

**ECONOMIC DEVELOPMENT, ENERGY, AGRICULTURE,
AND RECREATION COMMITTEE**
Council of the County of Maui

MINUTES

Council Chamber

February 18, 2014

CONVENE: 1:40 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Don S. Guzman, Chair
Councilmember Gladys C. Baisa (left at 3:48 p.m.)
Councilmember Elle Cochran (left at 3:05 p.m.)
Councilmember Stacy Crivello
Councilmember Michael P. Victorino
Councilmember Mike White (excused from 3:22 p.m. to 3:25 p.m.)

NON-VOTING MEMBERS

Councilmember Donald G. Couch, Jr.

EXCUSED: Councilmember Robert Carroll, Vice-Chair

STAFF: Kit Zulueta, Legislative Analyst
Erin Fleming, Legislative Attorney
Pauline Martins, 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.: Jeffrey Ueoka, Deputy Corporation Counsel, Department of the Corporation Counsel

Teena Rasmussen, Director, Office of Economic Development, Office of the Mayor

Douglas McLeod, Energy Commissioner, Office of Economic Development, Office of the Mayor

Tracy Bennett, Film Coordinator, Office of Economic Development, Office of the Mayor

Kimberly Haueisen, Business Development Specialist, Office of Economic Development, Office of the Mayor

Brianne Savage, Deputy Director, Department of Parks and Recreation

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Jason Lopez, Recreation and Support Services Division Chief, Department
of Parks and Recreation

Bradley Pierce, Park Maintenance Superintendent, Park Maintenance
Division, Department of Parks and Recreation

Lance Tokushima, Parks Beautification Manager, Park Maintenance
Division, Department of Parks and Recreation

OTHERS: Brian Ventura, Board Member, Hawaii Youth Soccer Association
Desmond Manaba, President & COO, Molokai Wildlife Management
Plus (8) other people

PRESS: *Akaku Maui Community Television, Inc.*

CHAIR GUZMAN: . . . *(gavel)* . . . Good afternoon, welcome to the Economic Development, Energy, Agriculture, and Recreation Committee. It is February 18, 2014, at around 1:40 p.m. Before I begin, everybody can you please put, silence your cellphones, thank you. And wanted to go ahead and introduce our Members, starting from my left is Council Chair Gladys Baisa

COUNCILMEMBER BAISA: Good afternoon, Chair.

CHAIR GUZMAN: Stacy Crivello.

COUNCILMEMBER CRIVELLO: Aloha, Chair.

CHAIR GUZMAN: Elle Cochran.

COUNCILMEMBER COCHRAN: Aloha, Chair.

CHAIR GUZMAN: Mike White.

COUNCILMEMBER WHITE: Aloha, Chair.

CHAIR GUZMAN: And Mike Victorino.

COUNCILMEMBER VICTORINO: Good afternoon.

CHAIR GUZMAN: A non-voting Member, Don Couch, welcome.

COUNCILMEMBER COUCH: Good afternoon, Chair.

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CHAIR GUZMAN: Excused is Committee Vice-Chair, Robert Carroll. Also like to introduce members of the Administration that are in the gallery. We have Brianne Savage, Deputy Director of Parks and Recreation; Teena Rasmussen, Director of Economic Development, also Kimberly Haueisen, sorry, Deputy Director of Business Development Specialist; and for our Committee Staff, we have Legislative Attorney, Erin Fleming, as well as Communications Director, Kit Zulueta, and Committee Secretary, Pauline Martins. I'm gonna go ahead and check in with our District Offices. Hana District Office, Dawn Lono, good afternoon. Hello? Are they on line? Staff, are they on line? Okay. We're gonna take a brief recess. Excuse me, I have got a couple of new Staffers on this Committee, so we're gonna verify whether we have the District Offices on line, take a quick recess, thank you. . . . (*gavel*) . . .

RECESS: 1:41 p.m.

RECONVENE: 1:43 p.m.

CHAIR GUZMAN: . . . (*gavel*) . . . Economic Development, Energy, Agriculture, and Recreation Committee shall now reconvene. I'm going to check in with our District Offices. Hana District Office, Dawn Lono, good afternoon. Are you there?

MS. LONO: Good afternoon, Chair, this is Dawn Lono at the Hana Office.

CHAIR GUZMAN: And from Lanai District Office, Denise Fernandez, good afternoon. Are you there?

MS. FERNANDEZ: Good afternoon, Chair, this is Denise Fernandez on Lanai.

CHAIR GUZMAN: And from Molokai District Office, Ella Alcon, good afternoon. Are you there?

MS. ALCON: Good afternoon, Chair, this is Ella Alcon on Molokai, and I have a testifier waiting to testify.

CHAIR GUZMAN: Thank you, Ms. Alcon. Just as a public notice, if you'd like to testify, please sign up here at the lobby as well as if you. . .any testimony will, shall be limited to today's agenda. Pursuant to the Council Rules, you will be limited to three minutes and one minute to conclude. When testifying, please state your name and any organization in which you belong. Ms. Zulueta, can you please call the first testifier.

MS. ZULUETA: Our first testifier is Mr. Brian Ventura.

MR. VENTURA: (*NOTE: Speaking from the gallery*) Where do I go?

CHAIR GUZMAN: Yes. Just come down here to the podium.

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... BEGIN PUBLIC TESTIMONY ...

MR. VENTURA: Right here?

CHAIR GUZMAN: You may proceed.

MR. VENTURA: Okay. Thank you, I'm Brian Ventura, I'm with Hawaii Youth Soccer Association, HYSA, it's a youth soccer organization. *(NOTE: Waved at Councilmember Victorino)* How you doing over there?

COUNCILMEMBER VICTORINO: All right.

MR. VENTURA: I played with his son so. Basically, we just, the director and the president couldn't be here today because they had to work, so I came in their stead. And we just want to make sure that the County is aware, we're here to work with you guys, you know, one thing that was brought up in the meeting that the Chair attended with us was that you guys were looking for support, help in maintaining things, and just keeping our parks running at their premium. And we do have, we have had input from our parents at several clubs that own landscaping businesses, that they would be willing to donate time. Also on Oahu, what they have done is had certain clubs kind of parent fields, so that just basic maintenance, cleaning, picking up trash, getting into the dumpster, things like that are taken care of. And our league is ready and willing to help, we want to make sure that the facilities are properly maintained and that burden can't completely fall on the three people that you guys employ, we understand that to manage a certain facility. So we want to be involved with this process, we want to help. We've been in communication with Brienne Savage, she's been incredibly helpful in this season. We're in the middle of our soccer winter season right now, actually just coming up to the end of it, and have had some field issues with sprinklers, and I have to say, I mean, we made a phone call, 15 minutes later, there were 10 people at the field, and that was a little more than impressive. So we want to thank all of you guys for your help with the season, but our main goal is to make sure that our youth soccer players have the ability to play the sport that they love and are growing in year round. And so whatever we have to do, we know there's field issues and space issues, but we will do whatever we have to to make sure we can work with you guys to see that happen, thank you.

CHAIR GUZMAN: Thank you, Mr. Ventura. Members, any follow-up questions? Seeing none, thank you very much for your testimony.

MR. VENTURA: Thank you.

CHAIR GUZMAN: Can you call the next testifier, please? Thank you.

MS. ZULUETA: Chair, there's no one else waiting to testify.

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CHAIR GUZMAN: Okay. Thank you, I'm gonna go to our District Offices. I believe Hana District Office, do you have anyone waiting to testify?

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

CHAIR GUZMAN: And for Lanai District Office, Ms. Fernandez, anyone wishing to testify?

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

CHAIR GUZMAN: And Ms. Alcon from Molokai, do you have anyone wishing to testify?

MS. ALCON: My first and only testifier is Desmond Manaba, testifying on EAR-23.

MR. MANABA: Good afternoon, Council members. My name is Desmond Manaba, and I am the President and COO of Molokai Wildlife Management. We're a deer ranching company that was ranching for about 18 years now, and about 14 months ago, we broke through the USDA and never looked back. We harvest axis deer twice a month at our Molokai livestock. We do about 20 to 30 carcasses out to neighbor islands, brokers, mainland markets, and we're...our next...we harvested last week Thursday and we're harvesting again on the 28th of this month. It was real hard breaking through the USDA, but when we did it 14 months ago, we, like I said, we harvest every month now, and we've been building capacity with USDA, our frontline supervisor, _____. And right now we're helping other ranchers and farmers that have overpopulation of axis deer, and we're helping them keep their, you know, some of their workers that they had to get rid of from losing their cattle business. Now, they're rehiring them and keeping the, keeping some of their ranch hands on just to make it available of harvesting axis deer for picking up the slack for their loss of the cattle industry, so we've been helping that way with the other ranchers and farmers. The reason why we're the only ones that can pull antemortem inspection with the USDA is because we are a deer rancher first. And we do breeding programs, and we have enough deer, so when we go out and harvest the deer, if anything goes wrong on their ranches, the ranch don't take the fall, we can always go right into our pens and harvest the deer needed for the high antemortem cost. And I gotta say, the USDA cost and slaughter cost is pretty high, but we have figured out the R&D over the last 16 months, and I think we harvested about 130 animals just setting the market. We have...I think our profit margin right now in the last six months of harvesting was about fifteen, twenty thousand and that is with invoices to incurred coming in. I think our total of sales was about forty-something thousand. So anyway, I'm here to...we need some help over here with this new industry, and this is a new industry and we have kicked it off and we're going forward. On Molokai, we don't have freezer space, so what we've been doing is we've been sending the carcasses out to a freezer space in Oahu or on Maui, but is real cost effective. We want to hire our own guys, and have our own freezer unit here for axis deer. The USDA ruling is that you cannot put axis deer meat mixed in with other kinds of product, because it's all wild, exotic game, so we are trying to

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go through your loan fund to get some help in this new industry, and so we can move out. And we got some other ranchers that is. . .want our help on other islands like Maui and Lanai and we want to go over there. Molokai Wildlife Management wants to help by putting antemortem inspections for them also. But anyway, that's one thing in our value-added side, we. . .this is only containers on. . .

CHAIR GUZMAN: Mr. Manaba, your time is. . .

MR. MANABA: We are needing some material for more housing of the animals so we can help other ranchers. We also work with wildlife programs in the mainland, and we engineered a net blaster to help with animals that is in rural areas, and is creating a lot of crop damage and in places where you cannot shoot with a rifle. We are now, can net blast the deer and take them out and relocate them or harvest them for subsistence.

CHAIR GUZMAN: Okay. I'm going to have to call your time. . .

MR. MANABA: Okay. Thank you very much --

CHAIR GUZMAN: Thank you very much.

MR. MANABA: --for hearing me, and thank you again, bye-bye.

CHAIR GUZMAN: Thank you very much for your testimony. Is there any other further testimony from Molokai? That's it?

COUNCILMEMBER BAISA: Chair, question.

CHAIR GUZMAN: Any questions from our Members? Can you stay on the line, please? Any. . .opening up the floor to any questions.

COUNCILMEMBER BAISA: Is he still on the line?

CHAIR GUZMAN: Hello, Molokai.

MS. ALCON: Yes.

CHAIR GUZMAN: Can you put the testifier back on line.

MS. ALCON: Okay.

MR. MANABA: Yeah, I'm here.

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CHAIR GUZMAN: Yeah, so we have some questions for you from our, several of our Members, starting with Chair Gladys Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair, and thank you, Desmond for your testimony. I find it very, very interesting, 'cause, you know, we've been dealing with this deer problem on Maui, too. And it's interesting to hear that you made some real progress, I'm excited to hear about your working with USDA, that's wonderful. But I have a simple question, forgive my ignorance, but I don't know. . .what is a net blast?

MR. MANABA: Oh, a net blaster, we have engineered a net blaster, this is our own *...(inaudible)...* technology that we have come up with by working with this guy named, Jeff Shaw, for WCS in the mainland, Kentucky, and what they do is they use this net blasters for capturing small mammals. And so what Molokai Wildlife Management did, what I did is I worked with Jeff Shaw in trying to change the system of the net so we could catch, use it for axis deer. And then so we have done that with a remote trigger component, where we can actually see the deer walking into the waterhole or the vegetable patch, and then triggering the device remote controllee, and it is already on videotape, so you can use it for antemortem inspections. So we designed this with them and now we have this, and we're using it on Molokai to help us to get our numbers up for our markets, and then we use it also for our breeding, trapping and relocating in different areas to our breed pens, so this is just a new technology that we have just put out.

COUNCILMEMBER BAISA: Thank you so much for the explanation, caught my interest because just my husband and I were joking yesterday about catching feral chickens, and he was saying, well, maybe should just throw a net on them. This is not that far-fetched, it sound like if it would work on deer, maybe it would work on chickens. Well, good luck with your project and I hope it gets expanded, we need to do something, thank you.

CHAIR GUZMAN: Thank you, Chair. Ms. Cochran.

MR. MANABA: You're welcome.

COUNCILMEMBER COCHRAN: Thank you. Mr. Manaba, this is Elle Cochran, can hear me?

MR. MANABA: Hi, Elle.

COUNCILMEMBER COCHRAN: Hi, okay, just curious if you've been in contact with the deer, axis deer people here on Maui, because, you know, we started a program and just wondering if you folks have been collaborating at all, I believe Mike Tavares.

MR. MANABA: Yeah, I've been. . .I was the guest speaker over there at the first axis deer symposium, and I spoke in the morning and in the afternoon, and I've met Michael Tavares there. And I've been in close contact with Dr. Phyllis Robinson, and I've been hired now as, from Maui

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Community College, University of Hawaii Maui Community College, to be an instructor in a certificated deer ranching class and harvesting.

COUNCILMEMBER COCHRAN: Oh, excellent.

MR. MANABA: So what they doing is putting on a feasibility study for the big ranchers, I guess to have them really take a look at the numbers, and to see how viable this industry can be so that they can make a decision on actually pulling an antemortem inspection, and that's the way Molokai Wildlife Management comes in, because I'm the only guy that actually can pull an antemortem inspection at this time, and I will help other ranchers as they come on line.

COUNCILMEMBER COCHRAN: Excellent. Well, thank you for your work and looking forward to the progress, mahalo.

CHAIR GUZMAN: Thank you.

MR. MANABA: Oh, you welcome.

CHAIR GUZMAN: Thank you. Is there any other Members? Seeing none, I'd like to thank you very much for your testimony. And I'll ask if there's any other testimony out there in terms of our District Offices?

MS. ALCON: There's no one else here on Molokai waiting to testify.

CHAIR GUZMAN: Okay. Thank you. Anyone in the gallery that's wishing to testify? Seeing none, without any objections, Members, I'd like to close testimony.

COUNCIL MEMBERS VOICED NO OBJECTIONS.

... END OF PUBLIC TESTIMONY ...

CHAIR GUZMAN: Thank you.

**EAR-1(2) COMMITTEE'S PRIORITIES AND PROCEDURES; PRESENTATIONS FROM
COUNTY ADMINISTRATIVE AGENCIES (ORIENTATION WORKSHOP BY THE
OFFICE OF ECONOMIC DEVELOPMENT)**

CHAIR GUZMAN: Members, we'll begin with today's agenda, item number one, we have EAR-1(2), which is the Committee's Priorities and Procedures; Presentations from County Administrative Agencies (Orientation Workshop by the Office of Economic Development). Pursuant to Rule 7(B) of the Rules of the Council, the Committee may have an orientation workshop conducted by the Office of Economic Development. As we approach our Budget Session, I'd like to have the

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Economic Development Office come down and speak about topics such as an update of the Economic Development Revolving Fund; prospective agricultural projects; as well as an update to the Maui County Maui Film Industry; and upcoming Energy Conference; as well as an upcoming Made in Maui County Festival. And so I'd like to introduce to you, Teena Rasmussen is our Director of the Office of Economic Development. Any opening statements?

MS. RASMUSSEN: Just briefly, thank you so much, Chair Guzman, for inviting us to be here today to do this presentation. And so hopefully we're gonna give you some positivity here after your last session I want to make that. . .but I wanted just to start it. We have a PowerPoint for you that we put together that should really help explain what we're doing. And just before we go to that and reset for that, I'd like to just say that it's just such an honor for me to work with this team that we have in OED. They are just so talented and so dedicated, every single one of them, and I just. . .thankful every day that I get to go to work and be with these people, and they pour their heart and soul in these projects. This is going to be a very big year for OED, we have some very, very aggressive initiatives that we're rolling out, and this has been the culmination of the last couple years of, you know, preparation, and so I hope you enjoy what you're going to hear today.

CHAIR GUZMAN: Thank you. So, Members, we're going to take a quick recess to reset the Chambers for the PowerPoint. . . . (*gavel*) . . .

RECESS: 2:00 p.m.

RECONVENE: 2:02 p.m.

CHAIR GUZMAN: . . . (*gavel*) . . . EAR Committee shall now reconvene. Go ahead and start your presentation, Ms. Rasmussen.

. . . BEGIN PRESENTATION . . .

MS. RASMUSSEN: Okay. Thank you so much again. So we are going to report on several of our initiatives. The first of which we want to give you an update on the Economic Development Revolving Fund, it sounds like that was what Mr. Manaba was referring to in his testimony. We have been conferring with many, many people on how this fund should be rolled out, what is the fairest and best way to work out this fund, so that it can be a transparent and open process. We've consulted with MEDB, we've consulted with an Economic Development Fund, the Ben Franklin Fund in Philadelphia, and had their opinion on how we had it set up. And what you have in front of you, we gave you the entire application and process. And so I don't. . .I'm not gonna go into a lot of detail today about it, but we want you to know that we are ready to go out with a press release about this fund this week, so we should be getting some good proposals back in. Again, this fund was primarily set up, you know, we've talked a lot about what is this fund for, and what is an appropriate use for taxpayer funds to do an Economic Development Fund like this. And it really came down to the risk nature, how risky of a venture do we want to promote

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with this. And really as we talked to more and more people, we felt, you know, we really shouldn't have that big of a risk factor. We want something that's going to actually create jobs, grow companies, grow employment here on our island, and so we really honed in on the businesses that have strong balance sheets, the businesses that already have existing market growth that they can grow into, and that have a history, and that's so, they're already existing within our County. And so these are the companies, if they just had the capital that they could go up to the next level in their business and achieve that growth potential that they have. So that is what we have decided is the target for this fund, and we have a very explicit application and evaluation process, as you can see there. And we will be having experts come in and help with the evaluation, it will not be only done by OED. It will be done with the experts that are in that field potentially, we'll bring them in and, of course, when it's evaluated, the process is -- you wanna go back to that previous slide -- the process is, kind of hard to read on here, it goes to. . .they will send a letter of inquiry and/or an abstract to OED. We will decide whether it looks like an appropriate project that would fit with the funds description, and then from there, it goes to. . .we actually tell them to write an actual application, and from the application, it will be reviewed again, if we need a panel of experts, we'll bring them in. We will either accept, actually we will make a recommendation to the Mayor, the Mayor will accept or reject, and then it will be brought to the Council for a budget appropriation to accept or reject. So it's quite a lengthy process, so we really want to get this underway, and see if we can get through a couple of these and see what comes to us. But there is a lot of interest out there, I will tell you, we've had people calling our office almost every month for the last year, asking us when we're going to be rolling this fund out, so I'm happy that we're finally there, and thank you for your patience. Okay. So I'm going to turn it over now to our Energy Commissioner, Doug McLeod, and he's going to talk about our National Energy Conference coming up.

MR. McLEOD: Chair Guzman, other Committee members, thanks for an opportunity to talk to you for a few minutes about our conference, it's scheduled for March 26th and 27th, it's going to be held at the MACC. In the general topic is what's being referred to as the electric utility of the future. The idea here is that we're finding just a need for new ideas, and you can see here from the sponsor list that we think we've hit on a topic that has interest, not just in the U.S. but Japan as well. So over the top you see our sponsorships. We have really substantial involvement on this from utility, and although we have plenty of issues with utility on, you know, from time to time, in this case you have to give them credit for really stepping up, being a major sponsor and in effect, saying they're willing to listen to people that we're bringing in as experts. Again, the list of sponsors here is not complete, but you can see it's a nice range from the Ulupono Initiative on up through Hitachi. We also have other partners that are helping us in terms of getting the word out and speakers, so the Hawaii Public Utilities Commission deserves a mention here, also HNEI with the college, the City of Boulder in Colorado, and MEDB, of course, as far as helping us put on the event here. So why are we doing this? Number one, I guess, in terms of economic development, we think that there is an opportunity for a conference along these lines, and we wanted Maui to take a shot at being the host for it. But in terms of why people in the industry are interested in coming, you can see these different factors listed and we won't attempt to go

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through all of them. But what you can say is that across the United States now, the electric utility business is changing and is under pressure, and the reasons why it's under pressure vary, and the reasons in Hawaii are listed in the fifth bullet point down. What are we hoping to do with this conference? Well, the first thing we're going to do is answer a number of long-standing questions that we get asked regularly. One of them is, are there other better ways of operating the electric company? And specifically here in Hawaii, what we get asked a lot is, is a co-op a better model? So we're going to be bringing over people from Kauai with KIUC, they'll be speaking. We also have been asked if taking over the utility is something that whatever makes sense for local government, we're bringing over people from the City of Boulder, where they are, in fact, moving to take over their investor and utility. And then, thank you very much, Councilmember Cochran, for putting us in touch with Marin Clean Energy. And you'll see down here in the last bullet point that they'll be coming over, and they're discussing another approach, which is basically to allow the customer to choose to pay more for a greener product, in other words, to pay on how your electricity is made, you may be willing to pay a little bit more. Japan deserves a special note here, because first, NEDO, which is part of the Japanese government, has agreed to be a sponsor, but also they've gone above and beyond, because they have arranged at their expense for Professor Ogimoto to come. And Professor Ogimoto is truly one of the leading experts on how Japan's energy policy changed after the nuclear accident. So we're really very excited to have people coming from Japan, we've now gotten three different sponsors from Japan, including NEDO, Hitachi, and a company called Eurus, and we're excited about that. Last slide here on our panel, Ron Binz, one of our speakers was nominated to be FERC chairman, and if you are in the energy business that means a lot to you, that is a very impressive thing. In fact, he withdrew his name, because of some political considerations, but really one of the leading people here. And then, I mentioned earlier that the utility has really kind of stepped up, and they've agreed that, you know, both their CEO and their Chairman will be actively participating and speaking at the conference, and we have Connie Lau identified up here for that purpose. So anyway, that gives you a quick overview of what we're trying to do, March 26th and 27th, at the MACC, and of course, there's a website where all the registration information's available

MS. RASMUSSEN: Okay. Continuing on, our next big thing at OED, we are working on the first ever Made in Maui County Festival. With our experience of the 18 companies that we gave assistance to, to participate in the Made in Hawaii Festival last Fall, we found that there is a huge pent-up demand for a way to access the local products that are produced here in Maui County. And so we decided that we would explore this, because some of the neighbor islands do this exact type of thing. We wanted to. . . we will be having this in the first weekend in November, we have booked the Maui Arts and Cultural Center, we will be in their amphitheater. This will be a two-day event, with the first day being an invitation only buyers event, this will be for corporate buyers, wholesalers, distributors, people that will have a preview, so to speak, and access to all of these vendors. The second day will be completely open to the public, this will be right before the holidays, we're hoping people will come and purchase their holiday gifts or even place orders for their gifts. We're going to be marketing it to both the visitor industry, very

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heavily as well as our local residents. We really want to give some of these companies a way to be seen in a larger venue than, you know, just maybe their typical farmers market or even the swap meet, but many of them cannot afford to go to the Made in Hawaii Festival, 'cause that is a very expensive one to participate in. By the time they ship, they have to stay over there, they have to rent a car, they have to pay for their fees, it's very expensive, so this is a great alternative. We're going to try it this year, my hope is that if it's successful, and we get the kind of response that I think we're going to get, that we might look at having it maybe every other year. I think every year might be, you know, it might get. . .I don't know, we'll see, maybe it'll take a life of its own and it'll be every year, but right now, we're looking at maybe in every other year. So all of the vendors will need to be 51 percent made in Maui County, we will follow the similar rules that are set out in the Made in Hawaii Festival. Our marketing plan will be again, to residents as well as visitors, we will be soliciting, maximizing free press opportunities for exposure, and utilizing our partners and sponsors to leverage publicity, and we are going to need your support when we come to the budget for small business promotion funds in order to carry out this festival. We have already identified several sponsors, the Made, I'm sorry, the Maui Chamber of Commerce, Innovate Hawaii, Maui Arts and Cultural Center, the Maui Food Technology Center, Maui County Farm Bureau, Molokai Chamber of Commerce, and Lanai Chamber of Commerce will be our partners and have already, some of them have already come forward with sponsorships. So that is Made in Hawaii, Made in Maui County Festival, thank you. Our next project that we have been working on for about the last six months is, if you recall the State Legislature through Representative Kyle Yamashita, last Legislative Session, set aside \$5 million for land acquisition, design construction for the development of a State Agriculture Park in Upcountry Maui, and then it required matching funds from the County, and how that breaks out is that the County needed to come up with 3 million and the State would kick in 5 million. Subsequent to that coming out, the Legislature passing that appropriation, a party came to our office and said that they had some land that they were considering selling or would be willing possibly to sell to the County of Maui, that could be an addition to our ag park. The reason why we were very interested in this piece, and it's actually two parcels where the Xs are, this property used to be owned by Maui Land & Pineapple, it was then sold to a group of developers that developed Waiakoa Ranch, Ranch Estates, I think it was called. They were. . .they subsequently went and got the entitlements to develop an agriculture subdivision, then we went into the recession, they didn't have the ability to sell the lots or continue with that project, and so they let that project go back to the bank. The bank subsequently tried to sell it, and a buyer from Canada came and purchased it and closed escrow in December of this year. This buyer through their representative, came to our office and approached us about a possible interest in the County purchasing a portion of this land. So we started thinking about all the benefits, because it's right across the street from the Kula Ag Park. The land has four two-inch water meters that come out of the Kula Ag Park water system, and that. . .those were meters that had been granted to Maui Pine as their. . .the benefit that they got for giving the County the Kula Ag Park land originally. So we like this because it fronts Pulehu Road, well, and it would expand our ag park by 50 percent, we could take advantage of the 5 million in State funding, we negotiated the County match from 3 million to 1 million since it would be a County run ag park. The infrastructure is

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minimal, new lots will all be accessible from Pulehu Road, so no roads will need to be built, electricity and phone lines run down Pulehu Road, so the farms can drop their power right in, and this reduces the development costs drastically. We have not been able to identify any other piece of land that has that kind of advantage. So we have been working with Planning and Public Works to make sure that they can, that this party cannot still subdivide this farm lots, their housing lots, and also can we subdivide these farm lots out, and they said, we could do the farm lots through administrative procedures. We, Representative Yamashita, is going back to the Legislature with a clean-up kind of bill to reduce the County match to one million, and also to change it from a State ag park to a County ag park. Now, the benefit also is that we remain in control of these water meters that come out of the Kula Ag Park system. It will not erode our ability then to apply for Federal and State funding in the future, and if there are water shortages from EMI, we can easily control the water usage if we retain control of the meters. So there will be an appraisal done, and I just want to say that this will be coming out in our budget. This is just a very first step, I will tell you that we can't even start negotiations; we would not order an appraisal or anything unless we have the match in our budget, and then from there, of course the negotiations have to be done. So we're not saying that everything is in place, but we're saying this is an amazing opportunity for the County and it's just a win-win-win all the way around, and particularly to save control of those four two-inch water meters. So I'd be happy to answer, of course, more questions when we get to it, but I'm going to turn it over now to our new Film Commissioner, Tracy Bennett, to give us an update on the Maui County Film Office, thank you.

MR. BENNETT: Aloha, Council, I think I met you all except for Ms. Cochran, aloha. I'll start by saying, in 2013, the first ten months, there was roughly \$1.46 million of Maui spend that came in a form of various productions, and since my appointment, Maui spend is just over \$2 million, so hopefully we're headed in the right direction here. Some of the current productions, Point Break 2, some of you might have heard was just here shooting at Jaws, they were scheduled to be here for one day and they turned out to be four days, they spent about a million and a half dollars here in Maui and hired 30 people from Maui. I gave the producer and the production coordinator a tour of some various locations around Maui as well as Maui Film Studios, and they had said they would be interested in bringing some of the movie back here when they start filming again in June. The reality show, Hollywood Exes on VH1, will be here in two weeks, Eddie Murphy will be accompanying that show as his ex-wife is kind of the star, I guess, they'll be staying on the west side and shooting at various locations including the airport. Coming up is a TV pilot called, Infinity, that'll shoot six weeks here in April, utilizing the Maui Film Studios and several locations, upwards of 100 Maui County residents will be hired for this pilot, budget's around \$2 million. Most of you also have heard about, Etyrea, which is the big budget movie coming here, they'll be here shortly to scout for office space, at which they hope to open May 1st, and begin construction shortly thereafter, start filming in July through February, you know, they'll be hiring hundreds of people either as crew or extras. They will be spending roughly \$60 million here just for the first movie. It's a trilogy of movies, that's sort of in the vein of the Hobbit meets the Hunger Games, they're currently in the casting process, they have cast a lead actor, although I am. . . I signed a nondisclosure agreement and I'm not allowed to say who it is just yet 'til they

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make a public announcement. Sleigh Wrecked is a local production by filmmakers Eric Gilliom and Jonathan Yudis, and L.A. production company, Benderspink. They start production this summer in Maui County, \$12 million budget Christmas movie that will utilize local locations, cast, crew, and vendors, and they are also in the casting process. Highlander is a big budget Sony movie by Hollywood producer, Neal Moritz and Justin Lin, they hope to start next February, once Ethyrea is finished shooting in Maui Film Studios, they also plan to shoot a lot of Upcountry locations to double for Scotland. And today -- if you go back one more -- sorry, today, I just spoke with a friend of mine, who I've worked with in the business in the past, and he's producing a film called, Madam, the Grass is High. It's a love story about a group of senior citizens searching for romance in Hawaii, it will star, Ann-Margret, and it will have a \$10 million budget, they hope to start shooting in the next 90 days. Coming up, I'm heading to Seoul in two days, actually. Seoul, South Korea, is sort of a Asian hub for investors in the movie business, and I'll be taking some meetings with several people, including investors, producers, and content managers, sharing Maui County's diverse and unique locations, explaining our tax incentive and the Visa Waiver Program set up by HIFA, which is Hawaiian International Film Association. Coming up in March, there's a really big International Film and TV Finance Summit that will be attended by Hollywood producers, studio executives, finance departments, tax incentive experts, film commissioners and key decision makers. Then the end of March is probably the biggest conference of the year, it's called the Locations Expo, it's a four-day trade show for location managers and film commissioners from all over the world, showcasing their respective states and counties, with tax incentive information and photos. The State of Hawaii is represented by film commissioners from all of our counties, and we have two booths this year, one booth is shared by the State of Hawaii, Film Office in each county, the other booth will be a coffee/espresso bar, featuring Hawaii coffees, decorated in Hawaiiana. They do this to break up sort of the monotony that happens at this Locations Expo, and then my idea, along with Branscombe Richmond is to add a hula dancer and a ukulele player this year. And, you know, our goal is to really stand out and take a step forward over the other counties, 'cause after all at the end of the day, our competition is Oahu and Kauai. Other meetings I have coming up while I'm in L.A. in March, I'm only scratching the surface here, I have several more planned, but these are some of the bigger ones. Al Ruddy is a very old-time producer, produced many Clint Eastwood movies, he's doing Hogan's Heroes, and there's a possibility of them considering Maui. Donna Langely, who is an old friend of mine, is now the head of production at Universal Studios, they have several movies potentially for Maui County. Steve Papzian, Warner Brothers, they have three movies potentially that are looking at Maui. Producer Tracy Silvers is one of the, one of those movies from Warner Brothers is Gilligan's Island, they're doing a film of that popular TV show. And I think everyone knows Director Ron Howard, he's directing Warner Brothers version of the Jungle Book, there's actually two Jungle Books gonna be filmed this year. Disney is doing one with Jon Favreau directing, and the Warner Brothers version. So Carl Weathers is a very frequent visitor here, and he's writing a TV series that he will be shooting a pilot here sometime this year, it's still being written, currently in development. And as I mentioned, Gilligan's Island and Jungle Book, there are two Jungle Books, studios often do this to compete with one another, and they make the movies a little bit different, but for obvious reasons they are considering

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Maui. I also like to think that my relationship with Warner Brothers and with Director Ron Howard, hopefully will nurture our relationship there. My goals as the Maui Film Commissioner is to market and sell Maui County, not only as a film destination, but a film hub comparable to Oahu's success in recent years. One of my goals is to help ease the film permitting process in Maui County by changing the permitting requirements to what's called, Open & Accessible, similar to Oahu, where it eliminates the need for various departmental approvals currently required that make the permitting process difficult, time consuming, and confusing. By marketing and selling Maui County, I will persuade and encourage these producers to hire as many qualified locals as possible, creating hundreds of jobs and growing the economy, helping the boom of the film industry, so to speak, in Maui County. Ultimately, at the end of the day, a goal for production is to have 80 percent of its casting crew from Maui County. With continued training classes that we're doing and education, I hope to grow the crew and talent base here, and the infrastructure currently in place at Maui Film Studios, Maui County's in a prime and ripe spot for some major economic development. By growing the film industry in Maui County, there are three tiers of economic impact. The first tier, of course, goes to cast and crew salaries, that's where productions money is spent first and foremost. The second tier are the location vendors, lumber yards, supply businesses, construction companies, construction products and services, anything that's directly involved in a production. In the third tier, of course, is the restaurants, the hotels, the rental cars, air fares, those kind of things, productions often bring crew with them from Los Angeles or New York or somewhere around the world, and that's another form of economic impact. In summary, with an increased budget, the Film Office can better market and advertise Maui County here with its amazing locations, our film studio, crew and talent base, and the 25 percent tax incentive. Relationships are everything in the movie business. In my 17 years in the business, I attribute my reputation and success to every relationship I made over the years. I worked on a variety of projects and met a variety of people and found that face time and relationships are crucial. Attending conferences, trade shows, expos, film festivals equates to nurturing those relationships by having knowledge, obviously of Maui County, its culture, the tax incentive, and its people. And as I mentioned, at the end of the day, Maui's competing not only with other tropical areas in the world that have tax incentives, like Puerto Rico, Florida, Georgia, but ultimately Oahu and Kauai, and taking that extra step is what's needed to push ourselves ahead into the forefront of production in Hawaii. I think everyone here probably has a favorite movie, or a favorite TV show, or a time of day or weekend that you attribute to sitting in your living room or your TV room and watching your favorite movie or your favorite show because it's an escape from reality, it's an escape from our day-to-day lives. And when you watch a movie or TV show, sometimes you want to feel an emotion, whether you laugh, or you cry, or you feel scared, whatever it may be, there's a reason that we all love the entertainment business, whether we know it or not, in some form or another. And I represent that emotion for Maui County, a Film Commissioner is a hand holder for the folks who come here to film their projects and be their liaison and lead them in the right direction in knowing the people, the culture, the various parts of the island, and the right connections to getting the job done, so that at some point, down the road, when their TV show or their film comes to the screen, we can sit and watch it with an amount of pride, knowing that that's our

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aina, those are our people, that's what we're proud of. So I have one last thing that I'd like you to hear. . . .(video presentation). . . Hi. I'm Dennis Dugan. I'm a film director. I filmed Just Go With It in Maui. What I wanted to say about Maui is it's an amazing place to shoot. There are...it has every kind of setting. It has from urban to farmland to mountains, rivers, beaches, and waterfalls. The people are, that you work with there are extraordinary. Their knowledge of the islands is great. Their professionalism is amazing. They're accommodating and incredibly supportive. What my dream is is to get a script that I can bring back to Maui and shoot again. It was just an absolutely wonderful filming experience. Thanks, bye.

MR. BENNETT: There we go, thank you, aloha. And that's the end for the Maui Film Office.

... END PRESENTATION ...

CHAIR GUZMAN: Okay. So we're gonna take a brief recess to reset the Chambers. . . . (gavel) . . .

RECESS: 2:34 p.m.

RECONVENE: 2:36 p.m.

CHAIR GUZMAN: . . . (gavel) . . . Okay. The EAR meeting is now reconvened. And so thank you very much for the PowerPoint, it was very informative and very exciting in terms of our, the new programs that are coming out. I'm gonna go ahead and open up the floor to our Members in regards to any questions on --

COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: --Economic Development Revolving Fund, the expansion for the Kula Ag Park, as well as any questions for our County Film Commissioner on the film industry, the Energy Conference, as well as the Made in Maui County Festival.

COUNCILMEMBER VICTORINO: Chair?

CHAIR GUZMAN: Yes, Mr. Victorino.

COUNCILMEMBER VICTORINO: Do you want me to go all of them or should I just go one or two and then. . .

CHAIR GUZMAN: One or two and then we'll just go down the line.

COUNCILMEMBER VICTORINO: Yeah. I was hoping you'd say that. The two that stood out and all of them were great work, thank you very much, you know. The upcoming festival, you said the

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first day is gonna be buyers only, then the second day open to the public, we'll make sure that we get great notification on that, we'll make sure that.

MS. RASMUSSEN: Oh, absolutely, I mean, we're marketing it. In fact, a huge part of the budget is devoted to marketing it, because we realize, if we don't get the public there, you know, this event will not be for any purpose, and if we don't get the buyers there so.

COUNCILMEMBER VICTORINO: Well, and I think the other part I want to say is that I want the people of Maui County to see what we're doing.

MS. RASMUSSEN: Yeah.

COUNCILMEMBER VICTORINO: We talk about it, but many of them don't really see it, and I think that's very important. The Energy Conference, are we gonna be invited or we have to sneak in, or how does this one work? I mean, you know, I'm just kind of curious, because nothing was said about that, other than we're gonna hold it here on Maui. And I think for some of us, I think if not all of us would like to hear what the heck is going on, if you know what I mean.

MR. McLEOD: Subject to, of course the Sunshine Act, and then there's ongoing discussions of all the Council members are welcome to attend the conference.

COUNCILMEMBER VICTORINO: Well, I know seven of them they cannot come so I'll be there, no problem. No, no. Well, I'm glad to hear that, 'cause we really, I think this is something we'd like to really participate in and see what was going on, so I think that's _____. And the final question I had for my Film Director, you said, you guys will be having classes, you guys will be having other opportunities to get people ready for various aspects of the film industry, and I think we talked about that. That will also be made public so that our residents know these opportunities are arising, so that if they have to take any kind of training, this training will be available here in Maui, is that correct? Sorry, we need more microphones for that front area.

MR. BENNETT: Yes, that's correct. We're gonna be doing a . . . we just had a training class, a union training class for electricians this last week, and Henry Fordham, the Local IA rep, on Oahu came over and organized that meeting for some of the union guys here. In the future, when we have a firm start date for projects, we'll announce certain, you know, background, training days, extra training days, where people can sign up to be, you know, extras and background artists, and then certain members of the crew. We'll also announce, you know, when we have firm start dates, any other kind of training that will happen for grips, electricians, camera, transportation, any, you know, any of those crucial crew member positions that will be available, yeah.

COUNCILMEMBER VICTORINO: And also for extras and, you know, maybe an opportunity for some people to become movie stars right here in Maui? That will be, I mean, this is, you know, there's some people in this room maybe has aspirations of that, you know, I just. . . I'm not saying

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anything, you're laughing but I know who they are, but, you know, all joking aside, we'll have things of that nature, right?

MR. BENNETT: Absolutely. You know, when I was here filming, Just Go With It, a few years ago, I know that they had some open sessions where the public could come and register and those lines got to be hours long, so we'd love to do something to avoid that. And I have a couple of ideas that I'm sharing with the casting people here in town, but, you know, I don't know if any of you know ____, I don't know her last name, she's a little red head lady around Kihei area, and she sells leis and she also sings karaoke at Sansei.

COUNCILMEMBER VICTORINO: Yeah, yeah, I know who it is.

MR. BENNETT: Well, she was in Sansei one night and, Dennis Dugan, the director, was in there eating and he saw her sing, and before you know it, she had a part in the movie, so she's featured quite heavily in the movie, so you never know when you're gonna be discovered, sir.

COUNCILMEMBER VICTORINO: Well, yeah, I know Mr. Couch goes to many of those, I mean, oh, I'm not supposed mention names, I'm sorry, I apologize. Thank you, Mr. Chair, that's enough.

CHAIR GUZMAN: Thank you, Mr. Victorino. Mr. White, you're up next.

COUNCILMEMBER WHITE: I just want the record to reflect that there are those of us in this room that have more realistic feelings about whether we're gonna get called up.

CHAIR GUZMAN: Duly noted.

COUNCILMEMBER WHITE: And so make his the go-to number.

MS. RASMUSSEN: Right, okay.

COUNCILMEMBER WHITE: No, I just want to say that this is very exciting to see these things coming to fruition. I know that the Economic Development Revolving Fund has been in the works for a while, and it's nice to see it coming together and thank you for doing that. The Kula Ag Park expansion is something we talked about a couple of years back, and it's nice to see that's moving as well. The one question I had on the Kula Ag Park expansion was, do you know what the purchase price was for the 725-acre parcel?

MS. RASMUSSEN: I don't, I haven't been given that yet, but that should become public record now very shortly so, and it's actually was two parcels, that 1,800 acres they purchased was two parcels.

COUNCILMEMBER WHITE: Right.

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MS. RASMUSSEN: Right.

COUNCILMEMBER WHITE: And the \$6 million, is that acquisition and some ...*(inaudible)*...

MS. RASMUSSEN: It could be. . .it. . .I have talked to Representative Yamashita about that, so it's not only land acquisition, it can be for design and development. So we're assuming that would mean, you know, the trenching of the water pipes that we would need to get the meters to the correct lots. And then also we feel, I feel that it could be used to enhance the current water system and help us, maybe with some of the repairs that we need to do up there, so because it will be feeding, you know, that land so. And he felt the same, he felt that as long as it's supporting the, you know, the acquisition that it should be fine so.

COUNCILMEMBER WHITE: I know part of our discussions with Representative Yamashita included the fact that Maui's the only island without a State ag park.

MS. RASMUSSEN: Right, right.

COUNCILMEMBER WHITE: And all the State ag parks provide water at 50 cents per thousand compared to our 1.10 or. . .

MS. RASMUSSEN: One-ten.

COUNCILMEMBER WHITE: So anyway, it's all very exciting and lots of exciting things on the energy front and the movie front, so thank you for sharing it.

MS. RASMUSSEN: Thank you.

CHAIR GUZMAN: Thank you. Ms. Cochran.

COUNCILMEMBER COCHRAN: Oh, thank you, and yeah, sounds like some very exciting ideas and thank you for, Mr. McLeod, for following up on what I had brought home in regards to Marin County, so and you followed up on your end, so that's going to be very exciting and love to attend the conference, too. But I had a question, let's see just going through the slides, for the partnership on the Made in Maui County Festival, INNOVATE Hawaii, is that a Maui company, INNOVATE Hawaii?

MS. RASMUSSEN: INNOVATE Hawaii is Statewide, but they operate within all the counties.

COUNCILMEMBER COCHRAN: Okay. And then, I think Film Commissioner touched on the whole, the training and education part, I think is really key in this whole new, you know, commission that we're creating industry and to have Maui locally, you know, trained people here, and then I

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do know of people who have to leave home all the time to in order to get jobs. And so my question, I guess, everyone needs to get into the union of some kind in order to be a, you know, to get jobs on sets and in the film industry basically?

MS. BENNETT: Well, the real specific trades are regulated by unions, yes, but, you know, production assistant positions and positions in a production office, being an extra, those are all nonunion positions, so they don't require that. Getting into the union is, I wouldn't call it challenging, but it, you know, takes some effort and takes a little groundwork, but we will be offering classes for both union and nonunion people, especially people, like I said, who want to be extras or will be doing a production assistant training class once we have a firm start date on one of our big projects coming in. You know, a big movie coming in usually hires somewhere around 20 production assistants, so, you know, those are a good place to start and that's where usually people can get a feel for the business and what facet of the business they want to get into, because there roughly are about 30 or 40 different jobs on a movie and TV set.

COUNCILMEMBER COCHRAN: Okay. And you mentioned HIFA, what did that stand for, HIFA?

MR. BENNETT: It's the Hawaiian International Film Association, and HIFA partners with China, Korea, and Japan for production companies that come to Hawaii and film, and there's a Visa Waiver Program that HIFA has set up.

COUNCILMEMBER COCHRAN: Okay. And I think, Mr. White, you mentioned a movie that was about senior romance, kindling romance or something, I don't know, man, don't think you're not gonna be called, one day you'll be discovered.

COUNCILMEMBER VICTORINO: Wasn't White, it was Victorino, I'll take the credit, I don't want him taking credit for that one.

MR. BENNETT: They're looking for a leading man for Ms. Ann-Margret so.

COUNCILMEMBER COCHRAN: Oh, okay.

COUNCILMEMBER VICTORINO: I agree with that one.

COUNCILMEMBER COCHRAN: He could even quit his job for that one. Alright, but thank you and looking out for the follow-up and exciting fun things. Thank you, Chair.

CHAIR GUZMAN: Oh, thank you, Ms. Cochran. Ms. Crivello.

COUNCILMEMBER CRIVELLO: Movie stars we have. Thank you, thank you for being here. I'd like say, thank you again, to OED, because I think your Made in Maui County event is going to be very, very good. From a small scale on Molokai, just that the efforts that your contributions

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or our contributions to have couple entrepreneurs who went to Made in Hawaii Convention on Oahu and they're just moving ahead, I mean, all the way to Japan, so thank you, thank you, that helps with that, so I appreciate that. Mr. Bennett, don't forget now, you have a hanai family on Molokai so don't forget to extend. . .we have some good actors and actresses there, too, so hopefully you'll just extend yourselves there. But on a serious note, Mr. McLeod, I appreciate the upcoming conference that you're going to have. Is there anything in this discussion that will touch base on farming cooperative, some utility cooperative?

MR. McLEOD: We have, the Chairman of KIUC, which is the Kauai co-op coming over and they've also indicated they have, I think five other people registered that will be attending the conference. Mr. Bissell is the scheduled speaker, but they will have four or five other people, and they've indicated that they do want to talk about kind of the philosophy of a co-op and how that differs from a traditional utility, so, you know, as far as getting information from people that have done it and how to do it, yes, we are expecting that information.

COUNCILMEMBER CRIVELLO: I know, I think we've talked about this before, but on from the USDA level, I think he's a Deputy Director now, Mr. O'Connell is quite an expert on farming cooperatives, and maybe if there, there may be a consideration to have him be invited as a resource person would be just a suggestion on my part, but thank you, I look forward to.

MR. McLEOD: Thank you, and we'd love any help, I know you opened that door, and so, you know, I think we didn't get any feedback from USDA on being a sponsor.

COUNCILMEMBER CRIVELLO: Thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you. Chair Baisa.

COUNCILMEMBER BAISA: Thank you very much, Chair, and thank you Economic Development folks and Energy, for being here. A wonderful news, always so exciting to listen to you guys, you know, it's just so upbeat for a change to be thinking about wonderful things that we can make happen, it's just really great. We spend a lot of time here, you know, doing postmortems, so it's always excited to, very exciting to look forward. But I did want to ask you, Mr. McLeod, I missed the dates, what are the dates of the Energy Conference?

MR. McLEOD: March 26th and 27th for the event itself, there're also optional tours on the 28th.

COUNCILMEMBER BAISA: One of those days, isn't it Kuhio Day? Twenty-sixth?

CHAIR GUZMAN: The 26th.

COUNCILMEMBER BAISA: Oh, that's wonderful, 'cause that way, you know, you can use the holiday very productively, save energy, good job. I'm very excited to hear about what's

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happening in the film industry. I think that, you know, there's so much potential, it doesn't matter, you know, where we go in the world. And I know that when we were talking about the credit, the tax credit for this industry, we were told, oh well, other places give good credits and other people have this and other venues have that, but nobody can say they're Maui, so we have that going for us. And I want to thank you very hard for the efforts you're making, it's a good industry, and it certainly is very welcome, so thank you very much, Ms. Rasmussen, for all the hard work you're doing, very exciting, we want to be your partner, thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you, Chair. Mr. Victorino. . .oh, sorry, our non-voting Member, Mr. Couch.

COUNCILMEMBER COUCH: Thank you, Mr. Chair. And thank you for the good presentations, I was able to listen to them in the office, and very informative. I wanted to talk to Mr. Bennett, and find out if you're working at all with the digital media programs that are going strong in our middle and high schools in your trying to get people to assist?

MR. BENNETT: Yeah, that's a good question. The folks at Baldwin High School have called me to come and speak and to possibly set up just a very informal program there about teaching digital media there, and then there's a new program at UHMC called, the Relativity School, and it will be actually a degree program there, where their emphasis will be on digital media, film, and television production.

COUNCILMEMBER COUCH: Alright, thank you. And then, Mr. McLeod, in going through your presentation last year, wanted to see if some of the things you talked about there is what's tying into this energy program. You had a talking about an energy audit program, is that what brought the impetus for this or. . .

MR. McLEOD: No, no real connection, I know we did propose a low-income energy audit program that didn't get through budget last year, but no, this is more, I think, a response to people asking what are our alternatives and are they doing it better in other places, and just trying to bring that information here.

COUNCILMEMBER COUCH: And have. . .are you allowed to bring our own PUC members to testify or be presenters?

MR. McLEOD: Yes, and you'll see that we have on the program, Chair Morita and also Commissioner Akiba will be speaking and then Commissioner Champley has helped us in terms of getting personnel, and then finally I did mention in the presentation, we have a full program committee and we've gotten help, the PUC's Policy Director is on our program committee and they've been very helpful for us.

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COUNCILMEMBER COUCH: Perfect, thank you. I just wanted to hear what you had to say about Mr. Champley. He's our local Maui guy and he's very customer oriented. Alright, thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you, Mr. Couch. Mr. Victorino.

COUNCILMEMBER VICTORINO: Thank you, and I think the other one that really was profound is more of a comment but, you know, Ms. Cochran covered it, but for us to hear that a senior movie with Ann-Margret as the star has been very profound, it is, hit me and Mr. White very hard, we just cannot handle this, but I think him as the leading man, I think would be a good option, but that's another story and another conversation. Excuse you down there, we'll let you in if you're. . .never mind. The one thing I want to ask you about this Economic Development Revolving Fund, I mean, I saw that you're, you know, setting up the criteria, 50,000, and all that, and that you know, it will go through you folks, your reviewing committee, then go to the Mayor, and then come to us. I'm afraid that, you know, sometimes. . .and I hope it doesn't become so cumbersome that people get turned off, you know, and I think that I always worry about that. I think the intent is great, and I think letting everybody know what's going on is important, but I hope the process is not so drawn out that people say, oh, forget it, I'm not gonna get involved. So that would be my only warning that I'm concerned with that. I mean, I like checks and balances, but I think, you know, if you've gone and you've awarded whatever to whomever, and you feel it's a great opportunity and you fall in whatever guidelines and criteria that you've set, I don't know if you have to go back to everybody just to get their approval. I mean, you know, maybe what I would suggest, too, is maybe setting limits, like if it's under 5,000 or under some threshold, maybe not have to come back to the Council, you know, I don't know, it just that seemed like there was such a lot of steps that had to be taken and I'm concerned with that.

MS. RASMUSSEN: That's, yeah, thank you for those comments, and it has been actually a concern of ours, and when we did consult with the Ben Franklin Fund, but unfortunately it's in the ordinance that the Council has to approve these awards. So there's really no other, you know, I mean, to get it all the way to you, it needs to come from the Mayor's Office, so it has to go through that. Now, that is partially the reason why we've set a \$50,000 minimum for these awards, because we don't want. . .this isn't about micro loans, it's not about micro grants, it's about bigger projects. So the minimum will be 50,000, we will entertain projects that are more than that, but I didn't say it in my presentation, but I want to make it clear that this is a one-to-one match on the part of the business. The business has to have a one-to-one match in cash, and that means that cash can come from a third party loan, that's fine, but they have to prove to us that they have the one-to-one match, so we're already going to be leveraging County funding with, you know, an additional, you know, match. So that's, you know, that was another way to set it apart to find out the people that really want to have skin in the game, and that they're not just asking for a grant for grant's sake or a loan for loan's sake. It's actually a project that they really need, because they're gonna have to put in 50 percent of it.

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COUNCILMEMBER VICTORINO: Well, thank you for that clarification. I think, Mr. Chair, now the public better understands that this is just not, we're just not taking anybody and everybody. It's going to be very specific and this one-to-one match will make it a little bit more ownership on all parties. It's not just grab money and then --

CHAIR GUZMAN: Right.

COUNCILMEMBER VICTORINO: --you know, take off, you've got to put your own money where your, pardon the expression, mouth is, and you gotta follow through on it, so thank you for that clarification. I thought something was missing, but I couldn't remember what was missing. Thank you.

CHAIR GUZMAN: Thank you. Yeah, Mr. Victorino, just to add in. . .we've been, I've been working with the Office of Economic Development from the time that I got into office specifically for that Economic Development Fund, and we've researched three different jurisdictions, we called up the CEOs of those funds, the Ben Franklin Fund, we have Jeanne Skog, who's attended numerous meetings with us, with the Maui Economic Development Board, to put together this criteria. And the reason why it's got so many layers in there is because in other jurisdictions, the Council and the Administration have nothing to do with the appropriations.

COUNCILMEMBER VICTORINO: That's what I was gonna say.

CHAIR GUZMAN: Yeah, and so in this way, when we built in, yeah, the level of going to the Mayor and then to the Council, well it makes sense because it's built into the ordinance itself, so that's why it's structured that way, and all the other provisions, the application process is all governed by other jurisdictions. And Teena folks, as well as Jeanne have basically modified it, morphed it to accommodate our Maui Economic Development here. So I think it's something that I'm excited about and I'm very proud of Economic Development for, you know, taking the lead on this and thanking the Mayor for his support on this as well, and I think it's gonna work out. I think it's something that's gonna. . .

COUNCILMEMBER VICTORINO: Well, again, Mr. Chair, again, just so long as these layers of the checks and balances doesn't become so encumbering that people walk away from it.

CHAIR GUZMAN: Right.

COUNCILMEMBER VICTORINO: And then we lose the emphasis on what this fund was done in the first place for, right. Ms. Rasmussen, when we okayed this originally it was to spur economic development, especially amongst local businesses.

MS. RASMUSSEN: Right.

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COUNCILMEMBER VICTORINO: You know, and so that's what's so important, and I don't want that lost. I understand and I'm glad, because when I go to NACo and we sit down and discuss this with other jurisdictions, many of them don't get into this layers of redundancy as far as checks and making sure everything is okay so. I mean, I'm fine with it, I mean, I'm not, you know, I think it's a great opportunity, and I thank you guys for all your hard work, Teena and the rest of you, but just so long as I don't, down the road, or we don't hear down the road, oh, this is too much, I don't want to be bothered, and lose opportunities for the purpose of why we originated this fund, it's very important in my mind.

MS. RASMUSSEN: You know, and I really do understand, and I want to thank Councilman Guzman and his staff as well, because they did work with us very closely on this, and MEDB's tech committee under the leadership of Mark Todd and Jeanne Skog, they helped us through the evaluation and application process, so we've had a lot of consultation that we've done on this, and that is why it's taken us two years, because we wanted to get it right. And. . .but our, I think the number one concern we have going forward is we wanna get a couple of these under our belt, but we would like to make sure that this doesn't become a political process. And it would be a real shame if these companies got through the application process and evaluation process, and then they felt they had to lobby each and every one of the Council members. It would be great if this body would say, you don't want to be lobbied, I just think it's inappropriate, I think it sets a political component to this that shouldn't be there, and so if we just handle it that it's strictly a budget appropriation that you're approving then great, but I would hate to have these, each company have to come to each one of you and try to lobby, so I would just leave that up to this body, but that would just be my opinion on that.

CHAIR GUZMAN: Mr. White.

COUNCILMEMBER WHITE: Thank you, just to put some context to the reason why we decided to have it come back to Council, my recollection is that one of the first ideas that was thrown out as being a consideration for this Economic Development Revolving Fund was an investment in a movie --

COUNCILMEMBER BAISA: Yes.

COUNCILMEMBER WHITE: --and, you know, that bears some risk obviously, and there was a question of whether or not we want to be in the business of making investments with taxpayer dollars that could go down the tubes. So the reason the Council is the final approving authority is that one little control on an Administration that, you know, might make a decision that was ill conceived, for the lack of a more artful term. I think it's moving in a wonderful direction, and at some point, I don't, you know, I don't like the idea of everyone having to come and lobby all of us either, but at the same time, if, for example, we were to put a million dollars into the fund one year, only to find out that it was, without our approval, it was invested in something that simply was a complete loss, I can't answer for that --

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CHAIR GUZMAN: Right.

COUNCILMEMBER WHITE: --very easily, so we've put, I think an appropriate control mechanism there as we all go through the process of seeing how this is gonna best work. So I think there's lots of other items in the budget where we give the Administration complete free reign once we approve the budget. This is just one that we felt we needed to have a little bit of a stopgap measure in place for so.

CHAIR GUZMAN: Yeah, anything, any further questions? Seeing none, I'm going to. . .

COUNCILMEMBER COCHRAN: Chair.

CHAIR GUZMAN: Yes, Ms. Cochran.

COUNCILMEMBER COCHRAN: Chair, the Made in Maui section, I guess, at the very, the last slide, need Council support for small business promotion funds, what exactly is that and. . .

MS. RASMUSSEN: That's a part of our normal budget, there's a fund called, Small Business Promotion, and so that'll be just part of the normal budget process, and we're just asking for an increase to that fund in order to be able to do this festival.

COUNCILMEMBER COCHRAN: And is there a dollar amount yet or no?

MS. RASMUSSEN: It'll be when you receive the budget.

COUNCILMEMBER COCHRAN: Oh, okay, we'll see that later.

MS. RASMUSSEN: Yeah.

COUNCILMEMBER COCHRAN: Okay.

MS. RASMUSSEN: When you receive the budget.

COUNCILMEMBER COCHRAN: Got it. And then for Mr. Bennett, you mentioned a Relativity program, was that like via the County, college, or I think when Mr. Couch was inquiring in regards to digital media, and so is that, I just, is that related to Ryan Kavanaugh at all?

MR. BENNETT: His company owns it, but he really has nothing to do with it. He's got two other gentlemen that lead the educational programs, and it will be, like I said, at UHMC right now, and I think they have a school on Oahu right now as well.

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COUNCILMEMBER COCHRAN: Oh, okay, very good, okay, thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you. Members, if there's no other further questions, I, without any objections, I'm gonna defer EAR-1(2).

COUNCIL MEMBERS VOICED NO OBJECTIONS.

ACTION: DEFER.

CHAIR GUZMAN: Thank you. So we'll go ahead and defer that, EAR-1(2). I'm gonna take a two-minute recess at this time. I need to consult with my Staff in regarding the next item. So we'll be in recess for about two minutes. . . . *(gavel)* . . .

RECESS: 3:05 p.m.

RECONVENE: 3:11 p.m.

CHAIR GUZMAN: . . . *(gavel)* . . . Okay. Good afternoon, the EAR Committee is now reconvened.

EAR-23 ECONOMIC DEVELOPMENT REVOLVING FUND (CC 13-326)

CHAIR GUZMAN: We're going to be calling up item number two, which is EAR-23, the Economic Development Revolving Fund. Members, in your binder, I'm gonna refer to you to the correspondence dated February 10, 2014, from the Department of Corporation Counsel, transmitting a revised proposed bill entitled, A Bill for an Ordinance Amending Chapter 3.81, Maui County Code, Relating to the Administration of the Economic Development Revolving Fund. Members, I have included in this amendment a fee application and also an application process itself. So in regards to the, if you look at the amendment there, it would be section C, we're adding in an application processing fees could be appropriated pursuant to this section, subsection E. So that is going to allow the Office of Economic Development to have that discretion to charge an application fee. And then we're adding an additional section E, and that reads out, a request for the use of the funds may be initiated by filing an application with the director of economic development. I want to initially let you know that the "may" should be actually a "shall" in that first sentence, shall be initiated by filing an application with that director of economic development. Applications shall -- now that should be deleted and replaced with "may" -- may include a non-refundable application processing fee as set forth in the annual budget ordinance. The fees collected pursuant to this section are deemed appropriated upon receipt and are authorized to be expended for processing of the application. So by adding the word "may" there, it allows the Office of Economic Development to have that discretion to eventually charge for an application process fee, and that fee hasn't been really determined as of such, as of date, the amount, it needs to be itemized and, I guess, brought through to the Finance

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Department to itemize the expenses of what it would cost to actually go through the process or initiating the application, so that would be credit reports, that would be, you know, going through the financial documents of the business or entity that's applying, so there's some fees that would be an addition to be added on as an application fee. So that's basically it in terms of any amendments to the ordinance itself. At this time, I'm going to entertain a motion to pass the revised bill entitled, An Ordinance Amending Chapter 3.81, Maui County Code, Relating to the Administration of the Economic Development Revolving Fund, and filing of County Communication 13-326.

COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR GUZMAN: Moved by Mr. Victorino.

COUNCILMEMBER CRIVELLO: Second.

CHAIR GUZMAN: Seconded by Ms. Crivello. Open for any discussion?

COUNCILMEMBER VICTORINO: Chair.

CHAIR GUZMAN: Yes, Mr. Victorino.

COUNCILMEMBER VICTORINO: Real quick, just so that, you know, I'm okay. All those changes you made, is Corporation Counsel comfortable with that that it's not, you know, a substantial change that we need to, you know, you know what I'm referring to.

CHAIR GUZMAN: Yes, yes.

COUNCILMEMBER VICTORINO: Especially when you "shall" to "may" and. . .

CHAIR GUZMAN: Right.

COUNCILMEMBER VICTORINO: You know.

CHAIR GUZMAN: Mr. Ueoka?

MR. UEOKA: Yeah, we're fine with it, and you guys will be changing it in an, through amendments, so it is a substantive change, so but you guys will be amending before you pass the ordinance, so I'm fine with it as to form and legality though.

COUNCILMEMBER VICTORINO: So this changes, you have no problem as far as the legality of it?

MR. UEOKA: Yeah, it's the policy of the County.

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COUNCILMEMBER VICTORINO: Okay. Thank you. Thank you for that clarification. Thank you, Mr. Guzman, and thank you, Mr. Ueoka.

CHAIR GUZMAN: Thank you. Any further discussion? Yes, Mr. White.

COUNCILMEMBER WHITE: For the Director, any sense of what the fees, the range of the fee is that you're looking at, and what is done in other places that have this type of a fund?

MS. RASMUSSEN: We were tossing around a number around \$250, and. . .but because we're just kind of pulling that out of a hat, honestly, we decided well, we'll go through a couple of these applications and see, you know, what the real costs really are, because as they said, that is County policy, we have to be able to back up what the actual cost is before we could just, you know, take a stab at it so.

COUNCILMEMBER WHITE: So are you going to be presenting a fee this budget round?

MS. RASMUSSEN: No, it won't, we won't be ready for that. We'll go through a couple applications without charging an application fee, and then, you know, we'll just assess it and we'll come back later, yeah.

COUNCILMEMBER WHITE: Okay. Thank you. Thank you, Chair.

CHAIR GUZMAN: Yeah. Yes, Mr. White, yeah, that's why I included "may", instead of "shall", so they may have that discretion to charge it later on, we just. . .

COUNCILMEMBER WHITE: I just wanted to get a sense of if you guys had taken a look at what kind of fees were charged by other places that have similar funds, so I don't know if you came across anyone that charge.

CHAIR GUZMAN: Well the reason being is that the other funds in like Ohio and I believe in Maine, their funds are substantially larger than our one million. So if we, if the one million dollar fund absorbs all the, you know, processing fees, there may not be enough left to actually appropriate out, so basically trying to get a application, you know, fee that would subsidize that process. Not too bad for 50,000 if you gonna pay \$250 for an application fee to get a \$50,000 grant or loan, yeah.

COUNCILMEMBER WHITE: Yeah.

CHAIR GUZMAN: Anything further? You need anything further? Okay. Seeing no further discussion, all in favor, say "aye".

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COUNCIL MEMBERS VOICED AYE.

CHAIR GUZMAN: All those. . .

MS. ZULUETA: ...(*Inaudible*)...

COUNCILMEMBER BAISA: Wait.

CHAIR GUZMAN: Oh, yes. Can we have. . .

MS. ZULUETA: ...(*Inaudible*)...

CHAIR GUZMAN: No, I already, I presented it as amended.

COUNCILMEMBER VICTORINO: It's my understanding, Mr. Chair, we're presenting this with the amendment already.

CHAIR GUZMAN: With the amendments, yes.

COUNCILMEMBER VICTORINO: You made the changes before we made the motion.

CHAIR GUZMAN: Yes. So all, can I call for the question again, all in those in favor, say "aye".

COUNCIL MEMBERS VOICED AYE.

CHAIR GUZMAN: All those opposed, say "no"? And we have two Members excused, and five in passage of the motion. Motion carries.

VOTE: AYES: Chair Guzman, Councilmembers Baisa, Crivello, Victorino and White.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Carroll and Councilmember Cochran.

MOTION CARRIED.

ACTION: FIRST READING OF REVISED BILL AND FILING OF

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COMMUNICATION.

CHAIR GUZMAN: Okay. Moving on, thank you.

**EAR-30 KAUNAKAKAI LITTLE LEAGUE BALL FIELD - ACCEPTANCE OF LEASE OF
REAL PROPERTY (KAUNAKAKAI) (CC 14-8)**

CHAIR GUZMAN: Members, we're gonna move on to item three, EAR-30, Kaunakakai's Little League Ball Field. . .oh, thank you so much, Ms. Rasmussen, thank you. EAR-30, Kaunakakai's Little League Ball Field - Acceptance of Lease of Real Property, and I believe we'll have the Deputy Director, Brianne Savage of Parks and Recreation. The Committee is in receipt of correspondence dated February 10, 2014, from the Department of Corporation Counsel, transmitting a revised proposed resolution entitled, Authorizing the Acceptance of a Lease of Real Property for Use as a Portion of the Kaunakakai Little League Ball Field, Pursuant to Chapter 3.56, Maui County Code. The purpose of the revised proposed resolution is to authorize the acceptance of the lease from MSM Joint Venture, LLC, of the property, situated at Kaunakakai, Molokai, Hawaii, and identified as TMK: (2) 5-3-002:100 and a portion of TMK: (2) 5-3-002:093, for the use as part of the Kaunakakai Little League Ball Field. Members, it is the last correspondence and the item and the date is at the bottom. We'll go ahead and open up our discussion, before, any comments from the Department of Parks and Recreation?

MS. SAVAGE: Thank you, Chair. Just to provide, I guess a little bit of history about this piece. Since about 1990, this property's been being utilized for area of the ball park and there's been an agreement in place. There was some interaction so with Real Property where the different tax exemptions were being allowed for this space, and so we're just going through and try to clean it up, and it's time to do another resolution to do a new lease for this so just putting that forth.

CHAIR GUZMAN: Any further questions? Yes, Ms. Crivello.

COUNCILMEMBER CRIVELLO: No questions, but just comment, this is our only, well, we have the regional park, but this is like been there forever and then the Mikami family, who extends us, what is it a dollar a year lease, you know, Molokai's very grateful for the generosity. And the upkeep of the park from the Parks Department is, makes it a first class Little League park for Molokai and our County as a whole, 'cause we alternate in having district tournaments as well as State tournaments there, so thank you, Mikamis.

CHAIR GUZMAN: Thank you. Is there any further questions? I'll have. . .any comments from Corporation Counsel?

MR. UEOKA: No comment.

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CHAIR GUZMAN: Okay. Seeing no further questions, I will entertain a motion to recommend adoption of the revised proposed resolution before you, authorizing the acceptance of the lease of the real property for use as a portion of the Kaunakakai Little League Ball Field.

COUNCILMEMBER CRIVELLO: So moved.

COUNCILMEMBER VICTORINO: Second, Mr. Chair.

CHAIR GUZMAN: Moved by Councilmember Crivello, seconded by Mr. Victorino. Any further discussion? Seeing none, all those in favor, say "aye".

COUNCIL MEMBERS VOICED AYE.

CHAIR GUZMAN: All those opposed, say "no"? Motion carried, four ayes, no noes, and three excused, I believe Mr. White, Mr. Carroll, and Ms. Cochran.

VOTE: AYES: Chair Guzman, Councilmembers Baisa, Crivello, and Victorino.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Carroll, Councilmembers Cochran and White.

MOTION CARRIED.

ACTION: ADOPTION OF REVISED RESOLUTION AND FILING OF COMMUNICATION.

CHAIR GUZMAN: Okay. Thank you, Members, moving on.

EAR-31 DONATION OF SAND/BEACH WHEELCHAIR FROM TRI-ISLE RESOURCE CONSERVATION & DEVELOPMENT COUNCIL, INC., ON BEHALF OF HOALOHA `AINA: SOUTH MAUI VOLUNTEERS) (CC 14-9)

CHAIR GUZMAN: Item number four, we have EAR-31, we have the Donation of the Sand/Beach Wheelchair from the Tri-Isle Resource Conservation & Development Council, Inc., on Behalf of

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the Hoaloha `Aina South Maui Volunteers. The purpose of the revised proposed resolution is to authorize the acceptance of a Mobi-Chair floating and rolling beach wheelchair valued at \$2,509 that can be used to transport a disabled individual to and from the beach. At this time, I'll have our Deputy Director of Parks and Recreation, Brianne Savage, to give her opening comments.

MS. SAVAGE: Thank you, Chair. So this Mobi beach access chair would be utilized at the Kamaole Beach Park, where the ADA dune walkover was recently completed. This chair would, it stays there in that location, so it gets put out in the morning and then locked up in the evening, so it's available for anyone that's wanting to access the beach space, and it's similar with some of the other equipment that we've utilized, so we're familiar with the type that we would be recommending to be purchased, thank you.

CHAIR GUZMAN: Members, any questions for the Department?

COUNCILMEMBER VICTORINO: Yield to the colleague from South Maui.

CHAIR GUZMAN: Yeah, Mr. Couch.

COUNCILMEMBER COUCH: No questions, just a comment that we really appreciate this, having been involved in the actual construction of that dune walkover and seeing another one that was opened just prior to that and how quickly it was used. During the blessing, there were three, I believe, separate wheelchairs that were going over that sand dune, and one of them needed to, should've been able to go on this big wheeled kind of thing, because their wheelchair wouldn't quite make it once it got down to the sand, it wouldn't be able to make it any further, so they just had to stay in the landing area, but they got, were able to get closer to the beach, so this chair would allow for them to go actually into the water. So I really appreciate this from the Hoaloha `Aina South Maui Volunteers, it's just something that this. . . more we can get of these the better, so thank you.

CHAIR GUZMAN: Definitely. We, I believe the whole community as well as the Council is very grateful for this wonderful gift. I think it's gonna help us in terms of helping out our people who are in need, I would say handicapped and seniors as well. Anything further from our Council? Yes, Council Chair Baisa.

COUNCILMEMBER BAISA: I just want to add my thanks for the donation, you know, this is really wonderful, it's gonna be much used for people that really need it, and I'd like to thank everybody who's been involved in getting it to us, and as far as I'm concerned, let's vote.

CHAIR GUZMAN: Yes, thank you. Seeing no further, I would like to entertain a motion to adopt the revised proposed resolution before you, authorizing the acceptance of the donation of the sand/beach wheelchair.

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COUNCILMEMBER VICTORINO: So moved, Mr. Chair.

CHAIR GUZMAN: Moved by Mr. Victorino.

COUNCILMEMBER WHITE: Second.

CHAIR GUZMAN: Seconded by Mr. White.

CHAIR GUZMAN: All those in favor. . . oh, wait, sorry, any further discussion? Seeing none.

COUNCILMEMBER VICTORINO: Yeah, real quickly, and I would also like for my thanks to the people for bringing this forward and giving us something else that helps enhance our beaches for those who have a little more difficult time getting there and getting to use it, so thank you. Thank you, Bri, for bringing this forward. Thank you, Mr. Chair.

CHAIR GUZMAN: Thank you. Without any further discussion, I will call for the question, all those in favor, say "aye".

COUNCIL MEMBERS VOICED AYE.

CHAIR GUZMAN: All those opposed, say "no"? Motion carries, six ayes --

COUNCILMEMBER VICTORINO: Mr. Chair?

CHAIR GUZMAN: Oh, yes? Oh, I'm . . .

COUNCILMEMBER VICTORINO: Yeah, thank you, Mr. Chair.

CHAIR GUZMAN: Non-voting member Mr. Couch, five ayes, no noes, and three excused, no, two excused, Mr. Carroll and Ms. Cochran. Motion carries.

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

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Vice-Chair Carroll and Councilmember Cochran.

MOTION CARRIED.

**ACTION: ADOPTION OF REVISED RESOLUTION AND FILING OF
COMMUNICATION.**

CHAIR GUZMAN: Members, we'll move on to item number five. This is our last item for today's agenda.

**EAR-1(1) COMMITTEE'S PRIORITIES AND PROCEDURES; PRESENTATIONS FROM
COUNTY ADMINISTRATIVE AGENCIES (ORIENTATION WORKSHOP BY THE
DEPARTMENT OF PARKS AND RECREATION)**

CHAIR GUZMAN: EAR-1(1), Committee's reports Priorities and Procedures; Presentations from the County Administrative Agencies (Orientation Workshop by the Department of Parks and Recreation). Members, we received a presentation from the Department of Parks and Recreation relating to the Department's programs, operations, and Capital Improvement Projects on December 17th of last year, but we ran out of time for discussion and questions. Today, we have some of the Department's representatives with us to briefly summarize their portion of the presentation and to also field any questions that you may have. Ms. Savage, can you please kindly introduce your staff that will be approaching.

MS. SAVAGE: Thank you, Chair. Yeah, we have coming down with me this afternoon, Brad Pierce, our Maintenance Division Chief, and then Jason Lopez, our Recreation and Support Services Chief, we also have Lance Tokushima, he's our Beautification Manager, that's up in the gallery that if we get real technical, he can help us out. We wanted to touch base a little bit more specifically on the facility inventory that we have. You'll see in front of you, there's a breakdown with each of the districts that outlines the different facilities, the facility names, and then a breakdown of park acreage. Next across, in the middle of the spreadsheet, you'll see it broken down into the number of facilities within that district. And then some of the information down at the bottom came from the census information, and the square mileage came from the 2010 U.S. Census, and so that's just kind of some information to help analyze, you know, how

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many people, what facilities are available. In the green shaded box, facility types for Fiscal Year 2013, this is an excerpt from the National Parks and Recreation National Database Report, where they do a breakdown of different facility types, the number of departments, they gather this information on a National level, people or different parks and recreation, either cities or counties, fill out questionnaires, submit the information, and so then they're able to use it to, you know, help compare, analyze. And on the mainland, it's very useful, 'cause they have, you know, similar items that they can compare and contrast. The information they put together is a little bit more difficult for us to use in Hawaii, but there are still some pieces of information that can be beneficial for us, and this was one piece that we thought certain areas of it could be utilized. So on the far right hand side of that column, you'll see, median jurisdiction population per facility, so these are some national averages of the median jurisdictions, how many people, how many, what's the population size for each playground, population size for each diamond, meaning baseball or softball field, population for rectangular, football, soccer, rugby field. So we wanted to provide this just as a reference, again there are certain examples such as, you know, the swimming pools because we have the beach access, we don't have the indoor complexes, might not be as comparable, the golf courses as well is something that may not quite as comparable, and then recreation and community centers would be another one that's, the structure and the purpose of recreational and community centers on the mainland is structured a little bit differently than what we consider community centers here in Maui County. So typically, a recreation center would have, on the mainland, you know, it would have a gym or recreational space, there would be meeting rooms probably attached, you know, possibly outdoor basketball court or tennis courts, so it's more of recreational facility versus more of the social hall community centers that we have here. Then you'll see on the far right side, we did a breakdown for each jurisdiction, each district jurisdiction population per facility. So just as they calculated the median jurisdiction population per facility, we took the population for this district and the number of facilities we have for each facility type to determine, you know, what our numbers look like in comparison. So again, it's a good reference tool, not everything always is apples to apples, but I think there are some that can be looked at to help, just kind of gauge for our population basis in our different areas, and kind of just to, for us internally as the Department to help start our evaluation as we meet with the community and people express that they have different needs for different facility types in different areas. This also gives us something else to help reference and make judgments about it as we try to determine, and especially try to do more master planning for some of the new Parks facilities that eventually we'll be having. So that's just kind of a breakdown of what you see on that spreadsheet, and again we tried to break it down for each of the different district areas so that we could see the needs more specifically in each of the areas. One of the things I will point out though, it was pretty difficult for us to determine with our rectangular fields and diamond fields, because so many of our field grass areas are multi-purpose, multi-use, we don't have just softball/baseball fields and then just soccer/football fields, almost all of the facilities are cross-used, you know, it's the outfield space and then it's also the soccer field. So those numbers were a little bit more difficult to come up with, but what we tried to do is determine what they were, what they primarily were used for, if they had fences around them, then they got counted in those different categories. But those

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numbers again, are, they're general estimates, and as we get more into trying solidify what is our inventory and what are the different usages of facilities, those numbers could possibly change. But if there's any questions specifically on those?

CHAIR GUZMAN: Members, any questions on the inventory list? Mr. Couch, followed by Mr. White. That's okay.

COUNCILMEMBER COUCH: Okay. Great, thank you. Thank you, Ms. Savage, for this extensive list, I just wanted to point out that on the South Maui one, number 25, the South Maui Regional Park, that, we've given that land, we haven't given the land away, the land is there, I don't know, I think about 50 acres is taken up by the police station and the rest is, is that going to be developed as a park, or is that, we're trying to figure out what to do with that?

MS. SAVAGE: The 150 acres for the South Maui Regional Park, I do know a lot of this is undeveloped, correct, currently.

COUNCILMEMBER COUCH: Right, about 50 acres is the police station now, that's that piece of land is where it is.

MS. SAVAGE: I know there's been some discussion of different possible usages, but we haven't gotten into any real meticulous planning of exactly what this space will be utilized for yet.

COUNCILMEMBER COUCH: Okay. Yeah, you may want to just change that number to reflect that the police station is there, too. I don't know what the acreage is, we, you probably find that out from the Police Department.

MS. SAVAGE: Yes, we'll make that adjustment in our inventory. The other, I guess, items I should mention on the inventory as far as acreage, we tried to remove any of the properties that we're, that the Parks Department isn't maintaining. 'Cause we're trying to use this inventory to help us move towards being able to identify more specifically operating costs, and so to do that, we want to identify, you know, what are the spaces that we're maintaining and that, you know, our monies are going towards, our manpower is going towards. So there may be some, just like that one that got overlooked, but we did try to remove the different parcels or pieces of facilities that we, that we're not actively maintaining.

COUNCILMEMBER COUCH: Thank you, Chair.

CHAIR GUZMAN: Thank you. Mr. White.

COUNCILMEMBER WHITE: Thank you, Chair. And thank you for putting this together, question I had was on community centers in the whatever the color is, the bluish area of the facility types, it shows, Recreation/Community Center, with the median jurisdiction population per facility of

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24,000, then under the Maui number in the orangish box, it says, not applicable or NA, why is that?

MS. SAVAGE: The reason behind that is just because of the different, I guess, definitions, but we could compare it, but we didn't see it as a true, you know, apple-to-apple comparison, because a recreation/community center on the mainland has multi-purpose, it's more of a, a lot of it's a recreational based facility, whereas our community centers are social hall. So I don't know, I mean, we could calculate the number, we just didn't know that if it was a good comparison for, you know, number of people and the population to the number of community centers.

COUNCILMEMBER WHITE: Yeah, well, that makes sense. We do have a significant number of social halls. So now that you've done all of this, to bring perspective to it, what decisions are you feeling will be made as a part of this review?

MS. SAVAGE: We spent many, many hours and turned the numbers just about every direction we could to try to come up with, you know, what are operating expenses, and currently at this point, other than just looking at what were the expenditures in previous fiscal years, that's about as close as we can possibly get to be able to identify what are the operating expenses at different facility types, so we've made some adjustments in our, how we're spending money and how we're tracking money this year, so that we're gonna be able to start putting some of those numbers together. Unfortunately, whether it's because the utilities are set up on the same meters or you have multiple facilities that are on different meters, it's really difficult to separate out what costs are going where and even with how the monies are allocated out into the districts, it's, being able to specifically delineate exactly what money, you know, what money is going towards community center to clean and restock those restrooms versus what's going to, you know, a ball park. It's next to, at this point, it's impossible for us to figure out what is going where, so we've tried to make some of those adjustments so that hopefully in four months from now, six months from now, we'll be able to start being able to track that information and actually generate some specific operating costs for different facilities. Yeah, but part of that is, you know, us making sure that we have the facility inventory, the equipment inventory, identifying what all of those things are and having those documented, then that gives us a really good jumping point to where when we move in to, you know, tracking expenditures, tracking maintenance of different pieces of equipment, we at least have all those initial inventory lists that we can work off of, so this is, you know, one step, the next step in us continuing to move forward to be able to gather all that information.

COUNCILMEMBER WHITE: Okay. Thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you, Mr. White. Mr. Victorino.

COUNCILMEMBER VICTORINO: Yeah, thank you. And thank you, Ms. Savage and the rest of the Department, for this extensive breakdown, I mean, at least now when people speak to me about

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parks, you know, I can give very specific amounts of acreage, and facilities and, you know, and to really have some knowledge like this, because sometimes I, many times people don't understand what Parks and Recreation is all about. They think about the park, but it's much more extensive than that. I do have a question on the first page, which is the Central, obviously, and it's actually your district, Mr. Guzman, but I still bring it up, Maui High School Park, the 13 acres, that is still only being allowed by the State to use that, that is not ours, right, it's just a MOU, right? And I think I feel pretty certain on saying that, because that's what I've said or I've been told for many, many years that Maui High still belongs to the State, but we have a MOU to use...it used to be a lot more than 13 acres, but it's kind of slowly whittled away because of the baseball field now went back to Maui High, you know, that area used to be used exclusively or extensively by the public, but now Maui High had to take it back 'cause they needed the facility, but am I correct in saying that?

MS. SAVAGE: That is correct. Yes.

COUNCILMEMBER VICTORINO: Okay. I just wanted to have that clarified. And then the other one was the Kanaha Beach Park, this 88.52 acres, that extends from where to where? Is this from the bridge all the way to the airport side of that fence, which is just beyond the rent-a-cars, there's a fenced area and then, I think, the State has so much of that land? I just very curious because, you know, that's not 88 acres is not what we get to use, 'cause a lot of its untenable and not usable. So above that, of that 88, do you have any idea how many acres we actually get to use recreationally?

MS. SAVAGE: I believe it's about half of it, I think the breakdown was around 40 or 44 acres, yeah, that was separated out, I remember seeing that on.

COUNCILMEMBER VICTORINO: That is usable by the public for recreational purposes? I know some guys use areas, other areas for fishing and all that, so it's not totally not being used, but it's not park per se, and so, you know, somebody will see 88 acres and Kanaha and then say, wow, but I don't see that many acres, and it's really not, so it's about half if I, if you are correct in saying that.

MS. SAVAGE: That is correct.

COUNCILMEMBER VICTORINO: Yeah.

MS. SAVAGE: And that'll be the next part of, you know, now that we have this, it'll be going --

COUNCILMEMBER VICTORINO: Yeah.

MS. SAVAGE: --back through and saying which of these areas does need to be chipped out, we really don't maintain all of this or it's not all active recreation space.

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COUNCILMEMBER VICTORINO: And thank you, 'cause that was my next question, if there would be an area, 'cause just like Keopuolani, I can say not 98.93 acres is usable, because a lot of is still covered by kiawe, you know. If I'm not mistaken, a little more than a third at last, at the last time I was, we discussed this matter, which is a few, _____ many years ago, that one-third of that was still basically kiawe and not being used. And then there's that drainage area down below the pit, just beyond the pit, that's all drainage and never been developed into any usable park. So again, the figures like Mr. Couch mentioned for South Maui, same thing with Central Maui, a lot of figures, a lot of acreage, but not as much used, usable recreational acreage as you put down here, so I'd be waiting for that one, because I think that's where it's very important, Mr. Chair, it's to know what we are able to use --

CHAIR GUZMAN: Right.

COUNCILMEMBER VICTORINO: --because some of these parks, you get these big numbers, but then they whittle down tremendously with half or a third of what's really usable for recreational purposes, whatever they may be. So thank you for that clarification, and I look forward, and same thing, I'll go with we're closing Kahului Community Park Center, there's still a lot of areas that have drainage and that center area is all kiawe and never been used, never been made usable. So again, these figures look real big, but then what the actually usage, I think that's what I'd like to see in our next report, if I may please. Thank you, Chair, and thank you, Ms. Savage.

CHAIR GUZMAN: Thank you, Mr. Victorino. Ms. Savage, I just want to do a follow-up, on the Maui High School Park, are, is the County maintaining, in charge of the maintenance of that park or is it the State?

MS. SAVAGE: We do maintain that space, I know there is some caveat with the water and the electric because of how it was initially set up, you know, it's, some of it's shared or is on different pieces of property, but we do maintain the space and we permit out --

CHAIR GUZMAN: Okay.

MS. SAVAGE: --the fields there. Luana Gardens is also another name of a park that's part of that space there, so Luana Gardens and Maui High.

CHAIR GUZMAN: Okay. Thank you. Members, any further questions?

COUNCILMEMBER VICTORINO: I had one more, and real quick. . .

CHAIR GUZMAN: Yes, Mr. Victorino.

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COUNCILMEMBER VICTORINO: That drainage area across, you know, right adjacent to Luana Gardens and kind of kitty-corner from the park, that was, I was told originally, and we're going, something like what they want to do over here, make that into a park and then, of course, when it rains it would fill up with water and wouldn't be used. We've never count, that's not counting in this numbers, are they?

MS. SAVAGE: I don't believe so.

COUNCILMEMBER VICTORINO: Okay. So that is strictly there for drainage purpose and drainage purpose only? Okay. That's all I needed to know. Thank you. Thank you, Chair.

CHAIR GUZMAN: Thank you. Any further questions? Ms. Savage, on this turf maintenance cost, did you want to go into that next? Okay. Thank you.

MS. SAVAGE: So the other spreadsheets or, I guess, document that you see in front of you is DPR Turf Management Program. Historically, the Department has used this type of a turf management system predominantly in the football stadium and the baseball stadium and then at occasional other locations, but nothing really consistent over the years. And so one of the ways that we'd like to, I mean, part of when you look through this inventory at the bottom of the list, you see active sports turf acres, and those are acres that currently are not all usable active sports acres, but in looking through the facilities, a lot of those could be. So we have space, we have grass areas that could be utilized until there's more park space developed and more field space developed. There is more space that if we changed our approach on how we took care of those grass areas that we could make that more active sports park recreation space, and to do that it would be by implementing an actual turf management program across the districts, and so that's what you'll see broken down in front of you, you know, having the herbicide, fertilization, aeration, top-dressing, and having those on a consistent scheduled basis, and this would become part of preventative annual maintenance plan that we're looking at implementing. We also have some, there would be specific training that would go along with this for all of the staff that work on the different fields and the spaces, so that if there were new techniques or different utilization of those techniques, implementation of the processes, we would make sure that everyone was comprehensively trained on that and implemented. So this will be, this is something that we actual can give a true, you know, operation type of cost breakdown, the cost that you see here are both combination of material and labor for the time that it would take to complete all of them, so the annual cost per acre for active turf sports maintenance will be very close to, these are pretty true estimates for the \$4,115 annual cost per acre, and so you can see, you know, broken down again by districts, what those monies would be, and this would be, again, monies that this type of a program hasn't been implemented previously except for a few specific locations. So this is one avenue that we will be looking for additional funding in Fiscal Year '15 within our operating budget to be able to have more of a comprehensive turf maintenance program. And this would prevent a lot of the, you know, whether it's identifying how to help, you know, relocate if people are playing on fields, how can you change the

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configuration so that they're not using the same space over and over again, especially if it's an open grass area. This would make sure that, I mean, currently we have park facilities that are not safe to be played on for some of the soccer, football, rugby, and it's just 'cause they're not flat surfaces anymore. Implementing this type of a program would, that's how we would ensure that we have those spaces that can be utilized for the active sports and recreation, thank you.

CHAIR GUZMAN: Thank you. Members, any questions regarding the turf maintenance cost? Seeing none. . .I have a question. Ms. Savage, on the FY 2015 Annual District Active Sports Turf Maintenance Costs, on this column where it says annual cost per acreage, on Molokai it indicates 4,115, but on the other sections it's not broken down, is it, something significant why Molokai's numbers are. . .

MS. SAVAGE: No, that number is for all of the districts.

CHAIR GUZMAN: Oh, for all of the districts?

MS. SAVAGE: Yes.

CHAIR GUZMAN: Okay.

MS. SAVAGE: Yes.

CHAIR GUZMAN: Okay. I see that break down, okay.

MS. SAVAGE: Yeah, and that cost is come to by if you break down with all of the breakdown above it, if you add those together and calculate the time per acre, then that's just the cumulative cost per acre.

CHAIR GUZMAN: So this total number of 839,000, that's fairly accurate on --

MS SAVAGE: Correct.

CHAIR GUZMAN: --the cost?

MS. SAVAGE: Correct. This doesn't include any equipment, you know, depreciation or wear and tear costs or fuel costs, but other than that, any of the chemicals, labor, materials are all in that per acre and annual cost.

CHAIR GUZMAN: Any questions from the Members? Seeing none, any statements from your division staff? Seeing none.

ACTION: DEFER.

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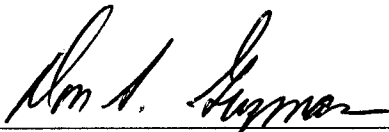
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CHAIR GUZMAN: Okay. Members, at this time I will, this will have completed today's agenda, and I'd like to thank the Department of Parks and Recreation for coming and presenting this afternoon and as well as the other department. With that the February -- what is today -- February 19th meeting shall...18th, February 18th shall come, shall now adjourn, thank you. ... *(gavel)* ...

ADJOURN: 3:53 p.m.

APPROVED BY:



DON S. GUZMAN, Chair
Economic Development, Energy, Agriculture,
and Recreation Committee

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Transcribed by: Michelle Balala

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CERTIFICATE

I, Michelle Balala, 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 10th of March, 2014, in Kahului, Hawaii.

Michelle Balala

Michelle Balala