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**M I N U T E S**  
**BUDGET AND FINANCE COMMITTEE**  
**COUNCIL OF THE COUNTY OF MAUI**  
**WAILUKU, MAUI, HAWAII**  
**MARCH 18, 2014**

**APPROVED:**  
  
\_\_\_\_\_  
Committee Chair

**Transcribed by:**  
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**ORIGINAL**

1       **CONVENE:** 9:04 a.m.

2       **PRESENT:** Councilmember Mike White, Chair  
 Councilmember G. Riki Hokama, Vice-Chair  
 3       Councilmember Elle Cochran, Member (in 9:32  
           a.m., out 11:39 a.m.; in 11:41 a.m.)  
 4       Councilmember Donald G. Couch, Jr., Member (out  
           9:20 a.m., in 9:25 a.m.)  
 5       Councilmember Stacy Crivello, Member (out 10:42  
           a.m., in 10:48 a.m.)  
 6       Councilmember Don S. Guzman, Member  
 7       Councilmember Michael P. Victorino, Member (out  
           11:30 a.m.)

8       **EXCUSED:** Councilmember Gladys C. Baisa, Member  
 Councilmember Robert Carroll, Member

9  
 10       **STAFF:** Michele Yoshimura, Legislative Analyst  
 Chancy Hopper, Legislative Analyst  
 Yvette Bouthillier, Committee Secretary

11                   Seated in the audience:  
 12       Sharon Brooks, Legislative Attorney  
 Raynette Yap, Committee Secretary

13  
 14       Ella Alcon, Council Aide, Molokai Council  
           Office (via telephone conference bridge)  
 15       Denise Fernandez, Council Aide, Lanai Council  
           Office (via telephone conference bridge)  
 16       Dawn Lono, Council Aide, Hana Council Office  
           (via telephone conference bridge)

17       **ADMIN:** Keith Regan, Managing Director, Department of  
                   Management (BF-65, BF-102)  
 18       Danilo F. Agsalog, Director, Department of Finance  
                   (BF-102, BF-4(1))  
 19       David Goode, Director, Department of Public Works  
                   (BF-4(1))  
 20       Michael M. Miyamoto, Deputy Director, Department  
                   of Environmental Management (BF-4(1))  
 21       Sananda Baz, Budget Director, Office of the Mayor  
 22       Jeffrey T. Ueoka, Deputy Corporation Counsel,  
                   Department of the Corporation Counsel

23       **OTHERS:** Rosemary Robbins (BF-65)  
 Others (5)

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

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1           CHAIR WHITE: ...*(gavel)*... This meeting of the  
2 Budget and Finance Committee will come to order. Members,  
3 this morning, we've got what should be a relatively mellow  
4 Budget discussion. This is the Chair's way to get you  
5 warmed up for -- for Budget.

6           COUNCIL MEMBER: Great.

7           CHAIR WHITE: This morning, I'd like to welcome  
8 our Vice-Chair, Riki Hokama.

9           VICE-CHAIR HOKAMA: Chairman.

10          CHAIR WHITE: Good morning. And Member Stacy  
11 Crivello.

12          COUNCILMEMBER CRIVELLO: Good morning, Chair.

13          CHAIR WHITE: Don Couch.

14          COUNCILMEMBER COUCH: Good morning, Mr. Chair.

15          CHAIR WHITE: Don Guzman.

16          COUNCILMEMBER GUZMAN: Good morning, Chair.

17          CHAIR WHITE: And Mike Victorino.

18          COUNCILMEMBER VICTORINO: Aloha and good morning,  
19 Chair.

20          CHAIR WHITE: And excused this morning are Gladys  
21 Baisa, our Chair, and Bob Carroll, our Vice-Chair. And  
22 joining us shortly will be Elle Cochran.

23                 And our Committee Staff this morning is Secretary  
24 Yvette Bouthillier, Legislative Analyst, Michele Yoshimura,  
25 and Chancy Hopper, our other Legislative Analyst. And from

1 -- from the Administration are Jeffrey Ueoka, Corporation  
2 Counsel, and our Budget Director, Sandy Baz. Good morning.

3 And we will start off with public testimony. And  
4 our first testifier in the Chambers is Rosemary Robbins.  
5 And then we'll -- if anyone else would like to testify,  
6 please go sign up in the lobby. And following Ms. Robbins,  
7 if there's no other testifiers in the Chambers, we'll go to  
8 the District Offices. Good morning, Ms. Robbins.

9 **...BEGIN PUBLIC TESTIMONY...**

10 MS. ROBBINS: Good morning. Good morning,  
11 everybody. This Tuesday, today, is the Tuesday of sunshine  
12 week in Hawaii. A lot is going on about the media and not  
13 boxing them in from sharing information that they feel is  
14 important for the community to be able to hear. So I  
15 certainly support that.

16 In view of Item BF-65 this morning, on the Motor  
17 Vehicle Policy, I would also like to give thanks to  
18 everybody who was involved in getting the license testing in  
19 languages other than English. That was pretty much of an  
20 ace, everybody else out, accepting the people who were  
21 English fluent. So I'm really happy to see that there were  
22 12 other languages that got in on there.

23 And I was able to be with some of the people from  
24 Truk and otherwise, in the Marshall Islands. They were  
25 ecstatic at the thought that they could be able to drive

1     legally.  So we promised that there would be no securities  
2     that they could pass, but they could at least read what they  
3     had to do.

4             So thanks especially to FACE, who was very much  
5     involved in that.  Got volunteer translators, and got a hold  
6     of the documents in English to be able to educate these  
7     people as to what they were doing after the State had  
8     stalled for a year on that.  Yesterday morning's opening  
9     news said, and now we have all these other languages then.  
10    So rather than dwelling on how long it took them to get that  
11    done, it did get done.  So thanks for all of that.

12            In terms of the motor vehicle policies, I, for  
13    one, can't list those off.  So I would be delighted to have  
14    what's happening on the stated status on the second line of  
15    today's agenda, that the Committee could receive -- may  
16    receive an overview of the County's Motor Vehicle Policy  
17    from the Administration.  I think that would be fabulous if  
18    we could get that boiled down so that people could  
19    understand what that is, including the English only speaking  
20    people.  There are lots of us out there that don't have a  
21    clue on what the breadth of all of that is.

22            So thank you for getting that on there.  Thank you  
23    for all.

24            CHAIR WHITE:  Thank you.  Any questions of the  
25    testifier, Members?  The Chair would just clarify that this

1 is the policy having to do with the use of motor vehicles  
2 owned by the County, not the -- not the policies having to  
3 do with training and driver licensing and testing.

4 MS. ROBBINS: On the BF-65, that's what it's  
5 reading on here, for the BF-102.

6 CHAIR WHITE: Yeah. It's the County's Motor  
7 Vehicle Policy for the use of County vehicles.

8 MS. ROBBINS: Okay. I didn't read that in this.  
9 It's not written (inaudible).

10 CHAIR WHITE: No problem.

11 MS. ROBBINS: On the top one. So thank you for  
12 clarifying.

13 CHAIR WHITE: Sure.

14 MS. ROBBINS: Now everybody knows. Yeah. Thank  
15 you.

16 CHAIR WHITE: Thank you very much, Ms. Robbins.  
17 Is there anyone else in the Chambers wishing to testify?  
18 Seeing none, we'll go to Hana first. Dawn, do you have any  
19 testifiers?

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

22 CHAIR WHITE: Thank you very much. We'll go to  
23 Lanai. Denise? And we'll try Lanai once more. Denise, are  
24 you there?

25 COUNCILMEMBER COUCH: You're on mute. The gray

1 button. Now try it.

2 CHAIR WHITE: Why did one --

3 COUNCILMEMBER COUCH: -- saw it on TV.

4 CHAIR WHITE: Oh, okay. Okay. We'll go to Lanai.

5 Denise, do you have any testifiers?

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

9 CHAIR WHITE: Thank you. And we'll go to Ella on  
10 Molokai. Do you have any testifiers this morning?

11 MS. ALCON: Good morning, Chair. This is Ella  
12 Alcon, on Molokai. And there is no one here waiting to  
13 testify.

14 CHAIR WHITE: Thank you very much. Seeing that no  
15 one else has joined us in the Chambers, without objection,  
16 the Chair will close public testimony.

17 COUNCIL MEMBERS: No objections.

18 CHAIR WHITE: Okay. Public testimony is closed.

19 **...END OF PUBLIC TESTIMONY...**

20 **ITEM NO. 65: COUNTY'S MOTOR VEHICLE POLICY (CC 13-07)**

21 CHAIR WHITE: This morning we have three agenda  
22 items: The first is to review the -- the County's Motor  
23 Vehicle Policy, get an update from the Administration;  
24 second is relating to Countywide Vehicle Procurement  
25 Standards; and the third relates to the Fiscal Year

1 quarterly report for Fiscal Year 2014 as of December 31st.

2 So with that, Members, we'll start with the  
3 County's Motor Vehicle Policy. And joining us is Managing  
4 Director, Keith Regan. Welcome this morning.

5 MR. REGAN: Good morning, Chair. Good morning,  
6 Members. Thank you for this opportunity to be here this  
7 morning to give you a -- a brief update regarding the Motor  
8 Vehicle Policy for the County of Maui. I think we've been  
9 here before to discuss this -- this matter, but I'll give  
10 you some, I guess, brief facts about what we've done up to  
11 this point in time.

12 I am happy to announce that all departments  
13 currently covered by the Vehicle Policy are in compliance.  
14 We do have one minor issue that we're working through with  
15 the Water Department regarding the take-home vehicle, but,  
16 other than that, once we resolve this issue, which pertains  
17 to a settlement agreement or arbitration that was entered  
18 into between UPW and the Water Department back in the early  
19 nineties, then, hopefully, we'll have that issue resolved.  
20 But for the most part, all departments are in compliance  
21 with the policy.

22 This policy, just for reference, took us about  
23 eight months to create. We went back and forth between the  
24 different unions that are covered under this policy to get  
25 input as well as input from the departments and those who



1 would be required to follow this policy.

2 There are currently approximately 667 vehicles in  
3 the fleet that are covered under this policy. We have also  
4 looked at and processed approximately 724 approvals for  
5 casual user as well as private vehicle use agreements.

6 Currently, there are -- and I'm sorry, let me just  
7 go ahead and -- and pull out this number here really quick.  
8 We started, prior to the policy, with 165 take-home  
9 vehicles. That was pre-policy implementation. And as of  
10 today, there are 80 vehicles that have currently approved  
11 take-home vehicle usage, which is a reduction of about 52  
12 percent in our take-home vehicle rate.

13 52 of those vehicles, as I mentioned when I first  
14 started this conversation this morning, are Water Department  
15 vehicles. So as we continue to work with the Water  
16 Department, it's highly likely that that number is going to  
17 also be dramatically reduced.

18 So, Chair, I wasn't quite too sure exactly what it  
19 was that you wanted us to cover this morning, but I am here  
20 to answer any questions that you may have and the Members  
21 may have regarding policy. Thank you.

22 CHAIR WHITE: Thank you. And, you know, this is  
23 one of those things that began with the Cost of Government  
24 Commission. And I think all of us in this Chamber  
25 appreciate the degree of focus that you and other members of

1 your staff have put on this.

2 And my recollection is that, last year -- by this  
3 time last year, you had reduced the 165 to 125. So you've  
4 now reduced it -- well, you've reduced it by 40, and now  
5 you've reduced it by another 45. So that's a -- a very  
6 impressive level of reduction.

7 And I think the Members that were here to hear it  
8 last year, Mr. Taylor explained that he has some challenges  
9 working through that process. So I -- I understand that  
10 you've got some additional time to -- to get that under your  
11 belt.

12 We had gotten a letter, right about the end of  
13 Budget last year, that related that the -- that there are  
14 quite a number of departments that were in compliance and  
15 there were others that were at 90 percent, 70 percent and 50  
16 percent. And Water Supply was one of the ones that was at  
17 50, along with Parks and Recreation.

18 If you could -- can you give us a breakdown of  
19 where the -- where those additional 45 take-home vehicle  
20 reductions took place, if -- if you have that?

21 MR. REGAN: Yeah, I -- I can. Unfortunately, I  
22 don't have the -- the number from that last meeting where we  
23 presented the information with regards to where -- where  
24 they were, but I -- I can tell you where we started off.

25 CHAIR WHITE: Okay.

1 MR. REGAN: Which would have been prior to the  
2 policy starting. So, initially, we had two vehicles at  
3 Civil Defense that were take-home vehicles. We had 42  
4 vehicles that were take-home vehicles in Environmental  
5 Management. Right now, we have six. And Civil Defense is  
6 zero currently. Environmental Management currently is six,  
7 they had 42. Liquor Control has had seven, they currently  
8 have seven. Parks and Recreation had 36, they currently  
9 have seven. Public Works had 17, they currently have eight.  
10 And -- and the Water Department had 61, they currently have  
11 52. So all together, prior to the policy being implemented,  
12 that was 165, and the current take-home vehicle number is  
13 80. So the net change is 85, which is a 52 percent decrease  
14 from pre-policy to now.

15 CHAIR WHITE: Okay. Great. Members, questions  
16 for the Administration? Seeing none, I will --

17 COUNCIL MEMBER: Wait.

18 CHAIR WHITE: Maybe you could give us an update --

19 COUNCIL MEMBER: Chair?

20 CHAIR WHITE: -- on --

21 COUNCIL MEMBER: He had questions.

22 VICE-CHAIR HOKAMA: I had a question.

23 CHAIR WHITE: Okay. Go ahead.

24 VICE-CHAIR HOKAMA: I've read, Mr. Regan, about  
25 the implementation of the GPS. So where are you with that

1 at this time, please?

2 MR. REGAN: We have installed 504 GPS units in a  
3 number of nonspecialized and specialized vehicles. We have  
4 been collecting data now for approximately three months. We  
5 are currently -- I appreciate you asking that question  
6 because I just wanna kind of give you a little bit of  
7 statistics on where we are right now with that. So as I  
8 stated, 504 vehicles currently have these GPS units  
9 installed. We are generating 227 reports, so -- on a weekly  
10 basis, these are being generated. So managers are looking  
11 at these reports. They're showing things such as vehicles  
12 that have exceeded 60 miles per hour, as an example. So  
13 that they can, you know, use those reports to address those  
14 kind of issues that are coming up within the departments.

15 There's 119 users that have access to the GPS  
16 system. So these are, you know, perhaps supervisors, could  
17 be working supervisors, supervise -- you know the chain. So  
18 119 users. There's 88 groups. So as an example, you may  
19 have operations that have segmented their -- their units  
20 into groups for Upcountry or Lahaina or South Maui, as an  
21 example, so that they can -- it's easier for them to look at  
22 the data for those particular groupings.

23 We are also tracking -- out of that 504, there's  
24 29 refuse trucks that are being tracked as well.

25 And it's -- it's amazing in terms of the -- the

1 kind of data that's collected by these units because, the  
2 units themselves, they show us idle time. And by that I  
3 mean how long the vehicle is just sitting idle. It shows us  
4 miles per gallon, what -- what is our -- our MPG overall for  
5 the fleet. And it shows, you know, mileage, overall mileage  
6 for the fleet.

7 I mean, there's a myriad of reports that we can  
8 pull from -- from this -- from the GPS software that we  
9 have. Including the fact that when the vehicle generates a  
10 error code, right -- let's say, as an example, the employee  
11 is driving down the road and -- and something happens to the  
12 engine. It will automatically generate a code, right,  
13 because everything's computerized now. And that code gets  
14 uploaded to the system which then, you know, goes to Public  
15 Works, and they can see that and they can already be  
16 prepared to address that code.

17 So it might be something that, by addressing it  
18 now, it saves us money rather than let it go and become, you  
19 know, a major problem. And -- in terms of repairs, I'm  
20 talking about. But then, also, it could be a fuel  
21 consumption issue. So maybe, you know, the injector's not  
22 functioning properly or, you know, some kind of timing is  
23 off, perhaps.

24 But it -- it's pretty impressive in terms of the  
25 kind of data that this -- the GPS units can provide to us.

1           VICE-CHAIR HOKAMA: Have you noticed a change in  
2 drivers' habits? Is -- has there been a visible change in  
3 some of the driving patterns or habits of the employees?

4           MR. REGAN: Yes. Yes. And, you know, I think,  
5 you know, having that tool really helps from a management  
6 perspective to be able to address issues. Like I had  
7 mentioned, you know, in excess of 60 miles per hour, those  
8 kind of reports where, you know, they can, you know, speak  
9 to the -- to the employee or even address issues that might  
10 be coming up.

11           We had an example -- I'll give you an example --  
12 where, you know, an employee -- we had a claim -- not a  
13 claim, but like a complaint that came in about an employee  
14 being in a certain place where they felt -- the complainant  
15 felt the employee shouldn't have been. Well, based on the  
16 GPS, we were able to determine that the employee wasn't at  
17 that location, the vehicle was not at that location. So we,  
18 basically, debunked, you know, this complaint. So there are  
19 some real benefits there as well, you know, that we've -- we  
20 recognize. So --

21           VICE-CHAIR HOKAMA: That pleases me on the  
22 Committee. So I appreciate your efforts. And I -- I read  
23 somewhere that you were gonna ask for some additional  
24 financial resource this coming Budget. So with this  
25 request, you could have full implementation, you believe,

1 Mr. Director?

2 MR. REGAN: I -- I believe so, yes. Yeah, that  
3 was my understanding. So we -- you know, initially, as you  
4 -- if we go back, remember, we tried the pilot project,  
5 right, and then that grew into the 200 units that we  
6 installed, and we installed another 300 units. And now  
7 we're up to (inaudible). So the more that we can -- if we  
8 can get to 100 percent of the fleet, it really will give us  
9 control in terms of managing that.

10 And it's a pretty substantial operation when you  
11 think about it. Right? I mean, the number of vehicles that  
12 we have, the amount of fuel that we're spending, you know,  
13 in our -- in our fleet. And if we can get a -- if we can  
14 get control over that, I think it will really help us manage  
15 our costs.

16 VICE-CHAIR HOKAMA: Right. Have you implemented  
17 that with our contracts regarding bus service or transit  
18 service --

19 MR. REGAN: I --

20 VICE-CHAIR HOKAMA: -- as a way to, you know, see  
21 if we -- we doing the routes the best we can, timing-wise,  
22 fuel-wise? I just ask if that was something you folks  
23 already working on or is -- are thinking of working on.

24 MR. REGAN: You know, that's an excellent  
25 recommendation, but, at this point in time, we don't have

1 that in our plans.

2 VICE-CHAIR HOKAMA: Okay.

3 MR. REGAN: But I think that would be a great  
4 thing to explore with -- with them. They are our  
5 contractors, as you mentioned, and, you know, we are  
6 providing them money to acquire these -- these vehicles. So  
7 I think it would be good. I think it would be good.

8 VICE-CHAIR HOKAMA: You're in control, boss. So I  
9 appreciate the response. Thank you --

10 MR. REGAN: Yes, sir.

11 VICE-CHAIR HOKAMA: -- very much, Director. Thank  
12 you.

13 MR. REGAN: And if I may just --

14 CHAIR WHITE: Yeah.

15 MR. REGAN: -- follow up on something, too. And  
16 you all recall the motor pool conversation that we had a  
17 while back. And I'm happy to report that the -- the bid  
18 went out, it was completed, there was an award. And so  
19 we're in the contracting process right now. And this motor  
20 pool will actually allow us to use some of the GPS data that  
21 we're collecting to determine which vehicles we can actually  
22 take out of the fleet and put into the motor pool so that it  
23 can be more of a shared type usage, rather than having  
24 departments who have vehicles that, you know, have very low  
25 mileage, you know, and other departments that need vehicles,



1 but don't have a vehicle to utilize. So that's coming  
2 along. And we're hoping that that's gonna be contracted in  
3 the next couple of months. So just wanna give you a quick  
4 update on that.

5 VICE-CHAIR HOKAMA: Thank you.

6 CHAIR WHITE: You -- you guessed my next question.

7 MR. REGAN: Oh.

8 CHAIR WHITE: It's on the motor pool. But on the  
9 -- I'm also interested to know if you had done any  
10 calculations on the cost savings from the three months worth  
11 of GPS information, and, also, the -- any level of cost  
12 reduction that you feel can be tied to the reduction in the  
13 take-home vehicle count. Because those are -- you know, I  
14 think everyone in this Chamber was -- has been very  
15 supportive of the GPS and the -- those reductions. And I --  
16 I think everyone would agree that the progress you have made  
17 in both areas is quite exciting.

18 I don't remember what -- what the number was that  
19 Mr. Ginoza from Environmental Management had shared with us  
20 last year, but it was a -- a startling figure, when he  
21 reduced his take-home vehicles from 42 to six. It was quite  
22 a bit of savings. So have you done any calculations on the  
23 GPS or the take-home vehicle that you could share with us?

24 MR. REGAN: Thank you, Chair. At -- at this time,  
25 I don't have that information in front of me, but, you know,

1 once we compile that information, we'll definitely share  
2 that with you.

3 As I mentioned, we've got three months worth of  
4 data at this point in time. And what's great about the --  
5 this GPS system is that, you know, it, basically, aggregates  
6 all of this data for us. So we can really see, you know,  
7 what those numbers are, what they were and what they are.  
8 And so I really would feel more comfortable -- I mean, we  
9 can get you the information that we have currently, but the  
10 real hard data's gonna come after we have, let's say, six  
11 months worth of data from the GPS system or even 12 months  
12 worth of data where we can really go in and analyze, you  
13 know, what kind of benefits we've had, how can we change,  
14 let's say, operations to be able to glean even more benefit  
15 out of, you know, things like that.

16 So I apologize. I don't have the numbers in front  
17 of me, but --

18 CHAIR WHITE: No.

19 MR. REGAN: -- we could --

20 CHAIR WHITE: That's fine. If you -- if you have  
21 taken a look at or could take a look at savings in gasoline  
22 costs and things of that sort that -- how long have the 200  
23 units been in -- in place?

24 MR. REGAN: The 200 units -- Don, do you have that  
25 information? We can get that information for you, Chair.

1 I know that we've got three months worth of --  
2 let's see. The first phase of the project was completed on  
3 August 5th, 2013, with the installation of the first 200 GPS  
4 units. And the second installation phase, of the other 304  
5 units, were completed in November of -- November 24th of  
6 2013. So, you know, we're -- as I mentioned, we've got  
7 about, you know, three months of solid information on the --  
8 on the larger chunk of the fleet. So --

9 CHAIR WHITE: I'm sure we'll see some very  
10 significant savings. And I -- I congratulate you guys for  
11 taking the bull by the horns and -- and taking this on.  
12 Members, other questions or comments on the -- on this item?  
13 Seeing none, I wanna thank you very much. And thank you,  
14 Mr. Medeiros, for your work on this, and appreciate it.

15 UNIDENTIFIED SPEAKER: Thank you.

16 CHAIR WHITE: And we'll move on to the next item  
17 on our agenda, which is BF-102, which is a Countywide  
18 Vehicle Procurement --

19 MS. BOUTHILLIER: Chair?

20 CHAIR WHITE: -- Standard.

21 MS. BOUTHILLIER: On the first item, are you  
22 deferring that matter?

23 CHAIR WHITE: Yeah, we'll defer it.

24 COUNCIL MEMBERS: No objections.

25 **ACTION: DEFER pending further discussion.**



1 uniformity. It would be easier for those that have the  
2 responsibility of making procurement decisions on what would  
3 be acceptable and not acceptable.

4 I can recall a request for a -- a vehicle with all  
5 the bells and whistles, leather seats, multi-speaker stereo  
6 system. And for me, I cannot see us spending public  
7 resources for that type of vehicle when it doesn't make  
8 sense to me, especially if it's part of an operational  
9 response or an emergency response. You know, we're not  
10 doing Secret Service for the President or -- or some --  
11 someone of that nature, you know. We're a County that has  
12 and needs working vehicles.

13 So I've proposed it. I -- I've put in things like  
14 purpose definition, justification, exemptions, any reporting  
15 as far as penalties. And I appreciate that you have  
16 Mr. Baz, Mr. Agsalog here to give some comment and -- and  
17 their thoughts on the potential of having this type of  
18 policy that is applied uniformly throughout all County  
19 departments, including the Council. Thank you.

20 CHAIR WHITE: Thank you. And, Mr. Agsalog, would  
21 you like to make comments on the -- on the bill?

22 MR. AGSALOG: Good morning, Mr. Chair. Yeah, I  
23 have -- I have read briefly the proposed ordinance. And one  
24 of the -- I think -- I'm trying to look for it now because  
25 I've had it yesterday -- is the reporting. Because,

1 currently, the reporting for us and getting the department  
2 to report their inventories as far as their assets is  
3 sometimes in the end of the Fiscal Year. And I think this  
4 -- if I -- if I can -- I -- I just didn't find it, but I  
5 think this --

6 CHAIR WHITE: Yeah, it's on -- it's on Page 3.

7 MR. AGSALOG: Page 3. I think it's asking for the  
8 -- during the Budget times (audio feedback). So I was just  
9 wondering if we could make the same time, I think that was  
10 good.

11 And, also, Mr. Chair, I'm proud to tell you that  
12 the Managing Director also looking at the efficiency,  
13 because he have instructed our procure -- purchasing agent,  
14 Chief Purchasing Agent, to look at any new purchases that  
15 would comply with fuel efficiency.

16 I think the area where the standardized color of  
17 the vehicle, I think that is also good. I -- I looked at  
18 that.

19 And, again, I am not the expert in the way to do  
20 it. When we -- and I'm just going to make this comment.  
21 And it's up to you to digest it. When we make a certain  
22 type, a certain amount, it becomes a sole purchase. Let's  
23 say we have Ford, and all Ford, so that we can justify all  
24 the parts, then we are now indebted to Ford because that's  
25 the parts that we need to do. I don't know if we wanna go

1 there. Okay. So -- in the purchasing part of this. But I  
2 think, overall, Mr. Chair, looking at standardized our  
3 vehicles, we'll support the effort that the management has  
4 embarked in the start of our Administration.

5 The only thing that I would want to defer, maybe,  
6 is the -- some penalties that the reporting agencies will  
7 not report. And I will defer that to our Corporation  
8 Counsel, because of the labor laws. I think the State law  
9 will prevail over our ordinances as far as withholding any  
10 salaries for non-reporting. I'm not really sure of that,  
11 Mr. Chair.

12 So I will answer any question that you might have  
13 in addition to what I already said, but I think the -- that  
14 the -- the effort that has been put to this, I think, is  
15 really a -- a good start for us. And it complements the  
16 Management's Office effort, Mr. Chair.

17 CHAIR WHITE: Thank you. I -- I would agree, this  
18 is a -- this is seen, I think by several of us, as  
19 dovetailing with the -- the efforts that you all have  
20 already undertaken.

21 Members, the -- the item that the Director was  
22 referring to is at the bottom of Page 3, the Section  
23 3.14.080, Authority to withhold salary. And, basically, a  
24 result of non-reporting of your inventory on a timely basis  
25 would result in the Director's salary being withheld. So I

1 -- so we'll go to Corp. Counsel. Do you have a sense of  
2 whether that is something that we can do?

3 MR. UEOKA: Thank you, Chair. It's, basically, a  
4 restatement of HRS 103D-1209. In practice, I'm not sure how  
5 it would work. The Director brings up a very good point  
6 about Federal Labor Law and matters like that. Be one of  
7 those we'd have to see if it -- if it ever comes to a point  
8 where we have to exercise that authority to withhold salary.  
9 Thank you.

10 CHAIR WHITE: Okay. Thank you. Members,  
11 questions for the Department, or other questions or comments  
12 on the bill? And before I call on Mr. Couch, I'd like to  
13 recognize the presence of Elle Cochran.

14 COUNCILMEMBER COCHRAN: Thank you, Chair. Thank  
15 you.

16 CHAIR WHITE: Good morning.

17 COUNCILMEMBER COCHRAN: Good morning.

18 CHAIR WHITE: Mr. Couch.

19 COUNCILMEMBER COUCH: Thank you, Mr. Chair. And  
20 maybe for the Department or the Chair. While, you know, I  
21 know we're kind of -- we -- we'd rather do things via rule,  
22 if we didn't have to do ordinance, I was just curious if the  
23 Department has thought of putting most of this language as  
24 part of your Vehicle Policy, potentially, or something to  
25 make it a rule for now, as opposed to having pretty -- a law



1 out there for this, and give the departments a chance to see  
2 if we can follow along, and have this in our back pocket if  
3 -- if -- if the policy doesn't work. Just because, you  
4 know, we're adding more laws, just we try to --

5 CHAIR WHITE: Well --

6 COUNCILMEMBER COUCH: -- do it via --

7 CHAIR WHITE: -- from what --

8 COUNCILMEMBER COUCH: -- rules.

9 CHAIR WHITE: From what Mr. Agsalog said, I  
10 think -- it sounds to me like the Managing Director and the  
11 Finance Director, as they were going through the Vehicle  
12 Policy, have begun to standardize the -- the purchasing.  
13 So, Mr. Agsalog or Mr. Baz, can you address that?

14 MR. BAZ: Thank you, Mr. Chair. Yeah. Mr. Couch,  
15 you bring up good points. And while the policy is a policy  
16 of the County implemented by management, it's not  
17 Administrative Rules. So it's not -- doesn't have the --  
18 the effect of -- of a rule. It is a policy that can be  
19 either, you know, put in place or retracted or -- my  
20 comments related to it is the procurement justification  
21 section really is housed in the Vehicle Policy at this  
22 point. Section 3.14.030, a lot of that may not be exactly  
23 the similar requirements, but the departments have to go  
24 through significant -- request information, reports to be  
25 able to justify procurement of replacement vehicles or new

1 vehicles. So that would kind of be a restatement.

2 But the -- the other items are -- you know, that  
3 are in State law, like Mr. Ueoka mentioned, you know,  
4 they're already existing in State law. So I don't know that  
5 they'd need to be restated in here other than for -- for  
6 effect, so that we are very clear about that. And they can  
7 be -- also be restated in the policy. There's a number of  
8 these things that could be written into the policy. And,  
9 you know, Managing Director is -- is here, he can nod his  
10 head and say, you know, yes, he's interested in putting  
11 these type of things in the policy, if they're not already  
12 existent in there.

13 COUNCILMEMBER COUCH: Okay. I'd like something  
14 possibly -- if I may, Chair --

15 CHAIR WHITE: Go ahead.

16 COUNCILMEMBER COUCH: -- a little stronger than  
17 policy. 'Cause, as you know, we have some issues with some  
18 policies recently. And I do like 050 and 060, for sure.  
19 Those kind of things. You know, the reporting, maybe we can  
20 tweak that a bit, but the 050, especially, as Mr. Hokama  
21 said at the beginning, you know, why do you need leather  
22 seats and premium rims and all that stuff. So something  
23 like that in -- maybe an administrative rule, I don't know.  
24 (Inaudible). You know, I -- I always like going to the  
25 easiest to implement first and give you -- give whoever a

1 chance to implement, and then, if that doesn't work, go to  
2 the next level prior to trying to do a law. I mean, we have  
3 State procurement laws, and we just need to tweak our  
4 policies a little bit. But, you know, if we have to go to a  
5 law because it hasn't been working, then I understand that,  
6 too.

7 CHAIR WHITE: I guess one of the questions is that  
8 rules generally have to have a -- a basis in law, and then  
9 they have to go through the rulemaking process, which is --  
10 can be more convoluted than -- than us dealing with it, so  
11 -- but I -- I -- I appreciate the discussion that we're  
12 having because I think there are pieces that are -- that are  
13 very important in this. And if we can do something that  
14 will simply reinforce what the -- you know, the direction  
15 that the Administration has already taken, then all the  
16 better.

17 Members, are there -- just to give us some  
18 direction, are there -- Mr. Couch has suggested that  
19 3.14.050 and 3.14.060 are elements of this that he is  
20 feeling he'd like to see move forward. Are there others  
21 that feel there are portions that they would like -- that  
22 you would like to see move forward? Ms. Crivello, any  
23 thoughts?

24 COUNCILMEMBER CRIVELLO: Not right now. Thank  
25 you.

1 CHAIR WHITE: Okay. Thank you. Ms. Cochran?

2 COUNCILMEMBER COCHRAN: Thank you, Chair. Yeah, I  
3 agree.

4 So I'm looking at the 3.14.05 [sic], Item E, in  
5 relation to fuel efficient and effect -- cost effectiveness.  
6 So I know that we have started a trial period of electric  
7 vehicles. So I wasn't sure if this would pertain to maybe  
8 a, you know, eventual, I guess, transforming our fleets into  
9 such types of technology and vehicle. I know Mr. Couch  
10 would approve of such a thing, he drives one of those. But  
11 I know it's fairly new introduction to this County, but I  
12 see there's steps moving forward as in, you know, the  
13 charging stations across our -- which is nice and -- but I'm  
14 just curious if this County Administration is looking  
15 towards maybe eventually to that.

16 MR. BAZ: Mr. Chair?

17 CHAIR WHITE: Please proceed.

18 MR. BAZ: Yes. The short answer is yes.

19 COUNCILMEMBER COCHRAN: Oh, wonderful.

20 MR. BAZ: Managing Director has already issued a  
21 memo requiring that the -- when we're procuring vehicles to  
22 look at hybrid vehicles. And he is currently looking at any  
23 new vehicle purchases, the availability of purchasing those  
24 with electric vehicles. Some -- some logistical issues to  
25 that, but definitely, yes. The answer is yes.

1 COUNCILMEMBER COCHRAN: Okay. Well, very good.  
2 I'm glad to hear that, Chair and Administration. I mean, we  
3 need to be role models and set examples for the rest that  
4 we're looking to pursue, you know, endeavors in. Thank you.

5 CHAIR WHITE: Yeah. And Item E certainly fits.  
6 The -- the description in Item E certainly would allow them  
7 the flexibility to go evaluate the electric vehicles. And I  
8 think the important thing at this point is without the -- I  
9 believe the County doesn't get the -- the tax breaks that  
10 individuals get, correct?

11 MR. BAZ: Yeah. No. That's correct.

12 CHAIR WHITE: So it -- it -- at this point, it's  
13 an evaluation of the life-cycle costs and how often you're  
14 gonna have to replace the batteries and that kind of thing.  
15 But, yeah, I know a number of people, including Mr. Couch,  
16 that love their electric vehicles and feel it's a very good  
17 way to go. So --

18 COUNCILMEMBER COCHRAN: Yeah. Thank you.

19 CHAIR WHITE: Okay. Mr. Couch, any other sections  
20 that you would like to see remain?

21 COUNCILMEMBER COUCH: Oh, yeah. I mean, you know,  
22 certainly notification, 040. I -- I just was saying the  
23 policies in 5 and 6, 060, in general, are -- are pretty  
24 good. Certainly, exceptions, we need to have something  
25 about exceptions. The authority to withhold salary, while I

1 understand the intent of that, I -- I think the execution of  
2 that might be very difficult, but you never know. And it's  
3 interesting that -- that we do have a penalty clause,  
4 including a fine or imprisonment. That seems a little  
5 heavy-handed at this point, but maybe it's a reaction to,  
6 possibly, department heads saying, yeah, forget -- so what.  
7 So I don't know. I'd be very leery of 80 and 90 at this  
8 point, but, if there's good justification, I'll always  
9 reconsider. But aside from that, it's -- it's a pretty good  
10 start at a way to procure vehicles in a cost-effective  
11 manner.

12 CHAIR WHITE: Okay. Mr. Hokama.

13 VICE-CHAIR HOKAMA: Chairman, I'm happy to have  
14 this type of discussion that's going multiple ways. You  
15 know, the Administration, through the directors, are giving  
16 what I think is some very good comment on how we can maybe  
17 even improve it. I appreciate the Members' suggestions and  
18 comments.

19 One of the reasons I -- maybe for Mr. Couch, is  
20 pretty heavy-handed or draconian, Mr. Chair, is that I find  
21 this as a tool to support the Administration efforts to be  
22 in compliance with State law. Okay. That's how I'm looking  
23 at this proposal I've presented, as a tool to assist  
24 Administration. Because I believe they have done their best  
25 to be in compliance. We've had some departments that, for

1 various reasons or another, haven't complied or haven't  
2 fulfilled what I believe is a important State requirement.  
3 And that this, I think, will help bring focus from the  
4 Administration, or in the Director's finance. Managing  
5 budgets is -- you know, this is not only County Code, this  
6 is State law. You gotta fulfill it or you're gonna face  
7 potential disciplinary action, whether it be through  
8 penalties and fines or withholding of pay. They gotta know  
9 that's part of their job to perform. That's part -- why  
10 they're in those roles.

11 This is about ensuring and being accountable of  
12 the people's assets. The people's assets, Mr. Chairman.  
13 It's not the Department's asset, it's not my asset, or the  
14 -- it's the people's asset we're talking about.

15 And I find this as a tool, again, to help support  
16 the directors get the information to be in compliance.  
17 Again, this is about being in compliance with State law.  
18 It's not the County that is saying we need to put in the  
19 inventory; the State is requiring this County to perform.

20 And I will do my part to make sure that we are in  
21 compliance with all governmental requirements, Mr. Chairman.  
22 Thank you.

23 CHAIR WHITE: Thank you. You know, to that point,  
24 one of the -- one of the reasons, I think, all of us are  
25 very appreciative of what the Administration has done with

1     respect to the vehicles is that, in the beginning, I believe  
2     there were departments that couldn't account for some of the  
3     vehicles. And they had a total mess on their hands. So  
4     your point is had they -- had the department heads been  
5     required to report and keep track of their inventory and  
6     update -- and keep updated files, their job, putting  
7     together the Motor Vehicle Policy, would have been much,  
8     much simpler.

9             VICE-CHAIR HOKAMA: I think it supports the  
10     Committee's efforts and the, you know, Finance Director's  
11     efforts, especially with Risk Management, Mr. Chair. We got  
12     to know what's out there for us to have the responsible  
13     adequate insurance protection to cover our assets and  
14     personnel. And part of this reporting is to get those  
15     accurate numbers so that we can make the appropriate  
16     adjustments. Whether it be in excess insurance coverage or  
17     whatever it be, we know and we can adapt according to the  
18     best information possible at that point in time.

19             So, you know, that's one of the reasons I -- I  
20     appreciate the approach that Director Regan, Director  
21     Agsalog and Director Baz is taking this morning, whereby  
22     it's a working document. You know, we're -- we're finding  
23     ways of how to make this a useful tool to get the best end  
24     result, Chairman. So thank you.

25             CHAIR WHITE: You know, from a liability



1     standpoint, we have to have a list, an accurate list of  
2     every single vehicle. And if it's not on the list to be  
3     insured, and it gets into an accident, then the County is  
4     totally on the hook without any --

5             VICE-CHAIR HOKAMA: I'm just trying to reduce work  
6     for our Committee, Chairman.

7             CHAIR WHITE: Yeah. So, Mr. Agsalog, I --

8             MR. AGSALOG: Thank you, Mr. Chair. And -- and,  
9     again -- and that's why the -- my comments about the timing  
10    of the reporting is important because of the insurance. If  
11    I wait until we submit the Budget, our insurance, we buy it  
12    sometimes in December. So the submittal that I receive in  
13    August from the Department, that they notarize, that these  
14    are their assets, I can (inaudible) it to the purchasing of  
15    the insurance at the end of the year, Mr. Chair. So I  
16    think, again, my request would be the reporting timing,  
17    instead of going with the Budget, and then the Department  
18    can justify, between August and December, whatever they want  
19    to replace, then when they come for the budget deliberation.

20            Again, Mr. Chair, I really, really appreciate an  
21    effort coming from you to look into this, because it's an  
22    enforcement issue. But I will put a lot of importance of  
23    what the Managing Director's Office has done.

24            Even in the absence of this proposed ordinance,  
25    the Office of the Managing Director have collected a lot of

1 data as far as vehicle is concerned. (Inaudible) has been  
2 inventoried properly. And as you heard the GPS giving us  
3 more data and more data. And, again, it's work in progress,  
4 but I think if we put the work that's going on right now  
5 with the current proposal, we can have a wholesome approach  
6 to this inventories that we need to take care, Mr. Chair.

7 CHAIR WHITE: Mr. Agsalog, what -- what date would  
8 you like us to put in here to replace the -- the date that  
9 currently calls for the time of the annual Budget submittal?

10 MR. AGSALOG: Mr. Chair, I -- I am required to  
11 have an updated record for your review by 45 days after the  
12 end of the fiscal year. So anytime, you can come to Finance  
13 Department and look at our inventory (inaudible).

14 CHAIR WHITE: Okay. So if we just said at the end  
15 of the calendar year, which is about when you're buying the  
16 insurance, anyway?

17 MR. AGSALOG: Yes, sir.

18 CHAIR WHITE: Okay. So that would work?

19 MR. AGSALOG: That would work, Mr. Chair.

20 COUNCILMEMBER VICTORINO: Mr. Chair?

21 CHAIR WHITE: Yeah. Mr. Victorino.

22 COUNCILMEMBER VICTORINO: Thank you. And, you  
23 know -- and I appreciate all what has been done and what  
24 Mr. Hokama and my colleagues' comment, but I have a question  
25 because, you know, a statement was made by Mr. White saying

1 that if you don't have all the vehicles listed, they  
2 wouldn't be covered under the policy. My question to you  
3 is, does the -- the County uses -- use Code 1 or Code 8 as  
4 far as listing of vehicles? And you may not even know what  
5 that means. And I didn't think so.

6 UNIDENTIFIED SPEAKER: I don't.

7 COUNCILMEMBER VICTORINO: Yeah. Well, and --  
8 and -- and I'm gonna request -- I wanna put a letter out to  
9 you, Mr. Chair. And I don't know if that goes to  
10 Mr. Hokama, who to, but I would like a overview of the  
11 insurance itself, because I think it's time to look at that.

12 Because if you have a Code 1, that means, on a  
13 commercial policy, every vehicle you use is covered. You  
14 use is covered. You don't even have to list it, it's  
15 covered. But it would be covered for the least amount of  
16 coverage you'd have. So, in other words, if it was a brand  
17 new car, for example, it was a 2014 model, and you have 1979  
18 Ford pickup, which has just basic liability or the liability  
19 only and no comp and collision, that's the extent the  
20 coverage you'd have.

21 Now, again, I don't wanna profess to be an expert,  
22 but my line of work tells me these things, see. So I would  
23 -- and I'll put forward a letter to you, Mr. Chair, and I  
24 don't know where it would go from there, or maybe to the  
25 Administration, requesting an -- review of the types of

1 insurance we carry for our motor vehicle. I don't think  
2 that's ever been done in all the years I've been in this  
3 Council.

4 And you brought up a good point when you said, if  
5 it's not listed, it's not covered. Well, if we have the one  
6 code absolutely wrong, you know -- but if we have another  
7 code, like 8, absolutely correct. So it depends on that  
8 code. And I would have no idea unless we reviewed it. And  
9 I think it's good for the -- all the Members to understand  
10 what each one meant. And maybe we can bring Risk Management  
11 up here and review that with us. So I will put a -- a  
12 request for that, a PF2. You know, I don't know if it'd go  
13 you, or Mr. Hokama because that's Policy. I'm not sure  
14 which Committee. Let that be decided by the powers to be.

15 CHAIR WHITE: I'll have -- I'll have Staff  
16 initiate a letter to them on your behalf.

17 COUNCILMEMBER VICTORINO: Okay. Yeah, please.  
18 'Cause I -- I -- I think it's sort of an important item.  
19 Since you brought it to my attention --

20 CHAIR WHITE: No.

21 COUNCILMEMBER VICTORINO: -- I went --

22 CHAIR WHITE: It's a good -- I think it would be a  
23 good -- good thing for us all to --

24 COUNCILMEMBER VICTORINO: Yeah.

25 CHAIR WHITE: -- understand.

1 COUNCILMEMBER VICTORINO: To understand what kinda  
2 coverages we have. And there's some others that I -- I  
3 would like to discuss at a later time, but it's not a time  
4 and place for it. But, you know, we go along understanding  
5 what we think we know, but there's times when there's such  
6 differences between deductibles and co-payments and -- you  
7 know, there's so many differences that it'd be good for the  
8 Members to understand, when something occurs, what this will  
9 ultimately mean to us, the County, and to the taxpayers.

10 'Cause the insurance coverage will be very different from  
11 incident to incident, as we have been well made aware of.

12 CHAIR WHITE: Right.

13 COUNCILMEMBER VICTORINO: So, anyhow, thank you,  
14 Chair.

15 CHAIR WHITE: Thank you. Okay. Mr. Guzman, any  
16 thoughts?

17 COUNCILMEMBER GUZMAN: None so far, Chair. I --  
18 I'm of the opinion of supporting ordinances over policy or  
19 plans at this point because it's substantive law. So in any  
20 case, if there's a way to somehow incorporate some of the  
21 policies that are in the -- the Maui Administrative Vehicle  
22 Policy into the ordinance, that would be satisfactory for  
23 me. But I have to do a comparison at this point between the  
24 two. Thank you, Chair.

25 CHAIR WHITE: Yeah. I think -- I think it would

1 be appropriate for us to take a look at working with the  
2 Administration on the procurement justification language to  
3 make that dovetail.

4 COUNCILMEMBER GUZMAN: Right.

5 CHAIR WHITE: So I think that would be  
6 appropriate. Any other items that you feel we should be  
7 adjusting? If not, Mr. Victorino?

8 VICE-CHAIR HOKAMA: Chair? Chairman?

9 CHAIR WHITE: Oh.

10 VICE-CHAIR HOKAMA: If you don't mind.

11 CHAIR WHITE: Yeah, please, Mr. Hokama.

12 VICE-CHAIR HOKAMA: I just wanted the Members --  
13 I'm sure the departments are aware. This is, basically,  
14 your nonspecialized vehicles only.

15 CHAIR WHITE: Right.

16 VICE-CHAIR HOKAMA: The Police has their certain  
17 unique needs. And this does not in any way impede the  
18 Department from going for the unique specialized equipment  
19 that is critical for either first responder -- I mean, you  
20 know, this won't affect Fire and their needs for certain  
21 ladder equipment or tanker equipment. We're talking about  
22 the nonspecialized vehicles, basically, only with this  
23 proposal, Chairman.

24 CHAIR WHITE: Right. Thank you for that  
25 clarifying. Mr. Victorino.

1           COUNCILMEMBER VICTORINO: Exactly what I was gonna  
2 ask. Mr. Hokama beat me to the punch on that one. So thank  
3 you very much. Exactly what I was gonna ask about the  
4 specialized vehicles, both for Fire, Police, emergency  
5 services. Also, I guess, Water and -- and various  
6 departments that have different types of vehicles that are  
7 specialized to the unique situations they may be running, or  
8 emergency services or water main breaks. You know, I just  
9 saw them working down here on Wakea Avenue. And I hoped --  
10 I talked to the Department to see if they can level off that  
11 big bump they made 'cause the big water break -- water main  
12 break at the corner of Wakea and -- I'm not sure what the  
13 side street was, Hina or something. Anyhow -- anyhow, so,  
14 yeah. Thank you. That's -- that was my question,  
15 Mr. Chair. And Mr. Hokama covered it. Thank you.

16           CHAIR WHITE: Okay. Thank you. Mr. Guzman.

17           COUNCILMEMBER GUZMAN: Thank you, Chair. Just  
18 going back to 3.14.080, authority to withhold the salary.  
19 So the enabling statute is HRS 103-1209. Are we going to  
20 send out a request for Corporation Counsel to do a case law  
21 whether -- research or anything like that for Westlaw, to  
22 see if there's any cases out there? It's -- it is an  
23 enabling statute. We can do it. It's just that has it been  
24 challenged in the past. And if there's any court opinions,  
25 that -- case law we would call it, that would direct us in

1 -- in refining the language here so that we are in  
2 compliance.

3 CHAIR WHITE: The Chair's thought on that is that  
4 this is just one area of performance. And if it's important  
5 for us to give the Administration a tool of withholding  
6 salary, which I think is -- it's a unique way of doing it,  
7 and -- and probably a fairly effective one, should that be  
8 applied to other performance issues. I don't know. The  
9 Chair would be happy to send a letter to Corp. Counsel  
10 requesting an opinion on that.

11 COUNCILMEMBER GUZMAN: Thank you. And when you --  
12 when you receive the correspondence from Corporation  
13 Counsel, do you then transmit it to the Committee?

14 CHAIR WHITE: We'll transmit it to the Committee.

15 COUNCILMEMBER GUZMAN: Okay.

16 CHAIR WHITE: Right.

17 COUNCILMEMBER GUZMAN: Thank you.

18 CHAIR WHITE: Any further discussion on this,  
19 Members? I wanna thank you all for your input. And we will  
20 work with the Administration on the -- the wording on the  
21 procurement justification, and do some other -- other  
22 changes and check on the State law, and we'll get back to  
23 you on this. So without objection, the Chair would like to  
24 defer this measure.

25 COUNCIL MEMBERS: No objections.



1           **ACTION: DEFER pending further discussion.**

2           CHAIR WHITE: And, Members, let's take a -- take  
3 our morning break, then we'll get into the -- the Budget  
4 items. So we'll be in recess until 10:15. Recess.  
5 ... (gavel)...

6           **RECESS: 10:01 a.m.**

7           **RECONVENE: 10:20 a.m.**

8           **ITEM NO. 4(1): FISCAL YEAR QUARTERLY REPORTERS (FISCAL YEAR**  
9   **2014) (CC 14-30, 14-42)**

10           CHAIR WHITE: ... (gavel)... The Budget and Finance  
11 Committee meeting will reconvene. And we will -- before we  
12 move on to BF-4, the Chair would just like to -- I think it  
13 was pretty clear, but, without objection, Chair will defer  
14 the previous item.

15           COUNCILMEMBER COUCH: (Inaudible).

16           COUNCILMEMBER COCHRAN: Yeah, no objections.

17           CHAIR WHITE: Okay. We're moving on to item  
18 BF-4(1), which is the Fiscal Year Quarterly Report. And we  
19 have with us Mr. David Goode, Director of Public Works. And  
20 we will start on Page 107 of the Fiscal Year Quarterly  
21 Report from the Director of Finance.

22           And, Members, the -- the purpose of this review is  
23 to have Mr. Goode explain, especially the older -- the older  
24 grants or GO Bond Funded or General Funded items that are  
25 more than three or four years old, just to be sure that we

1 are lapsing things that should be lapsed and maintaining  
2 funding for things that have -- for projects that are not  
3 yet complete. So, Mr. Goode, if -- if you will just lead us  
4 through this with an eye on items that are older than 2010.  
5 So 2009 and down. Mr. Baz?

6 MR. BAZ: Mr. Chair, the -- the numbering system  
7 for the grant programs, Grant Revenue, the second digit is a  
8 fiscal year reference. So for Public Works, the first item,  
9 106571 would be a Fiscal Year 2010 item. That's the general  
10 numbering form there. So that's where you see 11 -- the  
11 next one is a Fiscal Year '11 project. The next one is a  
12 Fiscal Year '13 project. That's how those work. There's --

13 CHAIR WHITE: Okay.

14 COUNCIL MEMBER: 19 is 2009?

15 MR. BAZ: Correct.

16 CHAIR WHITE: But on the next page, we have items  
17 of the same index number, but the next numbers go up to 16,  
18 17, 18 and 19.

19 MR. BAZ: Yeah, Mr. Chair. So those Department of  
20 Transportation ones that you're looking at are old.

21 CHAIR WHITE: Okay. If you start -- if you look  
22 at 14 -- for example, 146278, Rural Transit Assistance  
23 Program is '04.

24 MR. BAZ: Correct.

25 CHAIR WHITE: So would it be appropriate for us to

1 start at that level? Because it looks like the -- the ones  
2 above that are more recent.

3 MR. BAZ: Yes, Mr. Chair, that would be  
4 appropriate. That would be the Department of Transportation  
5 manages these Federal grants.

6 CHAIR WHITE: Okay.

7 VICE-CHAIR HOKAMA: Chairman?

8 CHAIR WHITE: Yes, Mr. Hokama.

9 VICE-CHAIR HOKAMA: If I can go back to 107,  
10 please. And Mr. Baz brought up the -- the 2010 project,  
11 which is a bridge inspection and appropriation. So I notice  
12 we have just a few dollars left, \$2,200, and we have it  
13 encumbered, a 2010 project. When does these things get  
14 taken off the books?

15 MR. BAZ: Yeah, Mr. Chair. Member Hokama,  
16 there -- even though that there may be a carryover, prior  
17 year balance, that doesn't necessarily mean the balance is  
18 available. The grantor would control whether or not the  
19 project period is still valid. So there is, right now --  
20 Department of Finance -- unless they're told by the  
21 departments that manage the grants, that those grants are  
22 expired or closed out, they would remain on the finance  
23 report, even though the money is not theoretically still  
24 available.

25 This is an issue -- and the Director of Finance

1 has lobbied myself and the -- the Mayor to add a position  
2 into the Fiscal Year '15 Budget specifically for Grant  
3 revenue to be able to work with the departments and -- and  
4 manage these as well as our Federal grants reporting, to  
5 make sure that we are in compliance with our reports and  
6 don't lose the ability to receive Federal grants.

7 VICE-CHAIR HOKAMA: This is done all by each  
8 Department currently, right?

9 MR. BAZ: Correct.

10 VICE-CHAIR HOKAMA: Is there a procedural issue we  
11 need to be aware of, Mr. Goode? I mean, is it -- you know,  
12 I mean, obviously, it's a Federal process, but I -- I don't  
13 understand what takes so long to get the projects -- say,  
14 okay, you did what you applied for, all of your documents is  
15 okay, so we'll close the -- we'll close this file.

16 MR. GOODE: Mr. Chair? Mr. Hokama, on -- for --  
17 for us, for Public Works, we have that -- the first item  
18 here, this bridge inspection, looks like FY10. So I'm not  
19 very intimately familiar with this one. And, interestingly,  
20 the -- I guess we had \$2,200 left in this. What we -- what  
21 we've done in Public Works -- and Engineering Division has  
22 the majority of all these projects -- is that the last  
23 couple of years, on an annual basis, we've gone through all  
24 our outstanding projects, and those that have -- those that  
25 are done, we work with Finance just to get 'em off the

1 books. I think that's why you see our list here is pretty  
2 small. And maybe these first two escaped that review. But,  
3 I mean, we do -- I mean, on a Federal construction site, \$15  
4 million a year. So if we have a \$2,200 item here, I think  
5 we can probably get rid of those pretty quickly. So,  
6 generally, we have --

7 VICE-CHAIR HOKAMA: Well, my thing -- either  
8 that -- you know, Mr. Director, is that you would tell us,  
9 re -- you know, it's reprogrammable and we would put -- tell  
10 you to put all these small balances into this one project.

11 MR. GOODE: You know, like Mr. Baz said, it  
12 depends on what the -- the grantor was granting. And if it  
13 was -- had to be used for a specific purpose, then maybe the  
14 monies are not even available. So what we'll have to do is,  
15 I guess, pull the file on this one, see where we're at, see  
16 if some of those funds can be rolled over. And if they can,  
17 we would seek to do that.

18 VICE-CHAIR HOKAMA: And, currently, this is your  
19 Engineering Division that takes the responsibility to have  
20 oversight of these type of projects?

21 MR. GOODE: Yes.

22 VICE-CHAIR HOKAMA: Okay. Thank you. I'm done.  
23 Thank you.

24 CHAIR WHITE: Uh-huh. Thank you. Okay. Moving  
25 on to Item 146278, looks like the -- a similar situation

1 where there's no current year expenditures for that and the  
2 following item. Mr. Goode.

3 MR. BAZ: Mr. Chair?

4 CHAIR WHITE: Yeah.

5 MR. BAZ: These are Department of Transportation,  
6 Ms. Winer's --

7 CHAIR WHITE: Oh, I'm sorry. Okay.

8 MR. BAZ: -- responsibility. But, yes, those  
9 would be -- the RTAP money is money that's federally  
10 available each year. So it looks like they need to do the  
11 same thing that the Engineering Division of Public Works has  
12 done, is go through these lists and see which ones have  
13 completely expired, and -- and let the Department of Finance  
14 know that they're no longer available.

15 CHAIR WHITE: Okay. And that -- looks like that's  
16 it on the grants for Public Works? Is that correct,  
17 Michele? Okay. So we'll next move to --

18 COUNCILMEMBER COCHRAN: Wait. Wait.

19 CHAIR WHITE: I'm sorry.

20 COUNCILMEMBER COUCH: Mr. Chair?

21 CHAIR WHITE: Mr. Couch.

22 COUNCILMEMBER COUCH: 136664 from Public Works, is  
23 that -- is that you guys?

24 MR. GOODE: Yes.

25 COUNCILMEMBER COUCH: The Old Haleakala Highway

1 Sidewalk?

2 MR. GOODE: Uh-huh.

3 COUNCILMEMBER COUCH: Where there's nine  
4 hundred -- \$1 million without -- with a balance available  
5 from a two -- Fiscal Year 2013?

6 MR. GOODE: Yeah. These -- these are State funds.  
7 This was put in the State Budget. And then we work with the  
8 State to release those monies to the County. They were --  
9 there's a proviso that we had to have a County match. So we  
10 worked out an arrangement with them that we would match. We  
11 came to the Council, came to this body, you gave us the  
12 match. This is for construction. So we're just wrapping up  
13 design. We're actually going out to bid real soon. So I'd  
14 expect by this time next year, at the latest, those funds  
15 would be expended.

16 COUNCILMEMBER COUCH: Okay. So it's -- it's not  
17 gonna expire or -- or lapse or --

18 MR. GOODE: No.

19 COUNCILMEMBER COUCH: -- anything?

20 MR. GOODE: No.

21 COUNCILMEMBER COUCH: Okay. Cool. Thank you.

22 CHAIR WHITE: Good question. Okay. Moving to  
23 Page 114, bottom -- yeah, the bottom of the page, Public  
24 Works, Plan Review Revolving Fund. I guess the -- the  
25 question in this fund would be -- the expenditures

1 year-to-date amount to about \$440,000, and the -- the fund  
2 is showing an available balance of about 4.3 million. And  
3 so, Mr. Baz, is there --

4 MR. BAZ: Yeah.

5 CHAIR WHITE: Is there a way that we can use these  
6 funds for other purposes, or are they just locked into --

7 MR. BAZ: Mr. Chair, these funds are received by  
8 people who are applying for building permits. This is the  
9 plan review check. They pay for those -- those fees for  
10 that purpose. So there would be a restriction of use of  
11 that funds for anything other than that. The Department  
12 does propose using it on a regular basis to do --  
13 involvement of work for DSA. So during the Budget  
14 deliberations, we have that in the actual Budget document of  
15 what they're gonna be spending during the next fiscal year.

16 CHAIR WHITE: Okay. Because the -- the Chair's  
17 concern is if we're gonna continue to have an overage of  
18 collection, then we should -- we should be reducing the fee.  
19 Or if we have -- if we're -- if we're not covering the  
20 majority of the positions in DSA with these monies, then --

21 MR. BAZ: Mr. Chair, from my recollection, there  
22 was a time period where this fund was not being utilized as  
23 -- for expenditures, and the General Fund was covering the  
24 costs. And maybe Member Hokama can remember, there was --  
25 and then they finally started using this fund for the



1 purposes which it was enacted.

2 CHAIR WHITE: Roughly how long ago was that, that  
3 you -- that we started expending it?

4 MR. BAZ: Mr. Goode thinks it was about 10 or 12  
5 years ago.

6 UNIDENTIFIED SPEAKER: It's called LUCA, which is  
7 the old --

8 UNIDENTIFIED SPEAKER: Land Use and Codes.

9 MR. BAZ: Yeah. So they have been from -- and  
10 don't quote me, but I believe that they've been utilizing a  
11 little bit more or right about the amount they collect each  
12 year. So while there may be a corpus there that exceeds,  
13 you know, a certain amount, I believe that they're utilizing  
14 about what they receive each year, or a little bit more.

15 CHAIR WHITE: Are we applying this to all of the  
16 appropriate positions?

17 MR. BAZ: Yes.

18 CHAIR WHITE: And there are no -- there are no  
19 other positions that it could be applied to?

20 MR. GOODE: Mr. Chair, I'm not sure of the exact  
21 proportion, but I'm gonna guess roughly half of the  
22 positions in DSA are funded through this fund. The other  
23 half are General Funded. So you'll see -- (inaudible) --  
24 well, you'll have the Budget here pretty soon. You'll see  
25 building inspectors, plumbing inspectors, electrical

1 inspectors, plan review staff, other clerical staff, all  
2 related to permit and plan review functions come out of this  
3 fund. If my recollection is correct, too, is that we're  
4 spending roughly what we receive, but there is a balance in  
5 the overall fund because it's a Revolving Fund.

6 Do keep in mind that, unlike gas taxes and  
7 property taxes and other source of revenue, this is a highly  
8 volatile -- relatively volatile fund. And so year to year  
9 fluctuations, you know, come and go with the construction  
10 economy. So we like having a backup of funds available  
11 should things change.

12 CHAIR WHITE: Yeah. And it has been quite  
13 volatile. Okay. Members, any further questions on that  
14 item?

15 VICE-CHAIR HOKAMA: My thing, Chairman, is, you  
16 know, the purpose of the original fund was to, at that point  
17 in time, break the bottleneck on processing. This was to  
18 help expedite review and approval of plans. You know, this  
19 wasn't supposed to be just a change of revenue stream on how  
20 to pay for those positions; it was to expedite processing,  
21 which everyone has their opinion on the success of it.

22 But I would say I would agree with the Director,  
23 we should save some of that money in the pot, but if it's  
24 not achieving the goals that it was originally legislated  
25 for, which was to expedite processing and giving applicants

1 a decision sooner than later, then we should consider  
2 whether or not we need to adjust the -- the fund -- the  
3 language and the use of those funds. But that was the  
4 original intent.

5 CHAIR WHITE: Okay. Thank you. Other questions,  
6 Members, or comments?

7 COUNCILMEMBER COUCH: Yeah, Mr. Chair.

8 CHAIR WHITE: Pardon?

9 COUNCILMEMBER COUCH: Yeah.

10 CHAIR WHITE: Go ahead.

11 COUNCILMEMBER COUCH: So, Mr. Goode or Mr. --  
12 probably Mr. Goode, since we have this much and you are  
13 working on -- I'm guessing things are gonna start picking up  
14 here pretty soon. You may need to expedite things a little  
15 bit more, so might be needing another body or two. Would it  
16 be something in here that you can use that for without  
17 having to raise fees, until that gets spent down and then  
18 potentially raise fees? If we're making just about what  
19 we're collecting, might this be the time to get people in  
20 and get 'em ready to work more towards the -- I can't  
21 remember where we saw it, but they're looking towards the  
22 one-stop shop kinda thing, start working towards that model.

23 MR. GOODE: Mr. Chair and Mr. Couch, I guess the  
24 way I'd like to respond to that is a few things. One is,  
25 come back to the volatility, right? And so if we staff for

1 higher volatility, we're gonna have a lot of people when it  
2 does this. And -- and you know, in Civil Service, it's  
3 difficult to move people out. So, ideally, you wanna staff  
4 somewhere in between where, you know, there's gonna be  
5 periods of time where you have heavy workload, and maybe our  
6 review times are a little bit longer, and periods of less  
7 workload and our review times are shorter.

8 You know, I recall, too -- and I agree with  
9 Mr. Hokama -- the original intent of the fund and some of  
10 the fees were to hire more folks. And we did that 20-plus  
11 years ago.

12 And so if you look at -- and you can see this, I  
13 think, when you look at your performance measures, is that  
14 the review time for -- for a permit, say a building permit,  
15 the review time within DSA, plan review, is -- is excellent.

16 That permit goes to all other departments, right?  
17 So we don't control review time of the other departments.  
18 We've been working with them, the ordinances that we passed  
19 here, to have the 30-day time limit. It was all working in  
20 the right direction. Everyone's focused on it, and it's  
21 getting better.

22 But you'll see this fee did add positions years  
23 ago. And our review times are -- are pretty darn low. So  
24 even if our review times within DSA go up by 20 percent  
25 because of the workload, we're still gonna be better than --

1 well, actually, I hope -- I hope they all catch up and --  
2 you know, we gotta get better. But I think we'll be within  
3 the 30 days. So that's -- really, to me, that's -- that's  
4 the target, right? We meet the 30 days, we're fine.

5 So what we'd like to do, then, is look at our  
6 entire workload in DSA. We're getting lots of request for  
7 service. Okay. That's the internet-based request, phone  
8 calls, whatever, come look at this, there's an illegal this  
9 or that, I want -- what's all the records on my property,  
10 I'm trying to sell it. That workload has -- has gone up  
11 significantly over time. And that's where the division,  
12 under Glenn Ueno, who is -- is really looking hard, okay,  
13 what is it we do, what are we providing services, where do  
14 we need help, you know, and directing resources towards  
15 where it's needed.

16 So -- so, right now, we're not in a position to  
17 say, well, we think there's gonna be more work so we need  
18 more people in this area. If we're meeting our mandate  
19 already, let's look at the other areas where perhaps we need  
20 folks. So it's -- it's -- it's being analyzed and -- and I  
21 know -- I'm confident we'll do the right thing with the  
22 money.

23 COUNCILMEMBER COUCH: Oh, no doubt. I'm just  
24 curious. I mean -- and I just saw it just a couple days  
25 ago, too, about there's a -- supposed to be a push to go

1 towards a one-stop shop permitting area. And this might be  
2 a way to facilitate that with the other departments. You  
3 might be able to use this because if we get a one-stop,  
4 where somebody from every department's there, right there,  
5 so that we can do this, this might be a way to handle that,  
6 because it is part of plan review.

7 MR. GOODE: Yeah, it -- it could be. We've -- we  
8 have used the fund in the past to handle some capital type  
9 improvements. So, say, within the offices down there, when  
10 we redid them a number of years ago, we used the fund for  
11 that. We've used the fund for vehicle purchases. We have  
12 to rotate our fleet. Our inspectors do put a lot of miles  
13 on their vehicles. So the fund has been available and used  
14 for those purposes. So if the one-stop shop is something  
15 that we're pointing towards, it's gonna require the physical  
16 space.

17 COUNCILMEMBER COUCH: Right.

18 MR. GOODE: Maybe some reconstruction. This fund  
19 has been used in the past for those types of activities.

20 COUNCILMEMBER COUCH: Okay. Thank you, Chair.

21 CHAIR WHITE: Yeah. Just to put a perspective to  
22 that is some numbers that I was working on to help convince  
23 the Legislature to give us -- or remove the cap on our TAT  
24 because the neighbor islands are not doing -- are not  
25 rebounding anywhere near as quickly as Oahu. To put it in

1 perspective, on the number of permits issued, we are below  
2 the peak in our -- in the previous 10 years, we're below the  
3 peak by 77 percent. In 2013, there were 355 permits  
4 authorized, and the high was in 2004 at 1,554. So to the  
5 Director's point, we already have staff to handle that  
6 level. And, obviously, it's -- it's changing as the -- as  
7 the -- the phone calls change.

8 By comparison, Oahu is -- is down 35 percent from  
9 their peak. If you look at the 10-year average, 2013  
10 compared to the 10-year average, Oahu is up by 5.4 percent.  
11 And the neighbor island counties are down as follows: The  
12 County of Hawaii is down 68 percent; Kauai is down 68; and  
13 we're down 61 percent.

14 So we got a long way to go to grow back. And --  
15 and as the -- as to the value, this is, again, comparing  
16 2013 to two thousand -- no, to the prior 10 years average.  
17 Oahu is up \$443 million or 31 percent over the 10-year  
18 average. Hawaii is down 194 million or 30 percent. Kauai  
19 is down 92 million or 52 percent. And Maui is down 168  
20 million, or 34 percent. So we got -- we got a long way to  
21 go before we get back to the -- the level of -- of capacity  
22 that -- or using the capacity we have. So -- but good  
23 question.

24 Any further questions for Public Works? We have  
25 the Subdivision Construction Revolving Fund. Doesn't look

1 like that's put to much use. Is there an intent to use that  
2 in the upcoming Budget?

3 MR. GOODE: Mr. Chair, I honestly don't -- I can't  
4 recall, so I'd have to get back to you on that one.

5 CHAIR WHITE: Okay.

6 MR. GOODE: Or we can discuss it at Budget.

7 CHAIR WHITE: That's fine. Okay. Moving to the  
8 next item, we'll move to -- oh, boy -- the Capital  
9 Improvement Projects Report, which is at the -- at the back  
10 of the report. And this has no page number that I can see.  
11 It's under 13-901, Drainage, that the Public Works section  
12 starts.

13 MR. BAZ: Mr. Chair?

14 CHAIR WHITE: Yeah.

15 MR. BAZ: While -- I was gonna say, while  
16 everybody is looking at that, I have a response for that  
17 Subdivision --

18 CHAIR WHITE: Okay.

19 MR. BAZ: We do have -- we spend about -- we're  
20 proposing about \$10,000 expenditures out of that fund --

21 CHAIR WHITE: Okay.

22 MR. BAZ: -- next year.

23 COUNCILMEMBER COUCH: Mr. Chair?

24 CHAIR WHITE: We don't wanna run it dry in less  
25 than -- that will last us 50 years.



1 MR. BAZ: Something like that, yeah.

2 CHAIR WHITE: Okay.

3 COUNCILMEMBER COUCH: Mr. Chair, you're looking at  
4 the Capital Improvement Projects Report (Excluding  
5 Department of Water Supply) as of 12-31-2013?

6 CHAIR WHITE: Correct.

7 COUNCILMEMBER COUCH: And Page 7, is that what  
8 you're looking at? Pages are on the bottom.

9 CHAIR WHITE: Oh, I'm sorry. I have my -- I have  
10 my tab covering the page number.

11 COUNCILMEMBER COUCH: Is that the one you're  
12 looking --

13 CHAIR WHITE: Page 1.

14 COUNCILMEMBER VICTORINO: Page 1, yeah.

15 CHAIR WHITE: Yeah.

16 COUNCILMEMBER COUCH: Page 1, okay.

17 COUNCILMEMBER VICTORINO: The Drainage,  
18 Paia-Haiku, that's the one, right?

19 CHAIR WHITE: Correct.

20 COUNCILMEMBER VICTORINO: Okay.

21 COUNCILMEMBER COUCH: Oh, I thought he said  
22 13-904.

23 CHAIR WHITE: So if you go down to the  
24 Wailuku-Kahului Community Plan area, Aleo Place Drainage  
25 Improvement, it's 2005, and there's an encumbrance of

1 \$48,982. And then the Iao Stream improvements, there's an  
2 encumbrance of 140 -- roughly 148,000, and dated 2007.

3 MR. GOODE: Mr. Chair, I think Aleo Place is  
4 finished, so I'd have to dive into this more. And then Iao  
5 Stream, I'm not sure -- this is a 2007 project. I'm not  
6 sure which -- which improvement this was in -- in the stream  
7 area, but I -- I know we're not doing any work there  
8 currently. So it may be there was some design work related  
9 to determining some new flow rates, it might be related to  
10 that, but I'd have to dive into it more and get back to you.

11 CHAIR WHITE: Okay. Yeah. The reason that I  
12 highlighted those is there's no current year expenditure on  
13 either one of those, so -- then the Kihei Drainage Master  
14 Plan is another example where we have no current year  
15 expenditure, and the -- the date is 2005, and the remaining  
16 encumbrance is about \$24,500.

17 MR. GOODE: Yeah, this -- this project, I know, is  
18 ongoing. Maybe they just haven't been billing us very  
19 regularly. But last I heard from staff, we were about 75  
20 percent complete, and -- or perhaps more than that, so -- I  
21 know this is an ongoing project and we're pursuing it. They  
22 maybe just haven't billed us recently.

23 CHAIR WHITE: Okay. Members, other questions on  
24 that page for Mr. Goode? Okay. We'll move on to Page 2.  
25 Under Kaunakakai Drainage Improvements, we have a 2006 and

1 2007 GO bonded project totaling -- well, with encumbrances  
2 of 278,000 for one, and 2 million for the other. And I  
3 guess the -- the question on that, since this project is so  
4 old, at -- at what point do we -- we spent 20 bucks on one  
5 of them and nothing on the other, but at what point -- and I  
6 guess this is a question for Mr. Baz, but at what point do  
7 we ask for the projects to be reauthorized?

8 MR. GOODE: Mr. Chair, if I --

9 CHAIR WHITE: Mr. Goode, okay.

10 MR. GOODE: Maybe I can answer this. At least  
11 kind of get a status to where we're at with this. We -- we  
12 stopped the contract on this. There's -- there was  
13 significant design issues that were encountered at the  
14 initiation of construction. So we tried to work through  
15 those in a variety of different ways, and finally decided  
16 that we couldn't mitigate it and we had to move --  
17 basically, move the entire project to another location. So  
18 we're in the process of determining what is owed to the  
19 contractor for the little bit of work that was done. And  
20 then we would come back to this -- to this body. I can't  
21 remember if we had it in the 2015 Budget or '16, but we need  
22 to do some redesign and -- and construct again. So,  
23 eventually, all -- a lot of this is gonna lapse and come  
24 back as a new project.

25 CHAIR WHITE: Okay. Just -- just a question for

1 Mr. Baz. Would this necessarily lapse and then you come  
2 back in for a different authorization, or would the -- would  
3 the Budget Request be in -- in addition to these numbers?

4 MR. BAZ: I'd have -- for this specific one, I'd  
5 have to look at -- at the details of that, but, in general,  
6 the CIP projects, as long as there's a contract in place  
7 that is valid, the money does not lapse.

8 So the Department has the option of extending  
9 contracts, you know, for the performance period, you know,  
10 as long as it's a reasonable amount. And Corporation  
11 Counsel has to review that, and Director of Finance will  
12 have to review that. So there has to be valid reasons to  
13 extend the contract, but they will remain in place as long  
14 as it's been extended. If it hasn't been extended, then it  
15 will eventually lapse.

16 CHAIR WHITE: Okay. But in this case, where  
17 they're -- they're moving the location, but the -- but the  
18 project is essentially the same project, it -- it would  
19 appear that you would just be coming back for the additional  
20 funding, if there's a -- if there's a need for additional  
21 funding. Is that correct?

22 MR. BAZ: Yeah. Theoretically, yeah.

23 CHAIR WHITE: Okay.

24 MR. BAZ: As long as the current contractor is  
25 amenable to that. We'd have to -- 'cause if they're not

1     amenable -- we have had opportunities where -- which you'll  
2     hear about during Budget Session, where we had to  
3     disencumber the contract with the contractor because they  
4     did not comply with what our requests were.

5             CHAIR WHITE:   Okay.

6             VICE-CHAIR HOKAMA:  Chairman?

7             CHAIR WHITE:  Mr. Hokama.

8             VICE-CHAIR HOKAMA:  In those instances, Director  
9     Baz, do we put the contractor on notice that we may not  
10    allow them to bid on future County work since, you know,  
11    obviously, it's not a relationship that works out well for  
12    us.

13            MR. BAZ:  Mr. --

14            VICE-CHAIR HOKAMA:  I mean, I get problem with us  
15    using certain contractors that always don't do punch lists,  
16    always underbid, and come back with 10,000 change orders,  
17    you know.  I get issues with certain companies.

18            MR. BAZ:  Yeah, Mr. Chair.  And from a management  
19    perspective, we have those -- those same issues.  There are  
20    disbarment proceedings that we could utilize, but, to my  
21    understanding, I don't think we've ever used a disbarment  
22    proceedings.

23            VICE-CHAIR HOKAMA:  Either that or we're happy to  
24    consider an ordinance proposal, besides this disbarment, as  
25    a tool for the County to deal with non-responsive

1 contractors, if I could put it that way.

2 MR. BAZ: Yeah. We'd be amenable to that, for  
3 sure.

4 VICE-CHAIR HOKAMA: Okay. Thank -- thank you,  
5 Chair.

6 CHAIR WHITE: And then, Director Goode, under  
7 Countywide Drainage Improvements, there's a 2007 GO bond  
8 funded project. There's no current year expenditure and  
9 we've lapsed 215,000 of the \$500,000 initial -- or initial  
10 allotment. Is the 67,000 that's remaining going to be  
11 utilized or --

12 MR. GOODE: I'd have to look that one up.

13 CHAIR WHITE: Okay.

14 MR. GOODE: It's possible it's related to the one  
15 we just talked about, Kaunakakai.

16 CHAIR WHITE: Oh.

17 MR. GOODE: But I have to find out.

18 CHAIR WHITE: Okay. Okay. Members, any other  
19 questions for Mr. Goode on Page 2? Okay. We'll move to  
20 Facilities which -- on Page 4. And we have two items, 2008  
21 and 2009, with no current year -- under Haiku Fire Station,  
22 no current year expenditures. And we have roughly \$170,000  
23 encumbered. Do you have a status on that?

24 MR. BAZ: Mr. Chair, are you asking about the  
25 Haiku Fire Station?

1 CHAIR WHITE: Yeah. Is that just under the Fire  
2 Department, and not under --

3 MR. BAZ: That wouldn't be under --

4 CHAIR WHITE: -- Facilities.

5 MR. BAZ: -- Public Works; it would be under the  
6 CIP Coordinator in the Department of Management. That  
7 project was design funds. The design contract is still  
8 ongoing. They have completed the environmental assessment.  
9 I think they had an issue at OIQC so they were -- they had  
10 to re-submit it. I'm not sure of the current status of  
11 that, but there -- any money left over in an encumbrance  
12 item would be design funds for, usually, management of  
13 construction that wouldn't be expended until the  
14 construction is completed.

15 CHAIR WHITE: Okay. And then the next one I had a  
16 question about is the Wailuku Municipal Parking Lot, Fiscal  
17 Year 2010, allotment of \$1.2 million, and expenditure in  
18 prior years of 821,000. Can you share with us what was done  
19 with those funds -- or what -- what we bought with those  
20 funds, what we accomplished?

21 MR. GOODE: Yeah. Mr. Chair, those were Federal  
22 funds the County received. And we did an environmental  
23 assessment, we did the entire plans, and we -- I think we  
24 even got the building permit, so -- which is what the  
25 Federal funds were for. And then that -- that's as far as

1 we've -- as far as we went. So I think that project is  
2 complete.

3 CHAIR WHITE: So if the -- if the design is  
4 complete, does that mean that the \$378,000 amount is still  
5 available or will lapse or --

6 MR. BAZ: Mr. Chair, I kind of recollect the CIP  
7 Coordinator and -- and Planning Department discussing it.  
8 And that it was notified to the Federal Government that we  
9 would not be moving forward, so that money is no longer  
10 available.

11 CHAIR WHITE: Okay. Okay. Members, any other  
12 questions on Page 4? If not, move to Page 5.

13 COUNCILMEMBER COCHRAN: Sorry. Chair?

14 CHAIR WHITE: Yes, Ms. Cochran.

15 COUNCILMEMBER COCHRAN: In regards to Government  
16 Facilities, but I think, as Budget Director mentioned, that  
17 would be more for the CIP Coordinator. I'm just -- I  
18 thought I would be seeing something for West Maui in here,  
19 but I guess this upcoming Budget, such as Police Station or  
20 additional Fire facilities or anything of that nature.

21 MR. BAZ: Yeah. Mr. Chair, the -- and Member  
22 Cochran, the projects listed in here are ones that have been  
23 appropriated in prior fiscal years. So they don't include  
24 any requests for future.

25 COUNCILMEMBER COCHRAN: Oh, okay. Got it. Okay.



1 Thank you. Thank you, Chair.

2 CHAIR WHITE: Uh-huh. Other questions, Members?  
3 If not, move on to Page 5. And for Mr. Goode, the items  
4 start on the -- under Lanai Community Plan Area, Lanai  
5 Community Center, 2006. These numbers are a bit smaller.  
6 Have a 2006 encumbrance for 10,000, and 2008 for \$8,500.

7 MR. BAZ: Mr. Chair, I believe that will be the  
8 Parks Department.

9 CHAIR WHITE: Oh, okay. And dropping down to the  
10 Molokai Baseyard, 2009, there's an appropriation of \$2  
11 million, and, so far, we have spent 153,000 with no current  
12 year expenditure. Can you give us an update on the progress  
13 on that?

14 MR. GOODE: Sure, Chair. The Molokai Baseyard is  
15 actually something you're gonna see before you on the -- for  
16 the FY15 Budget. This is the one I think Mr. Baz was  
17 referring to earlier. We initiated construction, we had --  
18 we had some design issues, and then we had a proposal for a  
19 change order that we thought was too much. And so we asked  
20 for additional breakdown, and never received the additional  
21 breakdown to our satisfaction.

22 Simultaneously, we were undergoing design for the  
23 second phase of this project. We had bid out the first  
24 phase. Design for the second phase was substantially  
25 complete. In fact, we're in for building permit. So we

1 decided to stop -- stop work, go out to bid -- well, get it  
2 reappropriated, hopefully, in FY15, go out to bid for a new  
3 contract that would encompass Phases 1 and 2. So we think  
4 we're gonna get a better -- better pricing, it'll be a  
5 larger project, on a per square foot basis. And, also,  
6 we'll get it all done one time. So rather than building  
7 Phase I, moving in and then be subject to the ongoing  
8 construction within the baseyard, it'll all be done one  
9 shot.

10 So that's the reason that this will have the --  
11 the lapse.

12 CHAIR WHITE: Okay. Questions, Members?

13 COUNCILMEMBER CRIVELLO: Chair?

14 COUNCIL MEMBER: Chair?

15 CHAIR WHITE: Yes, Ms. Crivello.

16 COUNCILMEMBER CRIVELLO: So the contract with the  
17 first phase is kaput, I mean, nonexistent now?

18 MR. GOODE: It will be. We're wrapping up their  
19 -- they did do some work, so we wanna make sure that the  
20 work that they're -- that was accomplished, that they're  
21 paid for in accordance with the contract. So as soon as  
22 that's all done, then we'll -- that will be the final  
23 payment and the contract will be over.

24 COUNCILMEMBER CRIVELLO: And so when you say that  
25 they've asked for a change order, how much did that come up

1 to?

2 MR. GOODE: My recollection is the change order  
3 was like a million and-a-half.

4 COUNCILMEMBER CRIVELLO: Wow. Uh-huh.

5 MR. GOODE: And there were -- there were changes  
6 to the design that had to do with two things. One, our  
7 architect retired. The new architect had to do things. We  
8 had to get a new -- another architect. The architect had to  
9 do things to make it conform to, you know, what they wanna  
10 see, you know, so it works for us.

11 And then the ADA Guidelines changed. So as  
12 relates to certain improvements within the facility for ADA,  
13 we had to go back to the Commission on Persons with  
14 Disabilities, and get that redone.

15 So there were design changes. We just don't think  
16 they amounted to a million and-a-half. And we didn't get  
17 adequate backup to justify the change order.

18 So, like I said, we -- we made a decision, which I  
19 think is a good decision, to move forward and redo it and do  
20 it all one time, Phases 1 and 2.

21 COUNCILMEMBER CRIVELLO: Okay. I think we can  
22 appreciate that. But in the changes of the, I guess,  
23 combining Phase I and Phase II, is there a process that we  
24 have to go through, the EA process again or does the first  
25 phase take care of that, if -- if there is a requirement for

1 that?

2 MR. GOODE: Ms. Crivello, fortunately, the EA  
3 covers the whole project. So the EA's complete, we're good  
4 to go.

5 COUNCILMEMBER CRIVELLO: Okay.

6 MR. GOODE: What it really is gonna require is the  
7 appropriation here.

8 COUNCILMEMBER CRIVELLO: Okay.

9 MR. GOODE: So look forward, we can discuss it  
10 more on the upcoming Budget. But it -- it's a good preview.  
11 It's -- this is a really important item for our -- for our  
12 Department. And, you know, given the opportunity to chat a  
13 little bit about it today, I welcome. So look forward to --

14 COUNCILMEMBER CRIVELLO: Thank you. We appreciate  
15 that.

16 MR. GOODE: -- working on that.

17 COUNCILMEMBER CRIVELLO: Uh-huh. Thank you.

18 COUNCILMEMBER COUCH: Mr. Chair?

19 CHAIR WHITE: Mr. Couch.

20 COUNCILMEMBER COUCH: Thank you. And I know this  
21 may not be your kuleana, but maybe you can help out or maybe  
22 Mr. Baz can help out. On the Kihei Police Station, there's  
23 a lapsed amount of \$8.6 million on an ARRA Grant. Is this a  
24 grant or -- I don't know what that -- I know the A -- ARRA.  
25 And I'm just curious if -- if those --

1 MR. BAZ: Mr. Chair? Member Couch, that grant is  
2 not a grant. That is the loan from USDA.

3 COUNCILMEMBER COUCH: Oh, okay.

4 MR. BAZ: \$17 million was --

5 COUNCILMEMBER COUCH: Okay.

6 MR. BAZ: -- originally requested and authorized;  
7 however, we did not need to use.

8 COUNCILMEMBER COUCH: Right.

9 MR. BAZ: -- that amount. So --

10 COUNCILMEMBER COUCH: All right.

11 MR. BAZ: -- that's why --

12 COUNCILMEMBER COUCH: I was just curious --

13 MR. BAZ: -- see that.

14 COUNCILMEMBER COUCH: -- because it says ARRA  
15 Funds.

16 MR. BAZ: Yeah.

17 COUNCILMEMBER COUCH: So --

18 MR. BAZ: It was related to the ARRA Act, American  
19 Recovery and Reinvestment Act, that authorized those --  
20 availability of those funds, but --

21 COUNCILMEMBER COUCH: Okay.

22 MR. BAZ: -- it wasn't a grant.

23 COUNCILMEMBER COUCH: Okay. Thanks. Thank you,  
24 Chair.

25 CHAIR WHITE: Uh-huh.

1 VICE-CHAIR HOKAMA: Chairman?

2 CHAIR WHITE: Mr. -- Mr. Hokama.

3 VICE-CHAIR HOKAMA: I'm just gonna ask Mr. -- my  
4 -- you know, in the discussions that have gone on this  
5 morning, I understand most of it. So is it accurate for us  
6 in this Committee, when we are told that a project is  
7 stopped, as it was said for a few earlier on the list, that  
8 when -- when you tell us it's stopped, is it a good  
9 understanding that that means the contract has been canceled  
10 and -- and funds unencumbered or what -- what does stopped  
11 mean, actually, when you say stopped?

12 MR. BAZ: Well, for Mr. Goode's example, it  
13 specifically is that it is canceled, the contract was  
14 canceled, and the -- the funds were disencumbered.

15 VICE-CHAIR HOKAMA: Okay.

16 MR. BAZ: When a project is completed, the  
17 departments will file that with the Department of Finance  
18 and file last final payment --

19 VICE-CHAIR HOKAMA: Okay.

20 MR. BAZ: -- request. And when that final payment  
21 is -- request is made, then, you know, the Finance  
22 Department will finish up that contract. And should there  
23 be monies left over, those would lapse.

24 VICE-CHAIR HOKAMA: Okay. Okay. And that's why  
25 it makes sense what Mr. Goode just shared, coming back, I

1 guess, this coming cycle for the baseyard's requirements.  
2 Okay. 'Cause I just was -- wasn't clear whether or not the  
3 funds -- if it was past the validity date, it already  
4 automatically lapsed, and, therefore, we're gonna  
5 reappropriate the whole amount again since nothing's got --  
6 when I -- that's why I had to ask the -- would it stop,  
7 because my understanding would be then you un-encumber the  
8 funds. And if it's a bond and it pass your 18 months of  
9 viable use, then, you know, you come back to us for  
10 re-appropriation.

11 I know you understand, Mr. Ueoka.

12 So that would be a good understanding on the  
13 Committee's part, Mr. Baz? That would be pretty accurate?

14 MR. BAZ: Yes.

15 VICE-CHAIR HOKAMA: Yeah. Thank you very much for  
16 that clarification. Thank you, Chairman.

17 CHAIR WHITE: Just a second. Mr. Baz, to -- to  
18 follow up on Mr. Hokama's question, when we're dealing with  
19 something like the Kaunakakai Drainage Improvements -- let's  
20 just take the 2007 item of \$2 million -- if the work wasn't  
21 begun, then that -- that amount, even though it's -- it's GO  
22 funded, that amount would not have been part of the float,  
23 would it?

24 MR. BAZ: Mr. Chair, that would be part of the  
25 float. As soon -- the way that the Department of Finance

1 operates the GO bond floats, when an item is encumbered,  
2 there is a loan transfer document that is reviewed by my  
3 office and the Department of Finance. And that loan  
4 transfer, on paper, sets aside that amount of General Fund  
5 monies for the -- that bond issuance. And then once the  
6 bonds -- we go to issue the bonds, the list of projects that  
7 have been loaned funds from the General Fund are included in  
8 that issuance. So what would happen with this, should that  
9 \$2 million appropriation be disencumbered or lapse, that  
10 money would be lapsed bond proceeds which we utilize  
11 throughout. When we propose the budget, we'll utilize  
12 whatever we can for lapsed bond proceeds.

13 CHAIR WHITE: I guess my concern is when you have  
14 a \$2 million allotment that is part of the bond float, would  
15 that have been in 2008? This is a 2007 appropriation.

16 MR. BAZ: Yeah. Whenever the -- the bonds were  
17 issued -- yeah, I don't -- I don't know when -- I know that  
18 we issued them in 2012, and prior Administration issued in  
19 2010. So assuming it's every two years, it would have been  
20 2008.

21 CHAIR WHITE: So, basically, we're -- we're paying  
22 interest on the \$2 million encumbrance even though we're not  
23 -- nothing's moved on the project?

24 MR. BAZ: Yes. That's correct.

25 CHAIR WHITE: Is there some way we can do that



1 differently?

2 MR. BAZ: Yeah. The Director of Finance and I are  
3 discussing different options for the -- the way that this is  
4 processed, I guess. The loan transfers right now are done  
5 on encumbrance because the Department of Finance requires  
6 that the funds be available for expenditure when a contract  
7 is executed. So when it's encumbered, the money has to be  
8 available, appropriated and authorized. And that's what  
9 necessitated the loan transfer from the General Fund to the  
10 Bond Fund.

11 I am working with them on the possibility of  
12 changing processes, to make it so that we do loan transfers  
13 on expended amounts. And the -- the encumbrance  
14 authorization of the bond -- the -- the item in the Budget  
15 or ordinance, as well as the bond authorization bill,  
16 provide them the legal authority to encumber a contract. So  
17 -- but we haven't finalized those discussions yet.

18 CHAIR WHITE: I think this Committee would be more  
19 than happy to help, if we can.

20 MR. BAZ: Okay.

21 CHAIR WHITE: Because I have a problem borrowing  
22 money that we -- we haven't yet expended, and paying  
23 interest on it for what looks like four years or  
24 thereabouts. Unless it was floated in 2008, then we --  
25 we're zooming in on six years of interest.

1 MR. BAZ: Right. I agree. The money -- I mean,  
2 the money will eventually be spent for capital projects that  
3 the County, you know, needs public improvements. So while  
4 we may have -- you can theoretically think of it as us  
5 prepaying the interest on it. But I -- I completely agree.  
6 And that's why I initiated the discussions.

7 CHAIR WHITE: But if -- if the -- if we had done  
8 this the way you just suggested, floating the bonds only for  
9 what has been spent, then we wouldn't be paying interest on  
10 this.

11 MR. BAZ: Well, we would be in the future. I  
12 mean, we're still paying --

13 CHAIR WHITE: No. I understand that. But we  
14 wouldn't have been -- I don't consider this prepaying. I  
15 consider this paying money that we don't need to pay yet.

16 MR. BAZ: Yes, that's -- that's correct.

17 CHAIR WHITE: So -- no. I -- I like your idea and  
18 -- and if there's anything that you need from a Code  
19 standpoint to -- to help facilitate that, we would be more  
20 than happy to -- happy to address that.

21 MR. BAZ: Yeah. Thank you. I just, Mr. Chair,  
22 would comment that when we discussed some things with bond  
23 raters and other organizations, we are a very unique county  
24 in that we loan cash for bond-funded projects. Most  
25 municipalities will go out and issue the bond first and then

1 encumber the contract and -- and spend the money. We are,  
2 thankfully, in a very good financial situation that we have  
3 that ability to -- to loan from our General Fund. But a lot  
4 of municipalities don't do it that way.

5 CHAIR WHITE: Yeah. I think we all like the way  
6 we do it because it saves us, saves us money, but we  
7 shouldn't be spending -- spending interest on -- on this.

8 Any other questions, Members, on Page -- oh, I  
9 went back to Page 2. So we were on Page 5, I believe. Is  
10 -- I don't think there is anything else I had questions on  
11 that relate to -- oh, no. There's one -- one building  
12 amount down -- the bottom of Page 5, under Countywide  
13 Facility Building Improvements, the second item, the -- with  
14 the 2010 date, there's a \$89,000 encumbrance there. I'm  
15 just wondering what the progress is on that.

16 MR. GOODE: Chair, I don't know. I'd have to look  
17 into it and get back to you.

18 CHAIR WHITE: Okay. And I didn't have any  
19 questions on Page 6. I think that is the end of Facilities.  
20 Any questions from the Members before we move on to Roads?  
21 Seeing none, move to Page 11.

22 And, Mr. Goode, under the Hana District Road  
23 Resurfacing, we have one item -- well, we have -- the first  
24 three items under Hana Road Resurfacing have no current year  
25 expenditures and a total of about \$140,000 encumbered.

1 MR. GOODE: Mr. Chair, I'm not sure what these  
2 would be. One goes back to 2001, so -- we're pretty much  
3 done with our construction out there. So this may be  
4 something that just needs to get taken off the books. I'll  
5 work with our staff to identify what these are and  
6 disencumber, if needed.

7 CHAIR WHITE: Okay. And then the next one down is  
8 the -- and I've seen this spelling -- or spelled -- unless  
9 they're two different bridges, one is Papaahawahawa and the  
10 other was Papahawahawa Bridge. But the one here has a  
11 ninety -- 1997 allocation, and we still have 105,000 on the  
12 books. Do you know if that project's complete?

13 MR. GOODE: Well, first of all, it is the same  
14 bridge. I've seen it spelled both ways, too. So kudos for  
15 your keen eye on that. We finished this bridge about a year  
16 ago, so it's possible that there's a final construction  
17 payment being processed. I -- I don't know, but this  
18 project is -- is complete and you can drive over it today.

19 CHAIR WHITE: Okay. And then the --

20 COUNCILMEMBER COUCH: Mr. Chair?

21 CHAIR WHITE: Yeah, Mr. Couch.

22 COUNCILMEMBER COUCH: On that one, we still have  
23 \$1.6 million that we didn't spend, so is that -- how -- how  
24 does that work? Is that gonna be -- let's see. That's,  
25 looks like, State DOT funds. Oh, it's off the STP, if I

1 read that right.

2 VICE-CHAIR HOKAMA: It's Federal.

3 COUNCILMEMBER COUCH: So those are Federal funds?

4 MR. GOODE: Right. They would have gone back in  
5 the Federal kitty. It's all right, we get 'em back.

6 COUNCILMEMBER COUCH: We could have used that  
7 money.

8 MR. GOODE: We get 'em back.

9 CHAIR WHITE: Okay. Any other questions on Page  
10 11, Members?

11 VICE-CHAIR HOKAMA: Chairman?

12 CHAIR WHITE: Mr. Hokama.

13 VICE-CHAIR HOKAMA: Not a question. I would just  
14 give a comment. In talking to Secretary Foxx of USDOT, I  
15 would highly recommend we spend as much of the Federal  
16 dollars that we have now and not return much because it's  
17 gonna be tough on the reauthorization. And, you know,  
18 transit, more than likely, will take a hit in -- in the  
19 transportation review as well as highways. You know, ports  
20 and airports is back on radar again, so that will be my  
21 advice to our County, to see if we have Federal highway  
22 money or bridge money, spend it, because it's going to be  
23 tough to get it back.

24 CHAIR WHITE: It sounds like this money can't be  
25 redirected, if it was authorized for the bridge repair,

1 right?

2 VICE-CHAIR HOKAMA: Well, they gonna make changes  
3 in the bridge program, too, Chairman. If -- without saying  
4 too much too early, they're gonna be looking at counties and  
5 providing funds to counties that are looking at packaging  
6 bridge projects. (Inaudible) Pennsylvania, they did a  
7 12-bridge project and now they gonna expand it to 100-bridge  
8 project because they found savings in (inaudible), you know.  
9 So Director Goode understands that. But when moving up --  
10 but the Feds have agreed is part of the municipal's 20  
11 percent of cost shared for the Federal dollar. Pennsylvania  
12 has shown that the savings from doing those bundling has  
13 been so effective on the construction site, not necessarily  
14 the time side or overall cost, but on the efficiencies, that  
15 the Feds have now accepted that savings as Pennsylvania's  
16 component for cost sharing.

17 CHAIR WHITE: Oh, wow.

18 VICE-CHAIR HOKAMA: So they put up no additional  
19 dollars by that bundling. So Pennsylvania has done some  
20 unique things, Chair. You know, I would ask our -- our  
21 departments to go look at what we might wanna consider,  
22 because it's been working for Pennsylvania counties and now  
23 they don't ante up the 20 percent.

24 CHAIR WHITE: That's significant. So in -- in  
25 your discussions, are they doing anything of the sort with

1 the highway funding, bundling projects?

2 VICE-CHAIR HOKAMA: The highway fund -- you know,  
3 everybody's taking a guess. No one really believes Congress  
4 has the wherewithal to increase the highway tax at this  
5 time, although that's the major recommendation from U.S.  
6 Chamber of Commerce, State DOTs across the country, through  
7 AASHTO. You know, everybody thinks you need to increase the  
8 gas highway tax. Congress at this time, I would say, would  
9 choose the easier option which is to -- just to continue  
10 general fund subsidy and push that back.

11 But other than that, you know, we will be lobbying  
12 under reauthorization. And, hopefully, we'll get it done by  
13 August, September of this -- this year, Chairman.

14 CHAIR WHITE: Thank you for that. Okay.

15 VICE-CHAIR HOKAMA: Oh, I get one more quick --  
16 quick --

17 CHAIR WHITE: Yeah.

18 VICE-CHAIR HOKAMA: -- comment, Chair. Mr. Baz  
19 and Mr. Goode can also check what we now have through the  
20 NACo alliance as -- and because we're members -- there is a  
21 PFA, Public Financing Authority. This will allow Maui  
22 County, if it makes sense for the County, to be able to go  
23 into a public financing program with sister counties. And  
24 this is the only program that the Feds have recognized that  
25 can cross state lines. So you can have a bundling of 11

1 different states with all the counties doing similar  
2 projects and going through a public finance way whereby  
3 there is additional potential savings to the participating  
4 counties. But it's the only option that can cross state  
5 lines at this time.

6 And we've already used it. Last year, our PFA  
7 component brought into FSC of NACo over \$1.5 billion worth  
8 of projects. So it's something that we might wanna  
9 consider, Chairman.

10 CHAIR WHITE: Okay. Thank you. Members, other  
11 questions on Page 11? On Page 12, Makawao/Makani road  
12 Improvements, allocation of 600,000, and a remaining  
13 encumbrance of 312,000 on a 2006 project. Mr. Goode.

14 MR. GOODE: That project's ongoing. Let's see.  
15 Where's the -- it was on page -- top of Page 12, right?

16 CHAIR WHITE: Correct. Second -- second item  
17 down.

18 MR. GOODE: Right. So these are -- these were  
19 design funds. We've had some design challenges in the area,  
20 so they're continuing to work through that. This is a  
21 federally-funded project as well.

22 CHAIR WHITE: But I don't see any current year  
23 expenditures, so --

24 MR. GOODE: Yeah. I think in this case -- let's  
25 see, that's for the first six months. Our staff was, I



1 think, working internally to see what the options might be  
2 on how -- how to move forward. So told the designer, hang  
3 on for a second and -- while we work through what the  
4 possibilities are.

5 CHAIR WHITE: Okay. Members, other questions for  
6 Mr. Goode on Page 12? If not, I'd like to go to top of Page  
7 13. Wailuku -- the title is on the bottom of Page 12,  
8 Wailuku/Kahului District Road Resurfacing. There's a 2004  
9 amount with a \$19,000 encumbrance. And then we have two in  
10 -- two more large numbers in 2007 and 2009. And we've  
11 lapsed a total of about -- about \$290,000. Just wondering  
12 why that -- why that was lapsed.

13 MR. GOODE: Mr. Chair, I'm -- I'm not certain on  
14 these, it was a while ago, but this is -- a likely reason is  
15 that when we were appropriating, you know, resurfacing funds  
16 by district, depending on how the bids came in -- say  
17 there's a, you know -- what, we had 400,000, or 900,000 in  
18 some cases, we had to spend it in that district. Depending  
19 how the bids came back, if we had to go back out for bid or  
20 we had to remove certain roads because it was over -- over  
21 what was appropriated. We just didn't have the flexibility  
22 that we have now.

23 So the last few years, we've done Countywide  
24 resurfacing. It allows us to really maximize the dollars so  
25 that we don't lapse, especially in the Resurfacing Budget,

1 by having Countywide.

2 So, I mean, it's a guess, but I know that's one of  
3 the reasons why we all moved away from specific districts  
4 for resurfacing, is because we had lapses like this.

5 CHAIR WHITE: Okay. Mr. Baz, if we have those  
6 lapsed amounts showing, as they are in this -- in these two  
7 items, and there's no remaining encumbrance and no allotment  
8 balance, were those lapses determined this year?

9 MR. BAZ: Yeah. Mr. Chair, I'd have to verify,  
10 but most of the CIP lapses as of December 31st are included  
11 in Carryover/Savings for Fiscal Year '15 Proposed Budget.

12 CHAIR WHITE: Okay. So -- so these two lapses of  
13 188 and 102,000 would have -- would have been done in this  
14 past year, or within the first six months of this Fiscal  
15 Year?

16 MR. BAZ: Yeah, within the first six months of the  
17 Fiscal Year, so -- but, yeah, by December 31st is when they  
18 would have lapsed.

19 CHAIR WHITE: And the next one, under Lono Avenue  
20 Traffic Signal, we have a 2004 allotment of 150,000, we have  
21 a remaining encumbrance of about 35,000.

22 MR. GOODE: Yeah. That -- that would have been  
23 the design contract.

24 CHAIR WHITE: That would seem to me old enough  
25 it -- it should probably be closed out by now.

1 MR. GOODE: Yeah, I think so.

2 CHAIR WHITE: Check on that for us, please. And  
3 then the other question is not a -- this is not an old item,  
4 but there's -- under the same item, looks like the original  
5 appropriation, Federal money, was 1.6 million and allotted  
6 to date is only 962. You know what the cost of that  
7 reduction might have been?

8 MR. GOODE: No. Other than, at times, we perhaps  
9 overestimate the cost, and the bids come in lower.

10 CHAIR WHITE: Okay. Members, other questions on  
11 Page 13? Seeing none --

12 COUNCIL MEMBER: Chair?

13 VICE-CHAIR HOKAMA: Just -- just one, Chairman.

14 CHAIR WHITE: Mr. Hokama.

15 VICE-CHAIR HOKAMA: I just would ask -- I would  
16 appreciate any movement on the school pedestrian project.

17 MR. GOODE: Let's see. That was the one on here  
18 on South Market? Yeah, we're finishing --

19 VICE-CHAIR HOKAMA: Yeah.

20 MR. GOODE: -- up that side.

21 VICE-CHAIR HOKAMA: Market and I think -- what is  
22 that -- what is that road? Waiale.

23 MR. GOODE: Yeah, we had two separate ones.  
24 Right.

25 VICE-CHAIR HOKAMA: Yeah.

1 MR. GOODE: Yeah. The one's, I know, is almost  
2 ready to go out to bid on Market Street.

3 VICE-CHAIR HOKAMA: Okay. Okay. Well, anything,  
4 you know, I would appreciate, Director. I just get nervous  
5 seeing all those young people during after-school hours.

6 MR. GOODE: Yeah. Yeah. We -- we definitely  
7 wanna get those moving, also.

8 VICE-CHAIR HOKAMA: So I -- yeah, anything would  
9 be appreciated. Thank you.

10 CHAIR WHITE: Okay. Members, Chair has no  
11 questions on Page 14. Mr. Couch.

12 COUNCILMEMBER COUCH: Thank you, Mr. Chair. The  
13 Kihei Road Pavement Rehab, a \$250,000 relapse in the --  
14 relapse? Lapse. It's re.

15 MR. GOODE: Kind of works either way here, doesn't  
16 it?

17 COUNCILMEMBER COUCH: Yes.

18 MR. GOODE: Let's see. This is '14. This is our  
19 current -- current project. I think this is that next  
20 section of South Kihei Road we're doing. I believe it's  
21 almost ready to go out to bid, or maybe it's out to bid.

22 COUNCILMEMBER COUCH: Okay. So we're gonna have  
23 to come back for that 250,000, or --

24 MR. GOODE: Well, let's see. Maybe I'm not --  
25 looking at the wrong item. Which one are you looking at?

1 CHAIR WHITE: Mr. Couch, you're referring --

2 MR. GOODE: Oh, the top.

3 CHAIR WHITE: -- to the first item.

4 COUNCILMEMBER COUCH: Yes.

5 MR. GOODE: Oh, okay, 13.

6 COUNCILMEMBER COUCH: Yeah.

7 MR. GOODE: I think we got a lower bid, means we

8 got a lower bid.

9 COUNCILMEMBER COUCH: Oh, okay. So you can do

10 more of the road, then?

11 MR. GOODE: The money goes back in the pot, right?

12 COUNCILMEMBER COUCH: We could still do the --

13 CHAIR WHITE: You know, Mr. Couch, you -- you got

14 your allotment of pavement.

15 COUNCILMEMBER COUCH: But I get \$250 million.

16 That's a little bit more.

17 CHAIR WHITE: 50,000.

18 COUNCILMEMBER COUCH: Thousand, yes. Sorry,

19 thousand.

20 COUNCILMEMBER CRIVELLO: Good try. Good try.

21 CHAIR WHITE: Nice try.

22 COUNCILMEMBER COCHRAN: Yeah, nice.

23 CHAIR WHITE: Okay. Any other questions on Page

24 14?

25 COUNCILMEMBER COCHRAN: Yeah.

1 CHAIR WHITE: Ms. Cochran.

2 COUNCILMEMBER COCHRAN: Yeah. Thank you, Chair.

3 So, Mr. Goode, just a little more -- the Lower Honoapiilani  
4 Highway Phase III, is that Napilihau Road heading north or  
5 is that the Honokowai to Hoohui? What that III is 'cause --

6 MR. GOODE: Yeah, III is to Hoohui. So from --  
7 the airport road.

8 COUNCILMEMBER COCHRAN: Akahahele?

9 MR. GOODE: Akahahele.

10 COUNCILMEMBER COCHRAN: Akahahele to Hoohui.

11 MR. GOODE: Hoohui. So that -- that's been  
12 completed.

13 COUNCILMEMBER COCHRAN: Okay. And then that,  
14 obviously, is a typo, 12-31-98, the year, '98. What is  
15 that? Or is that not -- does that mean something?

16 MR. GOODE: No. I think that's when the original  
17 GO --

18 COUNCILMEMBER COCHRAN: 1998?

19 MR. GOODE: '98, yeah. We did that.

20 COUNCILMEMBER COCHRAN: Oh, okay.

21 MR. GOODE: So, yeah, that's a good one. Why it's  
22 still on the books, I'm not sure.

23 COUNCILMEMBER COCHRAN: So completed?

24 MR. GOODE: Yes.

25 COUNCILMEMBER COCHRAN: And then heading down --

1 so then the DOT money's also been expended and completed.  
2 So next item, then, West Maui Road Resurfacing, that was all  
3 the work downtown area? Or where's --

4 MR. GOODE: You know, I'd have to look into this  
5 one. This is '09.

6 COUNCILMEMBER COCHRAN: Uh-huh.

7 MR. GOODE: So, normally, this would have been  
8 done a long time ago. So I -- I'm not sure what this  
9 current year expenditure of 93,000 -- unless it was related  
10 to -- anyway, one project down there, it had some kind of  
11 issue where we had to stop work and -- and go again. So  
12 it's possible it's related to that, but I'd have to look  
13 into it. I don't know off the top of my head.

14 COUNCILMEMBER COCHRAN: Okay. And then the Lower  
15 Road Improvements, which doesn't seem to be part of Phase  
16 III, what would that be directed at?

17 MR. GOODE: This is also an '09. This might be  
18 related to Phase IV, so some of the design funds related to  
19 Phase IV. So from Hoohui Road to Napilihau. But I -- I'm  
20 not positive. This is an old one. I'd have to look into  
21 it.

22 COUNCILMEMBER COCHRAN: So to just get clarity,  
23 the million has been appropriated in '09, and then the  
24 102,000 has been allotted, and then you've expended 75,000  
25 of it to date?

1 MR. GOODE: Correct.

2 COUNCILMEMBER COCHRAN: And -- okay. So then the  
3 balance is still remaining to be utilized?

4 MR. GOODE: It does say there's 26,000 lapsed, so  
5 maybe this is -- whatever it was, was completed, so that --  
6 those lapsed funds would've gone back in.

7 COUNCILMEMBER COCHRAN: So only 26,000 left?  
8 Maybe Mr. Baz knows a little more here.

9 CHAIR WHITE: It would appear that there are funds  
10 remaining.

11 MR. BAZ: Yeah. So when you're looking at this  
12 report --

13 COUNCILMEMBER COCHRAN: Uh-huh.

14 MR. BAZ: -- the -- I'm sorry. You're at the  
15 Lower --

16 COUNCILMEMBER COCHRAN: Lower --

17 MR. BAZ: -- Honoapiilani Road?

18 COUNCILMEMBER COCHRAN: Yeah, Road Improvements.

19 MR. BAZ: There was \$1 million that was originally  
20 appropriated.

21 COUNCILMEMBER COCHRAN: Right.

22 MR. BAZ: 102,000 of that was contracted out.  
23 75,600 of that was spent. Then that amount lapsed is the  
24 difference between the amount spent and the amount allotted,  
25 which was the contracted amount. My inclination -- I can't



1 pull up IFAS 'cause I have a new computer and it's not  
2 working right now, but the -- my inclination would be that  
3 \$898,000 other than that lapsed prior years, or was  
4 encumbered and expended in prior years. But I can't give  
5 you the CIP history at this moment.

6 CHAIR WHITE: But if it was encumbered and  
7 expended, wouldn't it show up in the expenditures in  
8 prior --

9 MR. BAZ: Oh.

10 CHAIR WHITE: -- years?

11 MR. BAZ: Yes, Mr. Chair, you're correct. Thank  
12 you. So, yes. So then that's why -- my assumption would be  
13 that the amount lapsed that --

14 CHAIR WHITE: Okay. I guess my question to that  
15 is why wouldn't that entire -- why wouldn't that lapse be  
16 reflected in this report?

17 MR. BAZ: I think this is amount lapsed in the  
18 current Fiscal Year. I'd have to check, but --

19 COUNCILMEMBER COCHRAN: So it'll show up in our  
20 upcoming Budget?

21 MR. BAZ: The \$26,000, possibly, yes.

22 CHAIR WHITE: Okay. So if -- if amounts were  
23 lapsed in prior years out of that \$1 million initial Budget,  
24 it would -- it would not be reflected in the amount lapsed  
25 in this report?

1 MR. BAZ: That's correct.

2 CHAIR WHITE: Okay.

3 COUNCILMEMBER COCHRAN: Okay. And -- sorry,  
4 Chair. If I can carry on to the Shaw Street, then -- oh,  
5 sorry. That's -- oh, that's next page. Never mind.

6 CHAIR WHITE: No. Go ahead. (Inaudible) --

7 COUNCILMEMBER COCHRAN: Oh, okay.

8 CHAIR WHITE: -- the next page.

9 COUNCILMEMBER COCHRAN: Is that fine? We're  
10 jumping over to twenty -- Page --

11 CHAIR WHITE: 15.

12 COUNCILMEMBER COCHRAN: -- 15 now. The Shaw  
13 Street Sidewalk/Wainee. And I believe that job is  
14 completed?

15 MR. GOODE: Correct.

16 COUNCILMEMBER COCHRAN: Okay. And so 250,000 was  
17 originally appropriated and 100,000 lapsed. So how does  
18 that work? I mean, it's completed, but we didn't utilize  
19 all funds allotted?

20 MR. GOODE: Yeah. Usually, there's a couple  
21 reasons. One, either we saved money 'cause the bids came in  
22 lower or -- or a combination would be that the scope of the  
23 project was reduced. I think in this case, my understanding  
24 is that the scope was shortened, right, 'cause we hit some  
25 issues as we're going down Wainee Street that were gonna be

1 really complex. So we had to shorten the project a little  
2 bit.

3 COUNCILMEMBER COCHRAN: And -- okay. And -- yeah,  
4 I see where the sidewalk just kinda ends.

5 MR. GOODE: Yeah.

6 COUNCILMEMBER COCHRAN: (Inaudible) Church.

7 MR. GOODE: It was gonna end a little further  
8 down. We had to end it a little shorter. I think we --  
9 there's major power poles in there and some other, perhaps,  
10 right-of-way issues. So it's something to be revisited.

11 COUNCILMEMBER COCHRAN: Yeah. It would --

12 MR. GOODE: Another project, but we couldn't -- we  
13 couldn't handle it with the appropriation that we had. So  
14 we had to shorten the project.

15 COUNCILMEMBER COCHRAN: Okay. All right. We'll  
16 look more into that one. And then last, but not least, the  
17 Kahananui Bridge is -- so nothing's been started, the monies  
18 are there. And you're at what design phase?

19 MR. GOODE: We're pretty much finished with  
20 design. This is a Federal aid project so we've been going  
21 through the -- the review process. I believe this is one  
22 that will be part of the -- by May has to be completed to  
23 get the Federal funds. And we've got the land entitlements  
24 all squared away. We gotta get some easements. And so  
25 we'll be going out to bid on this very shortly.

1 COUNCILMEMBER COCHRAN: Okay. Okay. Very good.  
2 Chair, that's -- that's everything I need to know.

3 CHAIR WHITE: Okay.

4 COUNCILMEMBER COCHRAN: Thank you.

5 CHAIR WHITE: Thank you. Members, other questions  
6 on Page 12? I mean -- I'm sorry -- 15?

7 VICE-CHAIR HOKAMA: Chairman?

8 CHAIR WHITE: Mr. Hokama.

9 VICE-CHAIR HOKAMA: I'm not sure if Mr. Goode can  
10 give me comments on the recycling project for Lanai or is --

11 MR. GOODE: Not much other than I think we were  
12 covering -- actually, I see Mike Miyamoto here. He can  
13 probably help out. But we're gonna combine this with our  
14 district resurfacing. I guess my understanding is that  
15 maybe -- did the recycling center move?

16 VICE-CHAIR HOKAMA: Well --

17 MR. GOODE: So they don't need it? So --

18 VICE-CHAIR HOKAMA: They had plans to move, and  
19 then that went down the toilet. So -- so I'm just wondering  
20 what's the status of this project 'cause they're going to  
21 need to do something, the State.

22 MR. GOODE: Yeah. I think we were -- at least the  
23 plan before was that we'd combine these funds with our  
24 project.

25 VICE-CHAIR HOKAMA: Okay. Okay. Well, I still

1 believe the need to repave is just as valid as before. So  
2 I'll -- I'll be very supportive of getting the repaving  
3 done. Thank you. Thank you, Chairman.

4 CHAIR WHITE: Mr. Goode, on the -- about midway  
5 down the page, we have Molokai Baseyard, again with an  
6 encumbrance of about 3.6 million. How does that relate to  
7 the -- the other amounts?

8 MR. GOODE: The other one we discussed and this  
9 all get rolled into the request for '15.

10 CHAIR WHITE: Okay. And then under bikeways --  
11 Bikeway Projects, you've got -- the first four items are  
12 Fiscal Years 2001, '02, '03 and '04. And I don't know what  
13 happens to the Bikeway Funds. We have a bunch of things --  
14 it looks like about \$480,000 encumbered. Is that moving  
15 forward?

16 MR. GOODE: You know, I'd have to look into this  
17 one. I'm not aware of any bike projects that are stuck,  
18 these kind of numbers. Other than I know for -- for Baldwin  
19 Avenue, we're doing the environmental assessment and we're  
20 doing some design work on the north shore greenway, which  
21 was a more recent appropriation. So these are 2001 to 2004,  
22 so I'd have to look into it and find out.

23 CHAIR WHITE: Okay. Then there was a similar  
24 situation with the Bridge Repair and Maintenance. We have a  
25 ninety -- 1997 and 2001 number, then 2006 and 2007, but the

1 -- about \$260,000 encumbered. If you could give us an  
2 update on that.

3 MR. GOODE: Okay. I can look into it.

4 CHAIR WHITE: Okay. Members, other questions on  
5 the remainder of Page 15? Okay. Going on to Page 16,  
6 Wheelchair Ramp Projects, that look like they're not rolling  
7 along.

8 VICE-CHAIR HOKAMA: That cannot be right, '64.

9 CHAIR WHITE: Looks like we've -- we've lapsed  
10 \$300,000 and we -- we have a remaining encumbrance of about  
11 250,000.

12 MR. GOODE: Yeah. Mr. Chair, I -- I -- to my  
13 knowledge, we're done with all these projects.

14 CHAIR WHITE: Okay. If you could take a look at  
15 it and see if any of these funds can be put towards  
16 additional projects or whether they need to be lapsed. And  
17 that was all I had for Public Works.

18 COUNCILMEMBER COUCH: Mr. Chair?

19 CHAIR WHITE: Mr. Couch.

20 COUNCILMEMBER COUCH: Thank you. Just to lighten  
21 the mood, anyway, you spent \$20 last year on a -- and prior  
22 years on a speed hump?

23 CHAIR WHITE: What page?

24 COUNCILMEMBER COUCH: 16. In 2013, expenditure  
25 prior years, \$20. Is that airport parking or something?

1 That was just -- don't worry about that. The one I had a  
2 question on is Kamalii Elementary safe school -- safe routes  
3 to school.

4 MR. GOODE: Uh-huh.

5 COUNCILMEMBER COUCH: That one's been around for a  
6 while. Is it -- I mean, I keep getting calls from the guy  
7 who's been working on it. And I was wondering where we are  
8 on that, and --

9 MR. GOODE: Yeah. I think we had gone out to bid  
10 on that, so I don't know.

11 COUNCILMEMBER COUCH: Okay.

12 MR. GOODE: I -- I would agree with you. I think  
13 both these safe routes to school should have been done  
14 already.

15 COUNCILMEMBER COUCH: Yes. And then the other one  
16 -- I don't know if this is a typo, Mr. Baz, or not, on the  
17 Princess Nahienaena Safe Route to School, original  
18 appropriation is 150,000 and allotted to date is 155,000.  
19 Just curious where that 5,000 came from.

20 MR. BAZ: We'd have to look into that.

21 COUNCILMEMBER COUCH: Okay. Those are the two  
22 questions I had, Mr. Chair.

23 CHAIR WHITE: Okay.

24 COUNCILMEMBER COCHRAN: Chair?

25 CHAIR WHITE: Ms. Cochran.

1           COUNCILMEMBER COCHRAN: Thank you. Yeah. And  
2     thank you for the Princess Nahienaena Safe Routes item. But  
3     the 5,000, that's, yeah, a curious question. But jumping  
4     back up to the Speed Hump Program, and seeing -- I guess  
5     these are different allotments or appropriations from years  
6     2011 down to 2014. And my question is -- and I know it's  
7     Countywide, 'cause I know my area, West Maui, has wanted  
8     quite a few speed humps. And I guess it doesn't really tell  
9     us here, though, because it's Countywide, correct,  
10    Mr. Goode? Can you kinda give a idea where these were  
11    appropriated to?

12           MR. GOODE: Sure. At least in last year, we had  
13    very few completed subdivision -- excuse me --  
14    subdivision -- speed hump applications for your -- for your  
15    constituents that are watching. You know, there's an  
16    application process and we need something like 80 percent of  
17    the neighborhood to agree to put in the speed hump. And  
18    then we gotta go test it and make sure it's actually viable.

19           This last year, we had a number of speed table  
20    requests, which are a little bit different. And we've --  
21    actually, we're out constructing them right now. So  
22    depending on where those requests were, and because that  
23    doesn't go through that same community process, what we did  
24    is we've accumulated individual requests. And these are  
25    more on the collector roads. Kanani is one example, in



1 Mr. Couch's district. Those tables just went in. There was  
2 another one that went in on Kaiwahine Street. And so what  
3 we did is, because it doesn't go through that process, we're  
4 working through the neighborhood, we -- when we came to  
5 Budget, we specifically said here's the -- here's what we  
6 intend to do, where they are located. So that way, there's  
7 at least some public notification process and of some public  
8 discourse on it. So we -- and I think we itemized 'em in  
9 the -- in our submission -- our Budget submittal. So prior  
10 years, lot of speed humps. This last year, (inaudible) had  
11 one completed application, and so we focused on speed  
12 tables.

13 So if folks have a specific request for the speed  
14 hump, have 'em contact us. We can get 'em the application  
15 forms and kinda guide them through what -- what needs to be  
16 done. But be careful that even though there's a completed  
17 application and we'll go out and do speed monitoring, if  
18 the -- if the speeds don't justify the hump, we won't do it.  
19 Or if the hump has other technical limitations -- it can't  
20 be too close to other humps, it can't divert drainage,  
21 there's other -- it's got -- you know, it can't go right in  
22 the middle of someone's driveway. It's gotta fit. So most  
23 of the time, if people are asking, they're probably  
24 justified. But there have been occasions where we've had to  
25 say no.

1 COUNCILMEMBER COCHRAN: Okay. Thank you,  
2 Mr. Goode. Yeah. And I was aware -- well, then you have to  
3 distinguish humps and bumps.

4 CHAIR WHITE: And tables.

5 COUNCILMEMBER COCHRAN: Right, and tables. So  
6 tables -- you're saying tables are easier. Those are more  
7 like the gradual and then the flat top with the --

8 MR. GOODE: Correct.

9 COUNCILMEMBER COCHRAN: -- kinda like trapezoidal  
10 shape versus arching hump, bump --

11 MR. GOODE: Exactly.

12 COUNCILMEMBER COCHRAN: -- things. And my one  
13 question is because it's been -- I think the numbers -- the  
14 -- the petition's gone out and it's gone through the -- the  
15 process. And it's, actually, where we have a bus stop at  
16 Honokowai Park. And they were asking for humps or bumps or  
17 whatever, some type of crosswalk, you know, traffic-calming  
18 type device of some kind. So I'm not sure if this rings a  
19 bell with you at all, 'cause it's been trying to get done  
20 for at least a couple years. And so not sure if your --  
21 your Department figured that it was not appropriate area for  
22 it or perhaps they shoulda gone for a table versus a hump or  
23 a bump or -- I -- I don't know.

24 MR. GOODE: Yeah. Unfortunately --

25 COUNCILMEMBER COCHRAN: So --

1 MR. GOODE: -- it's not --

2 COUNCILMEMBER COCHRAN: -- anyways --

3 CHAIR WHITE: If -- if you don't mind, we have 10  
4 minutes left. And I think we can probably get through  
5 Environmental Management.

6 COUNCILMEMBER COCHRAN: Okay. Yeah, that's -- but  
7 we can talk about this later and just --

8 CHAIR WHITE: If you don't mind, I think --

9 COUNCILMEMBER COCHRAN: Yeah, put it in the back  
10 of your mind about that question.

11 CHAIR WHITE: Okay.

12 COUNCILMEMBER COCHRAN: Thank you.

13 CHAIR WHITE: Great. Thank you.

14 COUNCILMEMBER COCHRAN: Yeah, I can move on.  
15 Thank you.

16 CHAIR WHITE: Okay. We wanna thank Mr. Goode.  
17 And we'll see if Mr. Miyamoto can help us get through  
18 Environmental Management in short order so you all can take  
19 your lunch breaks on time. Thank you, Mr. Goode.

20 Welcome, Mr. Miyamoto. And, Mr. Baz, if you could  
21 help him. We're gonna start on Page 115. I'm sorry. Yes.  
22 108. Actually, I was starting on 115 because I don't have  
23 any questions on 118. So, Members, if you have questions  
24 starting at the bottom of Page 118 -- I'm sorry -- 108,  
25 Environmental Management. Is everybody on 108? The bottom

1 of the page, it's Environmental Management, EPA Maalaea  
2 Offshore Study. And it will probably be brought up by  
3 Mr. Couch because it's a \$31 expense.

4 COUNCILMEMBER COUCH: No. It's too high.

5 CHAIR WHITE: Too high, okay. It's over your  
6 threshold. Any questions, Members, on Page 108? If not,  
7 we'll move to Page 109. These are just expenditures of  
8 Grant Revenues. Okay. If there are no questions, I'd like  
9 to move to 115. And close to the bottom of the page is the  
10 Abandoned Vehicle/Scrap Metal Program. And the -- the  
11 amount budgeted as -- the amount budgeted for this year is  
12 \$1.4 million and the remaining balance projected at this  
13 time is 1.9 million. So my -- my question for Mr. Miyamoto  
14 is what is the -- the source of funds for this -- this  
15 program?

16 MR. MIYAMOTO: Yeah, the program -- the overall  
17 program has both special funding that comes from the  
18 registration -- vehicle registration fee, if I'm not  
19 mistaken, and part of it comes from the Solid Waste Fund.

20 MR. BAZ: Mr. Chair, this specifically is the  
21 revenue that's generated from the car registration fee. You  
22 pay a highway beautification fee to the County and you pay  
23 one to the State. This is the County's portion of that fee.

24 CHAIR WHITE: Okay. Is that the total, or do we  
25 also provide funds from the Solid Waste?

1 MR. BAZ: We do also provide funds from the Solid  
2 Waste Program.

3 CHAIR WHITE: And do you know what the -- what the  
4 amount is? Because it looks like we're not spending a lot  
5 of the -- a lot of the balance.

6 MR. BAZ: Mr. Chair, the amount budgeted at \$1.5  
7 million is, actually, fairly close to the balance available.  
8 That leaves a little bit of money, but they do spend quite a  
9 bit of that money that they receive every year. We have --  
10 I don't have the ordinance in front of me, but we have items  
11 for salaries and wages for staff. We have grants out of  
12 there for Community Workday, Teens on Call, different things  
13 like that.

14 So your -- your Staff just provided you with that  
15 breakdown.

16 The -- the operational expenditures out of there  
17 are -- you know, specifically related to the abandoned  
18 vehicles are the processing and towing contracts as well.

19 CHAIR WHITE: Right. Okay. Members, any other  
20 questions on Page 115?

21 VICE-CHAIR HOKAMA: One question, please,  
22 Chairman.

23 CHAIR WHITE: Yeah, Mr. Hokama.

24 VICE-CHAIR HOKAMA: Under Highway Beautification,  
25 that would also take into account hazardous trees in County

1 right-of-ways, next to the road?

2 MR. BAZ: We could double-check on the use of the  
3 funds and the enabling legislation.

4 VICE-CHAIR HOKAMA: Okay. Yeah. And if you could  
5 get back to us, please, Director Baz. If -- if it doesn't,  
6 then I would be happy to, you know, sponsor a legislation to  
7 -- to include that as part of the highway beautification  
8 permitted uses.

9 MR. BAZ: Yeah, it makes sense, definitely.

10 VICE-CHAIR HOKAMA: So thank -- thank you for  
11 that.

12 CHAIR WHITE: Yeah. The -- there is a budget in  
13 -- on Page 114 that, I believe, would -- would cover that  
14 highway beautification, tree trimming program.

15 MR. BAZ: Yeah. Looks like it's under the Parks  
16 Department.

17 CHAIR WHITE: Right. The question's whether that  
18 -- that fund could be used in certain circumstances.

19 MR. BAZ: We'll have to double-check on that.

20 CHAIR WHITE: Okay. Okay. Members, I would like  
21 to move on to Page 17 of the Capital Improvement Projects  
22 Report. And the first question I have is the Material  
23 Recovery Facility Engineering and Permitting, allocation was  
24 500,000, the expenditure was 270,000, and 227,000 was  
25 lapsed. What -- what was involved in that?

1 MR. MIYAMOTO: If you can recall --

2 CHAIR WHITE: A project that was stopped?

3 MR. MIYAMOTO: If you can recall, we've had a  
4 change in our philosophy as we've worked towards this waste  
5 conversion facility. And as part of that project, we had  
6 the service provider provide a materials recovery facility.  
7 So there was really no more need for the County to continue  
8 that study.

9 CHAIR WHITE: Okay. So it's -- it's, basically,  
10 done, right?

11 MR. MIYAMOTO: Yeah. The remaining encumbrance,  
12 we're probably gonna close out this contract and lapse that,  
13 also, because it was intended for a presentation to this  
14 body.

15 CHAIR WHITE: Okay. Members, any other questions  
16 on Page 17? Mr. Couch?

17 COUNCILMEMBER COUCH: Just a -- a math question.  
18 The Lanai Community Plan area says amount lapsed of \$4,100,  
19 and then Molokai Community Plan area has an amount lapsed of  
20 \$700, and then the total comes out to be \$700. Are we  
21 missing a total line or something?

22 MR. BAZ: I -- I --

23 COUNCILMEMBER COUCH: I want be able to --

24 MR. BAZ: It looks like we're missing the total  
25 line for the Lanai Community Plan area. And that may be a

1 function of IFAS that -- since there was only one line --

2 COUNCILMEMBER COUCH: That it only had one.

3 MR. BAZ: -- there's no reason to total.

4 COUNCILMEMBER COUCH: All right. Thanks. I was  
5 just -- that might question the whole report if it was  
6 wrong. Okay.

7 CHAIR WHITE: Okay. Anything else on Page 17? If  
8 not, we'll go to Page 18. And in the Wailuku/Kahului  
9 Wastewater Reclamation Facility Shoreline Erosion, it's a  
10 2008 GO funded appropriation for \$1 million. Is that  
11 project coming -- you've got a lapse of 31,000 and an  
12 encumbrance of 219,000.

13 MR. MIYAMOTO: Right. The first one is for the  
14 design contract, the \$1 million. That's with our consultant  
15 who did the design. And we still have some construction  
16 services. Typically, what we do is we have a consultant who  
17 takes it from design all the way through the operation of  
18 a -- any kind of facility, so they have these construction  
19 services remaining.

20 CHAIR WHITE: Okay. Thank you. Members, any  
21 other questions on that page? Seeing none, Page 19. On the  
22 Lahaina Wastewater Modifications Stage 1A, there's a 2006  
23 allocation. And it looks like we have an encumbrance of  
24 780,000. When was that encumbered and -- I mean, is this an  
25 ongoing project and is this --



1           MR. MIYAMOTO: Yes. What really put this project  
2 on hold was the lawsuit that was filed for -- against the  
3 County regarding the Lahaina Wastewater Treatment Facility.  
4 And we were going along one track to establish for our --  
5 for redundancy and -- and, you know, to ensure that we were  
6 gonna have the capacity of this facility. And when the  
7 lawsuit came on, we put a lot of these contracts on hold  
8 until the lawsuit sort of gave us some guidance, if we had  
9 to modify our scope of work as to what -- what improvements  
10 we may have to get modified.

11           This consultant is the one that we've -- has the  
12 most knowledge in our Lahaina facility 'cause they've been  
13 most familiar with it. So rather than abandon the contract,  
14 we chose to just put it on hold and re-scope it as the --  
15 the lawsuit defines.

16           CHAIR WHITE: Okay. So is this for design monies  
17 or actual construction work?

18           MR. MIYAMOTO: It's for design services.

19           CHAIR WHITE: Okay. Okay. Members, other  
20 questions?

21           COUNCILMEMBER COCHRAN: Chair?

22           CHAIR WHITE: Ms. Cochran.

23           COUNCILMEMBER COCHRAN: Thank you. The Lahaina  
24 Force Main #4 Replacement, and all those items there, which  
25 is #4, that force main, where is that located?

1 MR. MIYAMOTO: It's the one that's adjacent to, I  
2 think it's Kahoma Stream that goes -- now, it's gonna go  
3 around the Weinberg property, down by Mala Wharf.

4 COUNCILMEMBER COCHRAN: So --

5 MR. MIYAMOTO: The pump station --

6 COUNCILMEMBER COCHRAN: -- that's not longer --

7 MR. MIYAMOTO: -- is actually (inaudible) the one  
8 by Mala Wharf.

9 COUNCILMEMBER COCHRAN: -- in use? It's actually  
10 in use?

11 MR. MIYAMOTO: We have a pump station there. We  
12 had an old one. We abandoned that lot. There's a vacant  
13 lot.

14 COUNCILMEMBER COCHRAN: Right.

15 MR. MIYAMOTO: And the new pump station's adjacent  
16 to it. The existing force main currently runs along the --  
17 the stream underneath the access road for the stream. And  
18 so when we tried to replace it, it became a issue with the  
19 property owner and the Corps regarding keeping a clear area  
20 for the stream. So we've now had to realign that force main  
21 to actually head towards Lahaina Town and go up the adjacent  
22 street and back to Honoapiilani Highway.

23 COUNCILMEMBER COCHRAN: So up Kenui?

24 MR. MIYAMOTO: I think that's it, yeah.

25 COUNCILMEMBER COCHRAN: Okay. And (inaudible).

1 And the -- jumping down to the odor control, that one,  
2 that's on Halelo, that project, Kaanapali Parkway?

3 MR. MIYAMOTO: No. That one -- that one says --  
4 you mean the one with the WWRF, it's at the facility, the --

5 COUNCILMEMBER COCHRAN: Yeah.

6 MR. MIYAMOTO: The wastewater --

7 COUNCILMEMBER COCHRAN: Yes.

8 MR. MIYAMOTO: -- reclamation facility.

9 COUNCILMEMBER COCHRAN: Yes.

10 MR. MIYAMOTO: That's, actually, at the treatment  
11 plant.

12 COUNCILMEMBER COCHRAN: Oh, at the treatment  
13 plant. Okay. 'Cause, Chair, if I recall, wasn't -- that  
14 odor still exists in that vicinity, so I'm trying to figure  
15 out -- I thought we were working on it and it was going to  
16 be solved by now, but I drive by it and it hasn't been. So  
17 is there -- which item would that be, Mr. Miyamoto?

18 MR. MIYAMOTO: The odor control that we're doing  
19 for the treatment plant, we're looking to pretty much  
20 enclose the headworks, 'cause that's where the fresh raw  
21 sewage comes in. And we found that, in the aeration basin,  
22 where we add air to this -- this mix is where the odor --  
23 the gases are leaking. So we're gonna enclose the -- the  
24 flexible aeration basin.

25 COUNCILMEMBER COCHRAN: Right. But, Mr. Miyamoto,

1 the corner of Kaanapali Parkway and Honoapiilani, and  
2 that -- Halelo, that intersection --

3 MR. MIYAMOTO: Oh. We're --

4 COUNCILMEMBER COCHRAN: -- area, is that --

5 MR. MIYAMOTO: We're upgrading the technology that  
6 we're actually gonna be using in that facility to try and  
7 improve the odor control system in that area.

8 COUNCILMEMBER COCHRAN: Okay. And that has been  
9 appropriated and -- and designed, all that stuff is  
10 completed and now --

11 MR. MIYAMOTO: Yeah. We're in the design --  
12 finalizing the design process. We should be constructing  
13 within the next year or two --

14 COUNCILMEMBER COCHRAN: Okay.

15 MR. MIYAMOTO: -- if I'm not mistaken.

16 COUNCILMEMBER COCHRAN: Okay. All right. Thank  
17 you for the update on that one. Thank you, Chair.

18 CHAIR WHITE: Members, other questions for the  
19 Department on Page 19? If not, we'll move to Page 20.  
20 Questions on Page 20? Mr. Couch.

21 COUNCILMEMBER COUCH: Thank you, Mr. Chair. I  
22 see, in the amounts lapsed, halfway down the page, on the  
23 Countywide Pump Station Renovations-Design, 1.5 million,  
24 and -- and in 2012, 976 million. And then down on  
25 Countywide Wastewater System Modifications, 1.8 million.

1 That's -- that's a lot of funds to be lapsed. Is that --  
2 and -- and those are -- seems like they're from the -- was  
3 that Wastewater Management (inaudible) -- Waste Management  
4 Fund?

5 MR. BAZ: Yeah. Mr. Couch, if you look very  
6 closely at the first line of this C wide -- CW Pump Station  
7 Renovations-Design, it's a SH/LN, that's a State loan.

8 COUNCILMEMBER COUCH: Oh, okay.

9 MR. BAZ: Yeah.

10 COUNCILMEMBER COUCH: So that's good thing that --

11 MR. BAZ: Yeah, we won't borrow that money.

12 COUNCILMEMBER COUCH: And is that the same thing  
13 -- well, certainly not on the -- the 976,000, which is --  
14 oh, I'm sorry. Yes, it is. Sorry.

15 UNIDENTIFIED SPEAKER: Same thing.

16 COUNCILMEMBER COUCH: Yeah. But what about the  
17 Wastewater System Modifications, WMO9, that lapsed from  
18 2009? It's almost \$2 million.

19 MR. MIYAMOTO: Again, the timing of that 2009,  
20 if -- if I'm not mistaken, I think that sort of is similar  
21 to about the lawsuit, this lawsuit that we're --

22 COUNCILMEMBER COUCH: Oh, okay.

23 MR. MIYAMOTO: Injection wells that we're in.

24 COUNCILMEMBER COUCH: And I won't ask you about  
25 the \$4 lapse, \$4.32.

1 UNIDENTIFIED SPEAKER: 32 cents, yes.

2 MR. MIYAMOTO: Miscalculation of the tax.

3 CHAIR WHITE: Okay. Members, that brings us to  
4 the end of Environmental Management. I wanna thank you for  
5 staying over a little bit, finishing that up, since  
6 Mr. Miyamoto had been sitting here patiently for quite some  
7 time as we went through Public Works. And I would encourage  
8 you -- there's another part of this report that provides you  
9 with all the projects. It does include the Water Department  
10 projects, though we don't have Water Department identified  
11 by itself in the -- in the CIP. And I -- Mr. Baz, do you  
12 know if the Water Department can readily provide us with a  
13 format similar to this with their projects as an update?

14 MR. BAZ: I'll double-check. I believe that's  
15 part of our submittal as part of the capital ordinance. We  
16 provide that history, and -- and Water Department's history  
17 is provided in there separately. So we use this report,  
18 plus in addition to report. So in theory, that report  
19 should be available.

20 CHAIR WHITE: Should be available.

21 MR. BAZ: Yeah.

22 CHAIR WHITE: Would you like to ask them, or  
23 should we send them a letter?

24 MR. BAZ: If you'd like to ask them.

25 CHAIR WHITE: Okay. We'll send them a letter.

1           Members, the earlier parts of this, in the same  
2           report, go district by district. So I would encourage you  
3           to take a look at your district. And if you wanna bring the  
4           -- bring up questions pertaining to the projects in your  
5           district. You know, we've touched on a number of them, but  
6           this provides it all in one place. So please go through  
7           that at your leisure. And I wanna thank you for getting us  
8           started on the -- updating ourselves on the Budget prep.  
9           And we'll do some more at our next meeting. So thank you  
10          very much and we --

11                   UNIDENTIFIED SPEAKER: Defer?

12                   CHAIR WHITE: This is deferred, yes.

13                   **ACTION: DEFER pending further discussion.**

14                   CHAIR WHITE: So we are adjourned. ...*(gavel)*...

15                   **ADJOURN: 12:09 p.m.**

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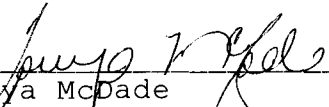
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**CERTIFICATE**

I, TONYA McDADE, Hawaii Certified Shorthand Reporter #447, do hereby certify that the electronically-recorded proceedings contained herein were, after the fact, taken by me in machine shorthand and thereafter was reduced to print by means of computer-aided transcription; and that the foregoing represents, to the best of my ability, a true and accurate transcript of the electronically-recorded proceedings provided to me in the foregoing matter.

I further certify that I am not an employee nor an attorney for any of the parties hereto, nor in any way concerned with the cause.

DATED this 11th day of April, 2014.

  
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Tonya McDade  
Registered Professional Reporter  
Certified Realtime Reporter  
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Hawaii Certified Shorthand Reporter #447