- you
18 know, whether it be a tournament of champions or LPGA
19 factor or a collegiate championship. So I -- I think if
20 we set a deadline that, you know, we would ask that the
21 procurement, if possible, be concluded and a report sent
22 back before Budget. I think that might be enough time.
23 And if not, we'll get a response and -- and they'll give
24 us a -- I guess, a estimated deadline that they could
25 meet. And the procurement issue, again, depending at

1 the level of the dollar amount. But if I remember
2 correctly, on this first audit, I believe Council spent
3 less than \$5,000.

4 CHAIR WHITE: Yeah, it was less than that.

5 COUNCILMEMBER HOKAMA: Thank you.

6 CHAIR WHITE: With no objection, we'll just
7 have Staff add a due date of February 28th.

8 MR. JENSEN: Mr. Chair, could we clarify where
9 that would be added? One suggestion may be to include
10 in the first "be it resolved" --

11 CHAIR WHITE: Uh-huh.

12 MR. JENSEN: -- that the authorization sunsets
13 after a certain date, or something like that.

14 CHAIR WHITE: Would it be better to have a
15 sunset after a particular date or to request the report
16 be submitted by a certain date?

17 MR. JENSEN: It's the will of the body, if
18 they just want to clarify, if we're in discussion
19 purposes, whether someone intends to make a motion to
20 that effect, and, if so, where that motion would insert
21 new language into the proposed reso.

22 CHAIR WHITE: Mr. Hokama?

23 COUNCILMEMBER HOKAMA: Chairman, I would
24 recommend for you and the Committee's consideration,
25 then, that, under that proposed resolution you are

1 looking at, I would say, maybe add a additional resolve
2 clause. It can be in between 1 and 2, and renumbered,
3 but that the -- that the Council of the County of Maui
4 request that this updated report or -- or audit, be
5 completed and submitted to the Council Chair by February
6 1st of 2012.

7 VICE-CHAIR COCHRAN: Twenty-eight.

8 COUNCILMEMBER BAISA: Is that a motion?

9 CHAIR WHITE: Is there a second? Is --

10 VICE-CHAIR COCHRAN: Second.

11 COUNCILMEMBER BAISA: I can second it, if it's
12 a motion.

13 CHAIR WHITE: Okay. That was --

14 COUNCILMEMBER HOKAMA: That was --

15 CHAIR WHITE: Moved by Mr. Hokama --

16 COUNCILMEMBER HOKAMA: -- kinda motion --

17 CHAIR WHITE: -- and seconded by Mr. Couch --

18 VICE-CHAIR COCHRAN: (Inaudible.)

19 CHAIR WHITE: Seconded by Mr. Couch,

20 Ms. Cochran, Ms. Baisa and Mr. Pontanilla.

21 ALL: (Laughter.)

22 CHAIR WHITE: Any discussion?

23 COUNCILMEMBER COUCH: Yes, Mr. Chair. I would
24 support that, but I would prefer to use February 28 so
25 that we have -- they can get some more time. Because

1 we're not gonna get the Budget until the 15th of March,
2 anyway.

3 CHAIR WHITE: Mr. Hokama?

4 COUNCILMEMBER HOKAMA: That's true, Chairman.
5 I would like the Department, though, to have an
6 opportunity to at least, if they haven't -- you know, if
7 they haven't gone to the print -- printers, that if
8 there's something in the preliminary or final report --
9 or the draft report that the Department feels important
10 to have it be a consideration of the Administration's
11 updated budget, then I would like the Department to have
12 that opportunity, also, to have time to review the
13 findings of that audit and for them to come up with
14 their recommendations to the Council. I -- I consider
15 that to be fair to the Department, also, Chair.

16 CHAIR WHITE: Yeah. Very --

17 COUNCILMEMBER HOKAMA: Thank you.

18 CHAIR WHITE: -- good point. Ms. Baisa?

19 COUNCILMEMBER BAISA: I support the February
20 1st deadline. You know, this information is absolutely
21 crucial, and it's not a small amount of money and it
22 will be needed to be in the Budget. I suggest that
23 whoever we give this to will want to come. After all,
24 it is winter, and I'm sure they'd be very happy to be
25 here in Hawaii doing an audit. Thank you.

1 CHAIR WHITE: Thank you. Any further
2 discussion? All those in favor of the motion to amend
3 the resolution, please signify by saying "aye".

4 COUNCIL MEMBERS: Aye.

5 CHAIR WHITE: Those opposed? Okay. Motion to
6 amend carries by six-zero.

7 VOTE: AYES: Chair White, Vice-Chair Cochran, and
8 Councilmembers Baisa, Couch, Hokama,
 and Pontanilla.

9 NOES: None.

10 ABSTAIN: None.

11 ABSENT: None.

12 EXC.: Councilmember Carroll.

13 MOTION CARRIED.

14 ACTION: APPROVED amendment to main motion
15 (resolution relating to an updated turf
16 advisory service visit at the Waiehu
 Municipal Golf Course.)

17 CHAIR WHITE: Okay. Members, we're back on
18 the main resolution. Any further discussion? If not,
19 those in favor of passing the resolution, as amended,
20 please signify by saying "aye".

21 COUNCIL MEMBERS: Aye.

22 CHAIR WHITE: Those opposed? Thank you. The
23 measure carries, six-zero. Thank you, Members.

24

25

1 VOTE: AYES: Chair White, Vice-Chair Cochran, and
2 Councilmembers Baisa, Couch, Hokama,
and Pontanilla.

3 NOES: None.

4 ABSTAIN: None.

5 ABSENT: None.

6 EXC.: Councilmember Carroll.

7 MOTION CARRIED.

8 ACTION: Recommending ADOPTION of revised
9 resolution.

10 CHAIR WHITE: We're now on to the second
11 resolution, authorizing the Council Chair to contract
12 for an operational review regarding the future operation
13 and management of the Waiehu Municipal Golf Course. Any
14 questions, Members? Any -- Mr. Hokama?

15 COUNCILMEMBER HOKAMA: Chairman, if I may ask,
16 did the Department help you with this projected 83,000
17 rounds of golf for -- for the year as -- as what we
18 anticipate to -- to get -- play at the golf course, is
19 that their -- the Department's number or is that our --
20 our --

21 CHAIR WHITE: I believe it's --

22 COUNCILMEMBER HOKAMA: -- Committee's number?

23 CHAIR WHITE: I believe it's numbers that came
24 from the Department. But, Mr. Matsui or Mr. Pierce, do
25 those reflect --

1 COUNCILMEMBER HOKAMA: I'm looking at the --
2 the second "Whereas" clause, gentlemen. It says, "It is
3 projected that over 83,000 rounds will be played." Do
4 you have a copy of the resolution, Mr. Matsui?

5 CHAIR WHITE: Here, I -- we can just -- do you
6 have a copy there?

7 MR. MATSUI: Yeah. Yeah, I don't know where
8 that figure came from.

9 COUNCILMEMBER HOKAMA: My question to the
10 Department is, do you still feel confident about this
11 level of play? Because one thing I have noticed,
12 especially with Lanai -- and, again, the way the
13 airlines are, with now having no problem to charge like
14 \$100 to bring a golf bag to a destination, you know,
15 it's -- you know, I -- even on our -- our island,
16 Mr. Chairman, I see it already impacting the amount of
17 play because there's some people who would play, but now
18 they're not bringing their clubs because they wouldn't
19 wanna pay that \$200 extra for the round trip to bring a
20 golf bag, besides their two suitcases, to go from home
21 to Hawaii, back to home. And -- and so I just ask that
22 because while the concession has some clubs to rent, I
23 would think most of our nonresident golfers would have
24 to bring their bag somehow to the island. So are you
25 folks still feeling good about all this excess charges

1 the airlines and whatnot doing, that we still can get
2 this kind of play from the nonresident component of the
3 revenue program?

4 MR. MATSUI: I think that figure includes
5 mostly residents. You know, we haven't had the impact
6 of -- we haven't looked at the impact of the increase
7 airfares and cost of coming to Hawaii.

8 COUNCILMEMBER HOKAMA: Uh-huh.

9 MR. MATSUI: We haven't factored that in. But
10 I think that number kinda reflects where the golf course
11 was three years ago.

12 COUNCILMEMBER HOKAMA: Okay. Okay. I don't
13 know if you could -- if you recall, Mr. Matsui, or your
14 other resource from the Department can recall, during
15 our heyday, what -- what kind of annual rounds did we
16 have? Did we have like 100,000 rounds per year in our
17 great years of golfing at the course? And, again, I
18 understand we had less competition, there was less
19 private resort courses and whatnot, but --

20 MR. PIERCE: You know, in 2009, or Fiscal Year
21 2009, we had 83,250 rounds total at the course. In
22 2010, it was 79,000. And, last year, ending in July of
23 Fiscal Year 2011, was 69,000.

24 We just came back from doing a site visit over
25 on Kauai. They have seen, also, a -- a -- a marketed

1 drop, just pretty much tracking the financial woes that
2 the nation is under.

3 COUNCILMEMBER HOKAMA: Uh-huh.

4 MR. PIERCE: So I think, as this 83,000 was
5 probably a -- a -- when this quote -- probably when all
6 this was put together was in 2010, so they were looking
7 at the rounds of golf that we had complete, which was
8 2009. So it's -- I believe that we can come back to --
9 I don't know what our high was. Do you -- do you know,
10 Doug, if we ever went over 100,000?

11 MR. MYERS: (Inaudible.)

12 MR. PIERCE: Potentially, but we would have to
13 -- we would have to really dig back.

14 COUNCILMEMBER HOKAMA: And, again, I just was
15 curious if maybe you folks recalled some of those great
16 years that the course had. Because I remember those
17 years. Wailua had 100,000, our -- my old company,
18 Mililani, we had 100,000 rounds a year. I mean, it was
19 great to have golf operations those years. You made
20 money. We made big money running golf -- golf courses.

21 You know, one of the things that, Chairman, I
22 think Ms. Baisa point out is that I guess we gonna need
23 to make a decision, but I'd like to make an informed
24 decision, on whether or not, how and what we're gonna do
25 with Waiehu Golf Course. You know, it's -- you look at

1 Kauai County. Kauai County has decided to get rid of
2 swimming pools. It's a big maintenance operational
3 drain on their budget. So, you know, their golf --
4 their swimming pools that they build next to the
5 beaches, you know, they closed, they shutting it down,
6 and because it's a financial issue for them.

7 I would hope that we would make a very
8 thoughtful, informed operational issue and see how it
9 impacts the finances. Because we all know it's in the
10 red. I think once we decide what we wanna do, like
11 Ms. Baisa indicated, that would assist us in how we
12 wanna approach this audit. And I would like to hear
13 from the USGA, also, Chairman, of what they think -- or
14 their recommendation is if we wanna maintain a public
15 golf course program on this -- in this County, you know,
16 because one of the things that I -- I had always hoped
17 for is that the course would be a premier place for
18 Junior Golf, and keep our young people in a positive
19 physical, you know, type of activity, that shows them
20 not only sportsmanship, but patience, ability to control
21 ones self under adverse conditions.

22 CHAIR WHITE: And some of us golf in such a
23 way that you need patience and ability to control
24 emotions.

25 COUNCILMEMBER HOKAMA: Well, there's a lot of

1 things you can learn and get out of the golf program
2 because I -- I -- I feel I have benefited greatly from
3 Bob Thomas of the old Junior Golf Program and the golf
4 program of the sixties to now. And I can see the
5 benefits of what organized sports can do for any young
6 people. So, you know, I -- I think we gonna need to
7 make that call sooner than later. And it'll also take
8 away the question mark of what's gonna happen within the
9 Department. Because I'm sure they have their questions
10 of what's gonna happen with the golf course. And I
11 think, sooner or later, we're gonna -- I would rather
12 prefer it sooner to settle people's minds of what we
13 really gonna do with that property, Chair. Thank you.

14 CHAIR WHITE: Thank you. Mr. Couch, followed
15 by Mr. Pontanilla.

16 COUNCILMEMBER COUCH: Thank you. Having seen
17 some of my colleagues play, I don't know how positive an
18 experience that -- actually, it is a good positive
19 thing.

20 CHAIR WHITE: I think you should maintain your
21 reference to your own game.

22 COUNCILMEMBER COUCH: I am.

23 CHAIR WHITE: Just for your own safety.

24 COUNCILMEMBER COUCH: If this matters, the
25 number here in -- in the whereas, and -- and it -- and

1 it could potentially matter, is the -- is the Department
2 satisfied with that number or should we bring that down?
3 If it matters.

4 CHAIR WHITE: Were you looking for a response
5 from --

6 COUNCILMEMBER COUCH: Yeah. Department or --

7 MR. MATSUI: Doesn't matter to us.

8 COUNCILMEMBER COUCH: Okay.

9 CHAIR WHITE: Okay.

10 COUNCILMEMBER COUCH: And I just wanted to
11 make a -- a bit of a comment here about the -- the issue
12 that the concessionaires at -- at the golf course have
13 stated in the past, that the conditions of the course
14 have impacted their ability to operate their businesses.
15 And that's -- that's very understandable. So it's one
16 of those things where, okay, let's -- another argument
17 in favor of the, okay, close it down for a year, fix it
18 so it's really good, and so they get more business in
19 the future. So another thought on that.

20 CHAIR WHITE: Well, but, again, the -- that
21 question, hopefully, will be determined by the turf
22 audit. What we're discussing with this resolution is
23 the operational and management audit. So --
24 Mr. Pontanilla?

25 COUNCILMEMBER PONTANILLA: Thank you. Just to

1 point out that, yeah, on the second "Whereas", the
2 83,000 rounds, I -- I think is very aggressive, you
3 know, listening to Mr. Pierce saying that 69,000 rounds
4 was for Fiscal Year '11. So it's very optimistic. And,
5 Chairman, you know, our Interfund Transfers also are
6 based on those numbers. So the higher the number, the
7 higher the Interfund Transfers. So we gotta be sure
8 that the number that we put there is something that is
9 more realistic.

10 You know, we also compete with the resort golf
11 courses in regards to the fees that they charge their
12 golfers.

13 So, yeah, I would encourage the Department to
14 really take a look at that 83,000 rounds and -- and come
15 -- come to a more realistic number in this case here.
16 Thank you.

17 CHAIR WHITE: Thank you. Ms. Baisa?

18 COUNCILMEMBER BAISA: Yes. I wanted -- I
19 wanted to say something as a nongolfer. By -- by the
20 way, who used to try and golf, but gave it up when I
21 tore my rotator cuff and had to be -- go through all
22 kinds of physical therapy, which was hell. And I'm not
23 doing that again. But I did wanna say that, you know,
24 there's this statement that the concessionaires would do
25 better if the greens were better. But, as a nongolfer,

1 I will tell you that many of us go to golf courses and
2 we don't go to golf, we go to eat. And we have golf
3 courses here in Central Maui that do excellent trade in
4 their restaurants, and it's because they have
5 outstanding food and they have great service and their
6 prices are wonderful. And so they're mobbed during the
7 noon hour. We all go because, you know, they have good
8 food and the prices are right. So for me, part of this
9 management audit is to talk about marketing. You know,
10 you have to market these things. And if -- if I was a
11 nongolfer and I didn't -- I wasn't in the business
12 community, so that I do go to lunch at the Kahili and I
13 do go to lunch at the Dunes, or wherever these places
14 are, and I was just a regular person, I wouldn't even
15 know that I could go to a golf course to eat. But we
16 don't market that. We don't tell people, come on in and
17 we have an outstanding restaurant, and, you know, you
18 can come in and enjoy the food, you don't have to be a
19 golfer. Because those concessions can make a lot of
20 money. But, again, the attraction is, you know, local
21 people, we like good food and we want it at a good price
22 and good service. And then we're gonna go.

23 So it's not totally the greens. It has
24 something to do with what you have to offer. Thank you.

25 CHAIR WHITE: Thank you. Okay. The -- the

1 Chair's thought is that the -- the Committee is in
2 agreement with the direction of this audit, it's really
3 a question of timing. Whether we do it before -- well,
4 if we -- if we ask the Chair to initiate it similarly to
5 the last one, so that we get the information prior to
6 the start of our next Budget, or whether we allow the --
7 allow the golf course time to improve and -- and
8 possibly have a little bit different perspective shared
9 when that -- that company comes in. So I'd like to hear
10 from the Members your feelings as to whether we move
11 forward with this under the same kind of timeframe that
12 we put on the first resolution, or whether we -- whether
13 there are compelling reasons why we should do it at a
14 later date.

15 One of the things, I think, before we have
16 that discussion, the question of when -- my recollection
17 is that the golf cart concession contract is on a
18 month-to-month basis now? Or is it -- if you could just
19 give us what the timing is of the -- the current vendor
20 contracts that we have at the golf course, when do they
21 -- do we have any concerns with when they would be
22 coming up for renewal?

23 MR. PIERCE: The golf -- the pro shop and golf
24 cart rental agreement, lease agreement started today.
25 And it runs for five years.

1 CHAIR WHITE: Okay.

2 MR. PIERCE: And that's with a different
3 vendor than that was in there previously. So they're in
4 the process of setting up. The cafe, or the restaurant,
5 which is operated by Cafe O'Lei, is on a five-year
6 lease, and it ends in 2014. And I'm not sure if it's
7 June. I believe it might be June, July, 2014, but I
8 know it's until then.

9 CHAIR WHITE: Okay. So neither of those
10 contracts would come -- come into play at all.
11 Mr. Hokama?

12 COUNCILMEMBER HOKAMA: Just -- just a question
13 of clarification, Chairman. And, you know, Mr. Matsui,
14 Mr. Pierce, those two concessions, do they have, in
15 general terms, similar type of contract agreements, you
16 know, they have a basic base and then maybe a -- a rider
17 whereby if they're over a certain dollar amount, then a
18 percentages kicks in, or it's just a flat monthly fee?

19 MR. PIERCE: It's just a flat monthly fee.
20 The -- in past years -- and -- and I'd have to check
21 with Finance. In past years, there was a percentage,
22 but there was always a difficulty in assuring that --
23 you know, what the gross was. So it was determined many
24 years ago just to go into a flat fee.

25 COUNCILMEMBER HOKAMA: Okay. Thank you for

1 that clarification.

2 COUNCILMEMBER PONTANILLA: Chairman?

3 CHAIR WHITE: Mr. Pontanilla?

4 COUNCILMEMBER PONTANILLA: Yeah, just point of
5 clarification. You know, I'm -- I'm looking at Number
6 3, a revised proposed resolution entitled Authorizing
7 the Council Chair to Contract for an Operational Review
8 Regarding, and so forth. My question, is this a revised
9 proposed resolution?

10 CHAIR WHITE: I believe that term was used
11 because, last meeting, we had one proposed resolution,
12 and that's now been broken into two. So I'm assuming
13 that that's why it's -- it's called a revised
14 resolution, even though this is a different title than
15 the one that we just passed earlier.

16 COUNCILMEMBER PONTANILLA: Corporation
17 Counsel, comments?

18 MR. UEOKA: Yeah, I did not post this agenda,
19 but that was my understanding, also, that it is a little
20 -- the wording is different for the second -- or, I
21 guess, revised resolution.

22 COUNCILMEMBER PONTANILLA: Okay. So the
23 original resolution was broken down into two different
24 proposed resolutions?

25 MR. UEOKA: That was my understanding. It was

1 just made more specific as to the type of audit being
2 requested.

3 COUNCILMEMBER PONTANILLA: Thank you.

4 CHAIR WHITE: Ms. Baisa, followed by
5 Mr. Couch.

6 COUNCILMEMBER BAISA: Yes. Thank you very
7 much, Chair. It's my opinion that we should get on with
8 this. And looking in the draft -- or the sample that
9 you gave us from NGF, it did say that they could deliver
10 a draft report within six to eight weeks of
11 commencement. So it doesn't seem like the timing that
12 we're asking for is unreasonable. But I would like to
13 see this information as soon as possible because I think
14 it affects that decision that I'm talking about, where
15 we have to make a long-term decision, soon, about going
16 forward and the cost of that and are we willing to do
17 it.

18 CHAIR WHITE: Uh-huh.

19 COUNCILMEMBER BAISA: Thank you.

20 CHAIR WHITE: Mr. Couch?

21 COUNCILMEMBER COUCH: Thank you. I guess I
22 need to check with Mr. Matsui or Mr. Pierce as to the
23 impact on the staff. That would be my only concern.
24 Yes, I would like to get it as soon as possible, but if
25 you're gonna have a turf audit going on at one -- at the

1 same time as the other audit, is that gonna impact
2 staff, or is it two separate sets of staff, and are we
3 okay with that?

4 CHAIR WHITE: Mr. Matsui?

5 MR. MATSUI: Backing up a little bit. On --
6 on this second type of audit, you know, because you have
7 to go through the RFP procurement process, there's a
8 time lag. You need to advertise and then, you know,
9 receive proposals -- proposals. You know, minimum for
10 that is 30 days. And then once you negotiate a
11 contract, which you have to do, you know. So you're
12 talking like 90 days before you can get -- at least 90
13 days before you can get a consultant on board. And --
14 and then you're talking two more months to do the work,
15 assuming that they are in a position to just start
16 immediately. So I think you're kinda ambitious in
17 giving the same timeline for this second type of audit
18 versus -- versus the USGA report. I think the USGA
19 report is more doable within that timeframe.

20 CHAIR WHITE: Mr. Couch?

21 COUNCILMEMBER COUCH: Thank you. And I
22 believe, again, this might be able to be a sole-source,
23 if I'm not correct, because I think the \$25,000 is the
24 limit. But that would be the Council Chair's, not the
25 Department's, purview, is that correct?

1 CHAIR WHITE: Corp. Counsel?

2 MR. UEOKA: I don't think they are a
3 sole-source. Whether or not this falls under the
4 procurement contract minimum amount of \$25,000, I'm not
5 100 percent sure. But, again, like you just stated, it
6 would be the Council Chair's decision as to which route
7 he would wanna take. But, typically, I believe, when
8 there's multiple vendors, they do, do a RFP.

9 COUNCILMEMBER HOKAMA: Unless there's a
10 qualified list already in place for certain services
11 that companies put and submit their qualifications in
12 advance of -- for -- for any County contract. If you're
13 an engineering firm, you would try and get qualified to
14 be able to be on a selected bidder's list because you
15 specialize in an area. So there may be a list already
16 that the -- the Chief Procurement Officer may review in
17 considering which procurement option the officer may
18 choose to conduct the contract, Chairman, has been my
19 experience. Thank you.

20 CHAIR WHITE: Any further discussion? If not,
21 the Chair would like to make his recommendation.

22 COUNCIL MEMBERS: Recommendation?

23 CHAIR WHITE: Chair would like to recommend
24 the passage of the revised resolution entitled
25 Authorizing the Council Chair to Contract for an

1 Operational Review Regarding the Future Operation and
2 Management of the Waiehu Municipal Golf Course.

3 VICE-CHAIR COCHRAN: So move, Chair.

4 COUNCILMEMBER COUCH: Second.

5 COUNCILMEMBER BAISA: Second.

6 CHAIR WHITE: It was moved by Ms. Cochran,
7 seconded by Mr. Couch that we pass this. Any
8 discussion? If not, the Chair would like to entertain a
9 motion, if -- if there's a -- a thought to amend the --
10 the resolution to provide a delivery date, as we did in
11 the first -- first item. If there's -- if there's no
12 concern with the date, then --

13 COUNCILMEMBER HOKAMA: Well, Chairman, I would
14 -- I would ask for a recess so we can see and calculate
15 what makes --

16 CHAIR WHITE: Okay.

17 COUNCILMEMBER HOKAMA: -- good sense. Thank
18 you.

19 CHAIR WHITE: Okay. Recess. ...(gavel)...

20 RECESS: 10:24 a.m.

21 RECONVENE: 10:26 a.m.

22 CHAIR WHITE: ...(gavel)... The Committee on
23 Economic Development, Agriculture and Recreation, come
24 to order. Thank you for that recess to discuss the
25 issue. Any further discussion on this resolution?

1 Ms. Baisa?

2 COUNCILMEMBER BAISA: Chair, I'd like to move
3 that we insert the date that whatever we contract for be
4 completed and submitted, at least in a draft form, by
5 February 28, 2012.

6 CHAIR WHITE: Is there a second?

7 COUNCILMEMBER CARROLL: Second.

8 CHAIR WHITE: It's been moved by Ms. Baisa and
9 seconded by Mr. Carroll to insert a date of delivery of
10 the draft or final report no later than February 28th,
11 2012. All those -- or any discussion? Seeing none --
12 Mr. Couch?

13 COUNCILMEMBER COUCH: My concern, again, is
14 the time that you have to go through the whole
15 procurement process. That's -- if the 90 days or that
16 accurate that puts us at December already, at the end of
17 December. September, October, November.

18 CHAIR WHITE: No, November.

19 COUNCILMEMBER COUCH: 90 would be the end of
20 November?

21 CHAIR WHITE: Right. It gives 'em --

22 COUNCILMEMBER COUCH: That's a little tight,
23 but --

24 CHAIR WHITE: It is, it -- but I think the --
25 the point was that if we were going to do this, we need

1 to have it in time for consideration during Budget. So
2 we either do it now, or we don't -- we don't need to do
3 it for another year. So -- any further discussion? All
4 -- seeing none, all those in favor of the amendment to
5 insert the date as mentioned, please signify by saying
6 "aye".

7 COUNCIL MEMBERS: Aye.

8 CHAIR WHITE: Those opposed? That motion
9 carries to amend by a vote of seven-zero.

10 VOTE: AYES: Chair White, Vice-Chair Cochran, and
11 Councilmembers Baisa, Carroll, Couch,
Hokama, and Pontanilla.

12 NOES: None.

13 ABSTAIN: None.

14 ABSENT: None.

15 EXC.: None.

16 MOTION CARRIED.

17 ACTION: APPROVE amendment to main motion
18 (resolution relating to an
19 operational review regarding the
future operation and management of
the Waiehu Municipal Golf Course).

20

21 CHAIR WHITE: Did I say six-zero earlier? I
22 did, didn't I?

23 COUNCILMEMBER COUCH: You did and it was
24 right.

25 COUNCILMEMBER BAISA: You did.

1 COUNCILMEMBER COUCH: It was right.

2 VICE-CHAIR COCHRAN: Bob wasn't here.

3 COUNCILMEMBER COUCH: He wasn't here.

4 CHAIR WHITE: Oh, okay. That's right. I was
5 thinking, wait a second, now we got seven. Okay. We're
6 back to the main motion. Any further discussion?
7 Seeing none, all those in favor of the motion to pass
8 the -- the amended resolution authorizing the Council
9 Chair to contract for an operational review regarding
10 the future operation and management of the Waiehu
11 Municipal Golf Course, please signify by saying "aye".

12 COUNCIL MEMBERS: Aye.

13 CHAIR WHITE: Any opposed? Thank you all.
14 Motion carries, seven-zero.

15 VOTE: AYES: Chair White, Vice-Chair Cochran, and
16 Councilmembers Baisa, Carroll, Couch,
Hokama, and Pontanilla.

17 NOES: None.

18 ABSTAIN: None.

19 ABSENT: None.

20 EXC.: None.

21 MOTION CARRIED.

22 ACTION: Recommending ADOPTION of revised
23 resolution.

24 CHAIR WHITE: Thank you, Members. And with
25 there being no additional business before us today, this

1 meeting is adjourned. ...(gavel)...

2 ADJOURN: 10:29 a.m.

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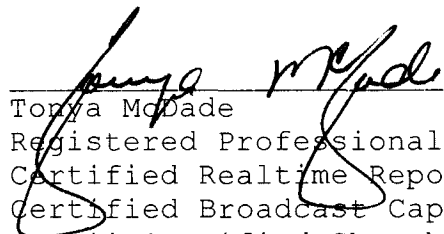
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CERTIFICATE

I, TONYA MCDADE, Certified Shorthand Reporter,
do hereby certify that the electronically-recorded
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by me in machine shorthand and thereafter was reduced to
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accurate transcript of the electronically-recorded
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I further certify that I am not an employee
nor an attorney for any of the parties hereto, nor in
any way concerned with the cause.

DATED this 26th day of September, 2011.



Tonya McOade
Registered Professional Reporter
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