

POLICY AND INTERGOVERNMENTAL AFFAIRS COMMITTEE

Council of the County of Maui

MINUTES

December 2, 2013

Council Chamber, 8th Floor

CONVENE: 9:03 a.m.

PRESENT: Councilmember G. Riki Hokama, Chair (Out 3:26 p.m.)
Councilmember Donald G. Couch, Jr., Vice-Chair (Temporary Chair: 3:28 to 3:29 p.m.)
Councilmember Gladys C. Baisa, Member (In 9:05 a.m.; Out 12:55 p.m.)
Councilmember Robert Carroll, Member
Councilmember Elle Cochran, Member (In 11:27 a.m.)
Councilmember Stacy Crivello, Member
Councilmember Don S. Guzman, Member
Councilmember Michael P. Victorino, Member (Out 3:26 p.m.)
Councilmember Mike White, Member (In 9:16 a.m.)

STAFF: Kirstin Hamman, Legislative Attorney
Tammy M. Frias, Committee Secretary

Tina Thompson, Executive Assistant to Councilmember Crivello, assisting at Molokai
Council Office (via telephone conference bridge)
Denise Fernandez, Council Aide, Lanai Council Office (via telephone conference bridge)
Dawn Lono, Council Aide, Hana Council Office (via telephone conference bridge)

ADMIN.: Michael J. Molina, Executive Assistant, Office of the Mayor (Item PIA-2(18))
Kyle K. Ginoza, Director, Department of Environmental Management (Items PIA-57
and -1(3))
Patrick K. Wong, Corporation Counsel, Department of the Corporation Counsel (Items
PIA-57 and -1(3))
Richelle M. Thomson, Deputy Corporation Counsel, Department of the Corporation
Counsel (Items PIA-57 and -1(3))
Edward S. Kushi, Jr., First Deputy Corporation Counsel, Department of the Corporation
Counsel

Seated in the gallery:

Michael M. Miyamoto, Deputy Director, Department of Environmental Management
(Item PIA-57)
Eric A. Nakagawa, Chief, Wastewater Reclamation Division, Department of
Environmental Management (Item PIA-1(3))
Scott R. Rollins, Civil Engineer VI, Wastewater Reclamation Division, Department of
Environmental Management (Item PIA-1(3))

OTHERS: Glen Ida, Consultant, Plumbers and Fitters United Association, Local 675 (Item PIA-57)
Brittany Smart, Marketing & Public Affairs, Maui EKO Systems (Item PIA-57)

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Christine Sa`u, Office Manager, Aloha Waste Systems, Inc. (Item PIA-57)
Jeff Stark, Maui Recycling Group (Item PIA-57)
Robert King, Board Chairman, Pacific Biodiesel (Item PIA-57)
David E. Homalon (Item PIA-57)
Brian McCafferty, Program Director, Teens on Call (Item PIA-57)
Bill Greenleaf, Maui Farmers Union United (Item PIA-57)
Irene Bowie, Executive Director, Maui Tomorrow Foundation (Item PIA-2(18))
Kika Bukoski (Item PIA-57)
Kelly King (Item PIA-57)
Charlotte O'Brien, CEO, Carbon Drawdown Solutions, Inc. (Item PIA-57)

E. Gayle Long (Item PIA-2(18))
Arun Sharma, President, Anaergia Services (Item PIA-57)
Karl Bossert, Director of Business Development - Pacific, Anaergia Services (Item PIA-57)
Andrew Dale, P.E., Project Engineering Lead, Anaergia Services (Item PIA-57)
Additional attendees (15)

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

CHAIR HOKAMA: . . .(*gavel*). . . The Council's Committee on Policy and Intergovernmental Affairs shall come to order. This is our regular meeting of the 2nd of December 2013. This morning present for the Committee we have Vice-Chairman Couch.

VICE-CHAIR COUCH: Good morning, Mr. Chair.

CHAIR HOKAMA: Good morning. We have Committee members Mr. Carroll...

COUNCILMEMBER CARROLL: Good morning.

CHAIR HOKAMA: Good morning. Ms. Crivello.

COUNCILMEMBER CRIVELLO: Good morning, Chair.

CHAIR HOKAMA: Good morning. Mr. Guzman.

COUNCILMEMBER GUZMAN: Good morning, Chair.

CHAIR HOKAMA: And Mr. Victorino.

COUNCILMEMBER VICTORINO: Good morning, Chair.

CHAIR HOKAMA: Excused are Ms. Cochran, Ms. Baisa, and Mr. White. We have three items for discussion today, Members, and possible decision making, but we shall take testimony at this

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time. So prior to testimony, everyone, either please turn your phone, your iPads, iPods, any of your noisemaking devices to off or vibrate mode, please. The Chair would appreciate. We shall maintain decorum in this meeting. For those that are wishing to provide testimony today, you have three minutes to speak on the item of your choice that has been agendaized. We ask that you state your name. If you do represent an organization we would ask if you would please share that information with us. And at this time we will start with the Chambers and ask Mr. Glenn Ida if you're present to please provide your testimony.

...BEGIN PUBLIC TESTIMONY...

MR. IDA: Good morning, Chair Hokama --

CHAIR HOKAMA: Good morning.

MR. IDA: --Vice-Chair Couch, members of the Committee. My name is Glenn Ida, I'm here representing the 2,000 members and retirees of the Plumbers and Fitters United Association, Local 675. Local 675 is also affiliated with the Hawaii Building and Construction Trades Council. We're here in support, to testify in support of PIA No. 57, the implementation of County of Maui's 2009 Integrated Solid Waste Management Plan through the Integrated Waste Conversion Energy Project. I have submitted written testimony and I'd like to stand on that and just summarize that Local 675 believes that the plan as offered with the contractor Anaergia would be the best for the community and our members. Thank you very much for allowing me to testify this morning.

CHAIR HOKAMA: Thank you, Mr. Ida. Members, any questions for the gentleman on his testimony? Mr. Ida, thank you very much. We welcome Ms. Baisa to the Committee meeting. Thank you for being here.

COUNCILMEMBER BAISA: Good morning, Chair. Thank you.

CHAIR HOKAMA: Next we'll ask Brittany Smart...a fellow, former colleague of ours, Members, from the County of Hawaii.

MS. SMART: Good morning, Committee. It's been a while since I've been on this side of the dais so --

CHAIR HOKAMA: Good morning.

MS. SMART: --good to see you all. Today I'm here testifying on PIA-57. Thank you for the opportunity to testify. I'm here representing Maui EKO Systems who is our, my employer. We have been in business for 18 years here in Maui and we have diverted over 1 million tons of organics from your landfills. I have provided written testimony that does a breakdown of that material as well as further descriptions of our company. EKO has some concerns regarding this resolution and the project as it has been presented recently. First of all, the recycling industry

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does not see waste as trash requiring management but more as resources or commodities with economic potential. Maui has successful landfill diversion components in place, all of which are threatened by the new proposal. EKO is concerned the new proposal may put a number of recycling businesses out of business, including EKO and Pacific Biodiesel, our contractor, subcontractor. Rather than putting forward an all-or-nothing bid proposal, EKO suggests that Maui County re-solicit new bids with an option to bid on each commodity stream individually. This method would support rather than hinder the current recycling efforts while providing the County with more options and income rather than an obligation to put or pay. Additionally EKO has concerns on how the proposal process has been presented. At the October 22nd Talking Trash community informational meeting, the project that was presented differed substantially from the proposal that was submitted and accepted. While it is usually acceptable to refine project details prior to signing an agreement, the drastic changes to the proposal may negate the bid selection and open the door to legal challenges. Lastly, EKO has concerns regarding the accuracy of the true cost of the co-composting operation being reported. EKO respectfully requests that at this point in the process the Council request a true, professional, third-party evaluation and full cost accounting for the current operations and for the proposed project to allow for a more accurate cost comparison. Thank you very much.

CHAIR HOKAMA: Thank you, Ms. Smart. Any questions for Ms. Smart on testimony presented this morning, Members? Having none, thank you for being here. The next person we have is Christine Sa`u. Is that correct?

MS. SA`U: Aloha, Maui Council Committee Chairperson Mr. Riki Hokama and fellow Council members. My name is Christine Sa`u, I'm the Office Manager of Aloha Waste Systems, Inc. On behalf of Kosty Shirvanian, our owner and Stacey Fritz, our general manager and the staff at Aloha Waste Systems, we fully support the County of Maui's Integrated Waste Conversion and Energy Project. For the record, Aloha Waste Systems is not affiliated with the winning bidder but is one of the largest waste collection companies and is a responsible corporate citizen on Maui since 2000. After a careful review of the Anaergia Services proposal we strongly support it. Since it is a proven solution that is based on environmentally friendly technology, it will enhance recycling, decrease emissions, and create renewable energy in the form of renewable fuels while creating significant environmental and ecological benefits for the County of Maui. We understand that recently there has been some negativity and disinformation about this project due to efforts of a few unsuccessful bidders. But as a neutral entity, we see no basis for a project like this to be stalled due to political or economic motivations. We strongly applaud the County of Maui and its Department of Environmental Management for its effort on this subject. We appreciate your consideration of our views and welcome the opportunity to work with the Council to support this environmentally friendly solution for the County of Maui. Mahalo.

CHAIR HOKAMA: Thank you. Any questions for the gentle lady on her testimony, Members? Ms. Sa`u, thank you for being here this morning. Next we have Mr. Jeff Stark.

MR. STARK: Good morning, Mr. Chair --

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CHAIR HOKAMA: Good morning.

MR. STARK: --and members of the Council. My name is Jeff Stark. I'm here today in my role as chair of the publication education committee for the Maui Recycling Group. I've submitted written testimony. I'd like to just kind of review a little bit of that with a couple of key points. Number one, I think it's important that we understand that the choice here is an either/or choice. If we choose to continue on the road that we've been on, we will be able to continue to support our existing community-based recycling organizations. Should we not make that choice, they will almost certainly go away. They've been with us for 20 years. They're responsible for a lot of our progress, and I think we need to think very carefully about how we want to handle their future. I think it's also important to note that the proposal submitted by the contractor Anaergia Services is what I'm calling now a horse of a different color. Every time we hear about it, it has changed substantially as Brittany noted. At some point I think we have to ask for a final copy or some clarification on the nature of the individual elements in the proposal. Initially, refuse-derived fuel was going to be 50 percent of the output of this project, as of now it's somewhere between 20 and 0 depending on which version of Anaergia's comments you accept. I think it's important to note that in every plan that has been presented, every project, every policy, virtually every discussion, there has been one element that has been consistent and which we can actually begin to do right now, and that is island-wide curbside recycling. We've recently finished a successful pilot project. The plan has been presented to this body in 2011. We know how to do this. We know that the people in this community support this evolution of our recycling plan, and I would urge you to treat that as an individual element that we could begin to move on immediately. I think it's also important to note that waste, municipal waste is not a renewable fuel. Of the individual elements in the waste stream, almost all are more suitable for recycling than for energy recovery. This includes plastics, metals, glass, paper, food scraps which could be integrated into the existing EKO Compost operation, yard waste, same with that. It isn't until we get to wood which is a little over 6 percent of the total waste stream that we begin to encounter materials that should be burned. So if that's the case...and these, by the way, these figures come from the Natural Resources Defense Council, and we all I think have had an opportunity to know a little bit about their operations and their, the level of research, so they're pretty reliable. Finally, in every evolution of our Solid Waste Management Plan, in every discussion, in every policy, every project, we have had the benefit of the input and the work of a large number of individuals from the community, from various sectors of our economy, from people whose point of view is primarily from the environmental point of view, the economic point of view. It's been a community effort all the way. This is the first time, this proposed project, that we have not had the benefit of that kind of review, not to mention the benefit of the working professionals who in the Department of Public Works who have been operating on this for many years. I see my time is up. Thank you very much for your kind attention, and I urge you to vote no.

CHAIR HOKAMA: Thank you, Mr. Stark. Any questions for Mr. Stark on the testimony he provided now, Members? Mr. Couch.

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VICE-CHAIR COUCH: Thank you. Thank you, Mr. Stark, for your comments. Two questions. One is I know in somebody's testimony, I thought it was yours, in your written you talk about a loss of jobs. Is, how many jobs do you anticipate might be lost with the, if the proposal were to go through?

MR. STARK: I don't have the, an exact figure. I can get you the figures on what our recycling industry currently provides, and I just happen to have here in my wonderfully organized bunch of paper, among the top six companies in the recycling business on Maui we have 20, 27, 17, 6, 5, and 75 jobs. And I'm not good enough at math to add those up right away, but it's substantial. I believe that in the Anaergia proposal and Arun could help me out on this I think, I think there's something like 15 permanent jobs as a result of, if that were to go ahead. We would lose a lot of jobs. We would lose the ability to keep the money here on Maui. We'd lose the ability to generate taxes and direct, in some cases direct payments from recycling companies.

VICE-CHAIR COUCH: So most of those jobs, are they funded by the County or...

MR. STARK: Primarily these are for-profit recycling companies, companies which have made a decision to generate a valuated product from a portion of the waste stream that formally was landfilled and compete in a commercial environment.

VICE-CHAIR COUCH: Right.

MR. STARK: And our, some of our companies are known throughout the world.

VICE-CHAIR COUCH: So the question is, is do you get any of your funds from the County taxpayers?

MR. STARK: Do I?

VICE-CHAIR COUCH: Does, do those companies in your...

MR. STARK: I think they do, yes.

VICE-CHAIR COUCH: Okay.

MR. STARK: I can't speak for them.

VICE-CHAIR COUCH: And then the next thing is you mentioned the Natural Resources Defense Council, Doctor --

MR. STARK: Hershkowitz.

VICE-CHAIR COUCH: --Hershkowitz that was here, so you stand by a lot of the stuff he said?

MR. STARK: Some of it, yes.

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VICE-CHAIR COUCH: Some of it. Oh, okay. Because in an e-mail to us today I guess everybody got it and it's going to be made part of the record, he says in his last line, to which credit the current plans by the County of Maui to increase recycling works precisely towards that goal. So he's in heavy support of the current plans.

MR. STARK: I can't comment on that, not having seen the entire e-mail. I can say that I think that the work that Dr. Hershkowitz has done in terms of characterization of waste streams and in terms of characterization of the impacts of waste-to-energy projects for a long period of time is excellent.

VICE-CHAIR COUCH: Okay.

MR. STARK: I have serious reservations and disagreement with him on what he has said about this project. I don't think it's a good deal for us, and I don't think it's a good deal now.

VICE-CHAIR COUCH: Okay, thank you.

MR. STARK: But I think that we can get a lot of good information from him.

VICE-CHAIR COUCH: Thank you. Thank you, Mr. Chair.

CHAIR HOKAMA: Okay, thank you very much. Any other question for Mr. Stark, Members?

MR. STARK: Thank you.

CHAIR HOKAMA: Thank you, Mr. Stark. We recognize the presence of Mr. White --

COUNCILMEMBER WHITE: Good morning, Chair.

CHAIR HOKAMA: --for the Committee meeting. Good morning. Before we ask the next person in the Chamber, we'll go to our Hana Office and ask Ms. Lono, is there anyone wishing to provide testimony on today's meeting?

MS. LONO: Good morning, Chair. This is Dawn Lono at the Hana Office and I have no one waiting to testify.

CHAIR HOKAMA: Thank you. Lanai, Ms. Fernandez, anyone there wishing to provide testimony?

MS. FERNANDEZ: Good morning, Chair. This is Denise Fernandez on Lanai and there is no one waiting to testify.

CHAIR HOKAMA: Thank you. Molokai, Ms. Thompson, anyone present wishing to provide testimony?

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MS. THOMPSON: Good morning, Chair. This is Tina Thompson at the Molokai District Office and there is no one waiting to testify.

CHAIR HOKAMA: Thank you very much, ladies. We shall return back to public testimony in the Chambers. Next is Mr. Robert King.

MR. KING: Thank you. I submitted some testimony, and thank you for hearing me as well. Pacific Biodiesel has been here in the County for 17 years, and we have enjoyed working with the County and we would like to continue to do so. We've tried to do the best we can at, with, as moving our technologies along, and we'd love to do that more. This, we're not sure that we can with this project. It's, whether it works with us or with the other recyclers, we're not sure. So this is the question in our mind for my company is it concerns us greatly until we see how or where this comes together. We do want to do some more things in the future here, too. We want to get into ag. We are doing some ag projects in the State. We'd love to come back and revive some alternate agriculture here. We want to help the ranchers and the cattle industry expand. We've got a really nice biodiesel concept that we want to bring back to Maui County. These are all things that we, that, you know, we want to do, we want to continue to work with the County. We love the opportunity to continue to help support the County of Maui and recycling here. Appreciate it. Thank you.

CHAIR HOKAMA: Thank you, Mr. King. Members, questions for Mr. King? Mr. Couch.

VICE-CHAIR COUCH: Thank you, Mr. Chair. And I guess are we going to have them as a resource later or available for a resource or should I get all the questions I have in now?

CHAIR HOKAMA: No, this is testimony portion. If you want Mr. King available for a, responses to, in his professional capacity, we can request his presence during the deliberations portion.

VICE-CHAIR COUCH: Yeah, that would be better so we don't have that during testimony.

CHAIR HOKAMA: Yeah, I'm not going to allow exchanges during --

VICE-CHAIR COUCH: Gotcha.

CHAIR HOKAMA: --testimony.

VICE-CHAIR COUCH: Thank you.

CHAIR HOKAMA: Okay.

VICE-CHAIR COUCH: Thank you. Are you going to be available for...

MR. KING: I should be available up until noon.

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VICE-CHAIR COUCH: Okay.

MR. KING: Then I...

VICE-CHAIR COUCH: Thank you. Thank you, Chair.

CHAIR HOKAMA: We don't plan to go past that --

MR. KING: Thank you.

CHAIR HOKAMA: --mark.

MR. KING: All right.

CHAIR HOKAMA: So if you can make yourself available, Mr. King, we would appreciate your ability to share some responses later.

MR. KING: Thank you, Councilman.

CHAIR HOKAMA: Thank you. We appreciate it. Okay, Members, we'll move on to our next testifier, Mr. David Homalon. Excuse me if I'm mispronouncing your name.

MR. HOMALON: Good morning.

CHAIR HOKAMA: Good morning.

MR. HOMALON: I'm here as an individual, David E. Homalon, speaking on behalf of just, as a worker. I believe that it'll provide work sufficient for a good amount of, you know, people here on Maui as well as we've been talking about, you know, having, upgrade our economy as far as environmental issues and stuff. And this is I think a step forward. So thank you.

COUNCILMEMBER VICTORINO: Chair?

CHAIR HOKAMA: Thank you for your testimony. Mr. Homalon, hold on one second, please. Thank you.

COUNCILMEMBER VICTORINO: If I may, please.

CHAIR HOKAMA: Mr. Victorino, you have a question for the gentleman?

COUNCILMEMBER VICTORINO: Yeah. Thank you. Mr. Homalon, thank you for being here.

MR. HOMALON: You're welcome.

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COUNCILMEMBER VICTORINO: Just for clarification, you are supporting this project...

MR. HOMALON: Yes.

COUNCILMEMBER VICTORINO: Okay. 'Cause you just said I, and --

MR. HOMALON: Yeah, I'm sorry, I'm sorry.

COUNCILMEMBER VICTORINO: --recycling or this, you know, so I was trying to . . . *(inaudible)*. . .

MR. HOMALON: Well I'm just kind of for the fact that yeah, we've all been looking forward to, you know, bettering, you know, looking at new like we did with the windmills and all that stuff. So I'm more for the project than anything else.

COUNCILMEMBER VICTORINO: So do you work in the construction industry?

MR. HOMALON: Yes.

COUNCILMEMBER VICTORINO: Okay. Just wanted clarification. Thank you, Mr. Chair.

MR. HOMALON: Thank you.

CHAIR HOKAMA: Thank you. Any other questions for the gentleman? Having none, thank you very much for being here this morning. Next we'll ask Mr. Brian McCafferty for his testimony, please.

MR. McCAFFERTY: Aloha. Good morning, Council members, Chair.

CHAIR HOKAMA: Good morning.

MR. McCAFFERTY: My name's Brian McCafferty. I'm here representing...we have a teenage work skills training program where we have projects that we work on, on the side, so I'm representing our plastics-to-oil project which is what lead us into an awareness of this issue here with the resolution PIA-57 relating to . . . *(cell phone ringing)*. . . I'm sorry, I thought I turned that off. Sorry. So I just wanted to read a testimony that I had written. And it's hard because I know all the players here, we've been doing a recycling program for quite a few years with the visitor industry, and we go to the landfill once a week to take the leftovers and we see huge amounts of plastic going into the landfill. So that lead us to be motivated to try and find some solution to all these plastics in the landfill which lead us to research an emerging technology that basically distills plastics back into the oil they came from. And we found a couple of companies that have successful operations and we pursued that. I'm not going to get into that too much but I'm going to refer to it in my testimony, because this will add a huge value to this waste-to-energy plan that the County wants to pursue. And we've had the cooperation of the County doing research and then the individuals, existing vendors, you know, we know them, we work with them, so we

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support what they need also. We want them to have feedstock for their operations. So the municipal solid waste coming into Puunene Landfill, it's huge, it's in excess of 450 tons a day, and of that about 12.3 percent is plastics. That's 55 tons a day, that's 36 million pounds a year. This emerging plastics-to-oil technology which is being proven in other parts of the world, will produce 3.8 million of no-sulfur oil a year from Puunene, and that's not using any of the HI-5 plastics, the No. 1 plastics that the State pays a redemption on, this is other plastics, No. 2, 4, 5, 6, 7. Some of the 2s are bailed up and sent to China. Some of the 1s that are not part of the HI-5 system in the State are bailed up and sent to China. How long China is going to be receiving things from Hawaii is questionable, and of course the carbon footprint to send it to China is huge. The price of shipping, Matson and so forth is only going up. So I'm going to read this quickly. We encourage your support of PIA-57 resolution which would allow Maui County's proposed Integrated Solid Waste Conversion and Energy Project to move forward. We believe this proposed waste-to-energy plan will not result in a net loss of feedstock available to Maui EKO Compost or to Pacific Biodiesel, our local biodiesel pioneer. After Anaergia Services anaerobically digests the renewable Biomethane from the wet portion of the municipal solid waste that's brought to Puunene Landfill, this produces liquefied natural gas, the remaining digestate that's leftover may be returned to EKO Compost for use in fertilizer. That's what I understand. Regarding Pacific Biodiesel, the waste-to-energy vendor Anaergia Services definitely will not be going into the community to obtain biofuel feedstock grease from restaurants which will leave Pacific Biodiesel feedstock collection and supply chain intact. Our teenage work skills training program has been operating a substantial recycling program, and for years we have been aware of a very large volumes of plastics buried at Puunene Landfill, 55 tons daily estimate. And this is, we pulled this from the 2012 Waste Composition Analysis at the Central Maui Landfill.

CHAIR HOKAMA: Mr. McCafferty, you're going to need to conclude in a sentence or two.

MR. McCAFFERTY: Okay. So many union construction jobs will result from construction of the waste-to-energy facility at Puunene funded entirely by Anaergia Services. A number of other operational and maintenance positions as well as some low-skilled, well paying materials processing jobs will be created for entry-level workforce, and may be selected prisoner/Drug Court Integration program clients. In conclusion, we believe an opportunity exists with this proposed integrated waste-to-energy plan whereby all municipal solid waste and recycling stakeholders may build a coalition which would sufficiently convert and recycle at least 80 percent of the municipal solid waste on Maui continually with usable fuel and profits benefiting our community. This fuel will be useable in our community. Mahalo for your review and consideration of this resolution to move this valuable proposed integrated waste-to-energy plan forward. Thank you.

CHAIR HOKAMA: Thank you.

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR HOKAMA: Mr. Victorino.

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COUNCILMEMBER VICTORINO: Yeah, thank you. Question...Brian.

CHAIR HOKAMA: Mr. McCafferty, if you would please return.

COUNCILMEMBER VICTORINO: Sorry. You know first of all I'll say thank you for all the great work you do with Teens On Call. I mean we've been a benefactor. Worked with you for nine years as the Fair Director, and I know the good things you do. You have a copy of all these statistics for everybody?

MR. McCAFFERTY: I do. I wasn't able to...I didn't...

COUNCILMEMBER VICTORINO: Okay. Because I know you gave me and then my colleague next to me was asking the, for some of that.

MR. McCAFFERTY: Yeah, yeah, yeah. It's a very good fact sheet, yeah.

COUNCILMEMBER VICTORINO: Yeah. You know, Mr. Chair, if we could have those fact sheets passed out to the Members. I was privileged to get one when I walked in. He gave me a copy so I knew exactly what he was saying. So if he would get it to us and that way our colleagues would have that. And finally, so if I understand correctly, Brian, you are for this project because you don't feel the diversion will hurt your operation and what you're presently doing?

MR. McCAFFERTY: I don't know...yes, I don't believe it will hurt anyone in the long run. Maui County's growth as most of you know, is twice the percentage of any other island. I mean we're growing pretty steadily here.

COUNCILMEMBER VICTORINO: Yeah.

MR. McCAFFERTY: So the waste stream is increasing, and with a new waste-to-energy plan there's an opportunity here to, for public education to collect plastics. I believe the plastics waste stream can be increased hugely if people are onboard for how it can be converted into a useable fuel. And it's going to reduce the amount of plastics in the landfill hugely. So I don't...I believe in the end the vendors, the existing vendors, Aloha Recycling and Maui Disposal whom are doing a great job with their recycling efforts even though they're sending a lot of it off the island right now which is, has a heavy carbon footprint to ship things far away. You know we gotta think of the future. I mean is China going to always be receiving this material? They're choking on what's going, they're choking in their air already. So it's reasonable to try and create something that where the materials will, more of the materials will stay on Maui, and if some of it can be converted to fuel, useable fuel...and the plastics has not really been addressed very much before. So we've done a lot of research, much more than...but this paper I'll hand out here has, encapsulates some of the main points. But we want the existing vendors to survive, you know, they're good people, and so and I believe they will. There's going to be more feedstock in the end, I believe, for the existing vendors. Thank you.

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COUNCILMEMBER VICTORINO: Thank you, Mr. Chair.

CHAIR HOKAMA: Thank you. Any other questions for Mr. McCafferty? Okay, thank you very much, Mr. McCafferty. The next person we have is Bill Greenleaf. If there's anyone wishing also to provide testimony, please make yourself known and we shall provide you with your opportunity.

MR. GREENLEAF: . . . *(lowers mic)*. . . Thank you, Brian.

COUNCILMEMBER BAISA: He's a big guy.

MR. GREENLEAF: Thank you, Chair. Good morning, Council. I'm speaking for, on behalf of the Farmers Union, local agriculture on Maui. And the important viewpoint we wanted to bring forward, we do have some concerns about way the, this process has morphed. We're glad to see it changing. We'd like to see it changed to include composting. In the modern waste-to-energy having the, as the methane producing products turned back into food for the earth, I guess I'll call it. Compost is what we feed to the ground. Farmers Union has several items for, that we brought forward to the Ag Chair of the House and the Senate for mentoring centers and for regional areas for composting. I don't believe it's been considered in this bill, and progressive cities all around the world are using their leftover food from restaurants, schools, home recycling. In Germany it's just, the system's completely efficient now, and it...as we go forward and we want to develop young farmers, as we want to mentor young farmers, the land on Maui for many, many years has had chemicals put on it and it's killed the life in it. And that's caused it to erode and cover our reefs decreasing our fish stocks. And if we want to be prepared at any point in the future to reverse this process, being able to regenerate the soil by putting carbon back into the soil in the form of compost is a necessary ingredient. I believe this contract is going to go forward for a long time. Jerry Ross from Farmers Union has made four inquiries to Engineer Ginoza and in an effort to be heard on this subject and has not received any replies. I also request that there's a third party audit done of the cost. I was an accountant in a former lifetime and I've seen many projects that were tipping on the edge of being a financial burden for organizations turned around with effective cost analysis. So it's hard for me to support this program without a composting program that really looks at the future. Think of the, when we're talking jobs I think about jobs for the young people, and I think do I want, do the people of Maui and Hawaii want see their children aspiring to be clerks in stores, or do they want to see them aspire to being creative, powerful, healthy people that are getting their food from Maui, being part of the agriculture process, returning to what made cultures in the past so vibrant for so long? I believe this is a really important consideration that hasn't been considered. I haven't seen it in any of the paperwork, so I ask the Council to vote no on this now, have further reconsideration. So much reconsideration has been done since Allen Hershkowitz's presentation on the 22nd. I believe further work is needed and I urge the Council to vote that way. Thank you very much.

CHAIR HOKAMA: Thank you, Mr. Greenleaf. Members, any questions to the gentleman on his testimony presented? Having none, Mr. Greenleaf, thank you for your presence this morning. Is

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there anyone else wishing to provide testimony on today's agenda? This is your last opportunity, I mentioned it once already. I'm not going to mention it again.

MS. BOWIE: Good morning, Chair and Council members.

CHAIR HOKAMA: Good morning.

MS. BOWIE: Irene Bowie, executive director of Maui Tomorrow Foundation. I'm going to switch gears here for a moment. I'm actually here to learn more about the waste conversion and energy project and hear the pros and cons, but I just wanted to offer a comment on the nominations to boards and committees. And I don't know anything about this person that's before you today, I briefly Googled, she looks like a very qualified person. And I wanted to comment because I'm happy to see that it's a woman, and I would like for you to keep in mind now that there's another round of names, you know, being offered up for various boards and commissions, to really keep gender equity and diversity of interests in mind. And my job, I come to a lot of meetings before boards and commissions, and there's not really a good balance in this day and age considering how many women are in the workforce and are very skilled and in many, many fields. So I hope that you can impress upon the Administration to really as the names come in, look at this and keep this in mind so that we're all represented in this community. Thank you.

CHAIR HOKAMA: Thank you for your comments. Okay, anyone else wishing to provide testimony?

MR. BUKOSKI: Good morning, Chair, Committee members. My name is Kika Bukoski, I'm here actually wearing several different hats. I'm here representing the Hawaii Building and Construction Trades Council, and just for your knowledge, the council is comprised of various construction labor unions and we represent the thousands of members Statewide, many of which will actually benefit from this particular project if it does move forward. We have been working with the developer to provide the labor that will be constructing these facilities. So from that standpoint we support this project. Also, you know, it's a little unique, and before I go on I do want to say I have a great deal of respect for a lot of the opponents and unfortunately opponents to this particular resolution. I've worked with a lot of them in the past. They've done and they continue to do great work keeping Maui the way it is. I was, I had the privilege of working with Bob King when he first got started. At that time I was with Roberts Hawaii and I helped to actually prove out some of his technology and his fuels at that time. I was there when he ground broke his first facility here in Maui, and I'm really happy for all his success and the great things that they do for this island. But with that said, you know, I have, just to qualify myself, you know, I was a former executive for Maui Disposal, Allied Waste, BFI, Best Disposal. I've been in the industry for quite some time. I served on, in the Legislature as a ranking minority member on energy and environment. I was involved in a lot of decisions regarding recycling. In 2002 as you may recall, the Mayor at the time put together a taskforce, a recycling taskforce and we were charged with looking at the recycling specifically on Maui and what we can do with our waste stream. And at that time in 2002, one of our, in fact the primary recommendation was to construct a MRF and that's exactly what we're here talking about today and this is 10-11 years later. And, you know, good things take time, but, you know, I, from the experience that I can

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speaking to from my experience in the industry especially here on Maui, I want to say that we've had a chance to take a look at this proposal. I also want to add that on this particular RFP, I was working with the group and I have been working on project development in alternative energy and whatnot for almost 20 years now. I was involved with Ukumehame, Ulupalakua wind farm, various bioenergy, biofuel projects, and we were actually, I was working with a group out of California to actually submit a bid on this particular RFP. And we were going to submit a bid somewhat similar to what Anaergia has submitted, the only difference is that we were going to do a recycling diversion process but what we were going to do with the residual was just do a straight waste-to-energy project. The difference and I think the benefit of what Anaergia brings in their process, in their proposal is a waste-to-energy project of the residual waste of what cannot be recycled. Basically you're tied to the utility, you have to enter into a PPA of some sort so you're tied to one off-taker for your fuel, your residual fuel. In this case what they're doing is they're doing several different things. They're turning some into liquefied natural gas, they're taking some into a digester, and then they're creating a solid fuel. That solid fuel is not dependent on one particular off-taker, it's flexible. You can export it, you don't have to necessarily, you're not tied to a utility. So it's a very flexible fuel source that you can use or export if you need to. I don't think they're going to have a problem finding off-takers for this particular fuel. There's a lot more here, I know my time is running very short but I did want to point out a couple things that was mentioned by previous testifiers of an either or choice, and in my humble opinion that's simply not true, that's not the case. Current recyclers will still be able to do what they do, it will not hamper what they do today. You know they mention curbside recycling, that can even still be considered, but you have to understand that, that's going to be a cost to the taxpayers. That's an added cost the taxpayers. We have an opportunity here where a private company is coming forward and offering private money to build a facility that will definitely help the community and help the industry to recycle what is left after everything else is taken out upstream. Loss of jobs were mentioned. Again, we're talking about programs that largely are County subsidized, so this is an opportunity to save the County taxpayer dollars.

CHAIR HOKAMA: Mr. Bukoski, you're going to need to wind up, please.

MR. BUKOSKI: Okay, thank you. I just want to close by saying that this a great opportunity, it's the right thing to do. When you look at it from an economical and environmental standpoint, you take the politics and the emotions out of it, this is a solid project and we stand in strong support. Thank you.

CHAIR HOKAMA: Thank you. Members, any questions for the gentleman on his testimony? Having none, Mr. Bukoski, thank you for your presence. Molokai, Ms. Thompson, anyone wishing to provide testimony in your office?

MS. THOMPSON: The Molokai Office has no one waiting to testify.

CHAIR HOKAMA: Thank you. Lanai, Ms. Fernandez.

MS. FERNANDEZ: There is no one waiting to testify on Lanai.

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CHAIR HOKAMA: Thank you. Ms. Lono, Hana Office, anyone wishing to share testimony?

MS. LONO: There's no one in the Hana Office waiting to testify.

CHAIR HOKAMA: Okay, thank you very much. With no objections, the Chair is going to close testimony for today's...

COUNCILMEMBER VICTORINO: No objections.

CHAIR HOKAMA: You know the Chair made two announcements already. You need to make yourself known when the Chair states...

UNIDENTIFIED SPEAKER: I'm sorry. . . .(*inaudible*) . . .

CHAIR HOKAMA: Okay, next person. Ms. King. And are you going to testify also?

MS. O'BRIEN: Yes.

CHAIR HOKAMA: Did you sign up?

MS. O'BRIEN: . . .(*inaudible*) . . .

CHAIR HOKAMA: The lady right outside there.

MS. KING: Aloha. I apologize for not standing up earlier. I just wanted to make, kind of make a few...my name is Kelly King, I'm with Pacific Biodiesel. I want to appreciate the previous testifiers who have supported us, but I think we need to make some corrections here because people are telling us that we're not going to lose jobs. I think the folks who are actually running the companies in the recycling businesses probably know more about which jobs will be lost and which ones, which businesses will be helped and not. I don't see an increase in our feedstock with this project. I don't understand what the project is because the project does keep changing. We've heard at several community meetings and even in this room that now there's a different focus on the project, and so those of us in the field that are going to be affected don't know. And I wanted to just also point out that when the RFP was previously in the landfill diversion underneath the Director there, Hana Steel, there were professional consultants that were brought in to work with the original, the companies that are in there and talk to us about what we were doing and try to gather the cost, full cost accounting. I had a couple of interviews at least before that was ended, and then the new focus on the RFP was done, what seemed to us as to be completely in-house. So Pacific Biodiesel to my knowledge, none of the other companies that are currently operating have been involved in the process of helping to develop the RFP. And so we're in the dark about really other than what is in the proposal which doesn't appear to be something that we can work with, we're in the dark with where this project is going and how it varies from the original RFP. And so I just wanted to, you know, there's a lot of support for what

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Allen Hershkowitz from NRDC was saying but there's a lot of conflicting information, and we're all picking and choosing what we want to hear. He's not for combusting plastics but I understand there's a project to combust plastics. In his presentation it showed many more jobs and economic return from recycling things like plastic and even some types of wood and metals and things like that. So I would caution the Council of needing much more information before moving forward with this resolution, because from what we were hearing, there's just, there's not a full community input and there's not a full regiment of the types of information, the type of technological information that needs to be known. Thank you.

CHAIR HOKAMA: Thank you. Any questions for Ms. King on her testimony presented? Okay, having none, thank you. Next, please.

MS. O'BRIEN: Hello. My name is Charlotte O'Brien, I'm with Carbon Drawdown Solutions here on Maui. I apologize for not being prepared for this. I heard about it at 3 o'clock this morning, so I'm here. Just to give you a little background, I did, our company did put in an RFP and we were not considered because our technology has not been in existence for the three years that's required. But I would like the Council to know that we're at a threshold with technologies. The technology presented is certainly a good technology but it is old technology, and the new technology that is coming online that the Council may want to wait a little bit for is a type of a gasification. So we put in an RFP from BNL Clean Energies from Switzerland, and they will be having, they'll have their technology online in Germany this year where it can be visited. Something that you may not realize is that this type of technology takes the old landfills, digs up the old landfills and processes it, turns it into diesel fuel and electricity so that actually the County regains real estate by doing that. Takes care, right now as Allen Hershkowitz said, the methane that is being generated in the landfills is also, carries with it toxins. It's not just pure methane, it's methane with some toxins. So and I don't know, perhaps this technology takes those toxins out, I don't believe so. But my other concern and I don't know why no one else is talking about this but the solid waste that comes from these bio-digesters in Europe was at one time considered safe, and now people are realizing that when they combust those solid wastes, the toxins are released. And I'm quite certain that since the people of Maui said they do not want incinerators and this is an incinerator by any other name, by another name. There's no way to say it's not an incinerator. If you take the solid waste and you burn it in a coal plant in Puunene or at the other coal plant, it's still incineration without the advantage of the cleaners that are in incinerators. So I'm, it's quite certain that the Sierra Club and the rest of the County is not going to go for that solution. The other solution is to take those bricks, send them to China. In my idea that is not responsible. The type of technology that we are presenting that of course will take a little bit longer to show is it has zero emissions, everything is dealt with, everything that goes in. And I totally agree that everything should be recycled that can be recycled. No company that's existing now should be put out of business, but what is left can be totally reused, turned into electricity and diesel fuel. And one other thing I'd like to say is that another part of this process is creating biochar. We generate 26,000 tons of green waste a year on Maui, not to mention what goes into the gulches. That can be turned into biochar, and that biochar is essential for turning our fields back into sustainable food-producing land. So there are a lot of options out there and I

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don't envy you 'cause it's very complicated, but just please be patient. Let the new technology come online and let everybody work together. So thank you.

CHAIR HOKAMA: Thank you, Ms. O'Brien. Any questions for Ms. O'Brien? Can you state that entity you're with, please.

MS. O'BRIEN: Carbon Drawdown Solutions is my company, but the company that put in the proposal for us is BNL Clean Energies of Switzerland.

CHAIR HOKAMA: Carbon Drawdown?

MS. O'BRIEN: Carbon Drawdown Solutions, yeah. We work primarily with pyrolysis. The new technology works with gasification and pyrolysis under pressure with high moisture, and any molecules that go around that don't get turned into either electricity or diesel at the first time around, go back through the system, come from around again.

CHAIR HOKAMA: So...

MS. O'BRIEN: It is the newest technology.

CHAIR HOKAMA: So, Ms. O'Brien --

MS. O'BRIEN: Yes.

CHAIR HOKAMA: --you told us you may need time. How much time does your technology need?

MS. O'BRIEN: The technology will be online in Germany this year.

CHAIR HOKAMA: And how long before it's so-called proven technology?

MS. O'BRIEN: Well the company which has tremendous, I mean one backer gave them \$300 million for this project, to do the...

CHAIR HOKAMA: So how long is it, this going to take?

MS. O'BRIEN: Yeah. I would say within the year; however; what, the company is guaranteeing their technology. If they...

CHAIR HOKAMA: I have yet to believe anything can be guaranteed.

MS. O'BRIEN: Well c'mon, they're Swiss. No. If...

CHAIR HOKAMA: Okay, that's fine. Thank you for your response to that question.

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MS. O'BRIEN: Okay, thank you.

CHAIR HOKAMA: Any other questions for the testifier? Having none, thank you very much, Ms. O'Brien, for your presence. Okay, Members, with no objection, the Chair will close public testimony for today's meeting.

COUNCIL MEMBERS: No objections.

CHAIR HOKAMA: Okay, testimony shall be closed.

...END OF PUBLIC TESTIMONY...

ITEM PIA-2(18): NOMINATIONS TO BOARDS, COMMITTEES, AND COMMISSIONS
(COST OF GOVERNMENT COMMISSION) (CC 13-42)

CHAIR HOKAMA: The Chair would like to take the first item up. I'm not too sure if Ms. Long is here. Yes, Ms. Long is here, so she's been patient so we'll take up item 2(18), Members, before we take a break and take on the items that has generated the most testimony. This is under the heading of Nominations to Boards, Commissions, and Committees. This is in specific to the Cost of Government Commission. We are in receipt of a correspondence dated October 22, 2013, from the Acting Mayor, with a proposed resolution Appointment of a Member to the Cost of Government Commission. We have the nominee present this morning, E. Gayle Long. And Ms. Long is being nominated to fill a vacancy due to the resignation of Sunny Gutierrez. We'll ask Mr. Molina if there's any opening comments regarding the nominee. Please, Mr. Molina.

MR. MOLINA: Yes, thank you, Mr. Chair, and good morning, Committee members. The Administration appreciates your consideration of Ms. Long as a nominee to the Cost of Government Commission. As the Chairman stated, she would be replacing Sunny Gutierrez for a term expiring on March 31, 2018. And as you well know, the Council previously earlier this year interviewed Ms. Long and confirmed her to the Grants Review Commission. Since then the Grants Review Commission has been abolished and is no longer in existence, but in light of that, Ms. Long has indicated to us that she still wants to serve our community which we certainly appreciate. And as a side note, I believe in a side conversation I had with Ms. Long, she indicated to me she once resided in Tennessee or may have come from Tennessee, and as we know Tennessee is known as the Volunteer State, so we certainly appreciate Ms. Long's attempts to...just trying to add a little humor here this morning, Mr. Chairman. But anyway, getting back to Ms. Long, she certainly has excellent credentials, and as indicated on her application she is a small business owner, a Rotarian, and has served in various leadership capacities for Hale Makua, Big Brothers Big Sisters, and so forth. So with that, Mr. Chairman, again, the Administration would like to thank you and the Committee members for a consideration. And I'm open for any questions and as well as Ms. Long who's up there at the podium. Thank you, Mr. Chairman and Committee members.

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CHAIR HOKAMA: Okay, thank you very much, Mr. Molina. Ms. Long, thank you for your presence. We'll ask if you have any comments you wish to share with the Committee this morning regarding the nomination.

MS. LONG: No, thank you, Mr. Chair and Council members, for considering my nomination. And thank you, Mike, for the kind words. I've been a volunteer since I was in high school, and I'm actually finishing up ten years of Hale Makua service and do have some more time that I'd like to devote to the community. So hopefully this time I'll not be the bridesmaid again but maybe the bride, you guys will let me go ahead and clear through. And if you have any questions I'll be glad to take those at this time.

CHAIR HOKAMA: Thank you. Questions for Ms. Long? We'll start with Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you. And real quickly, there's not really much questions. I've known Ms. Long for many years and know of her capabilities. And being that she is one of those outstanding young ladies of our community that will contribute greatly, Mr. Chair, I like this nomination very, very much. And I think she brings a lot of positive and what I call professionalism to the Cost of Government which really at times is very much needed in some of the decisions they have to make. So that's my only comments, Chair. Thank you very much.

CHAIR HOKAMA: Okay, thank you.

MS. LONG: Thank you.

CHAIR HOKAMA: Ms. Baisa.

COUNCILMEMBER BAISA: Yes, thank you very much, Chair. I really don't have any questions. I'm fortunate enough to know Ms. Long. We've been fellow Kahului Rotarians, and I know of her volunteer background. I think she's a perfect example of what Rotary is about and that's service above self. And that was very interesting to hear she comes from the Volunteer State, no wonder. Anyway, I think she'll bring a very important level of professionalism to the Cost of Government Commission. You know we're in that very interesting transition now with the relationship with the County Auditor's Office, and I think that she'll bring a good perspective. So I'd like to thank her very much for volunteering her service. And I'm certainly pleased to have you. Thank you.

MS. LONG: Thank you.

CHAIR HOKAMA: Thank you. Questions, Members? The Chair has a few and I think Baisa was good enough to broach it. So, Ms. Long, we do have now a County Auditor that the people have required by a Charter Amendment. How do you see your role then now as a Cost of Government member knowing that the Auditor has been given the responsibilities regarding in general the cost of operations for both the Council, the Administration, the County Clerk's Office?

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MS. LONG: Thank you, Mr. Chair. That's an excellent question. I'm not sure exactly how that's going to work out since the Auditor position is relatively new. As you know I'd originally applied for a member of the Grants Review Commission which I felt very comfortable on. I guess my main qualifications would be that I'm very frugal financially with spending other people's money, and I'd like to think of myself as an expert in financial affairs as far as being able to read general profit and losses, what services are you getting for the amount of money that's actually being applied. And since I've been in volunteer work I guess one of my main mantras has been, you know, what are we getting for the money that we put up, and that's the bottom line, what's the cost of the service and is it justified. So that's the angle that I usually approach things from. And Mr. Victorino and I were on a United Way panel together, that's where he's seen my words in action so to speak. But I think from that standpoint it's always good to have a third party overview, one that's not directly, you know, tied, I guess, to the Council itself or the government itself as an overview or oversight committee, if you will.

CHAIR HOKAMA: You know and I listen carefully to your response, Ms. Long, and I don't know if you're doing the Auditor's job.

MS. LONG: I beg your pardon?

CHAIR HOKAMA: I'm not sure you're not actually doing the Auditor's job, and, you know, in my view the Cost of Government is not to do the Auditor's job. In fact, I'm coming to a point where I'm thinking do really need a Cost of Government Commission since we do have an Auditor. Do you see yourself in conflict with the role of the Auditor?

MS. LONG: Not at all. I think it's always good to have community members understanding what's going on with the government and exactly what the services provide to the community.

CHAIR HOKAMA: Do you see yourself because this is an administrative appointment more of a...you know, I'm not too sure. You know I'm trying to give the Auditor the maximum amount of leeway and they have, he has the maximum amount of arm's length that the Charter has provided whereby even the Auditor gets to review and investigate the Council and its finances which is different from the State Auditor and the State Legislature. What do you see as a Commissioner that you might be pushing for regarding government costs and government operations?

MS. LONG: I don't know whether I'd be in a position to push for anything, Mr. Chair, it'd be more of a position of I guess a second set of eyes, so to speak.

CHAIR HOKAMA: Okay. I believe you're one that's going to fulfill but, you know, 2018 is a few years away and that's not an issue for you, Ms. Long --

MS. LONG: No.

CHAIR HOKAMA: --to commit that length of time?

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MS. LONG: No, sir.

CHAIR HOKAMA: Okay, thank you. Mr. Carroll, questions for the lady?

COUNCILMEMBER CARROLL: No questions. But I think she is the person and I support the nomination.

CHAIR HOKAMA: Ms. Crivello, any questions for the nominee?

COUNCILMEMBER CRIVELLO: No questions but just want to thank you for volunteering your time.

CHAIR HOKAMA: Mr. Couch.

VICE-CHAIR COUCH: No questions, just want to speak in support. Thank you.

CHAIR HOKAMA: Thank you. Ms. Baisa, any further comments?

COUNCILMEMBER BAISA: No, thank you.

CHAIR HOKAMA: Mr. White?

COUNCILMEMBER WHITE: No, thank you, Chair. I think that she's answered the questions well, and I thank her for stepping up to the plate and offering her services.

CHAIR HOKAMA: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. It sounds as though Ms. Long is very qualified. I just have one question. A lot of the Cost of Government Commission's duties are to analyze systems. What do you feel within our government needs to be analyzed as a top priority, department versus components?

MS. LONG: You know at this point, Mr. Councilmember, I really don't have a priority until I get into the situation and take a look and see what my, I guess, requirements will be. I have no preconceived notions of what I need to do.

COUNCILMEMBER GUZMAN: Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Mr. Victorino, any last question for the lady?

COUNCILMEMBER VICTORINO: No, I'm perfectly satisfied. Thank you, Chair.

CHAIR HOKAMA: Okay. Any closing comments you wish to share, Ms. Long?

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MS. LONG: No, I just thank you for all of your support for the County of Maui and for your efforts and hard work on our behalf.

CHAIR HOKAMA: Thank you. And I visited your old state and let me tell you they got some good beverages.

MS. LONG: I miss the barbeque.

CHAIR HOKAMA: So thank you very much for your presence. Members, is there any questions for your Chair regarding Item 2(18)? If not, the Chair is open to a motion to place the name of E. Gayle Long to the Cost of Government Commission for a term expiring March 31, 2018 on Exhibit "B". Mr. Couch.

VICE-CHAIR COUCH: Mr. Chair, I move to approve the resolution that is entitled Appointment of a Member to the Cost of Government Commission by placing the name of E. Gayle Long on Exhibit No. "B".

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

CHAIR HOKAMA: Thank you. I have a motion by Mr. Couch, seconded by Ms. Baisa. Members, any discussion? Having none, all in favor of the motion, please say "aye".

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say "no". Motion passes with eight ayes, one excused, Ms. Cochran.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Crivello, Guzman, Victorino, and White.

NOES: None.

EXC.: Councilmember Cochran.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

ACTION: Recommending ADOPTION of revised resolution approving the nomination.

CHAIR HOKAMA: We shall take a short recess and return at 10:15. . . .(*gavel*). . .

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RECESS: 10:06 a.m.

RECONVENE: 10:21 a.m.

CHAIR HOKAMA: . . .(*gavel*). . . The Policy Committee shall return to order.

ITEM PIA-57: IMPLEMENTATION OF COUNTY OF MAUI'S 2009 INTEGRATED SOLID WASTE MANAGEMENT PLAN THROUGH THE INTEGRATED WASTE CONVERSION AND ENERGY PROJECT (CC 13-350)

CHAIR HOKAMA: Members, may I direct you to Item 57. Item 57 is under the heading of Implementation of County of Maui's 2009 Integrated Solid Waste Management Plan through the Integrated Waste Conversion and Energy Project. We are in receipt, Members, of a Communication 13-350 from the Director of Environmental Management with a proposed resolution. And at this time the Chair will ask either Mr. Wong or Mr. Ginoza to give us opening comments, please.

MR. WONG: Chair, if I may?

CHAIR HOKAMA: Mr. Wong.

MR. WONG: Council members, having heard testimony this morning, having sat through the Talk Trash presentation, personally given the consideration of the general public, I would want to at this point suggest that and caution the Members that if we have questions that deal with the RFP process, that we take those questions in executive session. That if we have questions about the contract itself, that we take those questions in executive session as the contract is not yet complete, and that we continue to negotiate on behalf of the County. With that caveat I will ask Kyle to begin his presentation. But if you have any questions with regard to the RFP as I believe those questions may present difficulty with respect to any prospective challenges, I'd want to deal with those questions in executive session. Thank you.

CHAIR HOKAMA: Okay, thank you, Mr. Wong. Any questions for the Chair or Mr. Wong on the instructions just shared? Okay, having none, thank you very much, Members. Mr. Ginoza, Director of Environmental Management, your opening comments, please.

MR. GINOZA: Thank you. I'd like to defer until my presentation occurs.

CHAIR HOKAMA: Okay. You're ready to do your --

MR. GINOZA: Yes.

CHAIR HOKAMA: --presentation?

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MR. GINOZA: Yes, Chair. Thank you.

CHAIR HOKAMA: Okay. We're going to take a two-minute recess. We shall prepare the Chambers for the presentation and then return to order. . . .(gavel). . .

RECESS: 10:23 a.m.

RECONVENE: 10:25 a.m.

CHAIR HOKAMA: . . .(gavel). . . The Policy Committee shall return to order. Mr. Ginoza.

Note: Computer-generated presentations.

MR. GINOZA: Thank you, Chair. I'm Kyle Ginoza, Director of the County of Maui Department of Environmental Management. Thank you for the opportunity to be here before you today. I'd like to go over the process of getting to this point, a waste management roadmap which I'll explain in the next 15 slides from the adoption of the Integrated Solid Waste Management Plan in 2009, to analysis of the landfill diversion program, to the exploration of a Request for Qualifications, to the project's Request for Proposals, to the analysis of the proposals we received, and the benefits of the proposal we selected. I'll finish off with the proposed project timeline for implementation. As you may recall, we had five meetings on this project thus far in Ms. Cochran's Infrastructure and Environmental Management Committee, three in 2012 and two in 2013. The Department is ready to take the next step in pushing forth a project which will have an extraordinary beneficial effect on the County of Maui. I attached to the proposed resolution the executive summary of the Integrated Solid Waste Management Plan which you should have in front of you. The recommendation in the plan was to strive for a landfill diversion rate of at least 60 percent which was roughly double the existing diversion rate at the time of 30 percent. The significant increase in diversion would come at a cost, an annual average budget over the next 30-plus years of \$109 million. In comparison, the Fiscal Year 2011 actual budget was roughly \$22 million. In other words, the plan advocated for an annual budget that was over four times the current budget. As shown in the slide, the actual County reported diversion rate in 2011 was 43 percent. The reason for the increase in 2 years from 30 percent diversion in 2009 to 43 percent diversion in 2011 was largely due to the inclusion of diversion efforts at the private construction and demolition landfill. I prepared this slide to generally show the flow of solid waste in the County. This is Fiscal Year 2011 data. That's the most current information we have for analysis. As shown, just over...in the yellow portion in the middle, just over half of the 43 percent diversion is through programs from the commercial and construction demolition sectors which are independent of County efforts. That's the 14.9 percent and the 9 percent that you see in the middle section. Those are efforts that the County does not fund. The County funds the diversion program shown toward the top. As you can see, despite our best efforts on the right, over 150,000 tons per year is landfilled at our County landfills. We needed to take a closer look, examination into significantly reducing the 150,000 tons per year that we were landfilling. With a backdrop of over 150,000 tons per year landfilling, we decided to explore a comprehensive project which could address the increasing waste issues on Maui. We issued a Request for

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Qualifications in March, 2012 to gauge interest in such a comprehensive waste management project. While we had over 70 firms interested in the project, 23 formally responded to the RFQ with waste conversion projects ranging from the production of roughly 5 to 20 megawatts of power. There were various technologies that were proposed to be utilized from the respondents, including many incineration based and also digestion technologies. As you may recall, Ms. Cochran's Committee had a meeting in July 2012 where I gave an update on the RFQ and explained that we structured the project where a developer would finance, plan, design, build, own, maintain, and operate a facility. The County would be responsible for providing the waste stream to the landfill, to the facility over the next 20 years. I explained that we would prepare an RFP for the project over the next couple months, at the time. In the roughly August and September 2012 months that followed, we found that there would be some challenges implementing many of the type of projects that were put forth. At the time, Maui Electric indicated that there would be limitations on the power they could accept, specifically with regards to the recognition of the project as base load power or power that would be accepted on a 24-hour basis. Maui Electric indicated that with the renewable energy projects already in the pipeline, some of the project's output would be curtailed or not accepted in the off-peak overnight hours. Despite the limitations of Maui Electric power acceptance, the Integrated Waste Conversion and Energy Project was born recognizing the power constraints. We issued a Request for Proposals for the Integrated Waste Conversion and Energy Project in November 2012, so roughly a year ago, and proposals were due in January of this year. The stated purpose of the project in the RFP was as follows, "...the purpose of this RFP is to select a developer to finance, plan, design, permit, construct, own, operate and maintain a waste-to-value facility to produce energy, fuel, recyclable materials, and/or other products." Maui County's goals were landfill diversion and waste conversion. Further, the project's goal taken directly from the RFP issued was "...the overarching goal of the project is to increase diversion of economically recyclable materials from the waste streams, reducing the environmental impacts currently associated with landfilling and with importing fossil fuels for electricity generation and transportation on the island." The bottom line is integrated waste conversion includes recycling.

COUNCILMEMBER VICTORINO: Mr. Chair? Mr. Chair?

CHAIR HOKAMA: Mr. Victorino.

COUNCILMEMBER VICTORINO: Yeah, you know, I'm following Mr. Ginoza but I think we're missing a couple of slides, five and six, unless I fell asleep in between. Am I correct in...I'm following the presentation he gave us and five and six did not show up. That was Request for Qualifications pages. I do not remember seeing that up there, Mr. Chair. No, no, no, for the public's knowledge it was not shown.

CHAIR HOKAMA: Okay, thank you for that. We'll let Mr. Ginoza do his presentation. We can question him after, Mr. Victorino. Go ahead, Director.

MR. GINOZA: Okay, sure. We received 20 proposals for the project as a result of the RFP that we issued in November. These proposals included various technologies which are pervasive in the

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waste conversion field. Maui Disposal and Pacific Biodiesel were partners in an incineration based proposal, and EKO and Aloha Recycling were part of a compost and digestion based proposal. These 20 proposals were rated by an evaluation team comprised of County of Maui employees with diverse backgrounds in finance, auditing, construction management, solid waste, and engineering. The evaluation team selected the proposal by Anaergia Services in April 2013. Before I go over the benefits of the project, I would like to address a handful of misconceptions put forth by a few individuals, many of whom were part of or associated with proposal teams that were not selected for the project. The first misconception that I would like to address is that the minimum tonnage requirement in the RFP is onerous or burdensome to the County. The reason for a minimum tonnage is to provide guaranteed revenue assurance for project financing and to ensure cost efficiency. As you can imagine, the lower the minimum tonnage, the higher the cost of service. Further, as shown in the chart, the risk to the County for falling below the minimum tonnage is minimal. There's currently a 41 percent buffer from the minimum, meaning the current waste stream going to the landfill would have to decrease by 41 percent to trigger the minimum threshold. As the population grows, this buffer will likely only increase. Another misconception is that there is no market for the solid fuel created. To the contrary, the market for the solid fuel that will be created by the project is healthy. There are on island, neighbor island, and international markets for the solid fuel created. Offtake agreements for the fuels created will not be consummated until the County contract is finalized. Yet another misconception is the notion that the scope of the project has evolved. As I mentioned earlier, the RFP's stated intent was to develop a waste-to-value facility to increase diversion of economically recyclable materials and/or other products. There was no mention in the RFP of the County desiring a traditional waste-to-energy facility. Project opponents have also warned that local businesses will be forced to close. Existing County vendors have had the opportunity to partner with Anaergia Services in this endeavor. I know that Anaergia Services has made a concerted effort on their part to forge these partnerships. Regarding the existing County recycling grant program that we have, we have no intention to curtail that effort. Moreover, commercial sector diversion efforts will be unaffected. These are those efforts I showed in that flow chart where the County does not fund or is not involved in the commercial and C&D diversion efforts. Another misconception is the County does not have an exit strategy. To the contrary, since the project will be privately financed and since the County landfill operations will continue in parallel with the project, there is little, if any, exposure to the County in case of the project ceasing for reasons outside the County's own efforts. I'd like to highlight many of the projects benefits that the island community will reap. There will be increased recycling, one that will be island-wide and multi-faceted. Materials such as paper, plastic, metals, glass, and cardboard will be diverted from the waste stream. Other materials will be converted into liquid and solid fuels. As a result, there will be over 80 percent diversion from the Central Maui Landfill which would increase the island sustainability. Perhaps more importantly, there will be a large reduction in greenhouse gases emitted, the equivalent of taking roughly 25,000 cars off the road. The County will also reap lower municipal solid waste management costs over time. The current cost of Maui County municipal solid waste landfilling is roughly \$100 per ton, and the project's fee would be about, would be \$68 a ton. Residue from recycling will be converted to solid fuel rather than landfilled. Lastly, project implementation will result in the infusion of private investment resulting in roughly 150 local construction jobs and 20 to 40 local permanent jobs. That is in addition to the

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over \$100 million in private capital investment. So where do we go from here? Upon your favorable support, we anticipate the contract being executed by the first quarter of calendar year 2014. The environmental analysis and documentation is anticipated to be complete by the first quarter of 2015. It is anticipated that land use entitlements would be secured by the summer or fall of 2015 with commercial operation occurring by the first quarter of 2017. In summary, the Integrated Solid Waste Management Plan targeted at least 60 percent landfill diversion at a cost to the taxpayers of roughly \$109 million annually. Instead of that level of investment, the County is poised to implement a project which would result in over 80 percent diversion with the cost borne by the developer instead. County recycling programs and initiatives will coexist with and complement the project as well. As described, the Integrated Waste Conversion and Energy Project will result in significant benefits economically, ecologically, and environmentally. Thank you very much. That's the end of my presentation. Mr. Arun Sharma who is with Anaergia Services will give a short presentation as well. Thank you.

MR. SHARMA: Good morning. I'm Arun Sharma from Anaergia Services and I really appreciate the opportunity to be here to present the proposal that Anaergia has presented within this RFP. Just wanted to introduce Anaergia, it's a couple of slides. Anaergia is a global resource recovery technology leader. We are little known in Hawaii but wanted to stress that we are not a fly-by-night organization, we have a long track record and history of successful project execution. We've done over 1,600 projects worldwide. We have six facilities now operational in the United States, and we have five contracts in place. In fact, very recently we signed a contract with City of Anaheim with a very similar project. Our headquarters is in North America versus being in Europe for several companies like ours, and we have some very powerful investors that includes Macquarie Capital which is the largest global infrastructure fund. EDC Bank, Global H2O Partners, a water fund, as well as Andrew Benedek who was a founder of Zenon, now a large part of GE Water. We have centers of expertise worldwide, and the only thing I wanted to stress was it helps us in bringing the global best practices to our customers wherever they might be. We did not respond to the first RF or request for information but we were part of the second response. And the way we understood the County's requirements was the project had four fundamental elements. It had to be environmentally strong to maximize recycling and reuse, its diversion requirement. It had to have technology that was proven with long commercial operating history. It had to have financial play in there in terms of savings to the County and economic benefits to the community. And the delivery team had to be experienced and it had to have a local component in there. When we got together to present our project, you know, we sort of looked at the key success factors as to what had to happen for us to be successful in delivery. And the three things that were important at the time were the project had to be flexible to accommodate variability and change. I'm going to talk about each of these a little bit more because you're dealing with a commodity that changes and it's a 20-year term. We had to bring the global best practices to build a technology showcase just because of the location of the project. We had to make products with multiple markets and use, and this was to reduce the project risk. We have built, owned, and operated many, many projects worldwide, and we understand the project financeability is the single most important aspect of delivering on a project. So you have to have risks that are acceptable to the investors. Talking about the flexibility. Over the life of the project, flexibility is a key design element to address variability

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and change in waste composition and volumes, collection methods and schedules, and current and new recycling programs. We made sure the design of the facility will seamlessly address the variability and change adequately. The fundamental project design that we have in there or that we bid is a Material Recovery Facility that will recover the recyclable material and the organics that go into an anaerobic digester. Anaerobic digester really is a way to compost material very fast, at the same time produce a renewable resource which is biogas or natural gas that is produced naturally in nature. The products that we have are really recyclable materials that would include glass, metals, plastic, paper. Renewable fuels, and I'm going to talk a little bit more about renewable fuels. We've got solid fuel as well as gaseous fuel. We do have the ability and we're flexible enough that we can produce fertilizer or compost in our process as well. So I was little disappointed or saddened to see that we didn't quite reach out to Mr. Jerry Ross today to explain that we are flexible enough to make compost. And we want to make sure that we only make adequate compost that has markets on Maui, if that is feasible, so that we don't run into risks of where compost piles could catch fire. And finally, the last product really is the inert material which we don't really have a use for, roughly about 15 percent which would end up in the landfill. One of the things that I wanted to clarify is a question that we get very often, is this a waste-to-energy facility or is it a recycling facility, and I wanted to clarify that a waste-to-energy facility or recycling, they're not mutually exclusive things. This facility was a waste-to-value facility and we bid both with recycling and renewable energy component. It's possible that over a period of time, the recycling component might go up and the energy component might go down or, you know, we might actually be able to do more recycling and reduce the amount of material that goes into the landfill as technology improves and as our protocols improve. But this is an integrated facility to recover resources, commodity, and energy. A couple key enabling technologies that I want to talk about real quick just because we invest a lot of money in research and development globally. Just to make sure that we're able to provide maximum value to our customers, we're able to do better things at a lower cost. One of the key technologies is the Triton digester. We have built several hundreds of these, and a Triton digester actually increases the digestion efficiency fairly significantly over the next competitive technology. The other technology is an Organic Extrusion Press, and what an Organic Extrusion Press does is the food waste, contaminant food waste that ends up in your garbage bins, it is able to extract the organics out of it very efficiently. And just to give you an example, the Organic Extrusion Press extracts 90 to 95 percent of the food waste that might be in the trash very efficiently compared to the next best technology available on the market which has a 45 percent extraction rate. Some of the numbers, we see a lot of numbers floating about, the benefits, and, you know, we looked at what's happening out there today and how does this project contribute to the benefits for the County, so one of the numbers is the percentage of recycling. Current material that County controls and I'm talking only recyclable material, not compostable material, less than 5 percent in recycled in the County today. And this is not the commercial recycling, it's just what County controls, the stuff that ends in the landfill. Actually that number is closer to 1.7 percent, it was less than 2 percent. This project would actually increase that number to over 80 percent. That's the recyclables that are end up, that end up in landfill that are recovered. What happens to the overall diversion rate for the County? Currently it's at about 40 percent. It's 161,000 tons, a total 375,000 tons of waste in the County, Maui. We are able to generate or divert another 126,000 tons of waste, and that significantly increases diversion percentage by

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another 30 to 35 percent. The total diversion percentage would go up from 43 percent to 75 percent. And this sort of, I would like to put this in backdrop of the Integrated Solid Waste Management Plan that was done in 2009. This comes at a significant value and benefits. That plan only increased it from 43 percent or whatever the number was to 60 percent of the cost of additional \$87 million. The landfill diversion from municipal solid waste that end up in landfill today, and we're only talking about the diversion of material that ends up in landfill is, you know, is 85 percent. And Kyle's talked about this number, 25,000 cars reduction, that equals to about 122,000 tons annually of greenhouse gases. Real quick about the products or the byproducts that we're going to make, we are making an engineered solid fuel with high renewable content. We're making natural gas which is 100 percent renewable, and there is flexibility to make fertilizer depending on the market demand. There is a certain misinformation out there in terms of the nature and marketability of the solid fuel that we make. Wanted to say that not all solid fuel is created equal. Unfortunately it seems like the Refuse Derived Fuel definition over here means it's shredded trash. There are several levels of Refused Derived Fuel, of solid fuel that could be made, that could be made in a very clean way to remove any or all contaminants or hazardous materials in there so they actually burn better than coal or even wood. And our goal was to actually engineer a solid fuel which will be mostly cellulosic biogenic material and it would not have any recyclable materials in there. It would have lower contaminants than typical RDF or coal that's used in Hawaii, and it would have lower emissions compared to RDF or coal. And we believe there are solid markets for it both in Hawaii and other countries. Renewable gas has very strong existing markets. It's a very, very highly desired commodity in Hawaii for heating, power generation, and transportation. And we are talking to several entities to commit this fuel to. Talking about the team that we have, one of the requirements was we had to have a lot of local content. We have mostly local players. Our intent was to increase jobs on Maui. Provide only support from our experts and recruit and train most of the operators and most of the workers on Maui. We have AECOM which is a very, very strong engineering company in Hawaii. We have Hawaiian Dredging as a construction partner. And we have some very strong operational partners to operate the project. That includes Aqua Engineers, a local Hawaiian company, NAES which is also going to be operating another project in Hawaii called the Aina Koa Pono. We wanted to ensure, as I said before, that we want to build a showcase on Maui, and this showcase could also be a significant center for learning, you know, for kids to learn and experiment, for people to come and get trained here for business tourism. And I can assure you that if this facility was approved and built on this island, you would have significant number of people who would actually come here to look at this showcase of sustainability. My final takeaway is this is a facility designed to fit the local constraints on Maui, unfortunately none of the solutions related to incineration or gasification can be implemented just because of the constraints on the grid. MECO is not in a position to take any base load power because there's a significant amount of wind on the grid. We do intend to bring a world-class technology and build a model of sustainability with highest levels of diversion. There's significant economic benefits to the County and the community. And when I say community I actually think both EKO Compost and Pacific Biodiesel, they are part of the community and I have reached out to all of them to see how we can collaborate. I have highest regards for Mr. King, and I hope that I can collaborate with him some way. And finally I believe that there is no capital risk or operational risk to the County. A significant capital investment that would

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come in, and it would provide for jobs and significant economic development as well. Thank you. I have a three, maybe a three-and-a-half-minute video which actually shows what this facility would look like. So, Mr. Ginoza, if you could put that on.

Note: Three-minute video presentation.

Maui Resource Recovery Facility has the potential to become a model of sustainability for generations to come. In engineering a workable solution that can actually be executed on Maui, Anaergia has carefully evaluated the local constraints and opportunities to maximize the extraction of recyclable commodities, resource recovery, and the benefits for the community. Strong partners have been carefully selected to maximize synergies and to ensure project financeability. The fundamental approach is to maximize the production of recyclable commodities and clean, renewable fuels from organic material and recycling residue. The basic layout of the Maui Resource Recovery Facility shown here comprises an MSW building where recyclable material recovery and organics recovery will take place. Other building blocks include anaerobic digesters, dewatering and cubing, biogas upgrading and liquefaction facility, and a power and heat generation system to serve onsite loads. In the MSW building the recyclable stream is processed on dedicated lines to separate and bale recyclables for shipping. The mixed trash is dumped on a walking floor conveyor where a specially designed bag opening system will break the plastic bags. Specially designed systems will extract additional recyclables before the trash is passed through the organics extrusion press, a key enabling technology for the Maui Resource Recovery Facility. At the heart of this technology is a hollow cylinder with holes and a piston-like extruder that extracts decomposable organic matter such as food waste that will be further diluted and cleaned to remove contaminants like grit and plastic before being fed into Anaergia's Triton anaerobic digesters for production of biogas, a renewable gaseous fuel. Anaergia's Triton digester is a revolutionary concept developed and patented by Anaergia using a ring-in-ring ...*(inaudible)*... configuration. This configuration significantly increases the efficiency and the space requirements for a two-stage digestion system. With experience derived from hundreds of digester plants in Europe, the feeding, controls, and mixing systems around the digesters have been optimized to provide long-term, robust, and efficient operation. While part of the biogas will be used in engines for onsite power generation to serve the parasitic loads at the plant, most of it along with landfill gas will be processed in the biogas upgrading and LNG production equipment to produce renewable liquefied natural gas or RLNG. RLNG will be transported and stored like propane for offsite use. Residual material will be cleaned and converted into renewable solid fuel in the dewatering and cubing building. Some of the residual material like ...*(inaudible)*... or cellulosic or green waste may be used for composting depending on market needs on Maui. Extensive odor control equipment will be used in the integrated waste conversion and energy facility. The basic approach is to use negative pressure inside the buildings and pass the air through biofilters. Maui Resource Recovery Facility will also be built to the latest standards of health and safety to ensure a clean working environment. It has been our endeavor to design a solution for Maui that has flexibility, long commercial operation history, and economic viability.

MR. GINOZA: Thank you, Chair. That's all we have.

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CHAIR HOKAMA: Okay, thank you. We'll take a short recess and reset the Chambers. . . .(gavel). . .

RECESS: 10:58 a.m.

RECONVENE: 10:59 a.m.

CHAIR HOKAMA: . . .(gavel). . . We shall return to order. The Policy Committee is on Item 57 where we are going to be discussing the Integrated Waste Conversion and Energy Project. At this time, Director Ginoza, additional comments for the Committee?

MR. GINOZA: Not at this time. Thank you.

CHAIR HOKAMA: Okay. Members, you did see the presentation both by Anaergia and the Department. The Chair is open to allowing you to ask questions from either presentation to our panel. And we've also asked people like Mr. King to be present should you need a response from those professionals. Mr. Couch?

VICE-CHAIR COUCH: Thank you, Mr. Chair. First question I would have would be either for Mr. Ginoza or possibly Mr. Wong. The Integrated Solid Waste Management Plan that talks about 60 percent diversion at \$109 million, is that a guideline or is that an actual law that we have to follow?

CHAIR HOKAMA: Mr. Ginoza.

MR. GINOZA: It's a guideline. It's a requirement by the State that we look at our managed, solid waste management issues or landscape every ten years with a five-year update in between, but it's just a guideline that is accepted by the State Department of Health.

VICE-CHAIR COUCH: Okay. And right now it says that by, I forget by what year but we should have 60 percent recycled before going into waste-to-energy. I believe that's something...

MR. GINOZA: Yeah, 60, the goal is 60 percent diversion of solid waste.

VICE-CHAIR COUCH: Okay. And this is, obviously will go much higher than that?

MR. GINOZA: Yes.

VICE-CHAIR COUCH: Okay. That's all for now, I got plenty of questions.

CHAIR HOKAMA: No, we'll go around. We'll get everyone an opportunity, Mr. Couch. Ms. Crivello, any questions at this time?

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COUNCILMEMBER CRIVELLO: I, my number one question was there were testimonies that presented and I noted in your presentation, will any of the existing companies be displaced due to this impressive project?

CHAIR HOKAMA: Director. Mr. Wong.

MR. WONG: Council Chair, Council member, thank you for the question. I would prefer that Mr. Ginoza not respond to a question that we may have no control over. A displacement question currently I feel should not be answered by Mr. Ginoza at this time. Thank you.

CHAIR HOKAMA: Okay. Ms. Crivello.

COUNCILMEMBER CRIVELLO: Is it something that we could discuss in executive session or do you feel that there should be no response? Or will the corporation be able to answer that?

MR. WONG: I would feel more comfortable if we had that discussion in executive session.

COUNCILMEMBER CRIVELLO: Thank you.

CHAIR HOKAMA: Okay, thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Yes, thank you very much, Chair. Chair, we received this morning testimony from Mr. Allen Hershkowitz which we've all received.

CHAIR HOKAMA: Yes.

COUNCILMEMBER BAISA: And during the discussions earlier, I mean what we've heard earlier, there seems to be a concern that there's not enough discussion going on, and people are saying, you know, we need to defer this and we need to have more meetings because there are people that would be displaced or hurt or businesses that would be hurt. And yet in this testimony it says, Mr. Hershkowitz says that Anaergia wants to talk about integrating his proposal along with what exists, and that a letter was sent to, from the president of Anaergia to the president of Pacific Biodiesel inviting precisely such a smart collaboration. I'd like to ask Director Ginoza if he can elaborate on this.

CHAIR HOKAMA: Director, can you respond to the query from Ms. Baisa?

MR. GINOZA: Sure. Yes, I can confirm that the president of Anaergia Services has reached out to the existing County vendors that have County contracts with us, and they obviously can't control whether or not they want to partner but they have reached out to 'em and did offer that to them.

COUNCILMEMBER BAISA: Has there been a response?

MR. GINOZA: Yes. Yes and no. Basically to date they have not forged a partnership.

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COUNCILMEMBER BAISA: But they are meeting and talking?

MR. GINOZA: Yes.

COUNCILMEMBER BAISA: I think that's really important because what we're hearing here is I think, you know, a lot of people are afraid, you know, there's a big change in the wind and people's jobs and income and whatever are on the table. So I think it's really important that the discussions continue, and that we try very hard to find a compromise for everybody. So I'm glad to hear that, that's happening, I wanted to hear that. Thank you. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. White?

COUNCILMEMBER WHITE: Not at this time. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. I just have a, I have many questions but I'll start off with number one. The, I believe that the Director mentioned that there was an adequate exit strategy. And my concern is when you have a monopoly or any kind of business in the free market, when a business comes in and basically becomes somewhat the only entity that does that type of resource or business, you have, you lack control, safety nets and so on, so forth. Can you explain what our exit strategy would be or could be in, after the 20-year contract or if there's a breach in the contract before...I see Corporation Counsel Wong is going to stop me here. But let's regard, disregard the breach question, but let's just go forward with after the 20-year term.

MR. WONG: Council member, if I may, generally speaking, parties don't enter into a contract in anticipation of breaking it. But we have dealt with those issues, we continue to deal with those issues. I would prefer a more frank and thorough discussion about the topic, including your last question regarding the exit strategy in executive session.

COUNCILMEMBER GUZMAN: Okay.

MR. WONG: Quite frankly, the, as I said earlier, the terms and conditions have not yet been finalized. As presented by Director Ginoza's presentation, anticipated contract closure is in the first quarter of 2014 or sooner, but until we have the opportunity to close those terms and conditions, it's prudent that you have the opportunity in executive session to weigh in on those issues with us prior to consummation. Okay.

COUNCILMEMBER GUZMAN: Thank you. Chair, can I do a follow-up question? Not really a follow-up but a separate question to the Department. The 375 tons minimum that is basically presented per...if you break that up into the various streams, the solid waste, sewage sludge, fats, oils, grease, and the green waste, is there a percentage per stream that we're talking about to get that 375 tons?

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CHAIR HOKAMA: Director.

MR. GINOZA: I believe you're talking about the minimum tonnage?

COUNCILMEMBER GUZMAN: Yes.

MR. GINOZA: It's 125,000 tons per year. Hundred and twenty-five thousand tons per year is what I had put into the RFP in order to get an assurance as I mentioned in the slide for financing. And the 125,000 is what we call acceptable waste which is comprised of municipal solid waste, sewage sludge, green waste, and fats, oils, and grease. And just for informational purposes, like I used, I kept using 2011 numbers. In 2011 the municipal solid waste was 149, roughly 150,000, and then the sewage sludge was 23,500, and then green waste 25,400, and then FOG 4,000. So roughly 202,800 was what we consider acceptable waste, so that's the measure against which the minimum tonnage would be weighed against. And while since 2011 the numbers have come up a little bit to on the order of about 211,000 tons, as I mentioned in the slide, if you look at 211,000 versus the 125,000, it's a buffer of about 41 percent.

COUNCILMEMBER GUZMAN: Right.

MR. GINOZA: Meaning if we were somehow to be able to divert from our landfill 41 percent before coming to the landfill is where the minimum tonnage would be triggered. So I felt comfortable from a, trying to get a cost effective project and minimize risk to the County of putting a threshold at that level.

COUNCILMEMBER GUZMAN: One more time. On the, so basically in so many terms, the breakdown of the different streams have been calculated.

MR. GINOZA: Well from a minimum tonnage standpoint it's the aggregate of those four streams.

COUNCILMEMBER GUZMAN: Okay.

MR. GINOZA: So if the aggregate of those four streams fall below the 125,000 tons is where, is what is in question.

COUNCILMEMBER GUZMAN: Okay.

MR. GINOZA: But what I'm saying is the aggregate up to now has been anywhere from over the last 6 years has been from 197,000 to 245,000 tons. So, you know, when development was robust and the tourism was robust, we were closer to 250,000 tons at our landfill versus over the last few years where development has been lukewarm and, you know, as we get back to be more robust the low point has been around 200,000 tons. So that's why I felt comfortable with 125,000 ton threshold.

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COUNCILMEMBER GUZMAN: Okay. And just one more question, Chair, before I turn over the . . . *(clears throat)*. . . sorry, caught a frog over the weekend. My, one of my colleagues I think Ms. Crivello mentioned about the other I guess businesses that are within the recyclable association. You mentioned in your slide that the recycling programs would initiate or coexist with and/or complement those businesses that are already doing the recycling. Can you elaborate further on that or if that's --

MR. GINOZA: Sure...oh.

COUNCILMEMBER GUZMAN: --something that you cannot do so at this time?

MR. GINOZA: Sure.

CHAIR HOKAMA: Director.

MR. GINOZA: So what I mentioned as far as the County grant program, if you recall from the actual County budget, we have roughly \$150,000 to give out as County recycling grants. I don't expect anything to change for that, so that's what we fund to help kind of incubate recycling projects. So I don't see anything changing with that. You know there was also I think a testifier mentioned about curbside recycling. This project and initiatives such as curbside recycling or anything else really should not be perceived as being mutually exclusive but has to be taken in the context of everything. And so am I saying that we could not do curbside recycling because we have this? No, I mean it's not mutually exclusive. We could have both coexist. And it's a matter of trying to enable a significant amount of landfill diversion and not basically pollute our aina with trash as quickly as possible. And then as we think of other economically efficient and other socially acceptable diversion methods, I mean those can occur as well. And so I don't...and that's why I said that it could complement each other and will coexist.

COUNCILMEMBER GUZMAN: Okay. Has there been attempts to get the interested parties together and somewhat have a conference and talk about the various interests that are at stake in formulating the next process forward in negotiations with Anaergia?

MR. GINOZA: Yeah. So as I mentioned the, Anaergia has reached out to the difference vendors but they were not able to forge an actual Memorandum of Understanding or anything like that because of what the, the current vendors were reluctant to do so. It was offered out by Anaergia but the vendors wanted to wait until after this meeting to decide whether or not to partner. So that's kind of the environment. You know we cannot force people to, or not we but they cannot force people to partner with them, but they have reached out to them to participate.

COUNCILMEMBER GUZMAN: I guess I can waive for other Members to ask questions if there are any. I have a few more questions in regards to the resolution itself.

CHAIR HOKAMA: We'll have multiple rounds, Mr. Guzman.

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COUNCILMEMBER GUZMAN: Okay, thank you.

CHAIR HOKAMA: So everyone will have more than one opportunity to ask questions. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you, Chair. And, Mr. Ginoza, I'm glad to hear that, you know, the attempts are being made on them. And most of my question, Mr. Chair, would be in executive session, and I hope that you're considering that today. And if not, at a later date for sure, 'cause there's still some very interesting questions that need to be discussed and understanding the dynamics that we face. Being part of the original Integrated Solid Waste Management Plan which was done in 2009, you know, we had done many travels, and so I'm very familiar with the MRFs and the anaerobic and all these other, you know, different facilities that are available. And I'm glad to see that we're moving in that direction. I'm also comfortable, Mr. Chair, with the 125,000, giving us that 41 percent buffer, for which I believe will only go up, not down. I mean if you live here, if you think we're going to get less waste in the next few years, even if we continue to divert and got to 60, 70, 80 percent, there is still a lot of waste in this community. And unfortunately we're still a very, pardon the expression, some of us are very lazy about recycling. 'Cause I just the other day opened the rubbish can at the park and there was full of plastic bottles and everything else inside, so even though they're there, people don't pay attention. But that's another story. The only other question I have for you, Mr. Ginoza, is as you have done all of this work with this various entity and others around you, do you feel comfortable in the overall process for which this County can use the present landfill, and is there any possibility as was mentioned by a testifier of going back and using some of the old landfill material that for us is unusable land that could be someday made tenable and made usable again? So is there any possibilities of that? And I don't know if that's falling into contractual agreements, I'm not asking that. I'm just asking if there's a possibility of that occurring in the future, 'cause that was one of our discussion points.

CHAIR HOKAMA: Director.

MR. GINOZA: Really what it comes down to is in many jurisdictions where they actually harvest the landfills, in my experience, it's because they're, they've run up against a landfill capacity constraint, and they no longer have either adequate capacity in their existing landfill or no means to develop a new landfill where there is an overlap of capacity. And so it really becomes an economic decision where these jurisdictions weigh the cost of unearthing a filled landfill and developing space versus developing new space, permitting and doing a new space. So based on what I've researched and what I've seen and Maui's landfill capacity, I don't think that it would be economical, and it really would be up to this body to decide if we wanted to help subsidize an operation where we unearth existing landfills. So it is something that you can harvest resources in existing landfills but it comes at a cost because you are trying to dig things out. So it is possible but in our scenario I think it would be highly unlikely.

COUNCILMEMBER VICTORINO: Thank you for that response, I appreciate that. Thank you, Mr. Chair. I'll wait for other questions. And like I say, I'll wait for executive session for my main questions.

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CHAIR HOKAMA: Okay, thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you. Thank you, Director. And I have to congratulate your vision and the efforts to improve the waste, anyway, that we go through. So my question for you now is this mentioning of separation of wet and dry recyclables, and of course the company mentions that it will educate the public. Does this mean then that County will have, provide the provisions to separate the dry and the wet recyclables as far as trash pickups or will, you know, will you have different containers? Or just trying to say or will it be automatically separated?

CHAIR HOKAMA: Director.

MR. GINOZA: The plan right now does not rely upon separation of, like what we had rolled out in Kihei, the curbside recycling, a 3 Can Plan. It does not hinge upon that. If the County does decide to do so, we still can. Where you look at the separation of what has been suggested is to try to do some separation in the existing can, such that when it comes to the facility it can then be separated out more easily. And as, if that front-end separation isn't done by the homeowner, they will have that, I don't know if you recall that organics extrusion press to try to harvest out more of that wet versus dry fractions. And so on the front end, the education is with the Anaergia to try to educate the public on how best to fill their trash bins in absence of any kind of curbside recycling rollout, and then from there it's a matter of them trying to handle the separation of those two fractions.

COUNCILMEMBER CRIVELLO: Okay. So my understanding that if it's mixed, the wet and the dry, the end result or the byproduct of that can be contaminated, if those, the wet and the dry are mixed.

MR. GINOZA: Yes. And if you look at other like say in the, I think in LA, their curbside recycling gets like 40 percent contamination. So it's not to say just because you have a three-bin program that you'd get a clean stream. Do I think it'll be cleaner by having that front-end separation? Undoubtedly. And that, that is why they're looking at measures on educating the public to try to enhance that separation in absence of the County rolling out or in delay of the County rolling out a curbside program. And so it is something that because when you mix everything up and then try to separate it, you're undoubtedly going to get more contamination than if you or I separated everything out in the front end. That is the challenge that they're faced with, and that will affect their revenue downstream.

COUNCILMEMBER CRIVELLO: Thank you. And may I ask another question, Chair? So this is why I want to know if, you know, it's going to be added cost for the County for us to provide all the curbsides? But I notice where if I'm understanding this right, from the commercial side there's 50 percent of waste that's into the landfill from commercial. How do we see these kind of separation and because that's a big percentage that comes into the landfill?

MR. GINOZA: Sure.

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CHAIR HOKAMA: Director.

MR. GINOZA: That is something that I've, as part of what I see kind of going forward is the County taking a more proactive role in not only trying to enhance recycling at a residential level which is what we focused on if you look at our efforts with curbside recycling, with community drop boxes. But really in large part don't try to tackle this half of the waste stream. And so that's something that, you know, the County can in terms of subsidy again try to provide say bins at the commercial, for the commercial sector to help them have a kind of bigger 3 Can Plan or something like that but it comes at a cost. And that's what we're looking at now, to try to enhance that for not only the residential sector but also for the commercial sector and to an extent, I don't know how much we can do for the C&D sector.

COUNCILMEMBER CRIVELLO: Thank you. And the reason I ask is because wondering if the company who has this bid has something in place to address these kind of problems, or will we be able to still utilize our local vendors to come up with some sort of resolution to some of these challenges that you mention?

MR. GINOZA: Yeah, this...oh, sorry.

CHAIR HOKAMA: Go ahead, Director.

MR. GINOZA: This project looks at what actually comes to our landfill. So as I mentioned in one of the slides, things that come before that where if you look at just kind of the dynamics of commercial trash, they pay for the hauling and pay our landfill tip. But if instead they were to have say a cardboard bin, they wouldn't pay the landfill tip because they'd get some money, the hauler could get some money from that commodity so it would be kind of offset. So it's in the best interest of the commercial sector to try to divert instead of paying the landfill tip that we have. And so those types of efforts are still really incumbent on the commercial sector to try to engage in and initiate, and that we can try from the County's perspective to try to save landfill space. And, you know, our efforts would be hey, can you do something like this or that, you know, we don't have to develop another landfill or we can extend the life of our existing landfill. But for us to compel them, you know, we kind of rely on their economic motives to try to help sell the separation in the front end. But that's something that this project really has nothing to do with, so local businesses will continue to thrive on that type of enterprise basically.

COUNCILMEMBER CRIVELLO: Thank you. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Mr. Couch.

VICE-CHAIR COUCH: Thank you, Mr. Chair. And I see that great minds think alike, those were some of the questions I was going to ask on this next round. But to carry on or follow up on what Ms. Crivello said and I guess you kind of answered but I just want to get it clear. Is for instance, if we do County funded separation, that makes it cheaper for them, the Anaergia guys to do their

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jobs, so do we get a lower rate at the scale or at the tipping fee, or is it we're just helping them out at the cost of taxpayers just because?

MR. GINOZA: Why would it be cheaper? I would think it'd be more expensive if we lost that.

VICE-CHAIR COUCH: No, cheaper for them if we separate as opposed having them do it through their MRF.

MR. GINOZA: That is something that we need to discuss and analyze when we look at rolling out such a program is that, you know, if we want to put it on the residents to do that separation, we can at a cost.

VICE-CHAIR COUCH: Right.

MR. GINOZA: And for us to renegotiate because of another enterprise, you know, is, I don't know, I think problematic. So I don't think that we'll get a lower cost because we're doing the separation.

VICE-CHAIR COUCH: So...okay. That's a good answer. Also, you mentioned commercial, for instance again, I live in a condo so we don't have the 3 Can or any kind of really way to separate stuff unless we take it to the County facilities or a commercial facility. How are you...I mean since as Ms. Crivello mentioned, that's 50-plus percent of the whole stream going into the landfill, wouldn't it be incumbent upon us to figure out how to get that separated or that's just depending on the commercial entities that are collecting it or the Anaergia guys?

CHAIR HOKAMA: Director.

MR. GINOZA: That is something that, you know, kind of separate from this project that I've researched and explored, and from meeting with different associations or even like the commercial sector or the hotel sector, it comes down to cost of extra bins --

VICE-CHAIR COUCH: Okay.

MR. GINOZA: --space for extra bins. Because, you know, certain apartment complexes, they have a trash enclosure that can fit one bin. And so the constraint is not necessarily the bin but also the cost of the hauling, and that's kind of what we're trying to wrap our hands around in trying to assist the commercial sector in enhancing their diversion or recycling.

VICE-CHAIR COUCH: Okay. And lastly on this round anyway, you know we have some very interesting and very productive efforts going on right now, and you've heard a lot of the concerns and whatnot. Would it be incumbent upon your office to kind of facilitate getting all the groups together with the applicant or the--what do we call 'em--respondent to the RFP in a room. Oh, is that Pat grabbing the microphone there? Sorry. And just kind of facilitate communications as opposed to, you know, letting 'em kind of flounder on their own.

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MR. GINOZA: I, frankly, I don't feel that, that is my role to get involved in trying to force Anaergia to partner with somebody if they don't want to. I have been...I provided them names of the local providers and ensured that there was, there has been communication. Some of the local providers approached me and said that they don't want to partner which is fine, and others say oh, we'll wait until after this meeting to decide whether or not we want to partner with them. And so there's nothing I feel I should do to try to compel them to utilize...why should I, you know, have them say oh, I want them to use Don's service versus Gladys' service. I mean that's kind of where I feel like I should give them contacts of existing County grantees or vendors and that's kind of where my interaction should end.

VICE-CHAIR COUCH: Okay, Mr. Wong.

MR. WONG: Let me just add, Council member, I agree with Mr. Ginoza. And the suggestion that the County play an active role in any third-party contract negotiations is a recipe for disaster. I don't know whether or not you want to get into the dirty details, I don't at this point, but quite frankly I don't want to be responsible for the fracture of a third-party contract at all. Our contract is with Anaergia and we will consummate that soon. If Anaergia engages in contracts with any other third party, it's theirs to do, hence any litigation that derives from that is theirs to own.

VICE-CHAIR COUCH: Well my only concern, Mr. Chair, is that, you know, we have an existing system that's been working, yes, albeit at possibly County subsidy, but there's a group of people that are doing a job, have been doing it for a long time, and then all of a sudden we're going to say okay, now we got somebody new. I know there's been a process that we've gone through. But just to kind of make sure everybody's on the same playing field. But if you say that, that leads to a recipe for disaster, my concern would be I would like them to at least discuss with the other folks to see if they can integrate. And if you're asking for us to say yes on this resolution and the respondent company says well we, you know, we'll send an e-mail out and if they respond, they respond, if not, that's the most effort we're going to put out. I'm not sure I would support something like that. I would like, I'm all about getting people together, even opponents and getting them together and talk and sit down across from each other and then come out with a solution. If the solution is sorry, we can't work together, at least they sat down face to face and talked to it. Via e-mail doesn't count, you know, that's the way to get the first connection, but you have to talk face to face and look somebody in the eye and determine whether or not it'll work. That's my concern. And so in order for...and if we're not going to facilitate that then we have to get some assurances from the company, because without that discussion I'm not sure I could support this.

MR. GINOZA: I feel that we, I have had that assurance that they've had the discussions.

VICE-CHAIR COUCH: Okay, well I'd just like...

MR. GINOZA: If anybody is saying otherwise then --

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VICE-CHAIR COUCH: Right.

MR. GINOZA: --it's a surprise to me.

VICE-CHAIR COUCH: Well I'd like to have them come up and tell us that whenever you're going to bring, I'm assuming you're going to bring them up at some time.

CHAIR HOKAMA: If there is specific questions.

VICE-CHAIR COUCH: Oh, I got five at least. So whenever.

CHAIR HOKAMA: But again, remember, Members, this is about a proposal between Anaergia and the County of Maui.

VICE-CHAIR COUCH: Right.

CHAIR HOKAMA: Okay. No other entities are involved.

VICE-CHAIR COUCH: Understood.

CHAIR HOKAMA: So that is what we are tasked to review and make a decision on.

VICE-CHAIR COUCH: Okay, thank you, Chair.

CHAIR HOKAMA: Ms. Baisa? Before Ms. Baisa I'd like to recognize Ms. Cochran's presence.

COUNCILMEMBER COCHRAN: Thank you, Chair, for the recognition. And pardon my tardiness but glad to be here. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair. And just to kind of close the loop on that earlier conversation about getting people together. The reason I had asked the Director was I just wanted to be sure that people had contacts and had the opportunity to talk, but I do agree that it's something that will have to be worked out among themselves. But anyway, you know, there's two things that I want to follow up on. One is Member Crivello's concern about separating the trash and reading about well, we might put different bags in our container, and you know my fear is that we're not motivated enough to do that kind of thing. We seem to have a real problem with getting people to understand how important it is to recycle, and, you know, even to take plastic bottles out of the trash and cans and whatever. You know our lifestyle is such that we have oodles and oodles of parties and we're very much into paper plates and takeout containers and whatever, and we just throw those into barrels or plastic bags or whatever and they're all mixed up with paper plates and, you know, plastic plates and food. And it's just like I said, it's a lifestyle, and if you go to any party, there's bins of stuff that comes out of a party and I would

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imagine it's a tremendous issue. So I'd prefer one, would feel more comfortable if we could say that we're going to try to at least provide containers to separate that stuff. It might help. And again, I think this idea of Anaergia educating people is really, really important. Somebody's got to take that role on, and we can probably down the road, probably not right away 'cause, you know, education and change takes so much time but we need to hammer away with it. And I know that our kids, our little kids are being educated, but it's us old kids that have bad habits that have to be changed, because it's very easy to just toss a paper plate in a can and not even think about, you know, what happens to it after that. So I'm for the big education push, and I also would like to see us try to separate it from the beginning or at least give it a whack. Because I'm afraid that, you know, it's going to be very difficult. The last thing I wanted to ask was in the presentation we heard that this project would create between 20 and 40 permanent jobs. Can you tell me why that large difference?

CHAIR HOKAMA: Director.

MR. GINOZA: It really depends on...this is basically new jobs, so it depends on whether or not...and this is something that, you know, it's from the proposal. So but my understanding is it's dependent upon whether or not the existing vendors decide to partner with them. So it wouldn't be new jobs necessarily, but if they decide not to then it'll be more toward the 40 new employee end. Versus, you know, if they forge a partnership with existing vendors then there would be more like closer to the 20 new jobs with running the Material Recovery Facility digester, et cetera, and keeping the others intact. So it really depends on which way it goes as far as the partnerships are concerned.

COUNCILMEMBER BAISA: I see. Thank you very much. It was such a large spread that I thought --

MR. GINOZA: Sure.

COUNCILMEMBER BAISA: --there's some reason why.

MR. GINOZA: Excellent question.

COUNCILMEMBER BAISA: Thank you. Thank you, Chair.

CHAIR HOKAMA: Thank you. Mr. Guzman?

COUNCILMEMBER GUZMAN: Thank you, Chair. I think most of my question will be reserved for executive session.

CHAIR HOKAMA: Okay.

COUNCILMEMBER GUZMAN: I have questions about the resolution itself, some of the terms --

CHAIR HOKAMA: Okay.

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COUNCILMEMBER GUZMAN: --as well as the RFP process and the contract terms. I guess in general I know that Anaergia had mentioned the engineered solid fuel and the SFR as a biogenetic product. How do they, what do they intend to do with the toxic portion of that? I mean I know that they mentioned that there was, it was going to be a nontoxic process, so what happens to the other emissions that are toxic, where does that go?

CHAIR HOKAMA: Director, can you respond?

MR. GINOZA: Sure. So part of the separation process is to take out what they call chlorinated plastics like PVC, et cetera, because when you, if that were to be burned then it would release I think dioxins or some kind of toxins. As well as something that the County has been looking to initiate that I hope to present to I guess Ms. Cochran's Committee soon is a hazardous, household hazardous waste program where whereas right now under our, our existing solid waste permit, sorry, we're allowed to accept household hazardous waste, I personally don't feel that, that's the best way to handle those type of things that we could keep out of the earth. And so that's something that I've met with different household hazardous people to try to develop a program for something on Maui. So that's something that will help to--if implemented--take out a lot of the hazardous materials that would be otherwise emitted. So it's really looking at doing adequate separation before you're left with that residual material that could then be utilized by a, as a coal replacement. And that's something that, you know, from an emission standpoint, the Department of Health regulates that, and we've been in communication with them to see what the requirements are, and they want to see a sample and decide, you know, what level of treatment would be required.

COUNCILMEMBER GUZMAN: Okay. So it's basically sorting out the toxins, the hazardous materials prior to --

MR. GINOZA: Yes.

COUNCILMEMBER GUZMAN: --the, I guess the production or the --

MR. GINOZA: Yes.

COUNCILMEMBER GUZMAN: --integration. Is that...gosh, I hate to ask that question now, but is that part of the negotiations right now in terms of having that step process?

MR. GINOZA: Well from the, what they do in the separation, I mean we don't get involved in that. It's what they need to, what threshold they need to meet in order to be able to get an air emissions permit or not them but whoever would utilize this material would have to look at what would need to change as far as their emissions permit based on their emissions profile. And so it is something that they need to ensure that the fuel, that solid fuel that is created is appropriate to be utilized. And so that's ongoing discussions between them and other parties to utilize the material, but it's not something that would in our landfill create much more hazardous materials

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as far as any kind of emissions and such. But it is something that as actually part of the Solid Waste Management Plan, it was to do a household hazardous waste program, and basically for the last, maybe you might think I'm slow but for the last year or so I've been trying to figure out how to do the household hazardous waste because it's something that when we get pesticides or -

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COUNCILMEMBER GUZMAN: Right.

MR. GINOZA: --Roundup, we just, we're allowed to take it as long as it's, you know, like you throw a towel in there or whatever, you know. And is that the best as far as a steward of the environment, I don't think so, and so we could do a better job as a County of providing means to our community to have that function. And just I know we shouldn't really talk about...basically I'm looking at it from like a quarterly program, because it's not like every day people have tons of Roundup they want to get rid of. And so that's what I'm still exploring, and I hope to have it ready for Ms. Cochran's Committee, you know, in the next month or two --

COUNCILMEMBER GUZMAN: Okay.

MR. GINOZA: --if she decides.

COUNCILMEMBER GUZMAN: Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Mr. Victorino?

COUNCILMEMBER VICTORINO: No, I think Mr. Ginoza is put on the hot seat enough. I'm waiting for executive session, Mr. Chair, 'cause I think all the rest are really things that we have discussed over and over in various committees. And, you know, I know some of the Members are new so I give them that, but I think over the years being involved in the Integrated Solid Waste Plan and all the others, I've followed this and I think he's on a good track, I really do. Whether this is the contract or not, that's not what I'm saying, he's on a good track to really work out many of the situations and problems that this County faces now and in the future. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Mr. Carroll, any questions for the Director?

COUNCILMEMBER CARROLL: I have listened to my other Council members since I came back and I'm sorry for having to leave for a time. And I agree with Mr. Couch. And just generally I'm aware of the concerns and they are my concerns also. Thank you, Chair.

CHAIR HOKAMA: Okay, thank you. Ms. Crivello?

COUNCILMEMBER CRIVELLO: I'll wait for executive session. Thank you.

CHAIR HOKAMA: Okay. Ms. Cochran, any questions?

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COUNCILMEMBER COCHRAN: Thank you, Chair. And again, pardon my tardiness, and just to get up to speed my staff has filled me in. And as I understand there's a lot of questions and inquiries that I think are best left for executive session which it seems like things of my concern are more appropriate there at this point. I hear Mr. Couch's concerns in regards to the public sector, and I too, you know, have concerns. I would like to make sure that...you know, there's companies that have proven themselves, have done wonderful work for this community and given back in wonderful ways. And so I hate to sort of...maybe penalize isn't the proper word but to sort of disregard them and all their services to this community after so many years in taking on a contract that may--and I don't know the answer--you know, sort of displace them I guess is how I want to put it. I do have a question but I'm not sure if I can ask it here, and it's just in regards to the size of the facility and if the size will be displacing current, I guess, current people on landfill, on, you know, on the current location?

CHAIR HOKAMA: Director.

COUNCILMEMBER COCHRAN: If that can be answered now.

MR. GINOZA: Right now it will be under 15 acres of land, and it won't be on the landfill property, it will be on a separate parcel. So none of the existing operations would be affected, it would be on other lands.

COUNCILMEMBER COCHRAN: Okay, all right. Thank you, Mr. Ginoza. And that's all I have for now, Chair. Thank you.

CHAIR HOKAMA: Okay, thank you very much. Anything else in open session? The Chair is aware of the time. I budgeted slightly short but we need to do what we need to do. So, Members, is there any objections? The Chair's going to entertain a motion for executive session. I would like to try and get this as much done before we either take a lunch break or adjourn the meeting. So I'm open to your requirements. You guys ready to go into exec?

COUNCILMEMBER COCHRAN: No objections.

VICE-CHAIR COUCH: No objections.

CHAIR HOKAMA: Okay, the Chair is open to entertain a motion for executive session under Section 92-5(a)(4) of the Hawaii Revised Statutes to consult with legal counsel on questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and this Committee. Mr. Couch.

VICE-CHAIR COUCH: Thank you, Mr. Chair. I move that we go into an executive session pursuant to HRS Section 92-5(a)(4).

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

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CHAIR HOKAMA: Thank you. I have a motion made by Mr. Couch, seconded by Ms. Baisa to enter into executive session. Any discussion, Members? If not, all in favor of the motion, please say “aye”.

COUNCIL MEMBERS: Aye.

CHAIR HOKAMA: Opposed, say “no”. Motion passes with eight ayes and one excused, Mr. White.

VOTE: AYES: Chair Hokama, Vice-Chair Couch, and Councilmembers Baisa, Carroll, Cochran, Crivello, Guzman, and Victorino.

NOES: None.

EXC.: Councilmember White.

ABSENT: None.

ABSTAIN: None.

MOTION CARRIED

ACTION: APPROVE; RECESS open meeting and CONVENE executive meeting.

CHAIR HOKAMA: We shall take a recess and prepare for executive session. . . .(gavel). . .

RECESS: 11:48 a.m.

RECONVENE: 12:53 p.m.

CHAIR HOKAMA: . . .(gavel). . . The Policy Committee shall return to open session. We are on Item 57, again, which is the County of Maui’s 2009 Integrated Solid Waste Management Plan and its implementation through the Integrated Waste Conversion and Energy Project. Members, it is the Chair’s intention during the open session discussion and executive session questions, it is your Chair’s intention to repost this item for December 16th at which time we’ll take up this item once again. We’ll have additional input from Corporation Counsel and Department of Environmental Management. We shall take the information in testimony provided today written and orally into consideration, and it is your Chair’s intent to let you know that I’m going to be more than likely asking for a decision on the 16th regarding this matter. Therefore, Members, unless you have a question, the Chair is going to defer this Item 57 to December 16th.

COUNCIL MEMBERS: No objections.

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COUNCIL MEMBERS VOICED NO OBJECTIONS.

CHAIR HOKAMA: This item is deferred.

ACTION: DEFER pending further discussion.

CHAIR HOKAMA: We are going to take a break and then return for litigation matters which is settlement authorization request from Corporation Counsel. The Committee shall be in recess 'til 2:00 p.m. . . .(gavel) . . .

RECESS: 12:55 p.m.

RECONVENE: 2:02 p.m.

CHAIR HOKAMA: . . .(gavel) . . . Policy Committee shall return to order. This is the continuation of our December 2, 2013 regular meeting. We are on now Policy Item 1(3), Litigation Matters (Settlement Authorization: Hawaii Wildlife Fund, et al v. County of Maui, Civil No. 12-00198 SOM BMK).

ITEM PIA-1(3): LITIGATION MATTERS (SETTLEMENT AUTHORIZATION: HAWAII WILDLIFE FUND, ET AL. V. COUNTY OF MAUI; CIVIL 12-00198 SOM BMK) (CC 13-41)

CHAIR HOKAMA: The Committee is in receipt of correspondence dated January 18, 2013, from the Department of Corporation Counsel. And we are also in receipt of communication dated November 15, 2013, from the Department of Corporation Counsel. And in the second communication they have proposed a resolution entitled Authorizing the Settlement in Hawaii Wildlife Fund et al. v. County of Maui, Civil No. 12-00198 SOM BMK. This item may entail requirements of executive session, Members, so as you can see the Chair has already posted in advance the ability to enter into executive session as well as stating the appropriate section of the Hawaii Revised Statutes that allows us to enter into such session. At this time I'll ask Mr. Wong and Mr. Ginoza if they have anything to share in open session at this time.

MR. WONG: Chair, if I may?

CHAIR HOKAMA: Mr. Wong.

MR. WONG: Committee members, for open session I can provide you a very brief procedural history. This original claim was filed I believe in April of 2012, by plaintiffs Hawaii Wildlife Fund, Sierra Club, Surfrider Foundation, West Maui Preservation Association. They amended their complaint first in July of 2012. Early in the litigation we filed a motion to dismiss before the Federal Court, it was denied. Since the denial of our motion to dismiss, we have actively engaged in negotiations with the attorneys for the plaintiffs, and we've had numerous meetings

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ACTION: APPROVE; RECESS open meeting and CONVENE executive meeting.

CHAIR HOKAMA: We are in recess. . . .(gavel). . .

RECESS: 2:07 p.m.

RECONVENE: 3:28 p.m.

VICE-CHAIR COUCH (TEMPORARY CHAIR): . . .(gavel). . . Will the Policy and Intergovernmental Affairs Committee of Monday, December 2nd please come back to order. Members, you've heard everything we've talked about in executive session, and, Mr. Wong, you have your direction. Members, if there are any other questions you have that you want to ask in regular session, let me know; otherwise, it's the Chair's recommendation to defer this item. No objections to deferring?

COUNCIL MEMBERS: No objections.

COUNCIL MEMBERS VOICED NO OBJECTIONS (excused: GRH, GCB, MPV).

ACTION: DEFER pending further discussion.

VICE-CHAIR COUCH (TEMPORARY CHAIR): Any questions of the Department or Corporation Counsel? If not, this meeting is adjourned. Thank you, everybody. . . .(gavel). . .

ADJOURN: 3:29 p.m.

APPROVED:


G. RIKI HOKAMA, Chair
Policy and Intergovernmental Affairs Committee

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CERTIFICATE

I, Daniel Schoenbeck, 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 16th day of December, 2013, in Kula, Hawaii



Daniel Schoenbeck