

BUDGET AND FINANCE COMMITTEE

Council of the County of Maui

MINUTES

January 10, 2014

Council Chamber

CONVENE: 1:31 p.m.

PRESENT: Councilmember Mike White, Chair
Councilmember Gladys C. Baisa, Member
Councilmember Robert Carroll, Member
Councilmember Donald G. Couch, Jr., Member
Councilmember Stacy Crivello, Member
Councilmember Michael P. Victorino, Member

EXCUSED: VOTING MEMBERS:
Councilmember G. Riki Hokama, Vice-Chair
Councilmember Elle Cochran, Member
Councilmember Don S. Guzman, Member

STAFF: Michele Yoshimura, Legislative Analyst
Yvette Bouthillier, Committee Secretary
Ella Alcon, Council Aide, 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.: Sananda Baz, Budget Director, Office of the Mayor
Anthony Arakaki, Community Development Block Grant Program Manager,
Office of the Mayor (BF-2(1))
Brianna L. Savage, Deputy Director, Department of Parks and Recreation (BF-66,
BF-88)
Michael M. Miyamoto, Deputy Director, Department of Environmental
Management (BF-91)
Jeffrey T. Ueoka, Deputy Corporation Counsel, Department of the Corporation
Counsel

Seated in the audience:

Kyle K. Ginoza, Director, Department of Environmental Management (BF-91)

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Richelle Mary Thomson, Deputy Corporation Counsel, Department of the
Corporation Counsel (BF-91)

OTHERS: Beverly Zigmond, President, Board of Directors, Lanai Community Health Center
(BF-2(1)) (via telephone conference bridge from Lanai Council Office)
Diana Shaw, Executive Director, Lanai Community Health Center
(BF-2(1)) (via telephone conference bridge from Lanai Council Office)
Rosemary Robbins (BF-66)
Others (3)

PRESS: Akaku: Maui Community Television, Inc.

CHAIR WHITE: The meeting of the Budget and Finance Committee will come to order. It's January 10, 2014 and it's a little after 1:30. We now have a quorum. Thank you all for racing back from lunch and since this is the first Budget and Finance Committee meeting of this year, Happy New Year to everyone. This morning, we have four items...this afternoon. I'm used to meetings in the mornings. This afternoon we have four items on the agenda and I'd like to welcome Members Gladys Baisa, Council Chair.

COUNCILMEMBER BAISA: Good morning, Chair.

CHAIR WHITE: And Vice-Chair...

COUNCILMEMBER BAISA: Good morning, good afternoon. I'm not going to follow you.

CHAIR WHITE: I'm sorry. I got us started off in the wrong direction.

COUNCILMEMBER BAISA: It's just been one long day.

CHAIR WHITE: And Council Vice-Chair, Bob Carroll.

COUNCILMEMBER CARROLL: Good afternoon, Chair.

CHAIR WHITE: And Member Stacy Crivello.

COUNCILMEMBER CRIVELLO: Good afternoon, Chair.

CHAIR WHITE: Aloha. Don Couch.

COUNCILMEMBER COUCH: Good evening, Chair.

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CHAIR WHITE: And Mr. Victorino.

COUNCILMEMBER VICTORINO: I don't know what's left, morning, night, evening? Aloha, Chair.

CHAIR WHITE: Okay. We will be joined shortly...no, we won't. Members Elle Cochran and Don Guzman are excused as is our Committee Vice-Chair Riki Hokama, who's on the mainland. So, once again this morning...this morning, this afternoon we have Committee Secretary, Yvette Bouthillier, and Legislative Analyst, Michele Yoshimura, and Corp. Counsel, Jeffrey Ueoka, and Sandy Baz, our Budget Director. And I'll introduce everybody else as we get to the items. Please turn off your cellphones and other noisemaking devices and without objection, we'll open it up for public testimony.

COUNCIL MEMBERS: No objections.

...BEGIN PUBLIC TESTIMONY...

CHAIR WHITE: Do we have any testimony this morning in the Chamber? Okay, since there is none, we'll go to the District Offices. Dawn, do you have any testifiers in Hana?

MS. LONO: Good afternoon, Chair. This is Dawn Lono in Hana and I have no one waiting to testify.

CHAIR WHITE: Thank you, Dawn. Denise, any testifiers in Lanai?

MS. FERNANDEZ: Good afternoon, Chair. This is Denise Fernandez at Lanai. We currently have two testifiers. The first person to testify is Beverly Zigmond and she is representing the Lanai Community Health Center. She will be testifying on Item No. BF-2(1).

CHAIR WHITE: Thank you. Please proceed.

MS. ZIGMOND: Aloha and good afternoon, Budget and Finance Committee Members and Chair White.

CHAIR WHITE: Aloha.

MS. ZIGMOND: My name is Beverly Zigmond and I am the President of the Board of Directors for Lanai Community Health Center. I want to express my gratitude for the opportunity to testify and especially to be able to testify remotely. So thank you for this new and wonderful technology that we have. I understand that several staff members and other board members have submitted written testimony, which hopefully you all have a copy of and I opted just to do a brief testimony. I am testifying in support of Item BF-2(1), which

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is pertaining to the scheduled grant for the CDBG and I am urging you to support this Item to pass it. This additional funding will allow the Lanai Community Health Center to continue with its site preparation work. As you may or may not know, on December 31st of 2013, just a couple of weeks ago, we became the proud owner of the parcel of land on which we are going to build our new site. And I might add it only took three-and-a-half years of subdivision process and several months in land court, but we know that things take a little while on Lanai so we're just grateful that it happened. So we are really ready to rock and roll. The community so is supportive of our new site and so needs it. We have outgrown in the five years, the little two bedroom plantation house out of which we currently are operating. We need to be here in the middle of town, which is where this parcel of land is and again, I just ask for your support in any unused CDBG funds to come to the Lanai Community Health Center. Thank you.

CHAIR WHITE: Thank you, Beverly, and congratulations on your land acquisition. Members, questions for the testifier? Seeing none, thank you very much, Beverly. And Denise, if you could call your second testifier, that would be great.

MS. FERNANDEZ: Our second testifier is Diana Shaw and she is representing Lanai Community Health Center and she's testifying on Item No. BF-2(1).

MS. SHAW: Thank you, Denise. Aloha kakou. This is Diana Shaw. I am the Executive Director from Lanai Community Health Center. I did already submit my written testimony and so I will briefly just review that for you. We did receive funding from CDBG in 2013. We requested \$802,879, which was approved in full; however, we were funded at 305,091. That leaves 497,788 unfunded. We understand that there is some funding available and we are indeed requesting and in support of the Council providing those funds to us. As Beverly has indicated, we are ready to start our site preparation. We have hired a construction manager who will be with us actually on the 20th and that will then give us the ability to start the RFPs and so forth. So any funding that we have for the site preparation will clearly help us move forward and get this project done. I'm hoping for occupancy at the end of 2015. But anyways, that's all I have to say. If you have any questions, please let me know.

CHAIR WHITE: Thank you, Diana. Members, questions for the testifier? Seeing none, thank you, both, for taking the time to testify and I'm happy for you that you didn't have to make the trek all the way over here to do so.

MS. SHAW: Oh, we thank you so much. Aloha.

CHAIR WHITE: Aloha. Denise, any other testifiers show up in the meantime?

MS. FERNANDEZ: No, there's no other testifiers.

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CHAIR WHITE: Alright. Thank you very much. And we'll go to Ella on Molokai. Ella?

MS. ALCON: Good afternoon. This is Ella Alcon on Molokai and there is no one here waiting to testify.

CHAIR WHITE: Thank you, ladies. We do have one testifier here in the Chambers and we'll call on her. Rosemary Robbins testifying on BF-66.

MS. ROBBINS: Good afternoon, everyone. BF-66, Amending the 2014 Budget: Department of Parks and Recreation, Aquatics Program. For years I was a water safety instructor trainer and lifeguarding instructor trainer here on Maui and in Massachusetts before that time. Those titles had different names back in those days and so water, whether we're drinking it or irrigating with it or becoming more healthy in it, whatever my thing. I have a feeling right now that we have an ocean full of marine life with severe headaches. When we see what's happening with the destruction in our reefs. When we see what's happening including with the U.S. Navy. I'm part of a group that has been watching what's happening in the San Diego, Southern California training and testing environment here from our waters over to there, and one of the things I was concerned about is their training and impact statement. I didn't think and others didn't think that they had done a sufficient examination of what was happening, including with sonar and some of the other more sophisticated audio communication things. Back in '63, I went to see on a submarine out of Pearl Harbor and I was the last one down the hatch and the first one up. Not my thing. This is a tough deal that those people are working on and they wanna have safe water. So a number of people in groups got in touch with them and said you really need to do a more thorough impact statement and groups of people doing that. I just went in down at Maui Waena the night that they came over and made a presentation. The presentation was wonderful. They acknowledged that there were pieces missing on that and that they could go back and do additional testing. The sad part was out of our three islands on Maui, only three people showed up to see this wonderful...five, excuse me, people showed up to see this incredible presentation that they had. That kind of broke my heart. But anyway, there are people who are concerned about and about the ocean. People sort of all over the place that are tourists are wondering about coming to our waters to swim in the ocean...

CHAIR WHITE: Ms. Robbins, I'd just like to point out that the issue that you're testifying on relates only to authorization of overtime for swimming pools to be open on holidays. So it's not the overall aquatics program.

MS. ROBBINS: I'm sorry, I didn't have that in this explanation of that but thank you for the clarification. We have a lot more people who are coming that are ending up swimming in our pools. One of my former students, Duke, is in charge of all those pools. He's going

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to make good decisions as to whether or not we need that. I would trust that if he's petitioning, if he's the one doing that, so please make our pools just as safe as they can be. We don't want anybody hurt and we don't want a negative reputation for our waters.

CHAIR WHITE: Great.

MS. ROBBINS: Thank you.

CHAIR WHITE: Thank you very much. Okay, we'll go back to our District Offices. Dawn, anyone showed up in the couple minutes since then, or since we talked?

MS. LONO: The Hana Office has no one waiting to testify, Chair.

CHAIR WHITE: Thank you. And Denise, any further testifier?

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

CHAIR WHITE: Thank you. And Ella, any further testifiers?

MS. ALCON: There is no one here on Molokai waiting to testify.

CHAIR WHITE: Alright, thank you very much. And seeing no one else in the Chambers, I think it's safe to recommend closing public testimony without objection?

COUNCIL MEMBERS: No objections.

...END OF PUBLIC TESTIMONY...

ITEM NO. 2(1): COMMUNITY DEVELOPMENT BLOCK GRANT
("CDBG") PROGRAM (CC 13-323)

CHAIR WHITE: Okay. Thank you, Members. We will close public testimony and as I mentioned, we have four Budget Items today, and we will start off with BF-2(1) and that is the Community Development Block Grant or CDBG Program. And we have County Communication 13-323, from the Budget Director, transmitting the proposed amendment to the Fiscal Year 2014 Budget as it pertains to the Community Block Grant Program and correspondence dated December 10, 2013, from the Budget Director, transmitting a revised proposed bill entitled A Bill for an Ordinance Amending the Fiscal Year 2014 Budget for the County of Maui as it Pertains to Appendix A, Part I, Grant Revenue - Schedule of Grants by Departments and Programs, Office of the Mayor (Community

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Development Block Grant (CDBG)). And the purpose of the revised proposed bill is to amend the Fiscal Year 2014 Budget as it pertains to the appropriation for the Office of the Mayor, CDBG Program, increasing the Lanai Community Health Center Infrastructure Project appropriation by \$156,728 from an earlier total of 168,256 to 324,984; and increasing the CDBG Administration appropriation by \$14,316. So either of you gentlemen like to provide any clarifications that you feel are appropriate?

MR. BAZ: Thank you, Mr. Chair, and thank you for taking this Item up. The Community Development Block Program received additional unanticipated monies from the Federal Government for their program operations, and so it necessitated an amendment to the Grant Revenue section of our Budget so that we could recognize this additional funds. So we do have the CDBG Program Coordinator Manager here, Anthony Arakaki, and he can explain any details that you have or questions you have.

CHAIR WHITE: Okay. Members, questions? Or Mr. Arakaki, do you have opening remarks you'd like to make?

MR. ARAKAKI: Good afternoon, Chairman Mike White and Members of the Budget and Finance Committee, and thank you very much for your time and opportunity to discuss with you the proposed Budget Amendment to the County of Maui CDBG Program. I am very pleased to announce that the U.S. Department of Housing and Urban Development, Community Planning and Development Office has increased our grant amount from the projected \$1,444,070 to \$1,615,114. As you all know, changes to the formula grant amount is determined by HUD under Congressional authorization and can vary up or down on a yearly basis. To recap, the Program Year 2013 Annual Action Plan planning process starts approximately 10 months ahead of knowing when the actual figures will be released by HUD. Thus, the County of Maui, CDBG Office utilizes the estimated amount, in this case in the amount of 1.4 million, from the prior year's Program Year 2012 Annual Action Plan for planning purposes. By utilizing the estimated amount of 1.4 million, the County of Maui drafted a resolution on February 2013 and presented it to the Maui County Council, in which Resolution 13-22 was adopted on March 15th of 2013. From Resolution 13-22, the Program Year 2013 Annual Action Plan was developed and after a 30-day comment period, it was submitted to HUD on the due date of May 15th of 2013. On May 29, 2013, HUD announced the actual allocation amount of 1.6 million in which the Annual Action Plan was adjusted up to the actual amount for final HUD approval. Final HUD approval for the Program Year 2013 Annual Action Plan occurred on July 17th of 2013. The amount for Program Year 2013 was \$171,044 higher than the previous year's allocation. The CDBG Program Office proposes to allocate \$171,044 to the following projects: one, increasing the Lanai Community Health Center Infrastructure by \$156,728 from \$168,256 to a total of \$324,984. Being that the Lanai Community Health Center Infrastructure Project is the first alternate project in accordance with the recommendation by the 2013 CDBG Evaluation and Selection

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Committee and Resolution 13-22 adopted on March 15th of 2013 and approval by HUD. Number two, increasing the Community Development Block Grant Program Administration by \$14,316 from \$288,814 to \$303,130 to reflect the step movements of the CDBG Program staff office along with the increased fringe and overhead costs. I want to remind the Maui County Council that this is a very rare moment to see an increase in Federal funding as the CDBG Program Office has anticipated and realized many cuts over the past few years. Thus, the CDBG Program Office has taken proactive steps over these past few years to anticipate cuts in Federal funding by reducing the CDBG Program staff from four to three people and moving out of their rented facility, realizing a savings of over \$70,000 in administrative CDBG administrative costs. Thus the cut in one staff member has increased our workload where all of us are sharing the duties of the position that was lost. Therefore I respectfully ask the Members of the Budget and Finance Committee for your favorable consideration in our funding recommendation in its entirety with your approval of this Budget Amendment and thank you for your consideration.

CHAIR WHITE: Okay, thank you, Mr. Arakaki. Mr. Victorino?

COUNCILMEMBER VICTORINO: Thank you, and thank you, Tony, for being here today. I think this is great news anytime we get more money, yeah, obviously. And so this allocation is going for them to complete the infrastructure that they've been working on, the Lanai Health Clinic?

MR. ARAKAKI: Right, it's a continuation.

COUNCILMEMBER VICTORINO: It's a continuation.

MR. ARAKAKI: Yes, correct.

COUNCILMEMBER VICTORINO: How much more would they need to finish it completely?

MR. ARAKAKI: The estimated is about, well, Lanai Community Health Center is looking at other sources of funding.

COUNCILMEMBER VICTORINO: Right. Right. Other sources.

MR. ARAKAKI: So it's not just solely CDBG, so the estimates that I, for the total is about close to \$5 million, that's to my understanding, to complete the project.

COUNCILMEMBER VICTORINO: So this is just one of many steps that they're taking to get that completed?

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MR. ARAKAKI: That is correct.

COUNCILMEMBER VICTORINO: Something well needed and badly needed, I should say, on the island of Lanai.

MR. ARAKAKI: Yes, I agree with you, Mr. Victorino.

COUNCILMEMBER VICTORINO: Yeah, not a problem. Thank you, Mr. Chair.

CHAIR WHITE: You're welcome. Members, other questions? No questions? You guys must have had a great lunch.

COUNCILMEMBER VICTORINO: It was a good lunch.

CHAIR WHITE: Okay, what was the reason for the increase in funding? Was there an overall dollar increase in HUD Program funding or did we somehow qualify for a higher amount?

MR. ARAKAKI: No, it was the overall funding. It's determined on a formula basis and by Congressional authorization.

CHAIR WHITE: So is there anything that we can do to ensure an increase again?

MR. ARAKAKI: No. You'd have, we just have to maintain our spend down ratio.

CHAIR WHITE: Right. Okay, well, the Chair is ready to make his recommendation.

COUNCILMEMBER VICTORINO: Recommendation.

CHAIR WHITE: Chair will entertain a motion to recommend passage of the revised proposed bill on first reading and filing of County Communication 13-323 in addition to allowing staff to make any nonsubstantive revisions.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

COUNCILMEMBER BAISA: Second.

CHAIR WHITE: Okay, it has been moved by Mr. Victorino, seconded by Ms. Baisa to pass the bill as outlined. Any further discussion, Members? Seeing none, all those in favor, please signify by saying, "aye".

COUNCIL MEMBERS: Aye.

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CHAIR WHITE: Those opposed, say, “no”. Measure passes, six ayes, zero noes with Members Hokama, Guzman and Cochran excused.

VOTE: **AYES:** **Chair White, and Councilmembers Baisa, Carroll, Couch, Crivello, and Victorino.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Hokama, Councilmembers Cochran, and Guzman.**

MOTION CARRIED.

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

ITEM NO. 66: AMENDING FY 2014 BUDGET: DEPARTMENT OF PARKS AND RECREATION, AQUATICS PROGRAM
(CC 13-359)

CHAIR WHITE: Alright, Members, we’ll move on to our second Item, which is BF-66, Amending Fiscal Year 2014, Department of Parks and Recreation, Aquatics Program, and we have Brianna Savage joining us from the Parks and Recreation Department for this Item. The Committee is in receipt of County Communication 13-159, from the Budget Director, transmitting the following: a proposed bill entitled A Bill for an Ordinance Amending the Fiscal Year 2014 Budget for the County of Maui as it Pertains to Estimated Revenues; Department of Parks and Recreation, Aquatics Program; Total Operating Appropriations; and Total Appropriations (Operating and Capital Improvement Projects); and secondly a Certification of Additional Revenues for Fiscal Year 2014, dated November 8, 2013, for \$87,000 in Carryover/Savings from the General Fund. So, Mr. Baz, would you like to?

MR. BAZ: Thank you, Mr. Chair, and again, Chair and Members, this Budget Amendment is to add additional appropriations into the Aquatics Program of the Department of Parks and Recreation, and this is specifically for the Pools Section so that the pools can remain open on holidays. A number of years ago when the furloughs were enacted, the pools were

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closed on holidays as part of that change. The community has expressed a desire to have us open on holidays because that's when they can take their kids to the pool, and so the Mayor has instructed the Department to open on holidays, and that necessitated this request for a Budget Amendment so that we can pay for these personnel to be there on that holiday. So we have our Deputy Director of Parks and Recreation, Brianna Savage, here to answer any questions you have regarding the detail of this.

CHAIR WHITE: Okay. Do you have any opening remarks, Ms. Savage?

MS. SAVAGE: Good afternoon. Just a few items, I guess. The pools reopened in 2013 at the beginning of the year, so it's been about a full year now that they've been open again on the holidays. The additional funding, we were able to kind of cover for those first six months just because it was only six months and we had many vacancies and we've been actively trying to fill all of those, and so the room left in our budget to be able to cover the additional costs is no longer there, which is why we're requesting for the funds to be added back in.

CHAIR WHITE: Thank you. Members, questions? Ms. Baisa?

COUNCILMEMBER BAISA: Thank you very much, Chair, and thank you, Ms. Savage, for being here this afternoon. I wanna say that I think this is really great. You know, I did take an additionally, I mean initially, you know, when we started closing the pools on holidays, parents were really dismayed because they feel like that's the day that they had taken, take the kids to the pool and I think it's a real important thing because it's one of those places where we take our kids that we don't have to pay. And also it's really important, I think, that our kids learn how to swim. I think it's terrible that kids living on an island don't know how to swim, and most of us learn to swim in a pool. It's, you know, safe where you learn the basics of it and then you really can, and then you can handle the ocean 'cause you know how to tread water and how to swim and, you know, do basic things. So I think this is a very good use of money and I am in full support, Chair.

CHAIR WHITE: Thank you. Members, other questions?

COUNCILMEMBER VICTORINO: Chair?

CHAIR WHITE: Mr. Victorino?

COUNCILMEMBER VICTORINO: So, if I'm correct in asking this question, is this for all pools across the County?

MS. SAVAGE: That is correct.

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COUNCILMEMBER VICTORINO: Including Molokai?

MS. SAVAGE: Yes.

COUNCILMEMBER VICTORINO: Okay, so I just wanted to make sure they weren't excluded because in the past that's been one of the challenges. So all pools throughout the County of Maui are now gonna look forward to being open on a holiday, whether it's Fourth of July or Labor Day or whatever it might be.

MS. SAVAGE: That's correct.

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

CHAIR WHITE: Ms. Savage, do you have any stats as to the utilization of the pools on various days of the week and hours of the day?

MS. SAVAGE: I don't have anything here with me. We do have sign-in sheets though at all the pools so that when patrons come in we're keeping track, a log of who's there. So those are statistics that the Department does have but I didn't come with any of those today.

CHAIR WHITE: Because one of the concerns the Chair has is as we increase our expenses, you know, covering...I totally, I agree with Ms. Baisa. I totally agree that we should have the pools open on holidays. But my question is whether there are days of the week where there's a low enough utilization that we could simply trim back our coverage on those days and make it possible for us to open on the holidays without a significant added cost. And how, do you know how long you've been keeping those tallies?

MS. SAVAGE: Many, many years they've been keeping track of the sign-ins. One thing I could mention about just the scheduling at the pools, most of the pools start early in the mornings, 6:30 or 7:00, usually with more programs, different types of lap swimming morning, and then they go all the way until the swim clubs when the pool closes from the public, the swim clubs go in at 4:30 and some of them are even in there until 7:30. So the pools currently are being used, you know, all days and have a pretty full schedule. We only staff them though during the hours that we have them open to the public, and some of the groups that utilize the pools both before and afterwards, they provide their own staffing to a level that's required by the Department for them to be able to still utilize the facility.

CHAIR WHITE: So if you were to estimate the hours of operation in a place where there is early use by people swimming laps or other programs like that through the 7:00

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timeframe where the swim clubs are finished, how much of that day is considered open to the public?

MS. SAVAGE: The pools open either at 9:00 or 10:00. They open an hour later on...the days rotate because they do cleanings in the mornings, but 9:00 or 10:00 all the way until 4:30 and the pools are open to the public during that time. There may be other programs, such as the Learn To Swim programs or some of the Water Aerobics, Stroke Development, those all take place during the same timeframe but again those are free programs that are open to the public.

CHAIR WHITE: Okay. I remember many evenings doing swimming practice and being freezing cold, and miserable, and being hounded by coaches. Members, other questions?

COUNCILMEMBER CRIVELLO: Yeah, I have a question.

CHAIR WHITE: Yes, Ms. Crivello?

COUNCILMEMBER CRIVELLO: Thank you, Chair. Brianna, I have a question. These programs that we offer free, is that offered by the County or is that offered by outside entities and do they charge participants?

MS. SAVAGE: There's definitely a combination. The County does have Learn To Swim programs that are done by our County lifeguards I believe at all pools except for the Pukalani Pool and there's a community class that exists up there where they still provide the Learn To Swim at a very minimal charge. We are looking though at expanding that out though and having it be offered through the lifeguards for the Learn To Swim program at all of the pools. The Stroke Development is done by our staff as well and some of the Water Aerobics classes are also. So there are some of the pools where it is the people from the public that are volunteering and partnering with us to be able to provide these classes. Others are done by the lifeguards and that's something we are trying to look at and say are there more programs that we could offer, more classes that we could offer? Whether that's, you know, both we want our lifeguards to be able to offer those programs, but also are there other people in the community we could still partner with to provide more of those, so it's a combination of both.

COUNCILMEMBER CRIVELLO: So my question is are there organizations or entities that are utilizing the pool and charging their participants?

MS. SAVAGE: The, mostly the swim clubs and some of the other clubs that utilize it before and after hours, they have their own fee schedules, you know, to help cover for equipment fees, coaches, traveling expenses, and so we don't, all they have to do is give an accountability to us to show that they're not trying to generate revenue from their

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program so, and that's the same with all of the youth leagues and organizations. As long as they're, the fee that they're passing on to the participant, as long as that shows that it's just to try to cover the costs, that's really as far as we get into, you know, as far as what the fees are.

COUNCILMEMBER CRIVELLO: Thank you. And I, too, support the efforts to have our pools open on holidays and the weekends, because you can't walk into the stores on Molokai without somebody tapping you on the shoulder and saying, hey, how come it's gotta be closed on the holidays, yeah. Thank you.

CHAIR WHITE: My last question is if it's been a year that we've had the pools open, why was this not covered in this year's Budget?

MR. BAZ: Thank you, Mr. Chair. As the Deputy Director mentioned, they did have some cost savings from vacancies, other items that covered the cost in the first part of the last fiscal year, and I guess it's, you could say it was an oversight in the development of the Fiscal Year '14 Budget because it came, the request from the Mayor to open on holidays came after the Department presented their budget to my office and so there was some timing issues. So that's why it wasn't presented in the Fiscal Year '14 Budget.

CHAIR WHITE: Okay. Members, any other questions for the Department or Mr. Baz? If not, the Chair's ready to make his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR WHITE: The Chair will entertain a motion to recommend passage of the revised bill on first reading and filing of County Communication 13-359, in addition to allowing the staff to make nonsubstantive revisions.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

COUNCILMEMBER BAISA: Second.

CHAIR WHITE: Been moved by Mr. Victorino, seconded by Ms. Baisa to pass the bill as read earlier. Any further discussion, Members? Seeing none, all those in favor, please signify by saying, "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say, "no". Measure carries, six ayes, zero noes with the same individuals excused as on the earlier bill.

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VOTE: **AYES:** **Chair White, and Councilmembers Baisa, Carroll, Couch, Crivello, and Victorino.**

NOES: **None.**

ABSTAIN: **None.**

ABSENT: **None.**

EXC.: **Vice-Chair Hokama, Councilmembers Cochran, and Guzman.**

MOTION CARRIED.

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

ITEM NO. 88: AMENDING FY 2014 BUDGET: HANA BALLFIELD
(CC 13-362)

CHAIR WHITE: And Members, we're now moving on to BF-88. Committee is in receipt of County Communication 13-162, from the Budget Director, transmitting the following: a proposed bill entitled, a proposed bill entitled -- well, that's a little doubled there -- A Bill for An Ordinance Amending the Fiscal Year 2014 Budget for the County of Maui as it Pertains to Estimated Revenues; Hana Community Plan Area, Parks and Recreation, Hana Ballfield; Total Capital Improvement Project Appropriations; and Total Appropriations (Operating and Capital Improvement Projects); and A Certification of Additional Revenues for Fiscal Year 2014, dated November 8, 2013, for \$190,000 in Carryover/Savings from the General Fund. So, Mr. Baz?

MR. BAZ: Thank you, Mr. Chair. So this Item is related to the Hana Ballfield area. There is some additional savings from large capacity cesspool closure project that did lapse on December 31st. So that money is considered Carryover/Savings at this point. This is to replace the septic system at the Hana Ballfield. They have some issues over there that need immediate attention so that's why this is necessitated, this is a Budget Amendment. So, Ms. Savage can answer some detailed questions if you'd like.

CHAIR WHITE: Okay. Members, questions for Ms. Savage? Mike?

COUNCILMEMBER VICTORINO: It's pretty clear-cut, you know. Gotta get done, gotta get done, so.

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**EXC.: Vice-Chair Hokama, Councilmembers Cochran,
and Guzman.**

MOTION CARRIED.

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

**ITEM NO. 91: AMENDING FY 2014 BUDGET: CENTRAL MAUI
LANDFILL WIND TURBINE (CC 13-395)**

CHAIR WHITE: Okay, moving on to BF-91, Amending Fiscal Year 2014 Budget: Central Maui Landfill Wind Turbine. And we have, well here it lists Brianna Savage, Deputy Parks and Recreation, but I see...

COUNCILMEMBER VICTORINO: No.

CHAIR WHITE: Is somebody else there? Okay. We are in receipt of County Communication 13-395, from the Budget Director, transmitting the following: a proposed bill entitled, A Bill for an Ordinance Amending the Fiscal Year 2014 Budget for the County of Maui as it Pertains to Estimated Revenues; Wailuku-Kahului Community Plan Area, Sanitation, Central Maui Landfill Wind Turbine; Total Capital Improvement Project Appropriations; and Total Appropriations (Operating and Capital Expenses); and secondly a proposed bill for A Bill for an Ordinance Amending Ordinance No. 4041, Bill No. 40 (2013), Relating to the Issuance of General Obligation Bonds of the County of Maui, Central Maui Landfill Wind Turbine. So we'll, which one of you gentlemen would like to provide the review?

MR. BAZ: Thank you, Mr. Chair. Unfortunately, we don't have always the same results as we did on the last project where we came in under budget. This one, the proposed project bid came in over budget and there was some other unanticipated costs as far as this windmill project. We do have the Deputy Director of the Department of Environmental Management, Mr. Mike Miyamoto here who can talk about this. This, if you remember, is a project that was partly required by a Consent Decree, so.

CHAIR WHITE: With the EPA or was it EPA or Department of Health?

MR. BAZ: I think EPA, yeah. So we'll have him answer some questions if you have 'em.

CHAIR WHITE: Do you have any opening statements?

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MR. MIYAMOTO: Thank you, Mr. Chair. As the Budget Director mentioned, this is part of a Consent Decree by the EPA. That was the Consent Decree regarding our gas collection system that we did install it at a timely manner. This was a project, a supplemental environmental project that they allowed us to do to offset some just paying them money directly. We will receive some benefit from the windmills. We will be offsetting our utility costs at the landfill. As the project went on, we did suffer some setbacks. The original design, if you recall, we had presented was eight smaller windmills that we were going to place at the landfill. Since then, the three companies that have qualified for that eight windmills has gone bankrupt. So we've had to redesign the project and we're now putting in three larger sized windmills that will still allow us to meet the requirement of the Consent Decree. And the reason we have three windmills is because two of them can really meet the necessary requirement, but we want to make sure we meet the requirement because there are penalties associated with it, so what we've done is we've added the third one as a backup so we can rotate the three to make sure that we'll always have two operational at all times. Thank you.

CHAIR WHITE: Okay, thank you. Members, questions? Mr. Victorino?

COUNCILMEMBER VICTORINO: If you could, you know, for myself and the public, what were the setbacks that caused it? I know you said the bankruptcy. Was that the only setback or were there others that contributed to this delay and increase in cost?

MR. MIYAMOTO: The primary reason, well one of the reasons were that we had delays. The consulting company that was doing the design for us did suffer some personnel setbacks. There was a death on the team that was doing the design of the windmills for us, and so we got the project out to bid and the three companies that did bid ended up going under, so.

COUNCILMEMBER VICTORINO: All three?

MR. MIYAMOTO: They were smaller systems, that's why.

COUNCILMEMBER VICTORINO: Yeah. Yeah, okay.

MR. MIYAMOTO: These were similar systems to what you could put at a house, a residential household. So that's why the project was going to serve two purposes, one for meeting the supplemental environmental project and the other to test these types of windmills so that if the residential households want to install these types of windmills that you could have some background history on their operation.

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COUNCILMEMBER VICTORINO: Okay, so the finally the person or the company you found was going to charge us more to get it done?

MR. MIYAMOTO: Three large, we were looking at three larger.

COUNCILMEMBER VICTORINO: Yeah, not the small ones. So this wouldn't be used in homes, yeah?

MR. MIYAMOTO: Correct.

COUNCILMEMBER VICTORINO: So now you're going back to the commercial level as far as windmills?

MR. MIYAMOTO: Yes. They're a little bit taller. The blades are a little bit longer and they're a little bit higher.

COUNCILMEMBER VICTORINO: Okay, and that's what caused the added expense?

MR. MIYAMOTO: Yes.

COUNCILMEMBER VICTORINO: Along with all the other issues that went on?

MR. MIYAMOTO: Yes.

COUNCILMEMBER VICTORINO: Okay. Alright, thank you. Thank you, Mr. Chair, at least for that clarification.

CHAIR WHITE: Okay. Members, other questions. Mr. Miyamoto, what will the savings be that the windmills are expected to generate?

MR. MIYAMOTO: Right now, our utility bills at the landfill are about, I think it's around 30,000 a year, if I'm not mistaken, so on an annual basis we could save about 30,000. That would probably end up going up in the future as the rates go up, but right now we're saying our current bill's about 30,000 a year.

CHAIR WHITE: What will each of the windmills generate? What are they rated at?

MR. MIYAMOTO: I would have to ask our engineer in the back who...if I can bring my engineer up, he can give you an idea.

CHAIR WHITE: No, that's okay.

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MR. MIYAMOTO: Okay.

CHAIR WHITE: I can get that information later. The other question, it appears that the cost of the overall cost of the project will amount to about \$100,000 over the initial estimate of 350,000, is that correct? Because you've got...

MR. BAZ: Yup, 110,000.

CHAIR WHITE: Okay, \$110,000. Is it, is hiring a construction management firm necessary in this or do you have engineers in your Department?

MR. MIYAMOTO: No, we're not going to be hiring. I'm not sure. I don't think we're hiring a construction management firm. I think our engineering staff.

CHAIR WHITE: Okay. We were...

MR. MIYAMOTO: Yeah, I mean, because of the electronics involved, we're going to have to have someone that can do the electronics, the special-type inspections that typically the County doesn't handle.

CHAIR WHITE: So the total that you're requesting is about 48,000?

MR. BAZ: Yeah, Mr. Chair, what happened was that there's \$62,000 left over from that Central Maui Landfill Improvements Project. You remember that this windfill, the Windmill Turbine Project was a proviso on that Item.

CHAIR WHITE: The \$740,000 total.

MR. BAZ: Right. So they do have some additional money left in that project so they're using \$62,000 of the main project to cover the costs, but they still will be \$48,000 short.

CHAIR WHITE: Okay. In looking at some of the accounts, it appears that there's a remaining balance on a 2003 Eco-Systems contract, totaling about \$50,682. It's in the, I believe that's in...

MR. BAZ: Mr. Chair?

CHAIR WHITE: Yeah.

MR. BAZ: Just to clarify, I think you're looking at the original contract date. When you look at encumbered amounts in those reports --

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CHAIR WHITE: Oh, okay.

MR. BAZ: --those are the original contract dates and so it'll go back to that period, and then annually the options get extended so it looks like it's from that date even though it may be a current appropriation.

CHAIR WHITE: Okay. Would that be the same with Maui Office, LLC.? Because there's a 2006 and a 2007 contract and those are generally for specific jobs.

MR. BAZ: Yeah, that's correct. They may not be appropriate for that.

CHAIR WHITE: Because the amount remaining in one of those is 64,000 and the other is 28 and I would just rather use some of that up. Maybe we can take a recess so you can take a look at this.

MR. BAZ: Yeah.

CHAIR WHITE: And make sure that I'm, you know, we're looking at the right thing. We'll be in recess.

RECESS: 2:19 p.m.
RECONVENE: 2:23 p.m.

CHAIR WHITE: Thank you, Members. We, I think to keep things simple...I know, I know. It's uncharacteristic but, you know, as Mr. Carroll said this morning, this is a new year. I'm not making any promises but I think rather than...we have another measure coming up from Solid Waste, which we're meeting with the Department on this afternoon, and rather than confusing the issue by recognizing some of these as Carryover/Savings, we'll just skip, keep this as presented and possibly reduce the amount of the General Fund transfer that's being requested in our next meeting. So with that, the Chair is ready to make his recommendation.

COUNCIL MEMBERS: Recommendation.

CHAIR WHITE: The Chair will entertain a motion to recommend passage of the revised proposed bill -- and this is both bills, isn't it, yeah -- of both bills on first reading, and the filing of County Communication 13-395, and allowing the staff to make nonsubstantive revisions.

COUNCILMEMBER VICTORINO: So moved.

COUNCILMEMBER COUCH: : Second.

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CHAIR WHITE: It's been moved by Mr. Victorino, seconded by Mr. Couch to pass the bill as earlier referred to. Any further discussion, Members? Mr. Couch?

COUNCILMEMBER COUCH: Just a technicality, you said revised bill?

CHAIR WHITE: That's what my notes say but we're not revising it.

COUNCILMEMBER COUCH: We're not revising it I don't think.

CHAIR WHITE: Okay. Okay, I will amend my recommendation to remove the word "revised". We don't have revisions? Okay. Thank you for that catch. Any further discussion? Seeing none, all those in favor, please signify by saying, "aye".

COUNCIL MEMBERS: Aye.

CHAIR WHITE: Those opposed, say, "no". Measure carries, six zero, with Members Guzman, Hokama, and Cochran excused.

MS. BOUTHILLIER: You mean six ayes.

COUNCILMEMBER COUCH: Six ayes.

CHAIR WHITE: What'd I say?

COUNCILMEMBER COUCH: Six zero.

CHAIR WHITE: Six ayes and zero noes. Thank you very much, Yvette.

VOTE:	AYES:	Chair White, and Councilmembers Baisa, Carroll, Couch, Crivello, and Victorino.
	NOES:	None.
	ABSTAIN:	None.
	ABSENT:	None.
	EXC.:	Vice-Chair Hokama, Councilmembers Cochran, and Guzman.

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MOTION CARRIED.

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

CHAIR WHITE: Okay.

COUNCILMEMBER CRIVELLO: Happy New Year.

COUNCILMEMBER COUCH: Happy New Year.

COUNCILMEMBER VICTORINO: Happy New Year.

COUNCILMEMBER BAISA: Happy New Year.

CHAIR WHITE: Happy New Year. Out of practice and all that. Thank you all very much. This is the quickest meeting I've presided over in I don't know how long.

COUNCILMEMBER BAISA: It's a new year.

CHAIR WHITE: And it must be because we didn't need Mr. Ueoka to provide us any --

COUNCIL MEMBERS: ...*(laughter)*...

CHAIR WHITE: --any assistance. With that and Happy New Year wishes. This meeting is adjourned.

ADJOURN: 2:27 p.m.

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APPROVED:



MIKE WHITE, Chair
Budget and Finance Committee

bf:min: 140110:kr

Transcribed by: Kekai R. Robinson

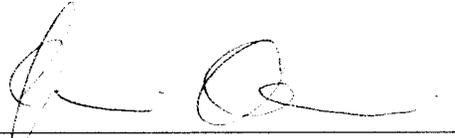
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CERTIFICATE

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

DATED this 3rd day of February, 2014, Wailuku, Maui, Hawaii.



Kekai R. Robinson